



An Assessment of Challenges and Opportunities of Ethiopian Charities

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Declaration

I, the undersigned, declare that this thesis is my original work and has not been presented for degree in any other University and that all sources of materials used for this thesis have been duly acknowledged.

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Acronyms and Abbreviations

CCRDA: Consortium of Christian Relief & Development Associations

ChS: Charities and Societies

ChSA: Charities and Societies Agency

CSO: Civil Society Organization

ECSF: Ethiopian Charities and Societies Forum

FDRE: Federal Democratic Republic of Ethiopia

IASSW: International Association of School of Social Work

NASW: National Association of School of Social Work

NGO: Non-Governmental Organization

SCI: Save the Children International

UNDP: United Nation Development Program

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Abstract

This study examined challenges and opportunities faced by Ethiopian Charities predominantly focusing on financial sustainability, organizational capacity and public image. Though, different studies are conducted on Ethiopian CSOs, there is no previous research conducted on challenges and opportunities faced by Ethiopian Charities. Therefore this study clearly indicated challenges and opportunities faced by Ethiopian charities. The research has employed a mixed methodology using different data collection technique such as document review, key informants interviews and questionnaire. Participants of this research were 20 directors/senior managers from Ethiopian charities and 5 ChSA NGO desk officers. The data obtained from the above participants using the stated techniques have been analyzed using different statistical methods such as percentage and frequency for quantitative data and coding and word description for qualitative data to inform the research inquiry. This study has focused on three thematic areas namely financial viability, organizational capacity and public image. The other areas (legal environment and advocacy) are not included in this study due to limitation of time and information. The findings of the study show that, majority of Ethiopian charities are facing myriad challenges with regard to financial sustainability, limited organizational capacity and negative Public image. The study has also identified untapped opportunities that Ethiopian charities will explore in their area of intervention and thereby to coup up challenges. Taking into account the untapped opportunities recommendation are forwarded. Accordingly, Ethiopian charities need to be committed to address internal capacity limitations via restructuring their system and set up. Donors on the other hand have to improve transparency in funding decisions and also consider the need for increased commitment to the capacity building support in the priority areas highlighted by Ethiopian charities. Ethiopian charities and their networks, as well as other pertinent stakeholders should aggressively work towards improvising relationships and foster a positive image of Ethiopian charities. Ethiopian charities need to establish meaningful partnership and alliance. Hence, financial constraints, lack of capacity and negative image will improve.

Chapter One

Introduction and Background of the Study

1.1. Introduction

Under this chapter back ground of the study from the objective of the study perspective has been illustrated. Similarly, statement of the problem with the gaps to be addressed, and the aim of the study have described. Besides, objectives of the study, research questions, organization of the study, the scope and limitation of the study and definition of important terms have briefly been described. Moreover, the research thematic areas with justification have been presented.

1.2. Background of the Study

Ethiopia is the second most populous country in Africa and receives a significant amount of aid from donors including the United States (US). CSOs are taking the lion share in mobilizing aids from different international fund sources. Charities and societies (ChS) started emerging in Ethiopia in 1950s-60s and their number has increased with significant scale during 1970 following the 1974 drought in Ethiopia (SCI, 2016). Over the last two decade Ethiopia has witnessed the growth of charities and societies and their contribution as a key development partner that address the country's multiple development priorities.

According to CSOs sustainability index (2010), CSOs are playing an increasingly important role in the social and economic milieu and implementing various development agendas at national level. Besides, according to CSOs sustainability index (2013) CSOs contributions in earning foreign currency, opening up employment opportunities and addressing government priorities are immense.

Despite their contributions, however their existence and overall operation have been challenged by resource constraints. NGOs are expressing difficulty in

finding sufficient, appropriate and continuous funding for their work (CSOs sustainability index 2011). They find accessing donors as challenging as dealing with their funding conditions. They perceive there to be certain cartels of individuals and NGOs that control access to donor funds. They have limited resource mobilization skills and are often not looking for funds that are available locally, preferring to wait for international donors to approach them.

As it is stated by CSOs sustainability index (2015), NGOs for a long time have relied on the generosity of donors to support their project activities through grants and donations. There is a high dependency on donors and a tendency to shift interventions to match donor priorities. There is a lack of financial, project and organizational sustainability. However organizations have realized that such funding sources are often insufficient to meet needs and rising costs for project implementation. In Africa despite vast differences among the NGOs most share a common challenge of unlimited needs chasing limited resources (CSOs sustainability index, 2014). Literatures indicated that shortage of resource highly linked with small local NGOs due to their capacity limitation.

According to ECSF (March 2016) there is significant capacity limitation among indigenous NGOs in terms of human resource due to having insufficient staff then to pursuing appropriate funding or resources remains elusive to many. Local NGOs face difficulties securing enough funds because the projects undertaken require substantial amounts of resources, both financial and non-financial due to high poverty levels in most parts of the continent. And most of Local NGOs expected to mobilize local resource so as to coup up their financial constraints. However, according to ECSF (2016), resource mobilization requires a lot of time and skills to seek resources from different sources and the pressure to mobilize resources may lead the organizations to use methods that compromise the values they are fighting for through their work. In addition to capacity limitation, negative public image has also significant impact on NGOs resource mobilization.

According to CSOs sustainability index (2011), there is criticism on how NGOs have used their funding and other monies received or raised. Criticisms range from pointing out that only small percentages go to people in need, that a lot goes to recover costs, and some have even been used to pay very high salaries of the people at the top of these organizations. In other cases, these arguments have been used by those who wish to paint a dark picture of NGOs in general because NGO research may ultimately criticize their practices. Government attitude and perceptions of NGOs have not been good in many African countries and some organizations have been considered by the government as a threat (David Lewis and Tina Wallace, 2000). In the case of Ethiopian CSO, this has led to some being registered or been given restrictions for sourcing funds from external donors

ECSF (2016) stated that the images of ChS in Ethiopia are detracted by their weaknesses and negative propaganda inflicted by Government Print and Electronic Medias. ChS should work hard to build their images through adopting innovative and cost effective and efficient ways of doing business and demonstrating as to how they are effective development partners that add values on the efforts being made to address the socioeconomic problems of grass root communities.

Different literatures indicated that, lack of Accountability and Transparency, Inadequate Strategic and Operational Plans, Inadequate Networking Skills, Inadequate Awareness on Available Opportunities, poor Governance and Founder Syndrome are among the major challenges faced by Ethiopian charities in particular.

1.3. Statement of the Problem

Ethiopia is the largest pre-industrialized society in the world; it is also one of the poorest. Currently, a large number of local and international NGOs undertake a wide range of poverty reduction and development activities in Ethiopia. According to Non –State Actors Mapping Study (2014) NGOs in Ethiopia had invested

about 1 Billion USD on various development projects across the country. This third sector also mobilized more than Birr 35.76 Billion (US\$ 1.788 Billion) to implement 2,604 projects. However, In terms of diversity, size and capacity, CSOs in Ethiopia are not well developed compared to many African countries.

Despite the visible contribution, CSOs made to the overall socio-economic development of the country however, they faced a various challenges that hinder their smooth operation and challenge their existence (Parks Thomas (2008). A body of evidence has also shown that the operating environment, financial viability, organizational capacity, advocacy and positive public image have been significantly decreased in the last 10 or so years. Several CSOs sustainability reports also revealed that a number of ChS suffered from lack of resource and some of them have ceased their operation altogether. A recent official report of ChSA indicated that 108 ChS have been closed down mainly due to lack of financial resource. The situation is very critical in the case of Ethiopian charities compared to other Charity categories.

As CSA registration and inspection annual report (2014) indicated, the number of Ethiopian charities has been decreasing due to close down or by changing to Ethiopian resident charities. According to 2013 and 2016 CSA report the number of Ethiopian charities registered in 2013 and 2016 is 118 and 107 respectively. USAID civil society sustainability index report (2012), shows that Ethiopian Charities who have to generate 90% of their funding from domestic sources are slowly changing their category to Ethiopian resident charity in order to access foreign funding and sustain their operations.

