

**INFLUENCE OF FUNDING ON THE SUSTAINABILITY OF LOCAL
NON-GOVERNMENTAL ORGANIZATIONS' PROGRAMS IN
BARINGO COUNTY, KENYA**

**BY
TOMNO K. PHILIP**

**A Research Project Submitted In Partial Fulfilment of the Requirement for
Award of the Degree of Masters of Arts in Project Planning and
Management, University Of Nairobi**

2013

DECLARATION

This research project is my original work and has not been presented for any academic award in any institution.

Signed: **Date:**

Tomno Philip K.

L50/76653/2012

This research project report has been submitted for examination to the School of Continuing and Distance Education, University of Nairobi, with my approval as university supervisor.

Signed: **Date:**

Mr. Koring'ura Julius

Resident Lecturer

Department of Extra Mural Studies

University of Nairobi

DEDICATION

This research is dedicated to my wife Winnie, sons: Kiplimo and Kiptoo for their inspiration during the entire period of my studies. Also dedicated are all those who are in pursuit of development of the communities in the arid and semi-arid areas of Kenya.

ACKNOWLEDGEMENT

Special thanks to all the University of Nairobi staff of Extra Mural Department and School of Continuing and Distance Education for giving me the opportunity to pursue Masters of Arts degree in Project Planning and Management.

I sincerely thank my supervisors Mr. Julius Koring'ura, Mr. Ochieng and Mr. Liguyani for being there for me whenever I requested for clarifications and for their wise counsel. I am also indebted to Mr. Walter Shivo for his tireless support and encouragement towards my studies.

I cannot forget to thank my classmates Ken Nadeiwa, Purity Karimi and Chebii for the unity and assistance during my studies. Many thanks go to my colleagues and friends Hon. Harold Kipchumba, Symon Ngetich, Amos Chemuna for their tireless encouragement, prayers and support.

Finally, special gratitude goes to parents Richard Kurui and Joan Kurui for their faith and prayers during the course of my studies.

ABSTRACT

Local Non-governmental Organisations (NGOs) play a vital role in the socio-economic development of Kenya. They complement government's efforts in providing sustainable development especially in the socio-economic sector. Despite this important role local NGOs play in the development process they are faced with a number of challenges which raises concern about their sustainability. This study sought to analyse the influence of funding on the sustainability of local non-governmental organizations in Baringo County in Kenya. The objectives of the study were to establish the sources of funding and its influence on sustainability of local NGOs in Baringo County, to find out reasons limiting local NGOs access to funding, examine the influence of availability of funding on retention of qualified employee and volunteers by local NGOs and finally analyse the influence of governance of local NGOs on their potential to access funding opportunities. The study targeted local NGOs that are actively engaged in development projects in Baringo County, NGO managers and volunteers being the main respondents. Purposive sampling technique was used to identify local non-governmental organizations to participate in the study. A sample size of 130 respondents was selected using sample size formula. Descriptive survey design was used as the research methodology for this study. A valid and reliable structured questionnaire was used as the principal research instrument. The data was analysed using descriptive statistics; frequencies, percentages, means and standard deviations. The results of the analysis were presented using tables, pie charts and bar graphs. The study sought to analyse sources of funding and their influence on sustainability of local NGOs. Findings of the study showed that majority organizations in the area of study receive funding in form of grants and donations from external donors making up most of the funding for local NGOs. These poses threat to their flexibility and independence in terms of programming. Study results also attest to the fact that many local NGOs grapple with governance challenges that not only limit their chances of accessing multiple sources of funding but also weakens sustainability of their development interventions.

TABLE OF CONTENTS

TITLE PAGE	i
DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
ABSTRACT	v
TABLE OF CONTENTS	vi
LIST OF TABLES	ix
LIST OF FIGURES	x
LIST OF ABBREVIATIONS	xi
CHAPTER ONE	1
INTRODUCTION	1
1.0 Background of the Study.....	1
1.2 Problem Statement	3
1.3 Purpose of the study	3
1.4 Objectives of the Study	4
1.5 Research Questions	4
1.6 Significance of the Study	4
1.7 Delimitations of the Study	5
1.8 Limitations of the Research Study	5
1.9 Operational definition of significant terms	5
1.10 Organisation of the Study.....	6
CHAPTER TWO	7
2.0 LITERATURE REVIEW	7
2.1 Literature on Sources of Funding for Local NGOs.....	7
2.2 Literature on Sources of Funding and their Influence on sustainability of Local NGOs' Programs	9
2.3 Literature on Availability of Funding and Retention of Qualified Employees.....	10
2.4 Literature on the influence of Funding on governance of Local NGOs	12
2.5 Theoretical Framework	15
2.6 Conceptual framework	16
2.7 Summary of Literature Review	16

CHAPTER THREE	18
RESEARCH METHODOLOGY	18
3.1 Introduction	18
3.2 Research Design.....	18
3.3 Location of the Study	18
3.4 Study Population	18
3.5 Sampling Procedure and Sample Size	19
3.6 Data Collection Instruments.....	19
3.7 Validity of Research Instruments.....	20
3.8 Reliability of the Research Instruments	20
3.9 Data Analysis and Presentation.....	20
CHAPTER FOUR.....	21
DATA PRESENTATION, ANALYSIS AND INTERPRETATION.....	21
4.0 Introduction	21
4.1 Background Information of the Respondents	21
4.1.1 Profile of the Respondents	21
4.2 Sources of Funding and Influence on Sustainability of Local NGOs Programs....	24
4.2.3 Nature of Funding Available to Local NGOs	25
4.3: Factors Limiting Local NGOs Access to Multiple Sources of Funding	26
4.3.2 External versus internal sources of funding	27
4.4 Availability of funding and retention of qualified employees	27
4.4.2 Factors influencing of shortage of skilled personnel on fundraising	28
4.4.3 The effect of funding on employee turnover rate in organizations	29
4.4 Reasons for Employee Turnover.....	30
4.4.5 Impact of employee turnover to local NGOs	30
4.5 Influence of funding on governance of local NGOs	31
4.5.1 Registration status of local NGOs.....	31
4.5.2 Decision making structures in organization.....	32
4.5.3 Composition of boards/ committees by local NGOs	32
4.5.4 Tenure of board/ committee members of local NGOs	33
4.5.5 Board or committee participation in fundraising and resource mobilization activities	34

CHAPTER FIVE.....	36
SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS	36
5.0 Introduction	36
5.1 Summary of the Study.....	36
5.1.1 Sources of Funding and Influence on Sustainability of Local NGOs Programs.	36
5.1.3 Reasons limiting Local NGOs Access to Multiple Sources of Funding	37
5.1.4 Influence of Availability of Funding on of Retention of Qualified Employees .	38
5.1.5 Influence of Funding on Governance of Local NGOs	40
5.2 Conclusion	42
5.3 Recommendations	43
5.4 Recommendations for Further Study	43
REFERENCES	44
APPENDICES	48
APPENDIX I: LETTER OF TRANSMITTAL.....	48
APPENDIX II: QUESTIONNAIRE.....	49

LIST OF TABLES

Table 4.1 Characteristics of the respondents.....	21
Table 4.2 Age of the respondents.....	22
Table 4.3 Highest level of education.....	23
Table 4.4 Position held by the respondents in their organizations.....	23
Table 4.2 Other Sources of Funding	25
Table 4.3 Nature of funding received by local NGOs	26
Table 4.4 Factors limiting local NGOs access to funding	26
Table 4.5 Factors hindering external versus internal funding.....	27
Table 4.7 The effect of funding sources on employee turnover rate in organizations.	29
Table 4.8 Reasons for employee turnover.....	30
Table 4.9 Result of employee turnover	30
Table 4.10 Top- decision making structure of local NGOs	32
Table 4.10 Tenure of board/committee members of local NGOs	34
Table 4.11 Reasons for inadequate participation of board/ committee of local NGOs in resource mobilization and fundraising activities.....	35

LIST OF FIGURES

Figure 2.1 A diagrammatic representation of the study's conception framework.....	16
Figure 4.1 Source of funding	24
Figure 4.3 Registration status of local NGOs	31
Figure 4.4 Method of constituting boards and committees by local NGOs.....	33
Figure 4.5 level of participation of board/ committee members in fundraising and resource mobilization activities.....	34

LIST OF ABBREVIATIONS

CBOs	-	Community-Based Organisations
EU	-	European Union
FBOs	-	Faith-Based Organisations
NGOs	-	Non Governmental Organisations
RDT	-	Resource Dependency Theory
SE	-	Social Enterprise
UNDP	-	United Nations Development Programme
USAID	-	United States Agency for International Development

CHAPTER ONE

INTRODUCTION

1.0 Background of the Study

During the last twenty-five years, NGOs in general, and more recently African NGOs in particular, have increased dramatically in number and in influence in Africa (Igoe and Kelsall, Michael 2004). Although the 1980s were described as the ‘NGO decade’, they developed quickly. In Tanzania the growth is even more dramatic. In 1990 there were 41 registered NGOs. By 2000 the figure was more than 10,000 (Reuben, 2002). In Kenya, the NGO sector experienced its biggest growth between 1993 and 2005, from 250 registered NGOs in 1993 to 2,232 in 2005 (Vanessa, 2008). The growth of the NGO sector therefore increased rapidly to respond to the social, political, environmental and economic needs of the vulnerable and the disadvantaged nations in the developing world.

According to Helen Cunt and Sujata (2005) the term “Local Non-Governmental Organisation (NGO)” refers to local indigenous organisations that include national NGOs, Faith-Based Organisations (FBOs), and Community-Based Organisations (CBOs) whose activities fall within the functional categories of advocacy and service delivery. Such organizations are owned and run by nationals. They are formed on their own initiative, rather than donors in response to the plethora of development problems confronting their country (Turary 2002). Those NGOs are driven by the desire to identify certain felt needs or experiences and find local solutions to the development problems. Turary (2002) further argues that local NGOs are organisations that are non-profit making, not affiliated to political parties, and generally engaged in working for aid development and welfare of the community.

The ‘government failure’ situation during the 1970s demanded a new debate on governance, stating the collaborative role of various actors such as public-sector organizations, private organizations, and the civil society organizations (Warren and Weschler, 1999). As a result, there has been a faster rise of civil society organizations and an increased partnership between public, non-profit and the profit-oriented organizations. This has led to an emergence of a new order in global governance which has changed the institutional landscape, more or less, everywhere in the world. Organizations have developed at the cutting edge of the market, the

state, and the civil society, their role has become an area of interest among various stakeholders. They are also being considered as an important institutional actor for mobilizing community assets, motivating people, and implementing social welfare programs effectively (Shah *et al.*, 2006).

Local Non-governmental Organizations (NGOs) play a vital role in the socio-economic development of Kenya. They complement government's efforts in providing sustainable development by filling development gaps where government is short. Despite these important roles local NGOs play in the development process they are faced with a number of challenges which raises concern about their sustainability, (Shah *et al.*, 2006). Non-governmental organization continue to play an important role in any developed and developing society because they help citizens participate and influence the decision making process as well as the management of public affairs. Through local organizations, citizens can make an impact on the decision making processes at both central and local government levels (Lekorwe, 2007).

