

A Synthesis of the Strategic Orientations and NGO Legitimacy in the African Economic Setting

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Abstract: This paper provides a synthesis of the activities, programs and services of NGOs so as to draw lines to appreciate their legitimacy and role in an African economic context. The data was collected from NGOs through a questionnaire and review of printed and on-line materials. The findings were that NGO performance is being questioned, with mixed views of their legitimacy, role, financing, operations, strategy orientations and sustainability agenda. They are however, active in various sectors, have become a force to reckon with, receive huge funding, have multiple beneficiary targets and are supplementing government services. Nonetheless, the government is at pains to accept their legitimacy and thus their relationship is still full of suspicion. By underpinning the work of NGOs and finding support from the literature of their nature and operating environment, we provide support for their economic existence. For policy makers, the paper makes key statements that will guide policy formulation and implementation, leveling the legal regimes and re-establishing grounded approaches for benefiting communities as well as taking advantage of their contribution to economic and social development. For Managers, we identify lines of thought to conclude that the NGO phenomena need to be re-conceptualized in view of the dynamic environment. While many studies have been done on NGOs, we contribute knowledge from the strategic and business management dimension.

Key words: NGOs; strategy; service orientations; strategic choices; legitimacy; resources and capabilities; structure; performance; management

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1. Background

The extant literature is inconclusive on perceptions of various stakeholders on the rationale of NGOs, their organization and management. Researchers have revisited NGO history in attempt to refine the meaning of the concept and explain the role and growth. Researchers on nonprofit organizations in general and NGOs in particular have contended with the different definitions that are used. In as far as their legitimacy is concerned

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even governments worldwide are at pains to embrace the ambiguity. NGOs are named as non state actors, voluntary organizations, civil society organizations and third sector; community based organizations, associations and foundations (Hudson & Bielfeld, 1997; Tvedt, 2006). According to Gugerty et al. (2010) the ideological nomenclature is still a matter of debate; these names are used interchangeably by individuals and institutions worldwide. Scholars also isolated nonprofits who receive funding or are close to government as a sub-sector, namely corporations, hospitals, trade unions and consumer organizations.

According to Hudson and Bielfeld (1997) the criteria should base on non distribution of profits, provision of services for common good, voluntarily funded and exhibiting value rationality. They explored multinational nonprofits and classified them as coalitions, chapters, societies, agencies, federations, movements and consortia. Conversely Tvedt (2006) posited that the whole phenomenon should be reconceptualized. The term and acronym, NGO picked popularity when it found its way into the United Nations charter. They have since been actors in various conventions and international campaigns. Bendel (2006) cited Amnesty international whose vigorous campaigns in 1972 led to the Anti-torture convention while Goetz and Jenkins (2002) cited the international campaign against landmines that led to a treaty on the same. Jordon (2005) indicated that NGOs have replaced some roles played by the state and grown in size and scale to rival governments and UN agencies. Davies (2008) posited however, that the growth of the sector has not been linear as widely believed; it has had rises and falls. He traces NGOs history around the peak of slave trade and indeed NGOs are credited for having mobilized international efforts to stop this vice.

The growth of the sector was disrupted by the World wars but regained vigor thereafter. In the 1920's many more international NGOs were founded than the whole of the 19th Century. After 1933 NGOs collapsed again due to the great depression, the Second World War and the rise of fascist regimes. During the negotiations of the League of Nations, NGOs were actively involved. Davies (2008) enlists the factors that accounted for the growth of NGOs as post war recovery, economic emancipation, technological innovations, degree of unity among nations and the nature of civil society itself. Since the end of the cold war in the west and with rising political conflicts in Africa, NGOs have continued to increase in number to respond to social challenges across the world. There is also increasing need for global campaigns like climate change, terrorism, disarmament, landmine abolition and HIV/AIDS. Lewis' (2007) synthesis of what he called the histories of NGOs is consistent with this description and the evolution is not completed yet; new ideas are emerging of not only the naming of the sector but its composition, role, legitimacy and global outlook.

2. Conceptual Analysis of Key Issues

2.1 NGO Structures

Lewis (2007) noted that the famed literature on NGOs was more on their roles in development processes and the potential to challenge policy and practice. Little attention was given to structure and management issues. The framed discussions on NGOs accountability have highlighted management concerns and internal administrative processes. Many NGOs are not consistent in their structures and governance. Bendel (2006) reported that governance systems were wanting, with managers in charge to decide on strategy and operations, including their salaries. Most NGOs have grown from small initiatives of one or two people, who wield power and hardly can absolve into back actors with influential boards; a gap in the basic tenet of separation of governance and

management. Many founders remain the CEOs as well as dominant directors. Wyatt (2003) as cited in Bendel, (2006) found out that 75% of Hungarian and Ukrainian NGOs had CEOs as chairs of the board. Pertusa, Molina and Claver (2010) noted that organizational structures are a meta-capability around which all the other resources of the firm are organized for achievement of goals; they emphasized that structure is “imperfectly tradable, is firm specific and thus cannot easily be transferred” (p. 1285).