Consequently, different studies have been conducted and assessed the challenges faced Ethiopian CSOs in general and the core findings are limited technical and organizational capacity, difficulty of obtaining sufficient, appropriate and continuous funding for their work, negative public image, restrictive legal environment and poor infrastructures are the major challenges of Ethiopian CSOs. However, majorities of the studies are conducted from the

perspective of CSOs in general and some others focusing on Ethiopian resident charities. Moreover, all of the studies have merely focused on the challenges faced by CSOs. And the opportunities available to address the challenges are not yet studied.

Nevertheless, the features, structures, regulations, legal operation areas, experiences, rules, restrictions and opportunities/accessibilities are different among categories of charities. Besides, the type and degrees of the challenges for each category of charities are different. Similarly the opportunities entitled/available are also different from one category to the other. However, none of the studies could clearly indicate the challenges and opportunities that belong to Ethiopian charities. Likewise there are no studies conducted on challenges and opportunities faced Ethiopian charities. Thus it is important to assess the challenges and opportunities from Ethiopian charities perspective.

Therefore this study has assessed the challenges aligned with Ethiopian charities and has identified opportunities which are belongs to Ethiopian charities in a specific and clear manner. Hence the subject of this study is Ethiopian Charities.

Accordingly, the study has addressed the following research questions:

1.4. Research Questions and Research Objectives

1.4.1. Overall research question: Assess the operational environment of Ethiopian charities and thereby identify what are the major challenges and opportunities faced by Ethiopian charities?

1.4.2. Specific Research Questions:

1. What are the major challenges faced by Ethiopian charities?
2. What are the opportunities which could positively affect Ethiopian charities?
3. How can Ethiopian charities overcome all the challenges?

1.4.3. General Objective:

To assess the operating environment of Ethiopian charities through identifying challenges and opportunities of Ethiopian charities

1.4.3. Specific Objectives

1. To assess the major challenges faced by Ethiopian charities
2. To examine the existing opportunities that can create favorable operating environment for Ethiopian charities
3. To identify and indicate the strategic approaches and procedure that could be focused by Ethiopian charities and concerned stakeholders.

1.5. Significance of the Study

The findings of this research paper will enhance the knowledge base of current realities on challenges faced by Ethiopian charities and the untapped opportunities available to overcome the challenges. From a practical point of view, the findings will inform donors about proactive initiatives, especially on capacity building measures, to address major needs and priorities by leaders in local charities in order to ensure organizational capacity, financial viability, and Public image and thereby organizational sustainability. On the other side, the findings will show government to identify core challenges faced by Ethiopian Charities and thereby to revisit areas of their technical support.

Moreover, this paper will provide opportunities for Ethiopian charities leaders/practitioners to make informed actions with the aim of shaping their strategic approach for ensuring the organizational capacity, financial viability, and Public image of their organization. As such it will only be possible to propose action after a better understanding of the prevailing situation. Besides to the academic fulfillment, the findings from this research will be disseminated through the CSO journal run by CCRDA for enhanced information sharing and learning. Moreover, the study will give direction for other researchers to conduct further research.

1.6. Scope/Delimitations of the Study

1.6.1. Scope of the study

The advocacy and the legal environment dimensions are not within the scope of this study. This paper has explored the effects of financial viability, public image, and organizational capacity to challenges and also examine internal and some of the external factors over which organizations have control to change the given working environment. The study has based its source of data on organizational level so as to provide macro level evidence about challenges and opportunities of Ethiopian charities. The reliability of the findings depends on honest feedback from respondents (managers' leaders and officers). The researcher made every effort to explain that the outcome of this research is intended to be normative and will help to enhance understanding on the extent of the problem through informed action by stakeholders to improve the prospects of the NGO sector.

1.6.2. Limitation of the Study

In this study beneficiaries and the general population were not included to obtain primary data due to absence of awareness about the categories of charities and CSOs in Ethiopia. Due to time and budget limitations, the research depends only on the analysis of the issue from the Ethiopian charities perspective and on feedback from limited stakeholders and therefore lacks consensus building through stakeholder meetings, to validate the findings of this study. Notwithstanding these limitations, the study identified priority issues to inform the strategies to overcome the challenges identified. The researcher has used own fund and this has also limited the scope of the study.

1.7. Conceptual Definition of Key Terms

The term “non-governmental organization” (NGO) has become widely accepted as referring to a legally constituted organization with no participation or representation of any government, whereas the broader term “civil society organization” (CSO) refers to “un-coerced collective action around shared interests, purposes and values. The United Nations Development Program

(UNDP) defines civil society as a third sector existing alongside and interacting with the state and private sector. In Ethiopia a distinct term Charities and Societies (ChS) has been introduced since the enforcement of the 2009 proclamation. In this research the terms ChS, CSO and NGO are used interchangeably.

Charities: According to the Charities and Societies Proclamation, a Charity” is “an institution which is established exclusively for charitable purposes and gives benefit to the public”. A distinctive feature of charitable activities is the fact that they are intended to benefit the public.

Ethiopian Charities’ shall mean those Charities or Societies that are formed under the laws of Ethiopia; all of whose members are Ethiopians; generate income from Ethiopia and wholly controlled by Ethiopians. However, they may be deemed as Ethiopian Charities or Ethiopian Societies if they use not more than ten percent of their funds which is received from foreign sources” [Article 2(2)]

1.8. Organization of the Study

This study has six chapters. The first chapter covered background of the study, statement of the problem, significance of the study, scope of the study and the study thematic areas. The second chapter is about the conceptual framework of the study and review literature. The third chapter includes research design and method of the study. The fourth chapter encompasses data interpretation analysis and presentation. The fifth one is summery of research finding and discussion. The last one, chapter six is about summery, conclusion and recommendation.

Chapter Two

Literature Review and conceptual framework

2.1. Introduction

Under this section discusses of various secondary sources including Journals, policy, guidelines and toolkits from donors and government sources; assessment and research have been consulted to develop a good understanding of the meaning, concepts and determinants of organizational and financial sustainability and what theoretical basis established in the literatures. Furthermore various CSO assessment models by multi- lateral donors have been consulted.

2.2. Historical Overview of ChS

Ethiopia has a long tradition of informal community-based organizations like the “idir” and “iqub”, self-help associations that operate at the local level and offer mutual socio-economic support to their members. As stated by Dr. shoa Asfaha (2011), historically, Ethiopian civil society has been smaller and less diverse than elsewhere in Africa, and has been marked by adversarial state-society relations. Formal civil society – that is, organizations with legal personality is a recent development. There were no formal NGOs in Ethiopia until the famines of the 1970s and the 1980s, which forced the government to accept outside assistance. Civil society was slow to take root under the Ethiopian Empire regime (1137-1974).

According to Jeffrey Clark (2000), modern civil society organizations were first established as faith-based organizations in the 1930s, and beginning in the 1950s, welfare organizations like the Red Cross started to operate in Ethiopia. Jeffrey Clark on the same edition states that; as a result of the 1973-74 and 1984-1985 famines, many more non-governmental organizations (NGOs) emerged with a focus on relief and humanitarian services. It was after the downfall of the Derg regime in 1991 that saw NGO numbers substantially increase).

Today, the Ethiopian civil society sector is bifurcated between government-aligned community organizations, which includes mass-based organizations as well as religious and interest groups, and independent organizations (NGOs and advocacy organizations) (Rahmato, 2002). Most of the independent Ethiopian NGOs are not rooted in local communities, and are instead viewed as foreign, rather than indigenous, entities (Vaughn and Tronvoll, 2003).

According to Taye et.al (2010) and Jeffery Clark (2000), Domestic NGOs in Ethiopia remain underdeveloped and somewhat misunderstood by the government, and the sector has been struggling for operating space and enhanced institutional capacity. After 1991, NGOs made remarkable progress in their number and diversity as well engaged in addressing the country's complex development agenda. From 1991 FDRE government has played different legislative roles and by 2009 the government issued a new Proclamation of Charities and Societies in 2009 in order to facilitate and strengthen the effective contributions of NGOs to the socio-economic development of the country. The Proclamation made the necessary amendments to reflect new realities and incorporate the best practices from the similar regulations of other nations (ChS proclamation 2009).