Civil society organizations including non-governmental organizations (NGOs) are an increasing trend over the last 15 years in Kenya. Given this situation, it can be hoped that these organizations could play a complimentary role in the promotion of good governance. A favourable policy pursued by the government of Kenya has increasingly been linked to simplification of the legal instruments for making NGOs responsible and committed to the canons of good governance. However, local NGOs involved in the development process have had insurmountable challenges in accessing sustainable funding to sustain their operations. In this context, this study assesses the influence of funding on the management and sustainability of local NGOs. This study critically reviews the available civil society governance literature, and the challenges for governing civil society organizations, such as NGOs, for more effectiveness.

For the purpose of this study local NGOs are organisations founded and run by Kenyan nationals and are operating within Baringo County. Local in this context implies that they carry their operations in the county. They include National NGOs (operating on a national scale or in more than one district), Community Based Organizations (CBOs) operating in one or more districts and Faith Based Organizations (FBOs) that were founded on religion and are attached to the founding religious body.

1.2 Problem Statement

The enormous developmental functions undertaken by local NGOs demand an availability of funds and effective and efficient mobilization of financial resources. With the recognition of the vital role played by local NGOs at grassroots level in the task of providing basic social services including health, education, water and building organizational structures for development proposals as an instrument to meet community needs, local NGOs require more stable and secure funding. However, local NGOs in development sphere continue to lack a stable financial base. As a result many run out of funds after few years of establishment with drastic implication for those closely involved with or employed by such organization.

The challenge facing local NGOs in Kenya and most developing countries is for them to emerge as valuable force to effect development so as to improve the living conditions of the people in the communities. The search for funding is therefore necessary for the survival and the development of local NGOs. This is because local NGOs require a substantial amount of funds and other resources to successfully carry out their programs and activities.

Availability of funds to NGOs is without doubt one of the factors that determined and led to the growth of the sector. However, most local NGOs fail worldwide, even after promising initial periods, owing to problems with financing. The impact of global financial and economic crisis on developing countries was a clear signal of the danger associated with their dependence on foreign resources. The impact of financial dependence on foreign donor funding is that once donors pull their financial support, local NGOs wind up while projects developed during their period of operation eventually collapse.

1.3 Purpose of the study

The study sought to establish the influence of funding on the sustainability of programs and activities of local non-governmental organizations in Baringo County, Kenya.

1.4 Objectives of the Study

1. To investigate the sources of funding and its influence on sustainability of local NGOs' programs and activities in Baringo County.
2. To find out reasons limiting local NGOs access to multiple sources of funding
3. To examine the influence of availability of funding on retention of qualified employee and volunteers by local NGOs.
4. To analyse the influence of funding on the service delivery by local NGOs.

1.5 Research Questions

1. Does the source of funding influence sustainability of local NGOs programs and activities in Baringo County?
2. What are the reasons limiting local NGOs access to multiple sources of funding?
3. Does availability of funds influence retention of qualified employee and volunteers by local NGOs?
4. What is the influence of funding on governance of local NGOs?

1.6 Significance of the Study

The study will help identify the reasons for the collapse of many local NGOs in the region and come out with appropriate recommendations for alternative solutions facing local NGOs in Kenya. Findings and recommendations that will emerge from the study will serve as a spring board to generate interest for further research into the other challenges facing local NGO in Kenya. This stems from the fact that development challenge is a multifaceted phenomenon and no one research is capable of addressing it in full. From academic viewpoint, the research work will be of great benefit to various levels of educational institutions within and outside the country, especially the universities as reference material for further studies and research work on NGOs operations and sustainability. Lastly, the study will contribute to the existing literature on challenges facing local NGOs and to the body of academic knowledge. The findings of the study shall therefore be put at the disposal of students and other researchers in development work for reference purposes, hence it will add to the body of knowledge.

1.7 Delimitations of the Study

The study investigated the influence of funding on the sustainability of local NGOs in Baringo County Kenya. The respondents for the study involved workers from several NGOS within the county. The study explored on the sources of funds and its influence on their management and governance of local NGOs, nature and availability of funding and its influence on retention of qualified employees. Therefore other aspects and operations of NGOs were not looked at. The study relied on questionnaires as instrument for data collection.

1.8 Limitations of the Research Study

The researcher anticipated grappling with financial constraints as a result of traversing the entire Baringo County in search of relevant information from the respondents. Moreover, some respondents refrain from rendering vital information in fear of prejudice and victimization. The researcher overcame this by assuring them that the information is purely for academic purposes.

1.9 Operational definition of significant terms

Funding:

These are transfers in form of money, equipment or facilities to local NGOs towards for the sole purpose of furthering organizational goals and objectives.

Local Non-Governmental Organisation (NGO)

Refers to local indigenous organisations that include national NGOs, Faith-Based Organisations (FBOs), and Community-Based Organisations (CBOs) whose activities fall within the functional categories of advocacy and service delivery. Such organizations are owned and run by Kenyan nationals.

Organizational governance structure

This refers to procedures, processes, rules and regulations that guide decision making in local NGOs.

Sustainability:

This is the ability of local NGOs built own internal mechanisms and strategies that enable programs run beyond the period of funding.

1.10 Organisation of the Study

This chapter has introduced the background information to the problem, statement of the problem, objectives of the study, research questions, significance of the study, delimitation of the study, limitations and operational definition of significant terms on the investigation of funding sources and stability of local NGOs in Baringo County Kenya. Chapter two presents the review of literature on various written by other scholars, chapter three presents the research methodology used, chapter four presents the analysis of research findings and chapter five provides conclusions and recommendations for the study.

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Literature on Sources of Funding for Local NGOs

To appreciate the challenges of financial sustainability it is necessary to understand the potential sources of revenue for the NGO sector (More 2005). While there is, of course, tremendous variation in the sources of NGO revenue among countries and NGOs within any sector, there are at the same time identifiable trends of NGO financing. In their study of East African local NGOs, Semboja and Therkildsen (2005 cited in Barr *et al.*, 2005) for example, found that much local NGO funding comes from international donors. Hulme and Edwards (2001 cited in Barr *et al.*, 2005) also emphasize the role of international donors in local NGO funding.

Lee (2001) also revealed that there are three sectors from which NGOs can derive their resources. These are the private sector, the general public and government/public sector. Resources from each of these sectors can originate from both external sources (i.e. international) and local (i.e. domestic or municipal public and private donors). More (2005) in a similar vein indicates that NGO revenue falls within three broad categories. They include government funding, private giving and self-generated income.

Salamon and Anheier (1996 cited in Barr *et al.*, 2005) find that NGO funding comes from three main sources. These are the private sector, public sector and self-generating income. The authors found that 10 percent of the Local NGOs funding come from private charitable giving; 43 percent come from government support and public sector payments, including grants and contracts; and 47 percent come from private fees and payments, often originating in the sale of services or products. According to the authors, reliance on private fees moves the organizations away from their charitable roots and puts them in direct competition with private businesses. In 2003, the John Hopkins University Comparative Nonprofit Sector Proposal (cited in More 2005, p. 2) published a comparative analysis on global civil society based on research in 35 countries, on the sources of NGO's income. It revealed that: Self-generated income was the dominant source of revenue for NGOs accounting for 43 percent of local NGOs total income; Private giving – that is, individual, corporate and foundation-based accounting for 30 percent; and

Government or public sector support also ranks as a significant source of NGO income constituting 27 percent.

In some countries, the local governments are a major source of funding as they have different community welfare and development schemes which NGOs can apply and raise resources and implement proposals. The public sector provides various types of subsidies to non-governmental organizations (NGOs). Government funding includes a broad range of direct and indirect support. The UNDP (1993 cited in Lotsmart 2007) noted that one-third of NGOs funding come from governments through varied degrees such as subsidies, government grants, and contracting. Exemptions from taxation can be considered a government subsidy. During the last term of Clinton (United States President, 1993 -2000) administration for example, the White House support to NGOs increased from 13 percent to 50 percent through USAID assistance. In addition, most embassies of developed countries residing in the developing countries fund local NGOs (Lotsmart, 2007).

Barr *et al.*, (2005) in their study of local NGOs in Uganda identified that the NGO sector grants received from international NGOs accounted for nearly half of the total funding in 2001 in Uganda. Grants from bilateral donors are the next most important source with grants from the local government being the third. The average NGO is less likely to receive funding from these three sources and more likely to depend on non grant income. Furthermore the authors discovered that the local NGOs derived very little revenue from members and non-members, with only 2.5 percent of all funding coming from these sources.

On self-generated income the authors identified that only one-third of NGOs own a business, the profit of which is used to finance NGO activities. Again Barr *et al* (2005) observed a high concentration, with a small number of NGOs accounting for most of these businesses. The types of business run by Ugandan NGOs according to the authors are extremely varied, with farming, restaurants and retail outlets being most common. Business income, fees paid by beneficiaries, and other income are more important sources of revenue for small NGOs than for large ones.

Liang (2003) cited in Andreas, (2005) reveals that strong dependency on external funding can be a serious problem for the long-term development of local NGOs. The author further maintains that international donors operate according to their own goals and proposal management styles, and local NGOs have to conform to their requirements in order to receive financial support. As NGOs have to respond

to the changing needs of their local membership, the creative development of local NGOs could be constrained by the standardized assessment methods of foreign governments and international foundations.

Similarly, in the view of Fernand (1994 cited in Fernand, 2006) an NGO which receives more than 30 percent of its funding through an external agency, is not free in its actions and above this percentage, the NGO could find itself in a very difficult situation in case of separation between the NGO and the donor due to strategic factors. Turary (2002) stated that in a situation where a greater proportion of an organisation funding comes from external sources it will have an effect on the long run in the case of withdrawal of external funding. This means that any organisation that depends solely on external funding will not be in a position to finance some of its initiated and laudable proposals. The much reliance on external funding therefore makes it difficult for local NGOs to accomplish their stated objectives.

Fernand (2006) further argues that, external financing tends to impose some degree of constraint on local NGOs. The biggest challenge for the local NGOs therefore seems to be to take into consideration the demands of its donors, because losing the financial aid would have severe consequences not only for the activities, but also for remunerated personnel. NGO 'self-control' appears more frequently than one would think and it is for this reason that it is something to be carefully watched. Contractual arrangements often contain negative restrictions or conditions for them. Constraints like these often have an effect on the successful development of proposals and sometimes on the structures of local NGOs resulting in delays in payment of wages, lack of funding for proposals and priorities of the local NGOs coming after the donor's priorities.

2.2 Literature on Sources of Funding and their Influence on sustainability of Local NGOs' Programs

Issa (2005) reveals that NGOs in Africa flourished in 1980s and 1990s as a result of structural adjustment programme initiated by international financial institutions and development agencies such as the World Bank and International Monetary Fund. NGOs grew at this period to take over the work of the retrenching state that had been persuaded to disengage from the provision of social services to its population. Issa (2005) further argues that the bilateral and multilateral institutions

set aside significant funds aimed at mitigating social dimensions of adjustment. This was a period in which the involvement of international NGOs in Africa grew dramatically.

Most local NGOs started with the provision of basic social services like water and sanitation facilities where the beneficiaries and government bodies are eagerly waiting to see. Government and communities expect NGOs to get involved in the provision of basic social services and filling development gaps. However, donors (international NGOs, multilateral and bilateral agencies) only want to support local NGOs who are involved in development work that are in line with right based approach (Sisay, 2004). Most local NGOs depend on external resources to run their development activities. The change from Need-Based to Right-Based Approach of development has forced them to cut down on certain cost as it meant discontinuing their activities, laying off certain staff and selling their property (Sisay 2004). To be able to overcome these challenges NGOs have to devise better strategies to operate and raise funds to stay afloat since they have compelling missions that must be accomplished.