The management systems must flow into the program strategies being pursued. Lewis (2007) citing many other scholars of management wondered whether there is a specialized field of NGO management. Chambers (1994) as cited in Lewis (2007) has insinuated that many NGOs are reluctant to take up management principles as common in commercial enterprises for fear of professionalism that negates their stated values and missions. Despite the normative pressures from community, donors and other stakeholders, NGOs are gradually evolving systems of management to ensure efficiency, accountability and good stewardship. The concept widely used in the NGO programs of capacity building is actually a guided effort to strength their management systems (Lewis, 2007).

NGOs differ widely in their structure and internal practices. This has made their management complex. For instance, Akbar (1999) observed that NGO structures change with donor conditionality. Bendel (2006) emphasized the need for uniform systems of accountability for the resources at their disposal. Lewis (2007) introduces a salient issue of the culture dimensions in NGO management. It has been noted already that western NGOs second staff to work in those organizations they are extending funding to. This leads to certainty of cultural integration which may affect service delivery to beneficiary communities whose cultural practices may even differ from that of the NGOs’ directors at national level. This cultural integration may lead to paralysis in management especially where structures are not well set up.

2.2 NGO Strategic Choices

NGO strategic choices are reflected in their programs and services being offered. The major rationale of NGOs programs is to reflect and facilitate a social engagement for people on matters of common concern, stimulate political awareness and stimulate development. Beamon and Balcik (2008) posited that NGOs have two major areas of focus, namely relief and development. Since the early 1990’s many NGOs have engaged in policy advocacy, though they keep changing into diverse issues like environmental protection, debt management, hunger and deforestation. The World Bank report of 1995 as cited in Akbar (1999) outlined NGO programs and engagements to be based on strong grass root links, innovation and adaptation, process oriented approach to development, participatory methods and tools, cost effectiveness and long term commitment with sustainability. NGOs have however, been faulted for changing goals, enthusiasm to react to state failure, lack of accountability and transparency, a resource-led growth pattern and lack of a sustainability agenda (Akbar, 1999; Bendel, 2006; Fowler, 1991).

Harris et al. (2009, p. 416) noted that among development NGOs the use of the term strategy is infused to their programs or engagements, simply leading to “strategic ambiguity” and eventually “strategic drifts” of slow unguided transition from their “strategic thrusts”. Thus for NGOs operating in highly institutionalized environments, strategies frequently lost a lot of their sense. The result of this is highlighted by Berthoud (2001). In the 1990’s many NGOs were subjected to tensions after studies could not demonstrate that they were close to the poor or as effective as they were believed to be. This led to budget cuts and then many NGOs were made to rethink their strategies, engagements and planning models.

Their institutional imperatives of searching for immediate results seemed not to align with the development

necessity of creating a long lasting impact in the communities. This dilemma was coupled with that of identity, responsibility and legitimacy. In their study, Abigail et al. (2004) found out that NGOs were clustering services in same locality. This indeed affected client satisfaction with the work of the NGOs in the area. It is important therefore for NGOs, possibly through networks to map the areas in which they wish to implement their programs and be engaged with the community. This will reduce duplication that has manifested into poor performance.

Research has further found out that NGOs in the under developed countries are involved in various programs as community needs arise; each of them almost doing what others are undertaking. Abigail et al. (2005) surveyed Ugandan organizations and found that 96.6% were involved in public awareness, over 70% in HIV/AIDS, 60% in advocacy, 57% in education and training, among others. This of course raises the concerns of duplication which are pertinent in assessing their impact. Most NGOs adopt what they call a holistic approach. There are only a few who are engaged in specialized particular program. Deephouse (1996) argued that this resemblance known as isomorphism results from internal and external mechanisms in firm behavior. Most NGOs use workshops, door to door outreach, community visits, and radio messages to deliver their services. Deephouse (1999) posited that such similarity in firm operations enhances performance.

2.3 Resource Capabilities

The subject of NGO resources and capabilities is still under debate. NGOs are not, by their nature, expected to create and accumulate wealth through their activities. They are instead conduits of resources for development, relief and aid to reach the targeted beneficiaries. Consistent with the ambiguity of definition, there are some development organizations which manage huge financial portfolios available for loaning out to the poor. They thus manage wealth creation though they don't distribute profits as the basic legal requirement of civil society organizations. However, researchers have attempted to investigate what NGOs own and how such resource bases are used in doing their work. For example Abigail et al. (2005) assessed NGOs revenues, whether they owned land, buildings, equipment and if they had inventories. The findings were in the affirmative. According to Akbar (1999) the resource capability of NGOs has waned. He attributed this to the nature of their foundation as having been alternative to state failures in service delivery, a creation of funding agencies and a civil society counter weight to state power.

Tvedt (2006) observed that some NGOs owe their resource capability to the state, where governments have paid them to do work on their behalf. Ironically this development has raised a lot of concerns about the independence of the sector (Lewis, 2007). Edwards & Hulme (1996) observed that most NGOs are donor dependent and the declining donor funding has of necessity led to waning resource capabilities in the sector. Another argument on lesser resources is related to a declining public confidence and trust in civil society (Gaskin, 1999). When members of the public lose trust in charities, fund raising becomes difficult as well government sanctioned resources to NGOs for service delivery.