Overall the proclamation is believed that the legislation will help ensure clarity and predictability in the operations of all charities and societies and NGOs in Ethiopia. It will also significantly improve arrangements for the licensing, registration and operations of these organizations.

A new classification of CSOs has been introduced by the Charities and Societies Proclamation on the basis of source of income. Hence, the law divides CSOs into "Ethiopian Charities or Societies", "Ethiopian Resident Charities or Societies" and "Foreign Charities or Societies". The legal definitions of these categories are provided under Article 2 of the CSP as follows:

- i. "Ethiopian Charities' or 'Ethiopian Societies' shall mean those Charities or Societies that are formed under the laws of Ethiopia; all of*

whose members are Ethiopians; generate income from Ethiopia and wholly controlled by Ethiopians. However, they may be deemed as Ethiopian Charities or Ethiopian Societies if they use not more than ten percent of their funds which is received from foreign sources” [Article 2(2)]

ii. “Ethiopian Residents Charities’ or ‘Ethiopian Residents Societies’ shall mean those Charities or Societies that are formed under the laws of Ethiopia and which consist of members who reside in Ethiopia; and who receive more than 90% of their fund from foreign sources” . [Article 2(3)]

iii. “Foreign Charities’ shall mean those Charities that are formed under the laws of foreign countries or which consist of members who are foreign nationals or are controlled by foreign nationals or receive funds from foreign sources” . [Art 2(4), emphases added].

2.3. Financial Viability

NGOs are expressing difficulty in finding sufficient, appropriate and continuous funding for their work. They find accessing donors as challenging as dealing with their funding conditions. They perceive there to be certain cartels of individuals and NGOs that control access to donor funds. They have limited resource mobilization skills and are often not looking for funds that are available locally, preferring to wait for international donors to approach them. Dr Gebre Yntiso (2012) stated that, there is a high dependency on donors and a tendency to shift interventions to match donor priorities. There is a lack of financial, project and organizational sustainability.

2.3.1. Fundraising and Resource Mobilization

Fundraising and resource mobilization is a valuable component for strengthening an NGO. As stated by CSOs sustainability index (2015), fundraising is the act of persuading people or organizations to raise money for a cause. Fund-raising is the activity of collecting money to support a charity or political campaign or organization. Fundraising means that funds are elsewhere and approaches need

to be explored to access the funds.

NGOs need to have adequate resources to support their current operations still face uncertainty over future funding. However, NGOs are operating under a highly resource competitive environment. Unfortunately there is a lot of competition for donor resources and in many cases for an organization to secure resources it depends on how well it can compete with other organizations to raise funds; and on how good it is at exploring other ways to source for resources (Petty Janice Gow, 2008).

Many organizations wonder whether the donors will keep supporting program costs or will they shift their focus to other more pressing needs. These are some of the scenarios that create uncertainty over donor funding and makes it extremely difficult for NGOs to plan and implement their project activities consistently. The uncertain continuity of donor funding, forces an NGO to live a project to project existence, which makes it difficult to design and expand project activities to improve the quality of services Mavoko Kapyepye, 2013). However the common mistake that local NGOs make is to become over dependent on a single source of funding. Dr Gebre Yntiso (2012) stated that; at times a donor runs out of business and can no longer provide resources for local NGOs dries up the organization struggles to generate new funding when it is too late, hence programs are compromised or terminated.

2.3.2. Domestic Resource Mobilization (DRM)

Based on Sub Saharan CSOs sustainability index (2016), domestic Resource Mobilization (DRM) refers to the generation of savings from domestic resources and their allocation to socially productive investments. In the broadest sense DRM encompasses the mobilization of human as well as financial resources for investment, creating income, mobilizing and utilizing resources effectively is becoming crucial for Ethiopian charitable organizations, particularly for those organizations which are registered as Ethiopian charities and required to raise their income from local sources.

Rehema C. Batti (2014) describes that, the largest share of financing for development has to originate from domestic resources. This is an inescapable necessity. Foreign development assistance has been declining, and it is becoming highly volatile, responding to the vagaries of unpredictable market sentiment. Therefore, to defend these and other similar forms of challenges associated with resources, charitable organizations have to take various measures and strategies.

However, Most CSOs focused on fund raising from international institutional donors. If organizations desire to diversify their sources of resources, they may have to revise their current approaches, which are only focused on attracting external grants and accommodate options of sourcing resources from businesses and individuals. Mavoko Kapyepye (2013) describes that, CSOs in their bid to diversify funding resources will need a paradigm shift to tap into corporate philanthropy and individual donors.

According to Pettey Janice (2008), Local resource mobilization provides potential for NGOs to raise funds from local businesses, individuals, government and locally generated income. To do so NGOs must have strong governance and accountability mechanisms, clear strategies and local credibility.

According to Berkshire Jennifer (2013), the generation of local resources through saving and investing wisely is the essential foundation of sustained development for any charitable organization. The high dependence on external resources puts limits on organization's policy space and creates some vulnerability. Local resource mobilization is gaining popularity and is becoming necessary as donor resources continue to decline (Rehema C. Batti , 2014). NGOs typically benefit from local contribution of time from communities, manual labour and cash towards a development project however this is normally not given much weight when it comes to resource mobilization mechanisms. In future local resource mobilization will provide a crucial viable long-term financing basis for development projects undertaken by local NGOs.

2.3.3. Resource Mobilization from Private Sector and from Individuals

Private sources allow organizations to respond quickly and they have fewer restrictions. According to Bray (2008), organizations should also consider recruiting individual supporters as it is worthwhile as they come with few strings attached. While grants from a foundation maybe much more than from individuals, but they may come with many restrictions. Corporate social responsibility is an emerging field in many African countries and gradually catching up with international standards. Local organizations will benefit from this trend of corporations donating to local organizations. According to IRIN (2009), in developed country, Fifty one percent (51%) of humanitarian funding for 114 NGOs came from private sources and it also cites that Medicines San Frontier (MSF) received 86% of its funds from private sources.

In fact the issue of resource mobilization is also equally important for those organizations which are registered as Ethiopian charities although the degree may vary. Charitable organizations should work towards enhancing their capacity to raise resources locally for sustainable development and change as well as guarantee their independence from foreign resources (Beasley Thomas W, 2009). This approach would assist Ethiopian charity organizations to strengthen their legal status to Ethiopian and work directly on rights and policy issues. An important part of planning for an NGO is increasing financial security and becoming independent of donors.

According to the Charities and Societies User Manual (2011):

'Organizational Sustainability' the concept as: having a clear strategic direction; be able to scan its environment or context to identify opportunities for its work; be able to attract, manage and retain competent staff; have an adequate administrative and financial infrastructure; be able to demonstrate its effectiveness and impact in order to leverage further resources; and get community support for, and involvement in its work.

The Manual (2011) define further describes financial sustainability of an organization as: having diversified sources of income; employing different and innovative ways of generating income; doing strategic, action and financial planning in a timely and regular manner; putting in place a strong and effective financial management system; having a good public image; being clear about values (value clarity); having financial autonomy; and having a cordial and smooth working relationship with sector offices and government authorities in operating areas (ChSA, 2011).

Therefore, achieving the financial stability required to consistently implementing quality projects and activities, and to serve as advocates for the interests of constituents, is the major challenge facing NGOs in Ethiopia. Sisay Seyoum (2015) indicates that, NGOs in the Ethiopia are partially to totally dependent upon donors and sponsors from abroad or, in the case of the regional development associations, at least partially on government support.

The number of NGOs operating in Ethiopia is relatively small. There are several reasons for that reality, as suggested throughout this paper; one major factor, however, is clearly the sparse landscape when it comes to generating the revenue required to operate. CSOs sustainability index (2014) states that, in the sub-Saharan Africa there is little societal tradition of giving funds to NGOs, the government has sent decidedly mixed signals, and the emerging private sector is struggling for buoyancy itself. That equation puts the spotlight on international donors, and, here again, the record is spotty. Beyond positive rhetoric, most donors have been slow to deliver tangible support for the work of national NGOs.