As the role of NGOs in social development expands, the challenge of good governance becomes imperative. Performing a good deed in isolation is no longer sufficient. This must come with good governance. UNDP (2009) defines governance as “the exercise of political, economic, and administrative authority to manage a country’s affairs at all levels”. The governance of non-profit organizations refers to the exercise of governing functions by responsible persons within the organization. Here responsible persons refer to the key players such as the boards of directors and executive staff or the basic roles that boards of voluntary organizations perform. In non-profit literature, “governance” takes an organizational perspective and is commonly associated with the board structure.

2.3 Literature on Availability of Funding and Retention of Qualified Employees

Most local NGOs depend on voluntary staff to run their activities and programmes and generally do not have control over the quality of labour they obtain. Their staffing levels are determined by those who volunteer their services. Some of the personnel used to run the affairs of local NGOs are not well trained to effectively carry out their duties. According to Lekorwe (1999) cited in Lekorwe (2007), lack of well trained and experienced human resources limits the extent to which local NGOs

are able to manage their daily affairs and their capacity to effectively plan, appraise, implement, and monitor their proposals and programmes. Lekorwe maintains that most knowledgeable and experienced volunteers do not normally provide adequate support for NGOs' activities partly because of the limited time they have to render their services.

Ibrahim and Muhtesem (2006) reveal that not all people working for local NGOs are volunteers. There are paid staffs who typically receive lower pay than in the commercial private sector. As a result staff turn-over is high in local NGOs. They further maintain that the poor quality of training or lack of importance attached to training local NGO workers contribute to the organizations' inability to raise funds. Similarly, Lotsmart (2007) asserts that lack of human resource capacity to raise local funds is similar to the absence of institutional mechanism for local fund raising. Lotsmart further argues that local fund raising requires people having the skills and willingness to do it as well as having a good public reputation.

This however means that expertise are needed to plan when, where, and how to seek for funds, especially in an environment where the population is poor and may be suspicious of the motives or abilities of fund raisers. Scarce funding greatly complicates the ability of local NGOs to attract high-quality employees.

Understanding volunteerism and what motivates volunteers is an important aspect to this thesis. Lotsmart (2007) wrote an article calling volunteers "the backbone of civil society" (Haski-Leventhal and Bargal, 2008) which might speak to the fact that the state no longer supports social service so volunteers must step up and be that supported to distribute these services no longer provided. Volunteers majorly want pay for their sustainability which majority of organisations do not deliver. Their position is somewhat minimal, especially when volunteers first start their work. This is because they do not yet understand what their role is within the organization, even when they come with skills, how those skills will be utilized is unknown by someone who has never volunteered with the organization before.

For this reason training programs are important so that volunteers fully understand their role and place. If volunteers do not understand their role, it could leave volunteers with a feeling of dissatisfaction, especially in a community such as where the volunteers by and large were not trained for their volunteer positions, and specific volunteer positions were often not made explicit. When people would arrive at the different events they often did not know what to expect or what to do. This

made volunteers less likely to engage with the program and uninterested to volunteer in the future. While this gave people more knowledge on how to lead community proposals there was still a lack of motivation within the group to create their own community-led proposal and see it through to completion.

The grant was written to impact community members on an individual basis. One way to make a positive impact is by increasing “human capital” (that is, skills and abilities, education and knowledge). This can be seen in recruitment techniques since the literature suggests that volunteers are four times more likely to volunteer when someone asks them (Bussell and Forbes, 2002). This statistic indicated that recruitment of volunteers, if expectations are properly set, could be a positive way to increase volunteerism. The benefits of improving human capital include learning skills that would improve volunteer’s chances in the job market and lead to employment.

2.4 Literature on the influence of Funding on governance of Local NGOs

Most NGOs in Africa lack clearly defined structures in terms of organizational charts, buildings, facilities, equipment and human resources. In the view of Lotsmart (2007) for local NGOs to receive local sources of funding there is the need for structures to be put in place to generate local funds. As noted by Molomo and Somolekae (1999), the key weakness of NGOs in Africa is the inappropriate organizational structures which impact the manner in which NGOs carry out their core business.

Lotsmart (2007) maintains that majority of local NGOs lack such structures and operating mechanism. This makes it difficult for any local NGO to systematically generate funds locally. The major contributory factor to this is the constraint that limited financial resources places on the ability of NGOs to plan, organize and design clearly defined structures as well as equip their offices with adequate equipment and facilities. Agencies that encourage board involvement in planning appear to be less vulnerable to quick downturns and are more likely to deliver services over a greater period of time (Hodge and Piccolo, 2005). The challenge in successfully establishing an effective board is encouraging consistent participation and commitment: “Engaging an organization’s board of directors in a way that encourages member participation in strategic planning, committee involvement, and resource development will likely reduce the organization’s

vulnerability” (Hodge and Piccolo, 2005). In addition to performing monitoring and control functions, the board brings added value to a non-profit organization by bringing access to resources, such as connections to additional funders (Brown, 2005).

Research has found that the frequency of board meetings is not associated with any measure of board performance; rather, perceived organizational performance as well as increased board member occupational diversity is positively associated with greater social performance, fundraising, and overall board performance (Brown, 2005). These findings suggest that the quality of board interactions and the commitment from board members are more important than frequency of involvement for overall performance.

Similarly, the sustainability of NGOs is also equally linked to good governance which is influenced by various factors such as management capacity, commitment, and the financial technical, environmental, and the political, including socio-cultural factors (Hossain, 2008). In addition, NGOs should also develop their own self-rule to work effectively. Being people’s organization and based on voluntary action, they garner trust which is important for making them accountable. For this, the governing legal instruments created by the state and/or the self-governing regulations can be useful tools for enhancing NGO governance. The effectiveness of NGO governance should be sought on the basis of how such governing rules are followed by these entities. In addition, how the NGOs are able to play their established roles, how much they manage trust of the people effectively are other factors for effective NGO governance, UNDP (2009).

Another common problem was to do with the governance of the organizations and the relations between board members and staff. These stemmed largely from the boards’ inability or unwillingness to carry out their responsibilities of governing the organizations. Board members often lacked the time or the expertise to be able to carry out these responsibilities effectively. As a result, senior staffs were often left to make policy decisions with little or no support from board members (Mukasa, 2006). Governance and decision making; the governance picture of many NGOs is quite complex. Most nonprofits are governed by self-perpetuating, largely self-appointing boards of directors. “Though trustees are not elected by society at large, their essential purpose is to hold an organization in trust for the benefit of society, as specified in its papers of incorporation and grants of tax

exemption. NGOs can have members but many do not. NGOs may also be a trust or association of members. The organization may be controlled by its members who elect the Board of Directors or Board of Trustees. NGOs may have a delegate structure to allow for the representation of groups or corporations as members. Alternately, it may be a non-membership organization and the board of directors may elect its own successors. In addition the composition of local NGO board is not formal. The members are drawn from family or church. It is therefore possible to find the father, mother, brother, sister, auntie or church pastors constituting the Board Members. With such a board, it is obvious that decision making rest with the executive director. Such an NGO may well be situated in the executive director's home and with a cousin or brother as an administrative assistant. Due to this, local NGOs suffer from a lack of management skills, technical information and clear goals, as well as from weak organizational structures. More (2005) supporting this assertion says that NGOs in developing countries often lack institutional capacities and resources and often manage donor funds poorly. Ramanathan (2000) (cited in Turary, 2002) argues that local NGOs are constrained by their limited managerial and technical capacity.

The structural growth problem; once they are successful, small businesses world-wide commonly face the problems of replacing one-person management (or family management) with a more institutionalized structure. The founder is used to having total control and doing things his or her way. It is difficult to persuade her/him to create independent management or expert roles, or to respect the authority and autonomy of independent managers and experts once they are in place. Their styles, ethos, and values are often severely challenged by the formality and the bureaucratic discipline that is imposed by this volume and variety of external funding from public organizations. The accountability problem; this has both a 'real' and a 'perceived' dimension.

However, the governance of NGOs also appears as a challenge. Accountability of such organizations is crucial for effective governance, which increases organizational efficiency. In the absence of accountability, organizations could lead to "organized anarchy or ad-hocracy" (Backer, 2004). The issue of governance is key to the functioning of NGOs. It implies that the effective management of an NGO's resources is done in a manner which is transparent, accountable, equitable and responsive to the needs of the people. Since NGOs aim at

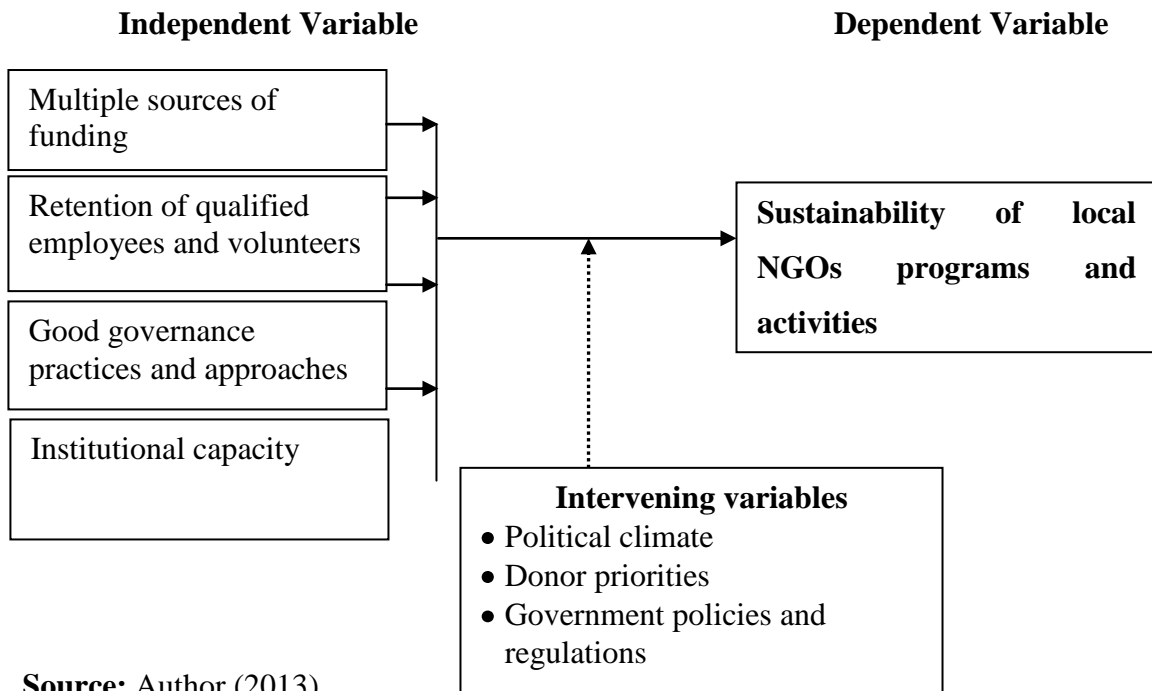
becoming sustainable, governance is critical to their existence. Lack of transparency and accountability are some of the factors impeding the effective management of local NGOs in Africa. According to Botswana Guardian (2006), some local NGOs dealing with the HIV/AIDS epidemic in Botswana have been accused of maladministration, financial mismanagement, and the misuse of donor and public funds which were channelled through them.