Converse to the observation on donor dependence, Lewis (2007) posited that any discussion of NGOs cannot be isolated from the aid industry. It is the development assistance that sustains the sector. Broadly speaking, donors are interested in seeing interventions fostering a better living to the beneficiaries. The author contends that in practice it is difficult to establish accurate figures of aid extended. Many donor countries have recently increased the assistance they channel through NGOs, but the modality differs; either through direct funding, sub-contracting, partnering, using intermediaries or co-financing with the host government. Indeed many researchers have been unable to establish the real financial capability of NGOs especially in the third world. In their study of Ugandan organizations, Abigail et al. (2005) posited that one third of the organizations were

unwilling to reveal financial data while for those who cooperated in the study their accounts were inconsistent.

Regarding other non financial capabilities, it has still been difficult to get accurate comparative figures according to Salamon and Anheier (1996) as cited in Abigail et al. (2005). The sector employs nearly a third of the manpower in formal employment. Abigail et al. (2005) summarized findings on human resource capability as average of 18 employees and volunteers, most of them medical professionals, teachers and social scientists. In the sample 84% of the leaders had a university degree and 2/3 reported to be from middle class families. The directors did not dependent on the NGO as most revealed having other occupation in civil service, other NGO or farming and business. They found however, that there is a high staff turnover rate amongst the NGOs with staff moving from one NGO to another. The survey also found out that 45% own real estate, 54% rent land and buildings. Some of the NGOs owned a hospital or clinic, schools, hostels and business units. Most of the NGOs had access to piped water and adequate office equipment. However, over 35% did not own any means of transport and 25% had inventory awaiting delivery to beneficiaries.

Other NGO resources are seen in terms of contacts and membership. Brainard and Siplon (2002) noted that NGOs with registered members were assured of revenues through fees, subscriptions and contributions. Littlefield (2010) on the other hand emphasized group membership to church civil society organizations in terms of congregations who widely contribute towards the services offered to the poor. NGOs also use their networks with businesses to raise funds to distribute to the needy. Through their advocacy programs they appeal for support from individuals, government and donor agencies. Tvedit (2006) posited that the successes in such kind of networks have led to advocacy groups within which the flow and sharing of resources is prominent. New NGOs may find it hard to penetrate such circles to access funding. Littlefield (2010) noted that the phenomenon of social capital in the sector is not well explained though it is understood to lead to social, cultural and economic resources.

2.4 Performance of NGOs

The subject of measurements of performance in NGOs has attracted greater attention in the recent past. Stakeholders are asking whether NGOs practice what they preach and how this can be measured (Beamon & Balcik, 2008). The debate on the appropriate performance measures of NGOs is continuing. Unlike in the profit organizations, performance here is composed of the intangibility of services, unknowable outcomes and the variety of interests among the many stakeholders. Herman and Renz (1998) and Siciliano (1997) proposed objective indicators like mission statements, reports, independent financial audits, operational manuals, human resource capability, community acceptance, stakeholder satisfaction, programs and fundraisings. Nettings and Williams (1997) were concerned that performance of NGOs should be seen in sustainability more than other measures. They argued that unrealistic funding would lead to no afterlife. They proposed among others, that NGOs must restructure their roles, enhance community connections, model collaborations and run cross fertilizing projects.

Donors have reviewed their demands to measurable, specific indicators of performance. The logical framework has been promoted as a simpler tool to assess performance through a 4x4 matrix of goal, purpose, output and input. However, many NGO activities may not be quantifiable and thus get lost in the matrix. Edwards and Hulme (1996) have called it tendency to accounting for, not accountability of performance. This, instead, leads to bureaucratic measures consuming extra resources against measures that make a difference not those that are countable. There are questions on how programs like advocacy can be measured and the resources used accounted for. Gaskin (1999) found out that public trust and confidence in charitable organizations was declining, a phenomenon attributable to ambiguous financial accountability and neglecting other performance measurements.

2.5 NGO Collaborations

To understand the dynamics in the NGO sector and performance an examination of collaborations with stakeholders namely government, donors, community and other civil society organizations was important. Jordon (2005) posited that many stakeholders are asking critical questions notably on effectiveness, legitimacy and organizational reliability. Lewis (2007) modeled a three layer framework of relationships to be managed. In the first are controllable factors like staffing, budgeting, program strategies; in the second the NGO can influence the relationship like government policy, donor priorities, media and community needs; in the last layer the organization can only appreciate such as political structures, economic and technological trends and global events. The model gives clear pointers that if NGOs are to be relevant and effective they need to prioritize strategies based on opportunities and constraints.

Extant literature of NGOs proposes various models of relationship with governments. Brainard and Siplon (2002) cited the model by Young as including supplementary, complementary and adversarial; while the Najam model encompasses confrontation, co-optation, complementarity and cooperation. The interaction of NGOs with the home governments may be influenced by the nature of the NGO's program engagements, capacity of founders and resource base. In any model of partnership the government is faced with multiple and contradictory demands from NGOs. Lewis (2007) argued whether NGOs are supplementing, undermining or replacing public services. He cited various authors urging the parties to develop a clear cut synergy for a more mutually reinforcing relationship. The suspicious co-existence is detrimental to rural emancipation and relief provision.