CSOs sustainability index (2012) indicates that, most of the support delivered has been project specific, which offers little funding for the institutional capacity building, strategic planning, and securing of managerial expertise cited as essential by donors and NGO officials alike. Many local NGO leaders are increasingly agitated at for the very work that they claim is important for them to be doing (CSOs sustainability index, 2011). According to Beasley Thomas W (2009), funding available is not necessarily limited in relation to the absorptive

capacity of the sector, and they point to the central and fundamental need for ongoing capacity building work. While growing, intersectional linkages remain underdeveloped. Generally speaking, there is no significant domestic support for the work of NGOs, and it is not realistic to assume that there will be in the near term. The viability and sustainability of the NGO sector is consequently quite fragile because of the scarcity of resources and the ongoing struggle for operating funds.

Sub Saharan CSOs sustainability index (2016) describe that, the capacity of the sector to effectively advocate views or positions on public policy issues is weak. The intense competition for limited program funds available to NGOs is one explanation of the slow development of sector cohesion. A rather suspicious and envious view of the motivations and activities of others is perhaps another. However, the plethora of forums and networks emerging provide evidence that these linkages are expanding.

As CSOs sustainability index (2014) described, great sustainability for the NGO sector is clearly linked to enhanced institutional capacity within it. Yet many leaders of the sector would argue that if donors see capacity building merely as a mechanical process of training and technical assistance, it will not take and sustainability will not be achieved. They would pose the argument that without a perspective that incorporates an equality of status, mutual trust, and a willingness to give local partners a chance to succeed or fail, those capacity-building inputs will fall short of their potential. What seemingly is at the heart of this ongoing debate is the search for respect and mutual regard on the part of the national NGO community? The view of some seems to be that without the means to be more than marginal players in the country's development process, and then NGOs will indeed face daunting questions of sustainability.

2.3.4. Income Generating Activities (IGA)

The trend of civil society towards engaging in income generating activities (IGA) is a growing phenomenon worldwide, and part of a blurring of distinctions between public, private and civil society sectors (Anderson, 2002). In Ethiopia

both civil society and government are increasingly engaged in income generation to support their operations.

Research on CSOs IGA carried out by TECS found that, while the new regulations support IGA on the whole, a number of requirements pose significant challenges. These challenges are particularly acute for Ethiopian charities and societies, which are in most urgent need of raising local funds given the requirement in the Proclamation that they raise 90% of their funds from Ethiopian sources. Given the citizens' low level of income, members' contribution cannot be expected to be more than a symbolic token. Charities and Societies User Manual (2011) states that, private donation and public collection have already proved to be unreliable sources of income. IGA therefore appeared to be the only valid alternative, but there is a concern that as new regulations are enforced, some CSOs will be obliged to abandon IGA.

Ethiopia FDRE Charities and Societies Agency – Income Generating Activities Guidelines No7/2004, states that;

Income generation also enables CSOs to start to become more independent, which is another goal of Ethiopian policy. The goal of independence can be seen from two perspectives. Firstly, there is the Ethiopian Government concern that foreigners should not dictate Ethiopian charitable practice, merely because they are the source of the majority of financial resources. Secondly, the Ethiopian Government echoes a concern of a number of development specialists, referred to as “dependency syndrome”.

In this regard organizations that are heavily dependent on a limited donor sources are likely to be forced to accommodate greater mission displacement strategic autonomy, it also brings with it a general degradation of important capacities such as flexibility, cost-effectiveness, and the capacity and willingness to innovate, take risks, and encourage participation.

According to Dr Gebre Yntiso (2012), by citing Ethiopian FDRE Charities and

Societies Agency – Income Generating Activities Regulation No. 168/2009 state that, the regulations are generally grounded in a sound rationale that seeks to ensure that IGA does not undermine the core operations of CSOs and that they do not compete with the private sector. However, some aspects of the regulations pose unintended and formidable challenges for CSOs, especially for smaller Ethiopian charities and societies.

Establishing and maintaining IGA is exceedingly challenging for all CSOs and especially Ethiopian charities and societies. As stated by Dr GebreYntiso (2012), many Ethiopian resident charities and societies and foreign charities with far more experience in IGA have still faced considerable challenges such as fierce competition with the private sector; and hurdles related to finance, space, and manpower or technical capacity. Therefore if the more established, experienced and better resourced CSOs have encountered such difficulties, the newly established and resource-poor Ethiopian charities and societies cannot be expected to thrive and survive without an enabling environment.

Dr Gebre Yntiso (2012) added that, if Ethiopian charities and societies are unable to fund core missions effectively through IGA, this will undermine their ability to play a meaningful role in the implementation of the GTP objectives regarding democracy and good governance.

2.3.5. CSOs Sustainability

There is a lot of talk and literature on what, how and whys of organization sustainability. Many organizational leaders are striving to understand and explore ways to build a sustainable organization that will ensure they are making a positive impact on the society and the environment in which it works.

Mavoko Kapyepye (2013) states that, Organizations without a strong sustainability culture will not grow. A good sustainability culture exists when all staff respects their donors and want to understand and meet their needs. A good culture exists when staff members value program and sustainability as two necessary components of a successful organization and appreciate their

interconnectedness. Sub Saharan CSOs sustainability index (2011) describes that, an organizational culture that is flexible helps an organization in looking for ways to maximize resources, in finding innovative ways of raising funds, or carrying out programs in challenging environments could ensure sustainability.

According to Forum for Alliance Building in the Horn of Africa (1998), it is important for organizations to realize that the sustainability of an organization does not only depend on the resources an organization has but it is also affected by the existence of competent staff, supportive policies, and internal systems to manage assets. As Beasley Thomas W (2009), when an organization is competing for resources and other support in a very tight market place the organization's appeal has to be different, better, "cheaper" and unique. A donor has no reason to select an organization over another if there no evidence of innovativeness or value in supporting an organization and therefore it is crucial to view an organization's mission from the perspective of current and potential donors and emphasize those aspects of an organization's work which are appealing from a donor's perspective.

Great sustainability for the NGO sector is clearly linked to enhanced institutional capacity within it. As stated by CSOs sustainability index (2013), many leaders of CSOs would argue that if donors see capacity building merely as a mechanical process of training and technical assistance, it will not take and sustainability will not be achieved. They would pose the argument that without a perspective that incorporates an equality of status, mutual trust, and a willingness to give local partners a chance to succeed or fail, those capacity-building inputs will fall short of their potential.

2.4. Organizational Capacity

NGOs recognize that many of them have limited technical and organizational capacity. Few NGOs are able or willing to pay for such capacity building. Weak capacity was identified in fundraising, governance, technical areas of development, and leadership and management. Some NGOs felt that the

existence of quality standards would assist them to develop the required capacities.

According to CSOs sustainability index (2011), NGOs are typically weaker because they are not as financially independent as states and corporations, and are often dependent upon them. Or, when independent, they typically do not have the resources and political power that the other two wield (for example, both states and corporations can own large influential media organizations), and are not as well and long established as the other two.

There is evidence in literature that shows that civil society organizations are struggling to grow consistently over a period of 10 years. Asrat, Kebede. (1999) stated that; many local NGOs in Africa are smaller, privately-owned, group owned or family-owned and are short-lived as they are unable to achieve long-term, consistent growth or improve performance.

According to the 2011 sub-Sahara CSOs sustainability index capacity building for the Ethiopian chariest is central to realizing its potential to contribute to the country's long-term development. Pact's Ethiopian NGO Sector Enhancement Initiative (2010) stated that, Institutional capacity building refers, of course, to training and technical assistance, but also, ultimately, to much more. Capacity building in this context implies an accretion of skills, knowledge, and authority on the part of national NGOs and other civil society actors that will allow them to move front and center as the country strives to meet its development goals. It means taking the steps necessary to empower them to participate in all phases of the development process and, on occasion, to fail along the way—like all the other contributors to the process.