2.5 Theoretical Framework

The study theoretical framework was based on resource dependency theory advanced by Pfeffer and Salancik (1978). Resource dependence theory (RDT) maintains that organizations are resource-insufficient; they strive to acquire and sustain resources from their external environment. Pfeffer and Salancik argue that resources are controlled by external actors who exert demands on the organization. These actors perceive certain advantages in their relationship with the organization and exercise power through control over resources. The heavier the dependence on external resources, the more the demands of particular actors controlling these resources are influential. The challenge is for the organization to proactively and effectively manage incompatible and competing demands.

In relation to the current study on the funding constraints for NGOs, rely more on external funders, face instability in the flow of funding, and deal with volatile demands. Accordingly, organizational behavior is a reflection of the NGO's management of its dependence on an external resource and the ensuing demands of a donor controlling the resources. The magnitude of resource dependence often determines the behavior of an NGO. Therefore we expect that NGO characterized with high resource dependency to comply with donor interests while those who fail to match the demand of donors face funding constraints.

2.6 Conceptual framework



Source: Author (2013).

Figure 2.1 A diagrammatic representation of the study's conception framework

The figure illustrates the independent variables for the research which are centred on; good governance practises and approaches, multiple sources of funding, suitable funding strategies and retention of qualified employees, and institutional capacity of local NGOs as related to sustainability of programs and activities of these organizations in their pursuit of contributing to community development. Other factors that lay intermittent role in enhancing sustainability of local NGOs include the prevailing political climate, legislation, policies and regulations enacted by government to guide the sector as well as priorities set by potential donors and funding agencies.

2.7 Summary of Literature Review

The literature has outlined the roles local NGOs play in society especially as providers of services, catalyst of social capital and advocates for vulnerable groups. They therefore complement and supplement government efforts in providing development programmes and proposal to the disadvantage communities. Despite the important roles NGOs play in the development process they are beset with some challenges. The most commonly identified weaknesses of the sector include; limited

financial and management expertise, limited institutional capacity and low levels of self sustainability.

The literature reveals the various sources of NGOs funding and stated that NGOs raise much of the income from external sources. The literature was limited on the reasons for the absence of inadequacy of local funding for local NGOs. The study will therefore examine the reasons for the absence of local funding of local NGOs. Again, the literature provided the methods local NGOs use to raise funds. However, the literature was not able to determine which of the methods will help local NGOs to generate sustainable funds and to make informed choices. The study will therefore collect data on the methods and analysis them for local NGOs to make informed choices. This will help local NGOs to have a long term financial sustainability.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter deals with the descriptions of methods that were used to carry out the study. The subsections includes research design, study location, target population, sampling procedures and sample size, research instrumentation and their validity and reliability, methods of data collection and data analysis.

3.2 Research Design

Descriptive survey design was used for analyzing funding sources influencing sustainability of local non-governmental organizations in Baringo County. This survey study assessed the stated variables and their influence on local NGOs sustainability. Kombo and Tromp, (2006) argues that a survey design is appropriate for collecting, classifying, analysing, comparing and interpreting data. Both quantitative (numbers) and qualitative (words) research methods can be used to complement each other (Mahotra 1993; Morgan 1988; Perry 1988). The interaction between the variables of this study was investigated through a descriptive survey. Descriptive survey research design is most appropriate when the purpose of study is to create a detailed description of an issue (Mugenda and Mugenda, 1999).

3.3 Location of the Study

This study was carried out in Baringo County. This study targeted local NGOs NGOs managers and volunteers were the respondents.

3.4 Study Population

The total target populations were 197 respondents representing NGOs that have been in existence for a period of not less than one year and operate in Baringo County. The respondents targeted comprised the management team (Managers, project coordinators, project officers and volunteers) in local non-governmental organizations and their responses will be deemed to be representative of their organizations.

3.5 Sampling Procedure and Sample Size

The researcher employed purposive sampling method in identifying the local non-governmental organizations to participate in the study. In doing this, the researcher selected organizations based on their area of operation, period of existence and their contribution to community development. Consequently, a total of 197 organizations were selected to participate in the study. The researcher adopted the Mugenda and Mugenda (2003) formula that applies in research when the target population is less than 10,000 respondents. The sample size was calculated based on the target population of 197. The formula that was used is as follows;

$$n_f = \frac{n}{1 + \left(\frac{n}{N}\right)}$$

n_f =Desired sample size (when the population is less than 10,000)

n =Desired sample size (when the population is more than 10,000) = 384

N = estimate of the population

$$\text{sample size} = \frac{384}{1 + \left(\frac{384}{197}\right)}$$

= 130 respondents

3.6 Data Collection Instruments

Questionnaires were used as the main data collecting tools and used structured and unstructured questionnaires. The selection of these tools was guided by the nature of data that was collected, time available and objectives of the study. The questionnaires were designed and delivered to all respondents in the institution since the questionnaires were self administered thus reduce the cost, saved time and avoided prejudice. The questionnaire was divided into two parts. The first part were on background information of the respondents and the second part was on issues relating to sources of funds, factors limiting access to funding, governance structures and influence of funding on retention of qualified employees in local non-governmental organizations in Baringo County.

The types of questions that asked were both closed and open ended. The advantages of this type of questions are the simplicity in the giving answers. Respondents with busy schedules preferred this kind of questionnaire much of their time. The other advantage of closed questions was that the answers given were

relevant. In open ended questions space was provided for respondents to give relevant answers. This gives respondents freedom to decide on how to express their feelings and also makes the respondent to think before answering. The questionnaire is considered to be effective in the study because; it is uneconomical way of collecting data compared to other collection tools, respondent rate is expected to be high less data compared to other collection tools, the presence of the researcher at the time of data collection is not necessary as the questionnaire is self administering and finally it can easily be used to collect data.

3.7 Validity of Research Instruments

According to Paton (2000), validity is the quality attributed to proposition or measures to the degree to which they conform to established knowledge or truth. An attitude scale is considered valid, for example, to the degree to which its results conform to other measures of possession of the attitude. Validity therefore refers to the extent to which an instrument can measure what it ought to measure. It refers to the extent to which an instrument asks the right questions in terms of accuracy. The researcher discussed the items in the instrument with the supervisors, lecturers from the department and colleagues. These people were expected to indicate by tick or cross for every item in the questionnaire if it measure what it is supposed to measure or not.

3.8 Reliability of the Research Instruments

According to Mugenda and Mugenda (1999), the reliability of an instrument is the measure of the degree to which a research instrument yields consistent results or data after repeated trials. In order to test the reliability of the instrument to be used in the study, the test- retest method was used. The questionnaire was administered twice within an interval of two weeks.

3.9 Data Analysis and Presentation

After the field work, the questionnaires were checked for completeness to ensure that every questionnaire was filled. Data capture was done using Ms Excel software. The researcher used computer packages to analyze the data and the data was presented in form of bar graphs, pie charts and tables.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.0 Introduction

This chapter carries out presentation, analysis interpretation and discussions of the findings. This chapter entails two parts. The first part covers the personal information of the respondents while the second encompasses information on the challenges that non-governmental organizations face as an instrument of community development. As the role of NGOs in social development expands, the challenge of good governance becomes imperative. However, the governance of NGOs also appears as a challenge. Accountability of such organizations is crucial for effective governance, which increases organizational efficiency. The crucial role of NGOs in the rural development is the reason why this study investigated funding challenges facing local NGOs and its influence on their sustainability.

4.1 Background Information of the Respondents

The study first sought to investigate the personal data of the respondents participating in the study. This was sought because it would help to find out if the sample was really representative of the population. The study would use such findings to gauge the reliability of the data achieved.

4.1.1 Profile of the Respondents

The respondents were asked to indicate their gender by the study. They indicate whether they were male or female and the research findings were presented on the Table 4.1.

Table 4.1 Characteristics of the respondents

Variable	Frequency	%
Gender of respondents		
Female	43	33.07
Male	87	66.93
Total	130	100

Source: Author (2013).

As indicated in the Table 4.1 above, the study found out that the respondents were male and female respondents. It was found out that the respondents comprised of 66.93% male respondents and 33.07% female respondents. From the findings male respondents were slightly high than female respondents. The researcher went on and asked the respondents to indicate the age brackets in which they belonged.

Table 4.2 Age of the respondents

Variable	Frequency	Percentage
Age of respondents (Years)		
Less than 20	16	12.31
21 – 30	28	21.54
31 – 40	51	39.23
41 – 50	22	16.92
51 and above	13	10.00
Total	130	100

Source: Author (2013).

The findings from the Table 4.2 above indicates that majority of the respondents (39.23%) were between the ages of 31 – 40 years old. It was observed that 21.54% of the respondents were 21 – 30 years of age while 16.92% of the respondents were 41 – 50 years old. 12.31% and 10% of the respondents were less than 20 years old and 51 years and above respectively. It was found necessary to conclude that more than half of the respondents in the study were between 20 and 40 years old. The study sought from the respondents their height level of education.

Table 4.3 Highest level of education

Highest level of education attained	Frequency	Percentage
Post graduate degree	12	9.23
Bachelors degree	29	22.31
College diploma=	46	35.38
Certificate	21	16.15
KCSE	22	16.92
Total	130	100

Source: Author (2013).

Table 4.3 above shows that 22% of the respondents had attained secondary education and 35.38 had acquired college diploma/certificate. More findings showed that 22.31% of respondents had bachelor's degree while only 9.23% had attained post graduate qualification. It was concluded that most of the respondents had attained college diploma or certificate. Most of the knowledgeable volunteers do not give adequate support to NGOs because they are limited on time to render their services. Lack of well trained and experienced human resources limits the extent to which local NGOs are able to manage their daily affairs and their capacity to effectively plan, appraise, implement, and monitor their proposals and programs.

Table 4.4 Position held by the respondents in their organizations

Variable	Frequency	%
Position held in the organization		
Chief executive officer	33	25.38
Project manager/co-ordinator	57	43.85
Project officer/Assistant	21	16.15
Volunteer	19	14.62
Total	130	100

Source: Author (2013).

The findings shown in Table 4 above indicate that majority of the respondents (43.85%) were either project managers or project coordinators in their

organizations. Approximately a quarter (25.38%) of the respondents was chief executive officers while project officers and assistants made up to 16.15% of the respondents. The least were volunteers which made up to 14.62%.

4.2 Sources of Funding and Influence on Sustainability of Local NGOs Programs

Following the first objective of the study was to establish the sources of funds and its influence on sustainability of local NGOs. The same was sought from the respondents and their responses analyzed in tables. The respondents were asked to indicate the sources of funding for their organization. The study findings were presented on the Figure 4.1.