The extra ordinary growth in the NGO sector has not gone down with governments worldwide either despite calls for mutuality. Some NGOs appeal for funding while others demand for rights. In the wake of such confrontations governments are not sure of the motive of the players. Bendel (2006) reported a fear that NGOs had a potential to undermine the sovereignty of constitutional democracies. Fowler (1991) submitted that in several countries NGOs were feared to be used by failed politicians and fundamentalists. The social engagements and awareness on matters of development has seen them at odds with government departments that fear to be challenged. Thus governments have tried to legislate on the activities of NGOs and how the public institutions should deal with them. For example the US development arm, USAID has guidelines which all NGOs it deals with must follow in line with the foreign policy of the government. There are differing and at times fierce views on the extent to which governments should regulate civil society organizations.

Some governments have moved to enact specific laws to control NGOs, with pretexts of precautions against terrorist funding, religious fundamentalism, tax evasion and political discourse. On the other hand, Tvedt (2006) illustrated a looming schema of co-option of NGOs by the state where they will inevitably degenerate and decay. The findings of the collaboration of NGOs and government in Uganda provide some deeper insight though. 70% of surveyed NGOs were in close collaboration with at least one ministry, with memorandum of understanding, partnership agreement or service contracts (Abigail et al., 2005). Many NGOs are faced with a set of difficult questions managing their relationship with government.

Igoe and Kelsall (2005) as cited in Lewis (2007) expressed that:

A collection of writing characterizes African NGOs as being caught between a rock and a hard place: between the governments that feel threatened by their activities on the one hand and by the development donors with their changing priorities and unrealistic expectations on the other. (p. 173)

The management of relationship with government is an important element in any NGO's strategic direction.

In any programs they pursue, whatever funding sources they seek and no matter what communities they engage to serve, the state remains in sight. International NGOs are donor mouthpieces with expensive expatriates, too politically engaged in local matters and using blue print approaches. This often puts them to odds with government bureaucrats. The increasing contest for space between civil society and state is a reality that has pitted the former. State machineries have used different tools to curtail NGOs namely, legislations, challenging credibility, label as security threat, corrupting NGOs with funds and operational level interventions. In Venezuela, India and Uzbekistan these tactics have worked, and in the former all NGOs were at one time closed down. In Uganda the government contracted NGOs to run HIV programs but when complaints of irregularities emerged, this was used as a tool to regulate the sector (Development Network of Indigenous Voluntary Associations, 2009).

2.5.1 NGO Networks

Collaboration, formation of networks and self regulatory structures has become a new agenda among NGOs (Gugerty et al., 2010). Summarizing earlier studies, Ebaugh, Chafetz and Pipes (2007) highlighted that collaboration is reflected in different organizations working together to address problems through joint efforts, resources, decisions making and shared benefits of the final product. To counter challenges recently facing the sector, NGOs have widely embraced networks as platforms for advocacy, quality control and common voice. The international collaboration among NGOs has provided them space to effectively engage intergovernmental and UN agencies like UNESCO, ILO, WTO and the UNAIDS, a task that would be difficult single handedly in advocating for individual country commitments. Ebaugh et al. (2007) traced collaborations among nonprofits to two theories, namely the resource dependency and the transactional cost theory.

NGOs collaborate so as to jointly raise resources as well as manage the overriding costs in service delivery. Gugerty et al. (2010) posited that pressures for collaboration and self regulation have emanated from donors, legal requirements in the countries of operation, media and communities. Accordingly Gaskin (1999) posited that members of the public in Britain demanded regulation by an external commission to avoid misuse of the charitable status. The criticisms on lack of accountability, transparency and poor quality services have challenged NGOs to rethink their individual existence to working through networks and formation of self regulatory mechanisms. Conversely Sidel (2003) reported that NGOs in 17 Asian countries had commissioned processes for accreditation, rating, codes of conduct and certification to check declining standards in the sector.

Fasutino and Baron (2003) as cited in Bendel (2006) examined this development and found the motivation being enhancing collective reputation of the sector, avoiding strengthened regulation, allying with government, avoiding and eliminating poor quality actors. Bies (2002) as cited in Gugerty et al. (2010) examined developments of collaboration in Europe and found the antecedents being political, varied market and social networks. Gugerty (2008) examined efforts of self regulatory schemes in 20 African countries. There were three different approaches, namely national level guilds, NGO-led clubs and voluntary codes of conduct. These structures provide standards of practice, platforms for information and space for better advocacy.