Van Beurden (1998) illustrated that, building the capacity of local NGOs to play such a role means facilitating a gradual transfer of skills, trust, and authority to them to conceptualize, implement, monitor, and evaluate various development interventions—and welcoming a corresponding devolution of roles for international counterparts. Central to this objective are the training, technical

assistance, exposure, access to funding, and networking required to give the concept traction in the practical world

Sub-Saharan CSOs sustainability index 2014 stated that, most of the support delivered for CSOs have been project specific, which offers little funding for the institutional capacity building, strategic planning, and securing of managerial expertise cited as essential by donors and NGO officials alike. According to The world Bank (2000), many local NGO leaders are increasingly agitated at the hesitation of donor agencies to provide funding for the very work that they claim is important for them to be doing. Other observers counter that the funding available is not necessarily limited in relation to the absorptive capacity of the sector, and they point to the central and fundamental need for ongoing capacity building work. While growing, intersectional linkages remain underdeveloped. The capacity of the sector to effectively advocate views or positions on public policy issues is weak.

Poor Governance: recognized within the sector as a whole, within the NGO Council and within individual NGOs. As CSOs sustainability index (2011) states, Knowledge of good governance varied widely, with some regions indicating very little understanding of why NGOs are required to have boards or what their roles and functions should be. Many other participants explained that it is difficult to achieve good governance with founders who wished to own their NGOs for their own purposes.

Networking and Coalition: As CSOs sustainability index (2013) describes, Networking provides opportunities for mutual learning, identifying appropriate development initiatives, generating learning resources, improving coordination and cooperation with local government, harmonizing approaches to development, and pursuing effective local advocacy.

Literatures indicate that Poor Networking was identified as a major challenge of local NGOs especially Ethiopian charities. It is the cause of duplication of efforts, conflicting strategies at community level, a lack of learning from experience and

an inability of NGOs to address local structural causes of poverty, deprivation and under-development. According to Mavoko Kapyepye (2013), negative competition for resources also undermines the reputation of the sector and the effectiveness of NGO activities at community level. As a result there is a great deal of suspicion among NGOs, secrecy and lack of transparency. Many NGOs, large and small, intervene at community level without any community mapping and implement projects without due regard.

Though there is no encompassing national umbrella organization for NGOs in Ethiopia, there are an impressive number of NGO networks, alliances, and forums reflective of the growing sophistication of the sector. According to Sub-Saharan CSOs index (2011) traditional divisions and suspicions reflective of the larger society initially hampered the emergence of networks, and government policies have not been conducive to their growth. But as the sector grows in size and strength, the capacity to work collaboratively on a common agenda is clearly expanding.

Founder syndrome: As Forum for Alliance Building in the Horn of Africa (1998) states that, many local organizations' leadership faces this Founder syndrome. This is whereby the founder or founders tend to control and manage the affairs of the organization with minimal participation from other members. For example a CEO or board members will not allow other staff to engage in resource mobilization or the leaders become too comfortable with the current methods of resource mobilization and are not willing to explore other new ways.

2.5. Public Image

For CSOs to be sustainable government, the business sector and the community should have a positive public image of NGOs including a board understanding and appreciation of the role of that NGOs play in the society. Public awareness and credibility affect NGO ability to recruit members, volunteers and encourage indigenous donors. According to CSOs sustainability index (2010), the extent and nature of media coverage of NGOs, awareness and willingness of government

officials to engage NGOs, as well as the public knowledge and perception of the sector as a whole determine CSOs sustainability.

Most Ethiopian CSOs are set up by a few individuals and rely on foreign funds. The relations with the communities they work with have been hierarchical (donor–recipient) rather than one of equal partnership. According to CSOs sustainability index (2015), lack of constituency/mas s bas e has undermined the bargaining power of CSOs and risks resulting in alienation from the public. Hence, the public didn't stand in their support when they faced policy and legal challenges, and they become easy prey for defamatory media campaigns on the sector.

CCRDA, CSOs forum report (2011) stated that, Ethiopian public is generally disinterested in donating to the NGO sector. As one local NGO worker lamented, 'It is really foreigners and people with a "foreign culture" who give money to NGOs.' Instead, most Ethiopians perceive NGOs' role as one of giving money to Ethiopians, rather than the reverse. Some Ethiopians are mistrustful of NGOs, fearing that they are unaccountable, corrupt, or focused on personal gain. As one former local NGO employee noted, 'The law revealed that working in an NGO is all about money. CSOs sustainability index (2014) states that; NGOs didn't seek out local sources of funding but rather changed their objectives to fit the law and keep operating. NGOs are a lucrative business: they provide allowances, high salaries, and travel opportunities.

Many agree upon the necessity for a new, updated basic law, outlining NGO rights and responsibilities in the country, and a more streamlined regulatory frame- work in which they can operate. Citizens are not aware of the significant challenges facing civil society or the crippling effect of the CSP. This demonstrates that civil society does not have the space or capacity to reach out to citizens and advocate for them.

2.6. Opportunities of Ethiopian Charities

Accordingly, 2009 proclamation CSOs formed by citizens and run with support from local sources are given constitutional protection and are encouraged to operate in areas related to human rights and democracy, equality of religions and ethnic groups, conflict resolution and strengthening of the justice system. They also have the right to appeal to court from decisions of the Charities and Societies Agency to cancel their registration or suspend them.

According to CSA regulation No. 168/2009/2009 Ethiopian resident and foreign charities are not allowed to engage in human rights or governance-related activities precisely because they are 'not the manifestation of citizens' freedom of association'. Their existence and operation is subject to the prerogative of the government, and they do not have the right to seek judicial review from decisions of the Agency not to register them, to cancel their registration, or to suspend their operations. However, Ethiopian charities have right of working on human right using the local fund.

Chapter Three

Research Methodology

3.1. Introduction

This chapter deals about the research design of the study and why this research design is selected among the different research designs. The chapter also describes about the method of the study applied for this paper. Besides, the chapter has described about data sources and the reason why those sources have selected. In addition, the chapter explained about sampling and sampling mechanisms with justifiable reasons. Moreover, the chapter illustrates data collection instruments, method of data analysis, and ethical consideration.

3.2. Research Design and Method of the Study

The research design of this study is descriptive survey study. The study employed mixed research method namely quantitative and qualitative methods. The reason why the researcher used mixed method in this study is due to the fact that data related to the issue of challenges and opportunities faced by Ethiopian charities can be collected by taking into account the quantifiable data collected from leaders or senior managers of randomly selected Ethiopian charities and the qualitative data, the views and opinions of key informants of CSA NGO desk officers.

So as to gather qualitative data more specifically, semi-structured interviews were used. Interview allows person-to-person discussion that can lead to increased insight into people's thoughts, feelings and behavior on important issues. Among the advantages that can be derived from interviews are its flexibility and its ability to observe non-verbal behavior in expressing their viewpoints on the subject of interest. The interviewer has the opportunity to ask direct questions using the personal contact with the respondent depending on the interview situation (Daniel Kojo, 2001).

The major objective of this study is to assess the operating environment of Ethiopian charities via identifying challenges and opportunities faced by Ethiopian charities and thereby forward proposed strategic actions. Since the problem requires both descriptive and interpretive analysis, the researcher has triangulated the result obtained by quantitative and qualitative methods under results discussion part of the study. By doing so, the researcher has made information comprehensive.

3.3. Sources of Data

This study used both primary and secondary sources of data.

Primary Sources: The primary sources of data were collected by questioner and in-depth interviewing from the head or senior managers of selected Ethiopian charities and from purposely selected NGO desk officers respectively.

Secondary Sources: To supplement the primary data, secondary sources of information were collected through extensive review of published and unpublished documents. Apart from this, different guidelines, manuals, reports workshop proceedings, list of Ethiopian charitable organizations, selected Ethiopian charitable organizations, different manuals and policies Ethiopian charitable organizations profile, policies and annual magazines, ChSA annual report, magazines, website, fundraising strategies. Other key documents such as national policies, donor's capacity assessment results and findings, strategic plan and academic journals related to the study objectives were reviewed and incorporated to enrich the findings of the study.

3.4. Sampling

In this study both probability and non-probability sampling were employed. The probability sampling was used to select unit of analysis (Ethiopian charities) whereas, the non-probability sampling were employed to select questioner and interview respondents. So as to give equal chance for the population of the study (federal level registered 103 Ethiopian Charities), the researcher has applied systematic random sampling and has selected 20 representatives Ethiopian charities from federal level registered Ethiopian Charities.