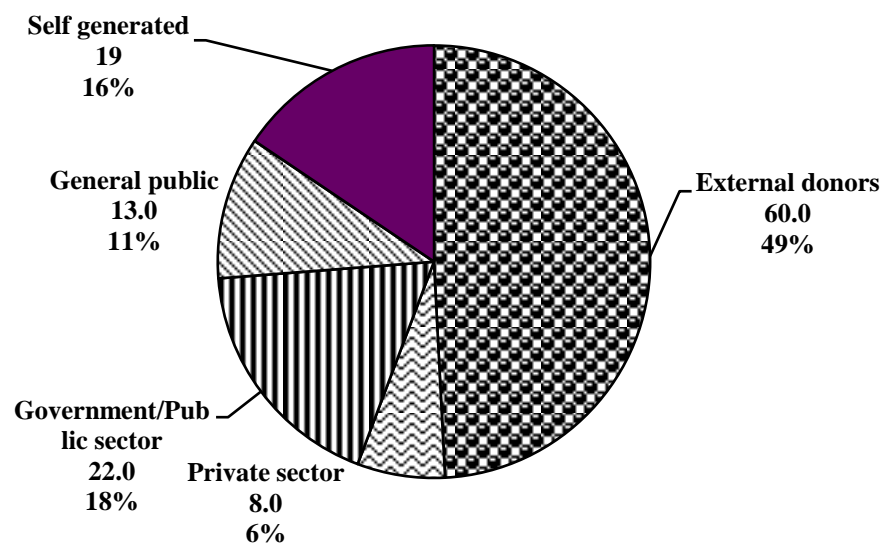


Figure 4.1 Source of funding

Source: Author (2013).

The findings from the Figure 4.1 above indicate that nearly half, 49% organizations received funding from external donors. Only 6% respondents indicated that their funding came from the private sector while 18% respondents said of government as a source of funding for their organization. The study also found out that there were 11% respondents who indicate that their organization received funding from the general public with other 6% respondents indicating self generated capital as a source of funding for their organization. From the findings it can be concluded that majority organizations represented in the study got funding from the external donors. These are grants from external donors and most of the funding is

from outside the country. NGOs in developing countries are reliant on external donations from much developed countries.

The study investigated if there were other sources of funding available for the NGOs represented on the study. The study findings showed that there were NGOs with alternative sources as the Table 4.2 suggests.

Table 4.2 Other Sources of Funding

Sources	Frequency	Percent
Traditional Fundraising	87	66.9
Investment through social enterprises	43	33.1
Total	130	100

Source: Author (2013).

The study findings showed that the respondents suggested that funding of NGOs came from sources such as traditional fundraising as indicated by approximately 2/3 of the respondents. The traditional fundraising programmes focus on individual donations, bequests, direct marketing campaigns, telemarketing, and internet giving and one time/recurring fundraising event. Nearly 1/3 of respondents in this study said that findings came from investment outcomes. Profits accrued from these activities build up an NGO’s discretionary financial assets that can be used to fund NGOs institutional costs, future investments, new products and services, etc. In 2004, United State’s NGOs were able to increase their funding to 80 percent through social enterprise. NGOs are able to engage directly in economic activities, within certain defined limitations. Incomes from these investment activities are able to support NGOs’ agenda.

4.2.3 Nature of Funding Available to Local NGOs

The study asked the respondents to indicate if the funding by donors was done in form of monetary or material resources. A table was used to present the findings as the Table 4.3 depicts.

Table 4.3 Nature of funding received by local NGOs

Respondents	Frequency	Percentage
Monetary funding	76	58.5
Material/equipment	54	41.5
Total	130	251

Source: Author (2013).

The study found out that more than half (58.5%) of respondents indicated that funding received within the last one year was inform of monetary resources while the rest of the respondents (41.5%) received support in terms of material and equipment.

4.3: Factors Limiting Local NGOs Access to Multiple Sources of Funding

The study was interested in finding out the factors that hindered local NGOs from accessing funding. The reasons were ranked and tabulated in the Table 4.4.

Table 4.4 Factors limiting local NGOs access to funding

Respondents	Frequency	Percent (%)
Lack of strategic plans and focus in organizations	45	36.9
Inadequate capacity to carry out proposed development work	24	19.7
Lack of board/ committee involvement in resource mobilization	21	17.2
Lack of governance structures in organizations	15	12.3
Poor internal controls and systems	17	13.9
Total	122	100

Source: Author (2013).

When sought for the reasons for limiting funding access, 36.9% of the respondents indicated on the issue of lack of strategic planning and focus limited chances of local NGOs accessing funding. Also important to note is that lack of governance structures such as boards and committees and their involvement in resources mobilization, poor internal controls and systems contribute to significantly

more than 50% of the reasons why NGOs have limited access to funds from funding sources.

4.3.2 External versus internal sources of funding

The study sought to find out from respondents the demerits of external and internal sources of funding to their organizations. The findings were analysed and shown in the Table 4.5 below, in the two categories.

Table 4.5 Factors hindering external versus internal funding

Factors hindering the choice of funding	Frequency	%
External Sources		
External funding is usually short-term	23	17.69
Restrictions and strategic focus of potential	28	21.54
Internal Sources		
Internal sources do not provide enough sources	65	50
Internal donors interfere with the operation of	14	10.77
Total	130	100

Source: Author (2013).

From the table, it is clear that more respondents indicated that they faced challenges from external sources than the ones talking of internal sources. Asked on internal sources, half (50%) of the respondents talked of internal sources not providing sufficient sources. This was identified as the reason why most of these NGOs prefer to rely on external sources. Only 14% of the respondents observed that internal donors interfered with the operations of NGOs. The study concluded that external sources of funding came with more challenges compared to internal sources.

4.4 Availability of funding and retention of qualified employees

In line with the third objective of this study, the respondents were asked about the influence of funding on employee retention. This study sought from the respondents participating in the study if the workers and volunteers in their organization were satisfied with their remuneration and if it was in tandem with their qualification.

The respondents were asked about the relationship between availability of funding and remuneration of workers. 81% of respondents were of the opinion that increased funding to the organization led to corresponding increase in their remuneration, as shown in the Figure 4.3.1 below:

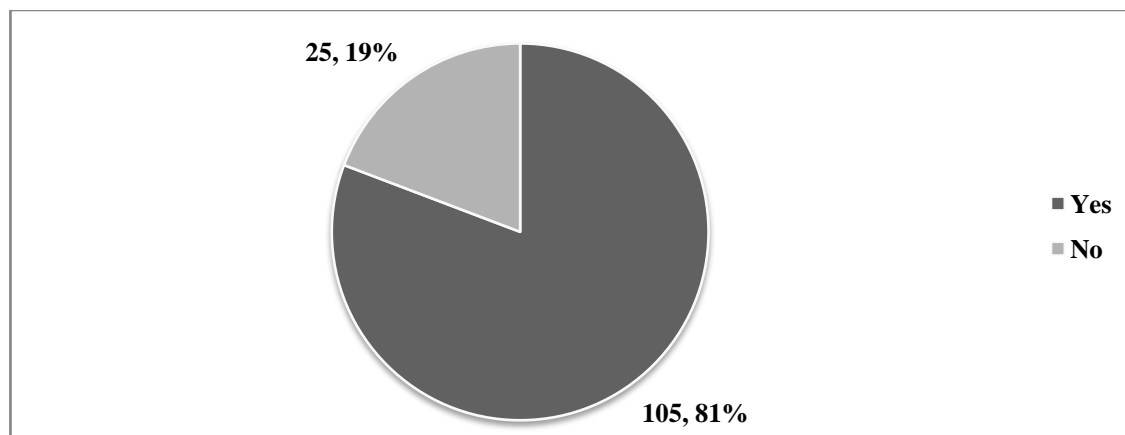


Figure 4.2 Remuneration and employee satisfaction

Source: Author (2013).

4.4.2 Factors influencing of shortage of skilled personnel on fundraising

The study sought to find out to find out the main reason why there was shortage of workers involved in fundraising and resource mobilization activities in their organizations. The study highlighted the following findings in the Table 4.6.

Table 4.6 Factors influencing of shortage of skilled personnel on fundraising

Factors influencing of shortage of skilled personnel on fundraising	Frequency	%
Limited budget for fundraising and resource mobilization activities	86	65.38
Most employees do not yet understand their role of fundraising within the organization	20	21.54
Lack of training programmes on fundraising to improve the capacity of the employees	14	13.08
Total	130	100

Source: Author (2013).

The study findings as indicated in the Table 4.6 indicate that majority of employees (65.38) were of the opinion that limited budget set aside for fundraising and resource mobilization activities was the main reason why there was shortage of workers involved in such efforts. Another 21.54% of the respondents sighted poor understanding amongst employees while 13.08% indicated lack of training programmes as the reason for employees' apathy towards fundraising and resource mobilization activities.

4.4.3 The effect of funding on employee turnover rate in organizations

In line with the fourth objective of the study, the effect of high employee turnover on community development was sought. This was aimed to find if the workers and volunteers of NGOs worked in their organizations for long enough. High employee turnover denies an organization experienced staff and affects performance in the same way.

Table 4.7 Effect of funding sources on employee turnover rate in organizations

Rating	Frequency	Percent
Very high	26	20.0
High	61	46.9
Average	16	12.3
Low	20	15.4
Very low	7	5.4
Total	130	100.0

Source: Author (2013).

The findings showed that 46.9% of the respondents said that the rate was high while 20.0% of the respondents indicated that the rate was very high. The study also found out that 15.4% of the respondents indicated that the turnover rate was low. It was found necessary to conclude that most of the respondents found the rate of employee turnover to be high in their organization. High turnover of employees together with a low rate of volunteering causes a difficulty to the NGOs on their manpower.

4.4 Reasons for Employee Turnover

The reason for the employee turnover in NGOs was sought from the respondents participating in the study. The Table 4.8 presents the study findings.

Table 4.8 Reasons for employee turnover

Reasons for Employee Turnover	Frequency	Percent
Further education and training	11	8.46
Marriage and parental responsibilities	7	5.38
Career development	12	9.23
Insecurity	31	23.85
Low pay and poor motivation	69	53.08

Source: Author (2013)

From the table more than half of the respondents (53.08%) pinpointed poor motivation as a result of poor remuneration as a reason for high employee turnover in local NGOs. The researcher also found out a significant 23.85% of the respondents sighted insecurity prevalent in cattle prone areas as reason for high employee turnover in their organization. Less than a quarter of the respondents stated that further education and training, marriage, and career development as an explanation for the high rate of employee turnover.

4.4.5 Impact of employee turnover to local NGOs

The study went further to investigate the respondents' opinion on the results of employee turnover in organization. The study findings were presented on the Table 4.9.

Table 4.9 Result of employee turnover

Result of Employee Turnover	Frequency	Percent
Influence achievement of project results on time	28	21.54
De-motivated workforce	102	78.46
Total	130	100

Source: Author (2013).

The research findings indicated that the effects of employee turnover included influence on achievement of project results on time. This was indicated by 21.54% respondents while 78.46% of the respondents indicated de-motivation of the work force. The employees who remain are de-motivated with the turnover of their colleagues. The operation of NGOs is heavily reliant on motivation of volunteers and workers. Community service requires self-motivation and ability to work without supervision. Motivation of workers is expensive and sometimes requires NGOs to pay them. Most of these organizations are short of funding to facilitate such motivation moves. Majority of employees as observed in the study indicated employee turnover results to de-motivation of the workforce.