2.5.2 NGO—Donor Relationship

Collaboration with donors is probably the most outstanding inertia for NGOs. This has two dimensions, both as a resource factor and a performance attribute. Scholars have argued that the resource dependency theory rightly fits NGO-donor relationship. Bender (2006) reminded those debaters on NGOs that donors provide the resources and apparently upward accountability is important. Unlike in government bilateral funding, here funding may not explicitly be tied to conditions though such conditionality could be latent. NGOs have a variety of funders including powerful NGOs in the west, charitable foundations, governments and corporations. Their motives

should be clear to intending beneficiaries. Donor monies are raised from a chain of sacrifices like savings, worker contributions, less dividends etc. So a recipient NGO has interconnectedness with not only the dispersing agency but the chain of contributors whose gratification is for resources to reach the needy (Berresford, 2004, as cited in Bendel, 2006). There is need for donors and the recipients to realign their goals and management systems. Some donors actually post staff to recipient NGOs, or send monitors periodically, others do not engage with their recipients at all but control through reporting systems.

This dichotomy is further expounded by Akbar (1999) in the observation that donor demands lead to change in structures to meet specific contractual outcomes. Jordon (2005) noted that donors rank highest in questioning accountability to NGOs compared to governments and client communities. This serves to illustrate that the relationship between NGOs and the donor community is driven by not only the funding side but also by the service delivery side. While donor funding is declining as many scholars have established, the parties still maintain a level of ties. NGO advocacy schemes have influenced official aid policies. For example the reverse agenda principle, gender concerns, environmental protests, participatory approaches. NGOs and donors on the other hand have moved to militate against duplication through formation of consortia. Both are working together to streamline relationships with governments, agencies and communities.

2.5.3 NGOs and the Community

The influence of NGOs in the world is on the rise and humankind has noted that this cannot be without increased public scrutiny. NGOs basically exist to provide for the needs of the community. There has however, been some ambiguity, not only on accountability but the community concept. Bendel (2006) wondered what mode of accountability was called for, to whom and in what? Jordon (2005) raised a pertinent question on the legitimacy of NGOs when they claim to be representing the poor. Edwards (2003) as cited in Bendel (2006) had a different view however. He commented that those who speak out for others need not be their formal representatives. This opinion was supported by Bendel (2006) when he posited that the legitimacy of voice of NGOs is based on their expertise and knowledge of that constituency. The myth of the community came under attack from gender activists claiming it hid all sorts of injustices. Community is seen in terms of interest groups, local villages or cross cutting ties with any beneficiaries (Lewis, 2007). NGOs have fronted programs of empowerment, capacity building and participation as key needs of the communities.

There have been calls for better relationship and accountability by NGOs to the communities. Many NGOs instead provide accountability to those who finance them not to those who benefit from their philanthropy. Their argument though is having visibility open to the communities they serve. Communities have expressed discontent being reported on rather than reporting from them. Edwards and Hulme (1996) tried to assess the dichotomy of NGOs paying attention to satisfy the funders and lose touch with the communities. Ganesh (2003) as cited in Bendel (2006) described this phenomenon as being interested in themselves rather than their expressed objectives.

Stakeholders are concerned how NGOs extend their activities to communities without dual consultation and joint planning. This lack of consultation was highlighted at donor level where NGOs in the South complained that they were being used by those in the North for information and legitimacy. Abigail et al. (2004) found out that communities who were widely involved in decision making were more satisfied with NGOs serving them. The implication was clear that local NGOs who use communities or international NGOs who use indigenous ones for only mapping their presence remain questionable in the face of stakeholders. There is a growing tension between proponents for NGO consolidation and those for expansion in community. This shift in emphasis has unfortunately been a pity to the target beneficiary communities.

2.6 The NGO Sector in Uganda—Structure and Legitimacy

For the synthesis of NGO legitimacy and strategic orientations, we draw on data from Uganda. Non-governmental organizations play a big role in the social and economic realm in across the continent. In Uganda the NGO sector has grown much faster in the past 25 years under the current government. NGOs are classified according to size on various dimensions. There are large organizations that are involved in big operations as well as the small community based organizations. The National NGO Forum classifies large NGOs as those indigenous organizations registered to operate in more than one district (National NGOs), those organizations with head offices abroad but operating in Uganda and those locally registered but having international affiliation (International NGOs). Other large NGOs are those that are formed as umbrella bodies of organizations or institutions involved in certain thematic areas (Network NGOs). The small NGOs on the other hand, comprise of community based development associations (CBOs) that are registered to operate within the jurisdiction of their home district (NGO Forum briefing paper, 2009).

An NGO is defined under the laws of Uganda as an organization established to provide voluntary services, including religious, educational, literacy, scientific, social or charitable services to the community or any part of it (NGO Act, 2006). The Act requires all NGOs to be registered with the NGO Board at the Ministry of Internal Affairs. For registration NGOs are vetted by local leaders in areas they want to operate in and must seek recommendation from the Resident District Commissioner, who doubles as the chairperson of the district security committee. The directors are expected to file information on their structures, programs, area of operation, budget, resources and management system. Abigail, Fafchamps and Owens (2005) found out that 67% of the NGOs registered with the Board had also registered with the Registrar of companies to gain legal personality so as to own land and other property. NGOs are expected to submit annual reports and accounts to renew the license, initially for one year but later for three years.

The NGO board exercises an oversight role over the activities of the sector. However, findings were that only 17% had been visited by a representative from the NGO board, 43% had received officials from line ministries and 70% from the local government.