Probability sampling may not be always required for all studies. Some research situations call for non-probability sampling techniques. In this study, non-probability sampling was employed to select the informants of the study. In this regard, the informants were purposively selected on the basis of the researcher's judgment and prior knowledge to get the required data. The researcher has purposively select Ethiopian charity directors/senior managers for questioner and NGO desk officers. In doing so, ChSA, CSOs registration, support and inspection directorate director were consulted regarding the appropriate respondents.

3.5. The Study Sample

In this study, different categories of respondents such as director or senior managers of selected Ethiopian charities on one hand and ChSA NGOs desk officers on the other hand were participated in the study. Finally, 20 Ethiopian charity directors/senior managers and 5 NGO desk officers were selected and participated in the study. Besides, 20 observation guiders were selected from Ethiopian charities participated in this study.

3.6. Method of Data Collection

In this study, four types of data collection instruments were developed and utilized to increase the breadth of information obtained from the respondents of the study. The methods of data collection include questioners, semi-structured interviews, observation checklist and document analysis.

Close ended and open ended questionnaire: Considering the time and resource limitation and increase the representativeness of the research results, closed ended and open ended questionnaires were developed provided to respondents. The questionnaire was designed to capture pertinent data on the organizational capacity, financial viability and public image of Ethiopian charities over the last five years.

To enhance chance of capturing important information some questions were followed by open ended question and in the way that it allows respondents to add any other idea or point. Accordingly, majority of the respondents stated point,

view and ideas in addition to the close ended questionnaire response. Besides, open ended questions were included in considering that the respondents were able to explain, mention or describe their information which were probably missed due to some close ended questions. Moreover to avoid confusions of respondents' questionnaire were classified by the study thematic areas. Finally, so as to minimizing missing and confusion all the questioner respondents were directly followed by the researcher.

Semi-structured interview: These interviews were made with NGO desk officers by maintaining privacy and comfort of the respondents. The researcher has directly followed up all the interviewees and collects the data. The interviewees are all first and second degree holders and can also express their views and opinions properly. As a result, the researcher did not use tape recorder during the time of interview session. The major contents included in these data collection instruments were views and opinions of NGO desk officers. The interview guide was developed and agreed upon by the client during the inception phase.

Observation check list: To strengthen research findings and conduct discussion via triangulating the data collected through questionnaire, in-depth interview, observation and document review the researcher has conducted observation on 20 already selected Ethiopian charities. To do so, observation check list which were mainly focus on organization capacity were prepared. The check list was prepared based on the standards used by different local NGOs capacity assessment tools. The total number list specified in the checklist was seven. Then observations were conducted at selected Ethiopian Charities with the help observation guiders.

Document Review: in this section relevant secondary data studies, reports, published and unpublished works from the ChS sector, donors and international organizations, conference proceedings and minutes and internet postings were obtain. Besides, Related Government Legislations and Guidelines also reviewed.

3.7. Pilot Test

Pilot test was conducted for all data collection instrument before the real field work under taken. The purpose of the pilot test was to find out ambiguities or misunderstandings in the instruments. Hence, the pilot test was conducted in on some Ethiopian charities found in Addis Ababa. As a result some questions were rejected and others are corrected.

3.8. Process of Data Collection

A number of preliminary visits were made to study sector bureaus located in Addis Ababa. In the meantime, secondary data sources pertaining to the study subject under discussion were reviewed and discussions were also held with the respective staff on how and when to make discussions with the respondents. Then, the administration of the data collection instruments was realized during this visit. To this end, the researcher has successfully completed the fieldwork by creating smooth relationship with individuals working at organizations included in the study.

3.9. Method of Data Analysis

With regard to data analysis, soon after the completion of the fieldwork, data obtained through various tools were recorded, coded and transcribed according to their order of categories by the researcher. In other words, the field notes and data were first checked for accuracy and completeness then recorded and coded according to the themes of the study subjects. The quantitative data collected through questioner were administered using table. And the percentages were calculated using excel processor.

Finally, based on the calculated percentage and frequency the data were presented using tabular and bar graph. Whereas, the qualitative data obtained through interview and observation were checked for accuracy and completeness and the data were typed by using the word processor and then it was sorted and categorized into major themes for content analysis and interpreted to reach in the stage of the findings of the study. Lastly, discussions were made by triangulating the results obtained through different methods.

3.10. Ethical Consideration

In the first place, the thesis advisor and the Graduate School of Social Work primarily approved the thesis proposal. In addition, the researcher followed logical procedures in every stage of data collection processes. Accordingly, the subjects of the study and the respondents were introduced about the purpose of the study then informed consent from the respondents.

For the case of interview ChSA support and control directorate director was contacted and informed about the whole purpose of the project in order to get support. Accordingly, interviewees were selected and involved with their full interest. The questionnaire respondents were also informed about the purpose of the study and their right to participate or not to participate in responding to the questionnaire. In addition, respondents were told that their information and identity would be held confidential. After gaining verbal consent from respondents, the questionnaire was administrated and the interview was held.

Chapter Four

Results and Findings of the Study

3.1. Introduction

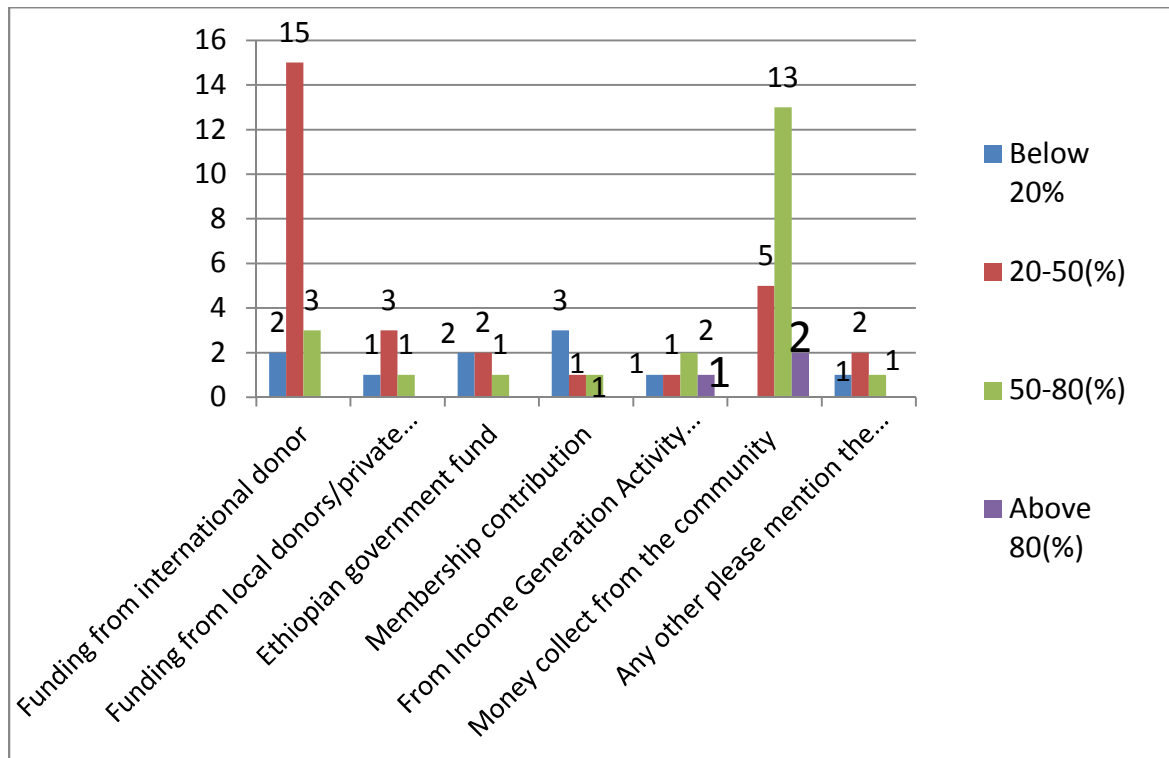
This chapter deals with the analysis and presentation of data obtained from primary and secondary sources of information gathered using different techniques employed in the process of data collection methods. The analysis and presentation have made separately under each technique. And the researcher uses such approach to clearly indicate the results. Discussion of results by triangulating one from another has made under chapter five. The researcher used bar graph and tabular description for quantifiable data and ward explanation for qualitative data.