4.5 Influence of funding on governance of local NGOs

The fourth objective of the study focused on the influence of funding on governance of local NGOs. The findings were presented and analysed the sub-sections below:

4.5.1 Registration status of local NGOs

The study investigated the status of registration of local NGOs, a critical component that determines legality of organizations. The results were analysed and presented in the Figure 4.3 below:

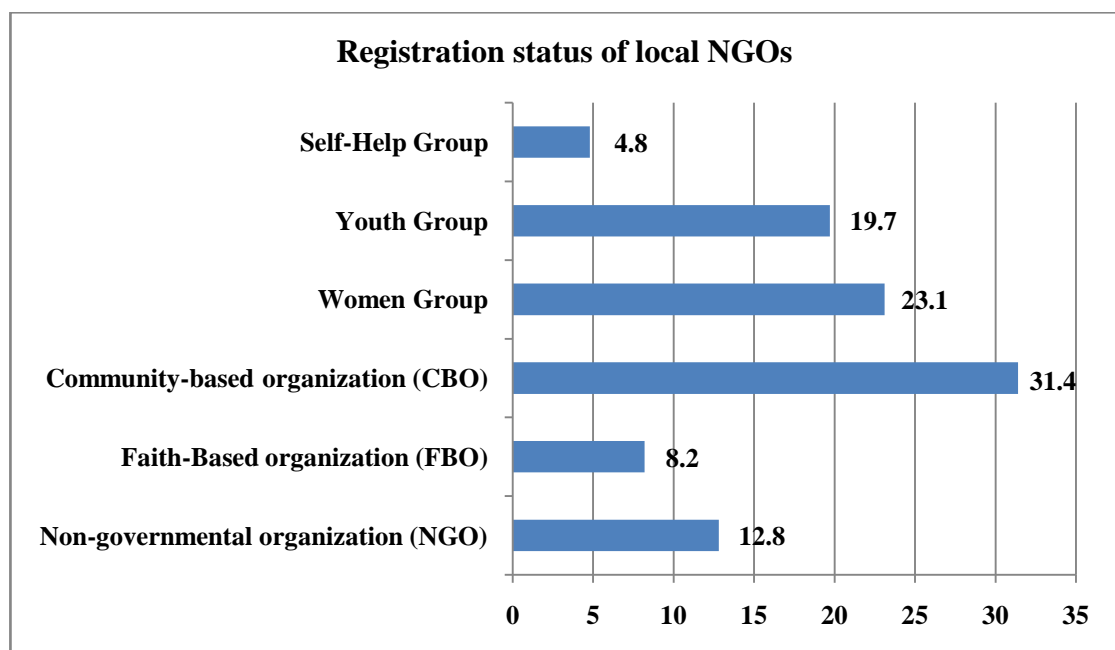


Figure 4.3 Registration status of local NGOs

Source: Author (2013)

The findings indicated in Figure 4.3 above show that majority of funded local organizations contributing to local development projects are community-based organization who are engaged in water, health, education, product harvesting and value addition projects. Organizations registered as NGOs comprise of 12% of the respondents. Women and youth groups were a significant number, adding up to 24% and 18% respectively. Very few organizations are faith-based and self-help groups comprising of (8%) and 5% respectively. From the findings, it can be concluded that community-based organizations are engaged in development work and are most preferred as means of organizing citizens to actively engage in development projects.

4.5.2 Decision making structures in organization

The study sought to establish the top-decision making structures of local NGOs that have a lot of influence on their potential to access funding. The findings were analysed and presented in Table 4.10 below.

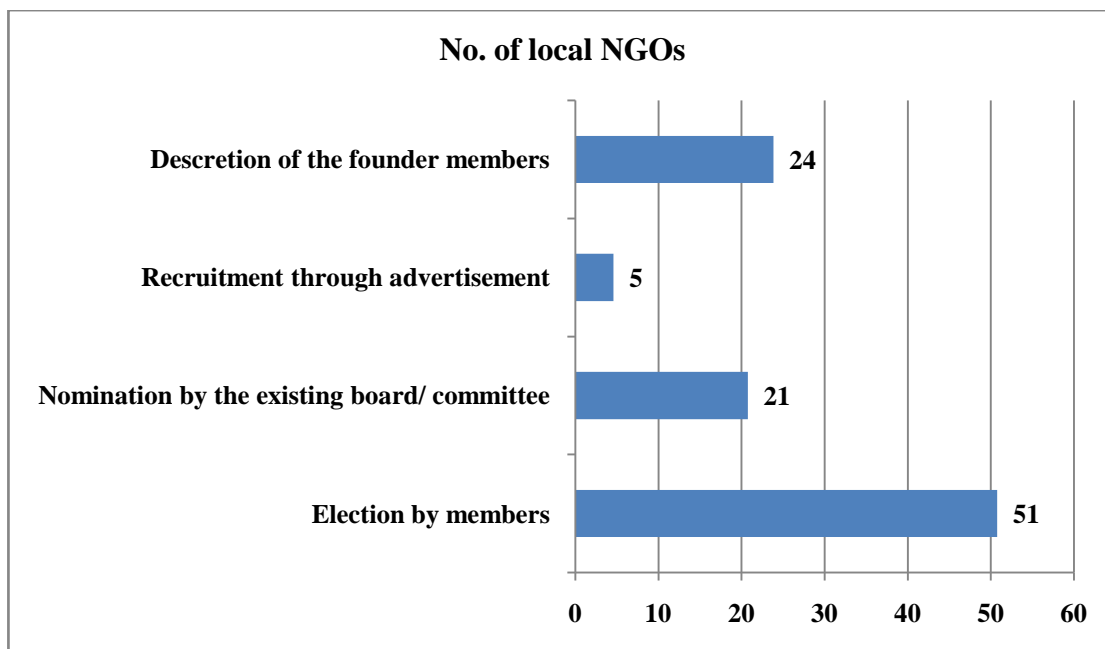
Table 4.10 Top- decision making structure of local NGOs

Top- decision making structure of local NGOs	Frequency	%
Executive board	5	3.8
Non-executive board	15	17.1
Executive committee	78	60.0
Non-executive committee	30	23.1
Total	130	100

The findings shown in the Table 4.10 above reveal that majority of the local non-governmental organizations with access to funding have committees at the top of their organizations structure, with executive committees leading at 60% followed by organizations led by non-executive committees. Few organizations are led by boards; 17.1% with non-executive boards while a paltry 3.8% of the respondents indicating executive boards at the top of organizational structure.

4.5.3 Composition of boards/ committees by local NGOs

The study deliberated to determine the method adopted y local NGOs in constituting their boards or committees. The results were analysed and presented in a bar graph, Figure 4.4.



Source: Author (2013).

Figure 4.4 Method of constituting boards and committees by local NGOs

From the above findings, it's evident that majority of local NGOs conduct elections of members of their committees or boards, 51% of the respondents responded that they conduct elections in order to constitute their boards or committees. Other organizations rely on discretion of founder members (24%) to decide who sits in their boards or committees. 20% of the respondents pointed nomination as the preferred method while only 5% of the respondents go through recruitment process where vacant positions are advertised for interested persons to apply.

4.5.4 Tenure of board/ committee members of local NGOs

The study sought to establish the tenure of board/committee members of local NGOs. The finding were analysed and presented in Table 4.10 below:

Table 4.10 Tenure of board/committee members of local NGOs

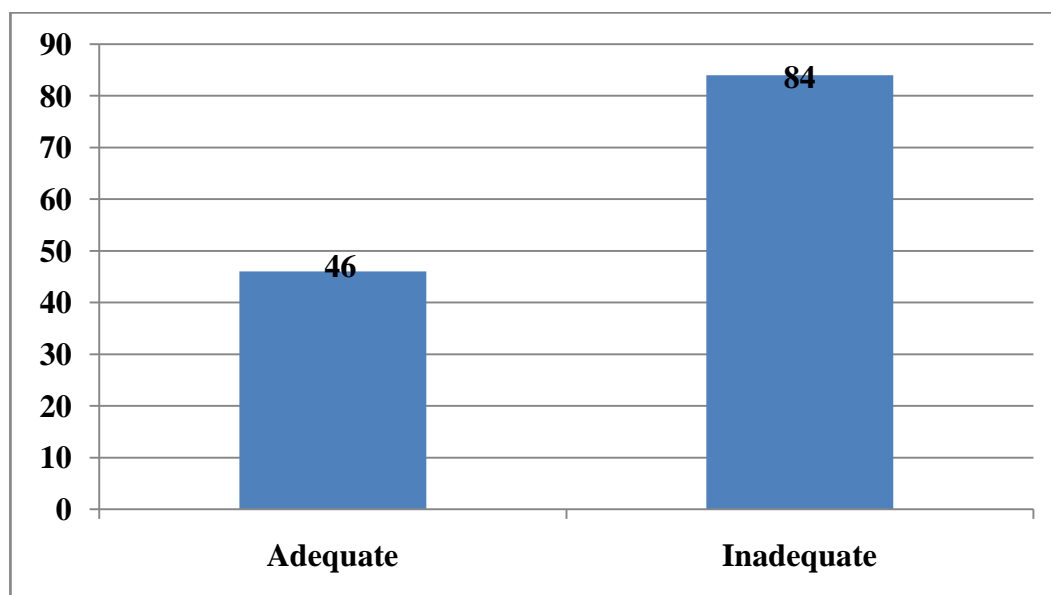
Period (Years)	Frequency	%
0-1	16	12
1-2	28	22
2-5	41	32
Indefinite	45	35
Total	130	100

Source: Author (2013)

Out of the 130 respondents, the findings reveal that on the question of how long do members of the board or committee serve, 45(35%) of the respondents responded that it was indefinite, and 41 (32%) responded that it took a period of between 2 and 5 years. Other findings indicated 28 (22%) of the respondents indicated periods between 1 and 2 years, only 16 (12%) of the respondents quoted a period of less than 1 year.

4.5.5 Board or committee participation in fundraising and resource mobilization activities

The study sought to establish the level of participation of board or committee members in fund raising and resource mobilization in the organizations. The findings were presented in a bar graph (Figure 4.5):



Source: Author (2013).

Figure 4.5 level of participation of board/ committee members in fundraising and resource mobilization activities

The findings reveal that out of the 130 respondents, majority of the respondents 65% responded that there was inadequate participation by board/ committee members on resources mobilization activities in their organizations while 35% thought there was adequate participation by board/ committee members in exploiting funding opportunities for their organizations. The study further established the reasons for inadequate participation of board/ committee members in fundraising activities and the results were analysed and presented in the Table 4.11 below:

Table 4.11 Reasons for inadequate participation of board/ committee of local NGOs in resource mobilization and fundraising activities

Reasons	Frequency	%
i. No adequate budget for board/committee activities	26	20
ii. Limited understanding of board/committee members of their roles and responsibilities in fundraising	41	32
iii. Inadequate capacity of board/committee members on the mission and vision of the organization	32	25
iv. Poor leadership and patronage in the organization	20	15
v. Lack of interest among board / committee members on the activities of the organization	7	8
Total	130	100

Source: Author (2013)

The above findings indicate that 41(32%) of the respondents sighted limited understanding of board/ committee members on their roles and responsibilities of fund raising and resource mobilization. 32(25%) of the responses indicate that lack of capacity of board/ committee members on mission and vision of their organizations limited their contribution towards fundraising and resource mobilization. 26(20%) of the respondents pointed out lack of or inadequate budget for board activities. 20(15%) blamed poor leadership and patronage in the organization while only 7(8%) sighted lack of interest among board/ committee members on the organization's activities.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter focuses on the summary of the study findings, conclusions and recommendations. Suggestions for further research are also enumerated. The study set out to investigate the challenges that nongovernmental organisations face as an instrument of community development.