The earliest NGOs to begin work in Uganda were large international organizations coming around the time of gaining independence in 1962. They provided essentially needed development services towards the transition to self rule. Namara (2009) cited the International Committee of Red Cross having started in 1962, Oxfam in 1963 and CARE in 1969. Under the dictatorship regime of Idi Amin, 1971-1979 that was characterized by brutality, many international NGOs rolled back their activities. Those that persisted were mainly faith based providing basic services like education and health care. From 1986, when the current government came into power many reopened their activities and indigenous ones were founded. Dicklitch and Lwanga (2003), in Namara (2009) attributed this rush to the need for post war rehabilitation and reconstruction, the HIV/AIDS pandemic, rhetoric of civil society, good governance agenda and the World Bank poverty eradication programs.

3. Research Methods

The data in this study was based on a population of 313 NGOs registered under the national NGO Forum in Uganda. The primary data was collected using a self administered questionnaire developed on a five point Likert type scale. The instruments were tested for both reliability and validity and found suitable for the study. Secondary data was obtained from reports of NGOs, government institutions and respective websites. The respondents were

the chief executive officers or a designated member of top management team. These were selected as they are the strategy bearers of the organization. Strategic orientations were operationalized on the basis of measures contained in the Miles and Snow (1978) typology and locally contextualized by Bagire, Aosa and Awino (2012). Legitimacy was measured on the basis of foundation, legality and belonging of the NGO, supported by Gugerty (2008, 2010).

4. Results and Discussion

In spite of their known scope of activities, resources, management capabilities and asset base, large NGOs are a subject of public contention regarding their performance. In the previous governments, NGOs were alleged to have had links with anti-government activists. Today they are restricted from engaging in political overtones and activities that compromise local security. Anecdotal reports in the local media about their performance have insinuated lack of transparency, corruption, sub-standard services to beneficiary communities, internal borrowing by directors, forgeries, evading taxes using nonprofit status, huge operational costs benefiting more of managers than clients, among a host of other performance indicators. However, the questioning of NGO performance is not without foundation. Baguma (2009) reported findings of a study in 1998 and another in 2001 indicating that only 20% of those registered were active on the ground, meaning that the rest were in questionable existence. NGOs themselves have recently acknowledged evidences that 15-30% of those who register actually go operational (NGO Forum, 2011). DENIVA Policy brief paper, 2009 highlighted the challenge of decentralization, lack of clear mechanism for engagement with local councils which spiked off accusations of lack of transparency and intrusion.

In an effort to further regulate the sector and for them to focus on what they are registered to do, NGOs are expected to form self regulatory structures called Quality Assurance Certification Mechanism (QuAM) provided by Regulation 19 of the Act. Two national NGO networks namely, the Development Network of Indigenous Voluntary Associations (DENIVA) founded in 1988 and the NGO Forum founded in 1997 are spear heading the formation of the QuAM. Certification is not a legal requirement but once obtained is binding. There are 18 standards for pre-certification, 32 minimum standards and 27 for improvement (QuAM working group paper, September, 2007). Local NGOs are still at pains to embrace this call for certification.

Through these bodies, NGOs have acknowledged the calls for accountability and concerns of stakeholders on the poor performance. DENIVA (2009) challenged civil society organizations to ask themselves hard strategic questions of what they are and expected to be, rather than always blaming government for lack of impact. The NGO Forum (2009) on the other hand called upon member organizations to document their activities so that the role of the sector towards the health and wealth of the nation is not in any doubt. Gugerty (2010) confirmed that in fear of the regulatory documents issued by government, NGOs got committed to pursue strategic and long term agenda beyond legislative reforms to improve their public image.

Namara (2009) established that NGOs and faith-based organizations are estimated to be contributing around 40% of services in the country. They are active in advocacy and lobbying, education and training, credit and finance, health and sanitation, research and evaluation, agriculture and, culture and conflict resolution. The government today recognizes the social-economic contribution by NGOs. They have made invaluable contribution for rural and urban communities to access essential services like water and sanitation, agro-inputs, relief supplies and medical care. In Northern Uganda that was ravaged by the guerilla fighters over the past twenty years, NGOs supported populations that were displaced to camps. They are currently helping them resettle back to their communities. NGOs are also active in refugee camps, slum areas, communities hit by natural disasters like floods

and landslides and generally across the country playing a part in various spheres of human life supplementing government services.

The Human Development Report (UNDP, 2007) indicated that the impact of service delivery in many countries was undermined by many pressing community needs making governments unable to meet basic needs. In Uganda the factors affecting service delivery included markets, knowledge and innovation, land, environment degradation, the Northern question, disease especially HIV, among others. The indicators on Uganda were particularly critical of the lack of integration of government services and civil society programs. The National Development Plan (GOU, 2010) focuses on modernization of agriculture, from subsistence to commercial. Most of the pillars rely on civil society and NGOs for realization. However, the NGOs observed that though they were among the multiple stakeholders who contributed to the plan, their integration in sharing resources of implementation is not clear (NGO Forum, 2011). There are several overriding limitations that require central government attention like forestry management and rural infrastructure. Instead NGOs have found niches in cross cutting issues especially gender, HIV/AIDS and environment. However, there is a growing crisis of legitimacy where NGOs are not close to the communities they purport to serve. The self regulation mechanisms and restructuring of the sector is hoped to revitalize the public confidence in the sector.