Profile of the Informants

As table1 below shows sex composition, age, educational level and work experiences of both of questionnaire and interview participants have clearly described. When we look at the respondents age, twenty informants fall under the age ranges of 30-40 whereas the remaining 5 were 50 and above. Regarding the educational level, all participants in the study were first and second degree holders. In the same table, three questioner respondents had 3-4 years, twelve questioner respondents had 5-6years experience and the remaining five respondents had 7-8years of work experience and the other interviewees had 2-3years experience.

4.2. Financial Viability

Bar graph 1 Funding source of Ethiopian Charities



The domain of the above percentage obtained from local NGOs resource diversification assessment (Boston University 2013)

Bar graph 1 indicated the funding source of the sample Ethiopian Charities depends on international donor and on moneys collected from the community. As majorities of the respondent have responded that, the other source of funds such local donors, government fund, membership contribution and income generating activities (IGA) have contributed insignificantly. Some respondents under open ended question have explained that their main financial support came from international donor whereas in kind support, man power support, technical support were mainly from the community. Thus, this result clearly indicated that majorities of Ethiopian charities practice poor fund diversification.

Table 1 Amount of fund Vs organizational goal

S.no	Level of sufficiency	Frequency	Percentage
1	Very sufficient	0	0%
2	sufficient	2	10%
3	Insufficient	8	40%
4	Very insufficient	9	45%
5	I don't know	1	5%
	Total	20	100%

As shown on table 1, 40% and 45% of the sample respondent has said that the amount of fund compared to the goal to be met by the organization is insufficient and very insufficient respectively. Therefore, the result indicated that the fund amount obtained by Ethiopian charities is insufficient to meet their anticipated goal.

Table 2 Reasons for insufficiency of fund

S.no	Reasons	Frequency	Percentage
1	Absence of donors	16	94%
2	Limited capacity of the organization	16	94%
3	Government restriction	16	94%
5	I don't know	1	6%
	Total	49	100%

NB the total respondents have increased by 32 because; respondents are allowed to choose more than one reason.

As table 2 shows among 17 respondents who were agreed with insufficiency of the fund amount to meet their organization's anticipated goal, 16 were agreed with the reason that absence of donors, limited capacity of the organization and government. And the remaining 1 responded that, he/she didn't know the reason. Besides, some of the respondents were added that competitions among charities are also another reason. Therefore, absence of donors, limited capacity of the organization and Government restriction and competition among charities are the major reason for limited resource for Ethiopian charities.

Table 3 Budget flow from donor to recipient charities

S.no	Frequency of Budget flow	Frequency	Percentage
1	very regular	2	10%
2	Regular	3	15%
3	Irregular	9	45%
4	Very irregular	5	25%
5	I don't know	1	5%
	Total	20	100%

Table 3 shows that most of respondents agreed that the budget flow from the supporter/funder to the recipient Ethiopian Charities was irregular. 45% and 25% of the respondents agreed that the budget flow was irregular and very irregular respectively whereas, 15% &10% of the respondents agreed with regular and very regular flow of budget respectively. Thus, majority of Ethiopian charities have faced irregular budget flow challenges.

Table 4 Financial retention period

S.no	Retention Period	Frequency	Percentage
1	Below 3moths	17	85%
2	3-6months	1	5%
3	for one year	0	0%
4	Above one year	0	0%
5	I don't know	2	10%
	Total	20	100%

The domain of the above percentage obtained from local NGOs resource diversification assessment (Boston University 2013)

table 4 shows that most of Ethiopian Charities retention period was below three months. As table 5 shows 85% of the respondents responded that their financial retention period is below three months. And only 5% of the sample charities have 3-6months financial retention period. Therefore, majorities of Ethiopian charities exist with a critical budget security and most of them will shortly dis-function if the donors quit their support.

Respondents asked about funding availability trends of the past 5 consecutive years and the result is as follow:

Table 5 Fund availability

S.no	Level of fund availability	Frequency	Percentage
1	Highly increase	0	0%
2	increase	0	0%
3	Has no significant change	0	0%
4	Decreased	8	40%
5	Highly decreased	10	50%
6	I don't know	2	10%
	Total	20	100%

Table 5 shows that the fund availability trend has decreased through time in the past five years. As the above table 6 indicates 40% and 50% of the respondents have responded that the fund availability in the past 5 years were decreased and highly decreased respectively. And no respondents agreed either with increasing or constant fund trends. Therefore based on the above result one can easily conclude that the fund availability has gradually decreased.

Respondents were asked about the board of directors' involvement or contribution of fundraising and the result is as follow:

Table 6 Board of directors' contribution in fund raising

S.no	Degrees of contribution	Frequency	Percentage
1	Very high	2	10%
2	high	3	15%
3	moderate	2	10%
4	low	6	30%
5	Very low	5	25%
6	Not involve at all	2	10%
7	I don't know	0	0%
	Total	20	100%

As the table7 indicates 30% and 25% of the respondents respond that the board of directors involvement in fundraising activity is low and very low respectively besides 10% of the respondent respond that the board of directors are not involve in fund raising at all. On the other hand 10%, 15% and 10% of the respondent respond very high, high and moderate respectively. Therefore, the

Table 6 shows that the board of directors' involvement/contribution in fundraising activities of the organization is low.

Result Obtained from Open End Questioners

Under financial viability thematic area respondents were also asked two open ended questions and the result is as follow:

Is there Fund opportunities that are especially privilege to Ethiopian Charities?

Most of the respondents specified that both local and international right based funds are especially allowed to Ethiopian Charities. According to 2003 ChS proclamation, only Ethiopian charities are eligible to work on right based activities. So that all right based funds are directly allowed to competent Ethiopian charities as elaborated by all interviewees. Besides, majority of the respondents mentioned that the restriction 10/90 (10% from foreign sources and 90% from local sources of fund is another opportunity to explore local untapped funding potentials. Significant number of respondents also mentions that Income Generating Activities (IGA) is especially encouraging fund sources for Ethiopian Charities. Moreover, as four of the respondents explained most of the government fund/support provided for Ethiopian charities to encourage them.

Regarding the opportunities, respondents were also asked whether the Ethiopian charities are utilize those opportunities or not and the reasons for not utilize the opportunities. The result indicates that most of the respondents respond that they have not utilized the given opportunities due to Lack of capacity to explore the opportunities, bureaucratic administration of government sector bureaus absence of awareness among local funders, negative public image towards CSOs, dependency foreign funds and lack of thrust by donors on Ethiopian charities.

Finally, questionnaire respondents asked to mention other financing /fund related challenges. Accordingly, majority of the respondent mention that 10%/90% (10% from foreign source and 90% from local source of fund) is challenging restriction. Majority of respondents reflect that, even though 10%/90% restriction helps them to focus on local sources the principle could not work in Ethiopia where most of