5.1 Summary of the Study

5.1.1 Sources of Funding and Influence on Sustainability of Local NGOs Programs

The study findings indicate that most local NGOs received most of their funding from external sources that comprise of international funding agencies and donors. These organisations from developing countries are reliant on external donations from much developed countries. Study findings show that 41.5% of the NGOs in the area receive their grants in form of material resources while the remaining 58.5% get monetary resources. Material resources are sometimes restrictive on the activities of the organisations. On the other hand, monetary resources are open to any activity. On the other hand, monetary resources are prone to mismanagement and embezzlement. The findings showed that 71.5% of the NGOs in the area of study face the challenge of external sources of funding being short-term. There are 57.7% of these organisations face strategic factors. These are issues that come about when external sources of funding insist on the project that their resources should be carried out on. About internal sources, 55.4% of NGOs in the area indicate that internal sources do not provide sufficient resources. There are also 20.0% that are observed to indicate that internal donors interfere with the operations of NGOs. From the findings it is clear that more NGOs are faced with challenges from external sources than the internal sources.

The results reveal that that nearly half of local NGOs in Baringo County relied on these external sources for project financing. Relying on heavily on external sources of funding weakens the ability of local NGOs to enhance own sustainability, many organizations wind up after the external donors pull out. The study was

interested in finding out the challenges that that came about when sourcing funds for the NGOs.

Turary (2002) stated that in a situation where a greater proportion of an organisation funding comes from external sources it will have an effect on the long run in the case of withdrawal of external funding. The findings were in agreement with the view of Fernand (1994 cited in Fernand 2006, p. 25) an NGO which receives more than 30 percent of its funding through an external agency, is not free in its actions and above this percentage, the NGO could find itself in a very difficult situation in case of separation between the NGO and the donor due to strategic factors. This means that any organisation that depends solely on external funding will not be in a position to finance some of its initiated and laudable proposals. The much reliance on external funding therefore makes it difficult for local NGOs to accomplish their stated objectives.

5.1.3 Reasons limiting Local NGOs Access to Multiple Sources of Funding

When sought for the reasons for limiting funding access, 36.9% of the respondents indicated on the issue of lack of strategic planning and focus limited chances of local NGOs accessing funding. Also important to note is that lack of governance structures such as boards and committees and their involvement in resources mobilization, poor internal controls and systems contribute to significantly more than 50% of the reasons why NGOs have limited access to funds from funding sources. Agencies that encourage board involvement in planning appear to be less vulnerable to quick downturns and are more likely to deliver services over a greater period of time (Hodge and Piccolo, 2005). In an effort to address operational challenges related to mission development, fundraising, and establishing value to a community, non-profit organizations often establish a board of directors or advisory boards to provide guidance to organizations on their operations and programming. Board members provide important insights and counsel on the operations as they relate to significant issues related to the community, with members ranging from community members, political leaders, and other key representatives of the community to individuals from collaborating organizations or others who have a stake in the operations or success of the organization.

5.1.4 Influence of Availability of Funding on of Retention of Qualified Employees

In line with the third objective of the study, the effect of funding on employee turnover on community development was sought. This was aimed to find if the workers and volunteers of NGOs worked in their organizations for long enough. High employee turnover denies an organization experienced staff and affects performance in the same way. The research findings indicated that the effects of employee turnover included influence on achievement of project results on time. This was indicated by 38.5% of the respondents while 85.4% other respondents indicated on de-motivation of the work force. The employees who remain are demotivated with the turnover of their colleagues. The operation of NGOs is heavily reliant on motivation of volunteers and workers. The findings coincide with Lekorwe (1999), (cited in Lekorwe 2007) that lack of well trained and experienced human resources limits the extent to which local NGOs are able to manage their daily affairs and their capacity to effectively plan, appraise, implement, and monitor their proposals and programmes. Lekorwe maintains that most knowledgeable and experienced volunteers do not normally provide adequate support for NGOs' activities partly because of the limited time they have to render their services. Ibrahim and Muhtesem (2006) reveal that not all people working for local NGOs are volunteers.

There are paid staffs who typically receive lower pay than in the commercial private sector. As a result staff turn-over is high in local NGOs. The study concluded that people rarely volunteer for community work in the area. NGOs are faced by competition for workforce from the private sector which is more highly paying. These organisations do not have enough funds to hire employees at a good pay. The study investigated the rate of employee turnover in NGOs in this area. The findings indicated that the rate of employee turnover is high in 46.7% of the organisations under study and it is very high in 20.0% of the NGOs. The study was led to conclude that most of the employees found the rate of employee turnover to be high in their organization. High turnover of employees together with a low rate of volunteering causes a difficulty to the NGOs on their manpower. The reason for the employee turnover in NGOs was sought from the respondents participating in the study.

The findings showed that the most common cause is low motivation as indicated by 66.2% of the employees of NGOs under study. It was also found out

that there are other 33.8% NGOs whose turnover is caused by the urge to their further education and training. There are 21.5% of employees who feel that insecurity causes high employee turnover. More findings showed that effects of employee turnover include influence on achievement of project results on time. High rate of employee turnover leaves undone work and consumes time for employee orientation. 85.4% of the employees indicate that turnover of employees demotivates the work force. The employees who remain are demotivated with the turnover of their colleagues. The operation of NGOs is heavily reliant on motivation of volunteers and workers. Community service requires self-motivation and ability to work without supervision. Motivation of workers is expensive and sometimes requires NGOs to pay them. Most of these organizations are short of funding to facilitate such motivation moves. This is aggravated by the fact that when employees leave the NGOs, they cause losses due to the resources used to train them. Majority of employees as observed in the study indicated employee turnover results to demotivation of the workforce.

The study wanted to find out about the capacity in fund raising and resource mobilization of the local NGO workers. The study sought for the mean of how workers and volunteers would agree with statements about employee capacity. The key ranged from 1 – (Strongly Disagree) to 5 – (Strongly Agree). The findings showed that volunteers majorly want pay for their sustainability which majority of organizations do not deliver and the mean is observed to be 3.4923 with a standard deviation of 1.31330. According to the key most workers agree much on the fact that most workers have limited understanding of their role in their organization. The mean for this is observed to be 2.3308 with a standard deviation of 1.10242 showing that most of them agree with the statement. About whether training programmes are inadequate therefore affecting shortage of manpower as volunteers, the results produced a mean of 3.7769 and a standard deviation of 0.99818 leading to a conclusion that most volunteers disagree. It was notable that the standard deviation is small indicating that the responses have small variability.

The findings of this study concur with the Lotsmart (2007) who wrote an article calling volunteers “the backbone of civil society” (Haski-Leventhal and Bargal 2008:68) which might speak to the fact that the state no longer supports social service so volunteers must step up and be that supported to distribute these

services no longer provided. He said that employees majorly want pay for their sustainability which majority of organisations do not deliver.

5.1.5 Influence of Funding on Governance of Local NGOs

Majority of active local organizations contributing to local development projects are community-based organization, engaged in water, health, education, and product harvesting and value addition projects. They comprise of nearly half of active organizations in the study area. Organizations registered as NGOs comprise of 12% of the respondents. Women and youth groups were a significant number, adding up to 24% and 18% respectively. Very few organizations are faith-based and self-help groups comprising of (8%) and 5% respectively. From the findings, it can be concluded that community-based organizations are engaged in development work and are most preferred as means of organizing citizens to actively engage in development projects. The findings also reveal that majority of the local non-governmental organizations have committees at the top of their organizations structure, with executive committees leading at 60% followed by organizations led by non-executive committees. Few organizations are led by boards; 17.1% with non-executive boards while a paltry 3.8% of the respondents indicating executive boards at the top of organizational structure.

The study findings indicate that many organizations rely on executive committees who though they are not normally full time employs of their organizations, they make executive decisions and from time to time, perform management functions. A few organizations have boards constituted as top decision making organs, it can be argued that boards are not commonly seen in many local NGOs as they are seemed to be complex to manage and mostly expensive for organizations with limited funding. On the contrast, organizations run by boards are more likely to receive multiple funding as compared to organizations steered by committees which are more likely to be viewed by potential donors as short-lived, lack of diversity of occupational backgrounds among members and unprofessional. This view is in agreement with (Brown, 2005) who noted that, in addition to performing monitoring and control functions, the board brings added value to a non-profit organization by bringing access to resources, such as connections to additional funders.

It's also evident that majority of local NGOs conduct elections of members of their committees or boards, 51% of the respondents responded that they conduct elections in order to constitute their boards or committees. Elections are deemed as the most democratic means of constituting governance organs in any organization, however, it may also lead to situations that though popular members make decisions, suitability of those elected may not always be guaranteed. Nomination of members to board or committees of organizations is encouraged by potential donors since this way, organizations are able to identify and tap specific competencies of potential board/ committee members. Founder member syndrome is still common in many local NGOs; this denies organizations opportunities for growth and diversity which compromises sustainability of local NGOs. It is significant to note that many organizations had their board/ committee members serve for indefinite periods of time, 35% of the local NGOs have no specified tenure of service for board/committee members and even in cases where it has been specified, renewal or fresh composition is not always conducted. This has negative impact on the growth and sustainability of the organizations has many potential donors are interested in professional management of their client organizations.

Inadequate participation of board/ committee members on resources mobilization and fundraising activities impacts negatively on the sustainability of local NGOs. The study established the reasons for inadequate participation of board/ committee members in fundraising activities and the results indicate that 41(32%) of the respondents sighted limited understanding of board/ committee members on their roles and responsibilities of fund raising and resource mobilization. 32(25%) of the responses indicate that lack of capacity of board/ committee members on mission and vision of their organizations limited their contribution towards fundraising and resource mobilization. 26(20%) of the respondents pointed out lack of or inadequate budget for board activities. 20(15%) blamed poor leadership and patronage in the organization while only 7(8%) sighted lack of interest among board/ committee members on the organization's activities.

5.2 Conclusion

This section presents the conclusions brought about by the study from the findings. The role on NGOs is to compliment the development activities of the government. They are at a position to identify and heal the problems affecting the community. Funding has been identified as a challenge affecting the operation of most nongovernmental organizations. Most of these activities come about with heavy expenses. NGOs receive funds mostly from external donors and other private donors. International donors are more often restrictive on the kind of activities that can be carried out with their donations.

Some NGOs have died out when the external donors fail to remit their donations. Workers and volunteers of NGOs require training to carry out the activities of NGOs. This training includes how they should interact with the community and the best modes of communication. Such training requires heavy funding from outside. Though some NGOs have invested in economic activities to get extra funds for their activities, these types of investments are rare and occur at small quantities.

Employee turnover is another challenge facing NGOs in their operations. Most employees ask for better remuneration which local NGOs cannot afford to provide due to limited funding. This combined with the low rate of volunteerism impacts negatively on sustainability of local NGOs.

Finally, the study concludes that majority of local NGOs that have access to funding from both internal sources were community-based organizations. These are organizations founded and run by local communities with the aim of addressing pertinent community needs. They are more strategic in their formation and are perceived to be more relevant in addressing community development needs.