There is a tendency of strategic isomorphism among the local NGOs. This concept relates to some form of resemblance among organizations in an environment over some time (Deephouse, 1996). Such similarity may result from internal and external mechanisms. In the Ugandan NGOs isomorphism has been a result of clustered service areas, where many NGOs concentrate on say HIV/AIDS prevention, environmental protection, water and sanitation among others. Since donors have standardized procedures they expect of their beneficiaries, all NGOs receiving aid from a given donor undertake similar activities, use same methods or even concentrate in same regional areas. Deephouse (1999) posited that strategic similarities that firms tend to adopt enhance performance and limit the level of differentiation among them. However, in the local perspective, this, in the eyes of the public does not give any of the organizations a distinctive performance outlay from period to another, hence the attitude that performance is wanting.

Despite their wide presence in various sectors, the questioning of NGO performance is intensifying. Some NGOs are reported to have promoted dependence instead of self-sufficiency in communities. Many areas have failed to develop even with many NGOs running development programs there for decades. Abigail et al. (2004) reported that most NGOs in Uganda are donor dependent with a few soliciting funds from membership fees and grants from networks. This agreed with Nettings & Williams (1997) who noted that the halo of saintliness of NGOs had waned over the years. While NGOs in Uganda face normative and regulatory pressures that influence their real and perceived output in eyes of various stakeholders, their performance has not been empirically explained. They are limited by funds, human resources, community needs, infrastructure, strategic gaps, structure and management, and changing global scene. Abigail et al. (2004) found out that most Ugandan NGOs operated in less than three districts, and even so in one or two selected communities. This makes their impact less felt. Previous explanation of their performance has been based on a view point of single factors. Abigail et al. (2004) assessed geographical allocation of resources and client satisfaction. They found out that the more communities were involved in decision making the more they were happy with the services being provided. Andersen (2011) argues that even where organizations have resources, they can be limited by managerial ability; with conservative management and old routines, available resources may not be utilized to realize desired performance.

5. NGO Strategic Orientations—Present Findings

In this section we provide descriptive data regarding the programs, activities and target clients from the large NGOs operating in Uganda. The section describes the broad decision areas that organizations were pursuing. We found wide ranging thematic areas that were regarded as the strategies that they were involved in. This was agreeable and within our conceptualization of strategy given the prevalent debate of what strategy really is in extant strategic management literature.

Table 1 Service Orientations of NGOs

Service area	% age of cases
Formal and Vocational education	68.1
Advocacy, Human rights and democracy	63.7
Health and sanitation	57.5
Agriculture and farming	47.8
Environmental and nature conservation	34.5
Micro Financing and sub-granting	24.8
Conflict resolution and peace campaigns	23.0
Library, Archiving, Research	15.9
Humanitarian aid and relief	15
Others (counseling, housing, evangelism, spiritual growth, legal services, entrepreneurship, technical support)	8.0

The data in Table 1 shows that NGOs in Uganda are clustered in particular program areas. This item was designed for multiple responses as it had been discerned that most NGOs were involved in more than 1 type of service. Of the total responses, most NGOs were involved in more than 1 of the 9 program areas that had been identified. Formal, adult and vocational education was the highest ranked program areas followed by advocacy, human rights and democracy. This was followed by health and sanitation. 47.8% of the cases were involved in agriculture related services, while the environment had 34.5%. Very few NGOs reported being involved in one service area. Those that were, the service areas included spiritual programs, discipleship and evangelism, trade development, art and design. These were only 8% of the cases.

Table 2 The Target Beneficiaries of Surveyed NGOs

Target Beneficiaries	% of cases
General Community	75.9
Women	73.2
Youth in School	63.4
Youth out of School	60.7
Institutions	34.8
Slum dwellers	20.5
Disaster hit	16.1
Refugees	8.9
Others (disabled, elderly, widows, religious faithful, teenage mothers, pygmies)	8.9

Table 2 provides us another finding that enriches our examination of the strategy orientations of NGOs in the African context. The majority of NGOs do not target one category of beneficiaries. They are focusing on multiple

beneficiaries or groups. Those that indicated that they were out for general community service were the majority; the same NGO also indicated that they focus specifically on women, youth in school or out of school. A very small percent of nearly 9% of the cases were specific that they target one group of people namely disabled, elderly, widows, teenage mothers or the faithful.