5.3 Recommendations

The study came up the following recommendations based on its research findings;

1. The government should consider funding local NGOs as they play a crucial role in community development. This will enable them initiate and implement development projects while limiting dependency on external funding.
2. Managers of NGOs should seek for funds from many sources rather than being reliant on a single source, such as investing in economic activities and social enterprises. Multiple sources of funding enhance sustainability.
3. Local NGOs are encouraged to strengthen their institutions of governance; strong boards and committees made up of members with skills from diverse backgrounds, competence and expertise are more likely to attract multiple sources of funding to implement their strategic plans.
4. Retention of qualified employees by local NGOs is relies heavily on their abilities to attract sustainable funding. Therefore, local NGOs should invest heavily on fundraising and resource mobilization efforts in order to retain high calibre human resources.

5.4 Recommendations for Further Study

This study recommends that future researchers should carry out research on the following areas:

- 1) Impact of local NGOs on the socio-economic status of rural communities.
- 2) Factors affecting the funding of NGOs by internal and external donors

REFERENCES

- Andreas, E. (2005). *Non-Governmental Organisations in China: Programme on NGOs and Civil Society*. Centre for Applied Studies in International Negotiations, Santarland.
- Backer, S. (2004). *The Dichotomies of NGO Accountability: A Case Study of Backward Society Education (BASE) in Nepal* (an unpublished Master's Degree Dissertation). Copenhagen Business School, Department of Intercultural Communication and Management, Denmark.
- Barr A., Fafchamps M., & Trudy O., (2005). The Governance of NGOs in Uganda. *World Development*, 33(4), 657 – 679.
- Botswana Guardian (2006). *Botswana and the Global Funds to fight HIV/AIDS, Tuberculosis and Malaria*. Press Release, February 2006, Gaborone.
- Caesar, L. (2006). *A New Paradigm in Developing Country NGO Financial Sustainability*. The William Davidson Institute. Policy Brief No. 51.
- Edusei, J. (2001). *Non-Governmental Organisations and Rural Development in Ghana*. Department of Housing and Planning Research, University of Science and Technology, Kumasi.
- Edwards, M. (2000). *Non-Governmental Organisations Performance and Accountability Beyond the Magic Bullet*. London: Earth scan.
- Fernand V., (2006). *Non-Governmental Organisation, Social Movement, External Funding and Dependency*. Society for International Development 1011-6370/06 <http://www.sidint.org/development> access 3rd March, 2010.
- Hennie, C. (1999). *Non-Governmental Organisations and Financial Sustainability*. *Development South Africa*, 16 (2) Winter 1999, EBSCO Publishing.

- Holloway, R. (2001). *Towards Financial Self-Reliance. A handbook of Approach to Resource Mobilization*. London: Earthscan.
- Hossain, F. (2008). *Administration of Development Proposals by Nordic and Local Nongovernmental Organizations: A Study of Their Sustainability in Sough Asian States of Bangladesh and Nepal*. An unpublished Licentiate Thesis in Administrative science submitted in University of Tampere, Tampere.
- Ibrahim, A & Muhtesem, B (2006). *Organizational Problems of Non-Governmental Organisations* 3rd International Non-Governmental Organization Conference, Canakkale, December, 2006
- Kumar, R. (1999). *Research Methodology: A Step by Step Guide for Beginners*. Australia, Addison Wesley Longman, Australia Ply Limited.
- Kumekpor, T. K. B. (2002). *Research Methods and Techniques of Social Research*. Sonlife Printing Press and Services, Accra.
- Lee D. (2001). *The Non-Governmental Organization Entrepreneur: Non-Profit in Purpose, for Profit in Approach*. New Direction in NGO Self-financing John Hopkins SAIS, September 2001.
<http://www.isar.org/pubs/ST/NGO/selffunding48.html>.
- Lekorwe, M. (2007). Managing Non-Governmental Organizations in Botswana: The 77 Innovation Journal. *the Public Sector Innovation Journal*, 12(3), 12.
- Lotsmart, N. (2007). *The Challenges of Non-Governmental Organisation in Anglophone Cameroon*. Nova Science Publishers Inc.
- Michael, S. (2004). *Undermining Development: The Absence of Power among Local Non-Governmental Organisations in Africa*. Oxford: James Currey.

- Miller, R. L. & Brewer, J. D. (2003). *A – Z of Social Research*: London. SAGE Publication Limited.
- Molomo, M. & Somolekae, G. (1999). *Making a difference: NGOs, Good Governance and Service Delivery*. In Public Administration and Policy in Botswana Juta & Co. Ltd. Kenwyn Cape Town.
- Mukasa, S. (2006). “*Are expatriate staff necessary in international development NGOs? A case study of an international NGO in Uganda*”, CVO International Working Paper 4.
- Pfeffer J (1982). *Organizations and Organization Theory*. Pitman, MA: Boston.
- Pfeffer J, Salancik G (1978). *The External Control of Organizations: A Resource Dependence Perspective*. New York: NY. Haper and Row Publishers.
- Reuben, J. (2002). *Non-Governmental Organisations and Africa in the New Millennium: Lessons from Tanzania*. Presentation for CODESRIA General Assembly, Kampala Uganda.
- Sameer Zuhad (2010). *Alternative Funding for NGOs*. Accessed June 10, 2013, from <http://www.fundforngos.org>
- Sarr, F. (2006). *Funding of Non Governmental Organizations in Senegal: Constraints and opportunities*. Society for International Development 1011-6370/06 <http://www.sidint.org/development78>
- Shah, I. B. et al. (2006). *Social Service in Nepal: A Historical Perspective*, Social Service National Co-ordination Council, Kathmandu.
- Sisay, G. (2004). *Challenges Faced by Local Non-Governmental Organisations in Ethiopia with Global Shift in Development Approach from Need to Right-Based Approach*. Proceeding of ISTR Six International Conferences in Toronto, Canada. July 11-14 International Society for the Third Sector

Research. Access 9th February 2010 from
<http://www.atlas.conference.com/conference.htm>.

Turary A. (2002). *Sustainability of Local Non-Governmental Organisations in Ghana*. MSc Thesis Kwame Nkrumah University of Science and Technology. Department of Planning.

UNDP. (2009). *Governance for Sustainable Development: A UNDP Policy Document*. New York: UNDP, January.

Vanessa, L (2008). *Non-Governmental Organisation and Spatial Dimension of Poverty in Kenya*. Paper Prepared for the 2008 Africa Studies Association UK (ASAUK) Conference, Preston, Lancashire September 11th – 13th, 2008.

Vincent, F. (2006). *NGOs, Social Movements, External Funding and Dependency*. Society for International Development 1011-6370/06www.sidint.org/development.

Warner, E. (2008). *Public Financing Mechanism and their Implications for NGO Sustainability*. The 2008 NGO Sustainability Index, International Center for Not-for-Profit Law.

Warren M.A. & L.F. Weschler. (1999). Electronic governance on the Internet. In G.D. Garson, Editor, *Information Technology and Computer Application in Public Administration: Issues and Trends*. Hershey, PA.: Idea Group Publishing. Department, World Bank, pp. 7-9.

APPENDICES

APPENDIX I: LETTER OF TRANSMITTAL

Philip Tomno
University of Nairobi
Eldoret centre
P.O. BOX
Eldoret.

Dear respondent,

REF: RESEARCH QUESTIONNAIRE

I am a student at the above university and currently undertaking a Master degree in project planning and management. As part of the requirements for the award of the degree, am required to carry out a research project. As such am currently in the field to collect data relevant to my area of study. I therefore kindly request you to respond to my research questionnaire. Information provided will solely be used for academic purposes and will be treated with strict confidence.

Your response will be highly appreciated.

Yours faithfully,

Philip Tomno

APPENDIX II: QUESTIONNAIRE

Section A: Profile of respondents

Your gender

Male () Female ()

Your age bracket

Less than 20 years () 21 – 30 years () 31 – 40 years ()

41 – 50 years () 51 years and above ()

Your education level

Primary () Secondary () College () Degree ()

Masters () Any other (specify) _____

Your work experience

Less than 1 year () 1 – 5 years () 6 – 10 years ()

11 – 15 years () 15 – 20 years () 20 years and above ()

Section B: Sources of funding for local NGOs and influence on their sustainability in Baringo County

1. Where do your NGO source funding from?

- External donors ()
- Private sector ()
- General public ()
- Government / public sector ()
- Self-generating Income ()
- Any other (specify) _____

2. Is the funding provided by the donors (mentioned above) in form of monetary or material resources? Explain

3. In terms of grants received, where does most of it come from? Indicate the percentage granted out of the total

- External donors ()
- Private sector ()
- General public ()
- Government / public sector ()
- Self-generating Income ()

4. Do you have other sources of income apart from funding?

- Yes () No ()

If yes, specify _____

5. With respect to funding, what can you say on their effect on developmental agenda in this area in terms of performance?

6. What challenges/problems do you face in sourcing of funds from external and internal sources?

External

Internal

Section C: Availability of funding and retention of qualified employees

1. Do people volunteer themselves to do community work in this area?

- Always () Occasionally () Rarely () Never ()

2. What can you comment on the employee turnover rate in your organisation

- Very high () High () Average () Low () Very low ()

3. What could be the probable reasons for employee labour turnover in your organisation?

- Further education and training ()
- Low motivation ()
- Marriage and parental responsibilities ()
- Career development ()
- Insecurity ()
- Low pay ()
- Any other (specify) _____

4. In your own opinion, what are the results of employee turnover in organisation?

- Influence achievement of project results on time ()
- De-motivate workforce ()
- Any other (specify) _____

5. Do the workers/volunteers have the capacity of delivering their mandate?

Yes () No ()

6. Indicate the extent to which you agree or disagree with the following statement

on the impact of shortage of manpower and volunteers in your organisation: Key
 1 – Strongly Disagree (SD), 2 – Disagree (D), 3 – Undecided (UN), 4 – Agree (A) and 5 – Strongly Agree (SA).

Statement	SD	D	UN	A	SA
Volunteers majorly want pay for their sustainability which majority of organisations do not deliver					
Most workers do not yet understand their role within the organization					
Training programmes are inadequate therefore affecting shortage of manpower as volunteers					

Section E: Governance of local NGOs

1. What is the registration status of your organization:
 - Non-governmental organization (NGO) ()
 - Faith-Based organization (FBO) ()
 - Community-based organization (CBO) ()
 - Women Group ()
 - Youth Group ()
 - Self-Help Group ()

2. What is the top-most decision making organ of your organization
 - (1) Executive board ()
 - (2) Non-executive board ()
 - (3) Executive committee ()
 - (4) Non-executive committee ()
 - (5) Other (specify) _____

3. How is the board/committee of your organization composed?
 - Election by members ()
 - Nomination by existing board/Committee ()
 - Recruitment through advertisement ()
 - Discretion of the founder members ()

4. What is the length of period that members of the board/committee serve?
 - (a) 0 – 1 year ()
 - (b) 1- 2 years ()
 - (c) 2-5 years ()
 - (d) Indefinite period ()

5. In your opinion, do the board/committee members participate adequately in board/committee activities, including resource mobilization and fundraising?
 - Adequate ()
 - Inadequate ()

6. If the answer is no above, what could be the limiting factors:

- No adequate budget for board/committee activities ()
- Limited understanding of board/committee members of their roles and responsibilities ()
- Inadequate capacity of board/committee members on the mission and vision of the organization ()
- Poor leadership and patronage in the organization ()
- Lack of interest among board / committee members on the activities of the organization ()
- Others (specify) _____

END. Thank You