Table 3 Key Drivers of NGOs Strategy Choices

Items	Mean	SD
The needs of the target Communities	4.47	.846
Available resources (financial, human resource, equipment)	4.35	.944
The policies of the government of Uganda	4.04	1.026
The programs at the national or international headquarters	3.97	1.213
The priority areas of the donors to the organization	3.77	1.193
The continuous changes in the local environment	3.69	1.094
The structure of our organization	3.65	1.186
Membership to the regulatory network organizations	3.06	1.229
International events around the world	3.02	1.228
The programs being undertaken by other organizations	2.80	1.233

From Table 3 we learn that the highest rated factors in influencing strategy choices were needs of target community, available resources and policy of the government. On the other hand, the factors rated lowest in influencing strategy decisions were programs of other NGOs, international events, membership to regulatory networks and their structures. The rest were rated moderately. This rating shows that NGOs are focused in a way they agree on their strategy choices and are aware of the influencing factors. This finding was important in explaining why the NGOs are involved in what they were doing and the state of their strategy choices within the operating environment. Although overall the needs of the community had the highest mean and lowest standard deviation meaning close agreement from the respondents, many stories were received regarding funding and donor conditionality as major drivers of NGO work in Uganda.

In the qualitative data we gathered that civil society has used the tool of lobbying of parliament for a favorable operational environment; there is urgent need for regulation of the sector and favorable legislation. Government departments and office bureaucrats have created a suspicious atmosphere for NGOs especially in districts. NGOs are viewed as challengers to government efforts. The changing technological environment has made the networking among civil society easier than before and many thematic groups have been formed as lobby centers. The decentralization policy widely affected the way NGOs operate and in some cases raised tension with local governments. The influence of religious leaders, cultural heads, mass media, and opinion leaders is expected to be high on the work of NGOs but many players have not recognized it in planning their activities.

Overall, their legitimacy was in no question; but the government, through specific local government officers, is in pain embracing the challenge posed by NGO activities in view of her inadequacies. Based on the synthesis of the findings in this study, the questioning of NGO performance was factual and founded. The areas of contention were ambiguity in performance measures, perceived duplication of services, and competition for donors, for resources and for clients; reporting problems, lack of focus, evidences of luxurious lifestyle and little or no community or beneficiary involvement. NGOs reported on their facilities such as vehicles and equipment, number of workshops held, physical supplies, funds received, numbers of people reached among other tangible outputs. These results were

consistent with conclusions drawn by Abigail et al. (2004) when they examined the NGOs in Uganda.

Table 4 Strategy Orientations in the Surveyed NGOs

Strategy orientation	Features	Percent of cases
Prospectors	<ul style="list-style-type: none"> • Exhibit a broad domain in continuous state of development • Monitor a wide range of environmental trends, conditions, events • Create change • Grow from new markets and new products • Stable structure and process • Dominant coalitions are finance and production • Planning is intensive not extensive • Functional structure • High degree of formalization • Centralized control 	37.2%
Defenders	<ul style="list-style-type: none"> • Aggressively maintain prominence within chosen market segment • Ignore developments outside of their domain • Penetrate deeper into current markets • Normally grow cautiously • Grow incrementally 	14.2%
Analyzers	<ul style="list-style-type: none"> • Changing structure and technology • Multiple technologies • Dominant coalitions are marketing and research • Executive tenure is shorter • Planning is broad, not intensive • Product based structure • Control is result oriented • Information flow to decentralized decision makers 	28.2%
Reactors	<ul style="list-style-type: none"> • Dual technology core, moderate efficiency • Dominant coalition is marketing, research and production • Planning both intensive and comprehensive • Structure is matrix functional production • Control difficult, trade off efficiency and effectiveness • Coordination both simple and complex • No articulate viable organizational strategy • When strategy is articulated, structure, resources and process are not linked to strategy appropriately 	17.7%

From Table 4, the majority of NGOs surveyed exhibited characteristics of prospectors under the theoretical underpinning of Miles and Snow (1978). This is collaborated with the result discussed earlier where they were found to cluster around similar services and target beneficiaries. Only 14% were defenders, i.e., those who maintained their strategic posture over years, ignoring new tier opportunities and aggressively serving their long time chosen clientele. The rest, in aggregate, give the inference that most NGOs did not have long term stable strategic orientations, but identified with emerging opportunities and needs. In table 3 we saw that desires of the community and available resources were the key drivers, both of which are dynamic.

6. Conclusions and Implications

Given these phenomena and the discerned strategic behavior of the NGOs, it shall be concluded that researchers and other stake holders still need more information and analysis to better understand NGO legitimacy and operations. The conceptual framework that guided this study was developed from the view that NGOs are active in the national development agenda. It is now more pertinent that NGOs have rich and diverse strategy imperatives. The issues of NGO set up, focus and services are espoused in organizational setup and environmental munificence. Converse with global changes in donor funding, privatization agenda and diverse community needs,

the role of NGOs and their strategic orientations will continue to be uncertain. The current study shows how NGOs will grapple with the critical space of maintaining their relevance. The findings of this assessment have implications for policy makers to reassess the sector and particularly in Uganda to provide an enabling environment for them to contribute towards the national development plan. For NGO managers, they must not put the role of their organizations into question through overstepping their mandate. NGOs must institutionalize their operations in developing structures that support long term stable and strategic decisions. To scholars, the study provides areas for further analysis of the sector on various dimensions like management, resources and capability for long term survival. The results in this study may be limited by our operationalization of the variables and lack of a coherent perception of strategy dimensions by our respondents. We nonetheless contend that the study has made some contribution towards the understanding of the phenomena of NGO authenticity and stratagem.

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