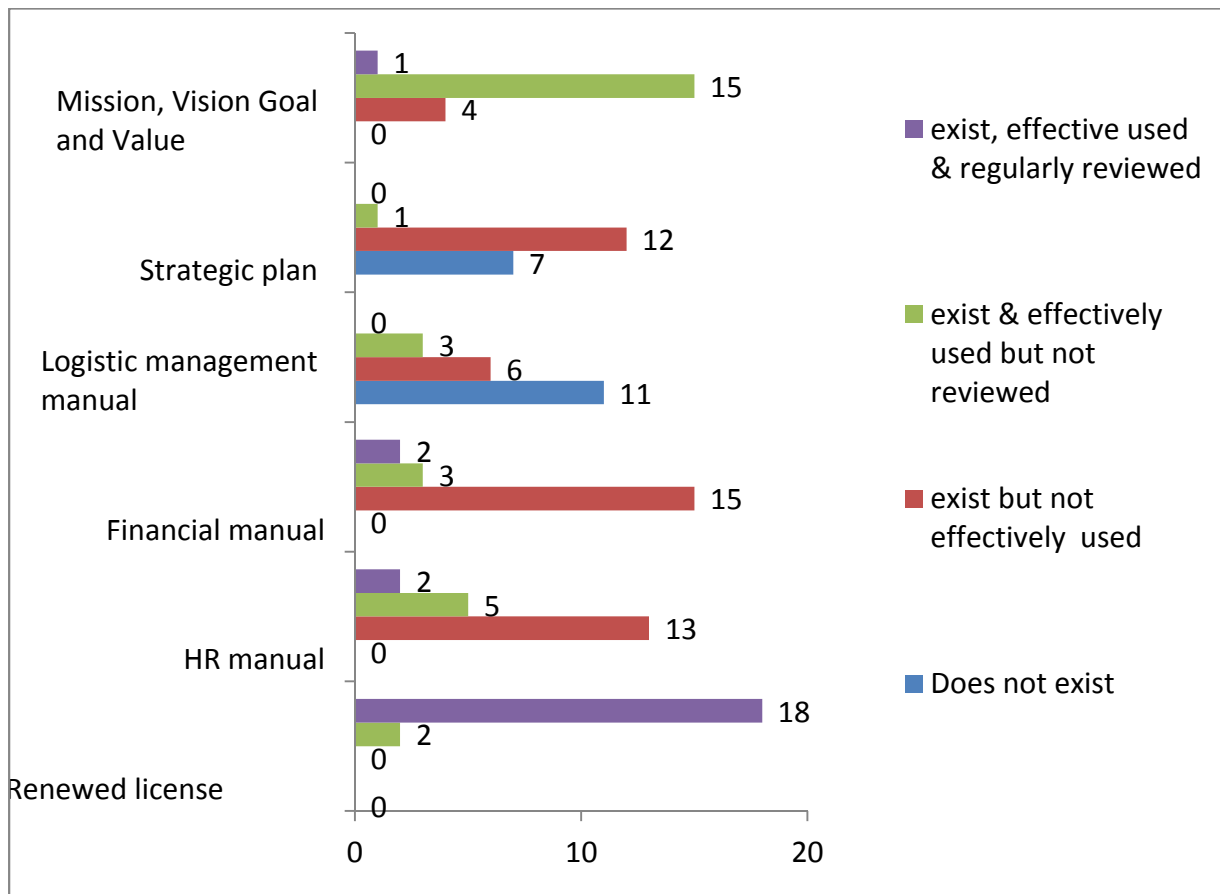
the society has no knowhow about CSOs category. Respondents also explained that, due to high competition among all categories of charities particularly by Ethiopian resident charities raising foreign fund is becoming challenging for Ethiopian charities. One respondent put the critical condition unequivocally: “the existing competition for resources reminds me of the theory “survival of the fittest”.

4.3. Organizational Capacity

Under this thematic area of the study, information obtained from Ethiopian charities has been analyzed and the result is stated as follow:

How do you explain your current organization mission, vision, goal, Manuals and strategic plan status?

Bar graph 2 Organization mission, vision, goal, Manuals and strategic plan status



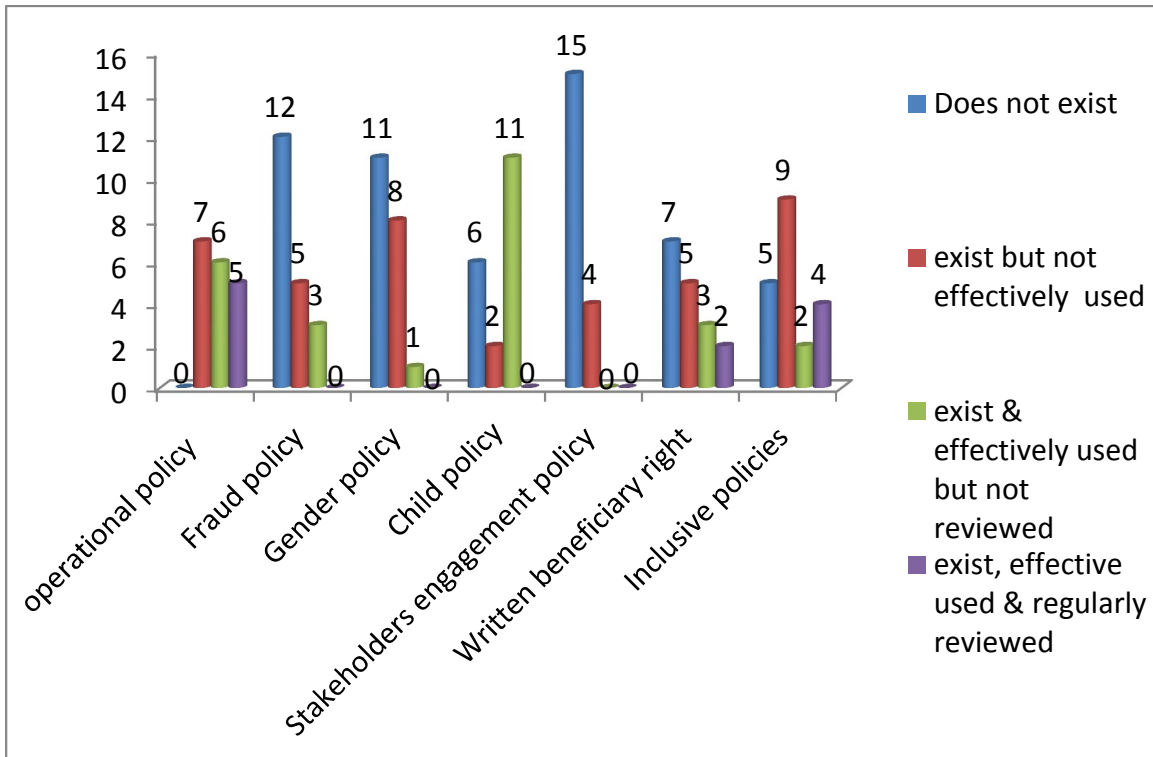
Bar graph 2 shows that most of Ethiopian Charities have mission, vision, goal and values which are effectively used but not regularly reviewed. Regarding strategic plan, 7 of the sample Ethiopian charities have no strategic plan and 12 Ethiopian charities have strategic plan but not effectively used. Concerning logistic management manual 11 Ethiopian charities have no logistic management manual whereas 6 of the sample Ethiopian charities have logistic manual but do not effectively used. Regarding logistic manual, only 3 Ethiopian charities have logistic manual which are effectively used but none of the charities regularly reviewed its logistic manuals.

Regarding financial manual, 15 charities have financial manuals but not review and effectively used. However, 5 charities have its effectively utilized financial manuals but only 2 of the Charites have regularly reviewed financial manual. As shown on bar graph 2, 13 charities have HR manual but not effectively used and 7 Charites have HR manual and used effectively but only 2 of them have regularly reviewed their HR manual. Regarding organizational licenses, 18 sample charities have regularly reviewed their license and only 2 Charites have un reviewed updated license.

The information obtained from the sample Ethiopian charities has indicated that majorities of Ethiopian have logistic manuals and the other manuals have existed but not properly utilized. In most of the charities the manuals exist for formalities without functioning.

Which of the categories would appropriately define your current organization policies status?

Bar graph 3 Organizational policy and structural status



Bar graph3 shows that seven charities have operational policy but not effectively utilized. The other 6 Ethiopian charities have operational policy and effectively used but not regularly reviewed its operational policy. However, 5 of the Ethiopian charities have regularly reviewed and effectively used operational policy. Therefore, majority of Ethiopian charities have no regularly reviewed and effectively used operational policy.

Regarding fraud policy bar graph3 also shows that 12 Ethiopian charities have no fraud policy and 5 Ethiopian charities have fraud policy but that are not effectively used and regularly reviewed. Only 3 Ethiopian charities have effectively used fraud policy and none of Ethiopian charities has regularly reviewed fraud policy. From this result one can conclude that majorities of Ethiopian charities have no fraud policy.

Regarding gender policy bar graph 3 indicate that, 11 Ethiopian charities have no gender policy and 8 Ethiopian charities have gender policy but not regularly reviewed and used effectively. Bar graph 3 concerning child policy has also shows that, 6 Ethiopian charities have no child policy and 11 Ethiopian have charities child policy which are not effectively utilized and regularly reviewed. The result about child policy indicated that, majority of Ethiopian charities lack effectively utilized and regularly reviewed child policy.

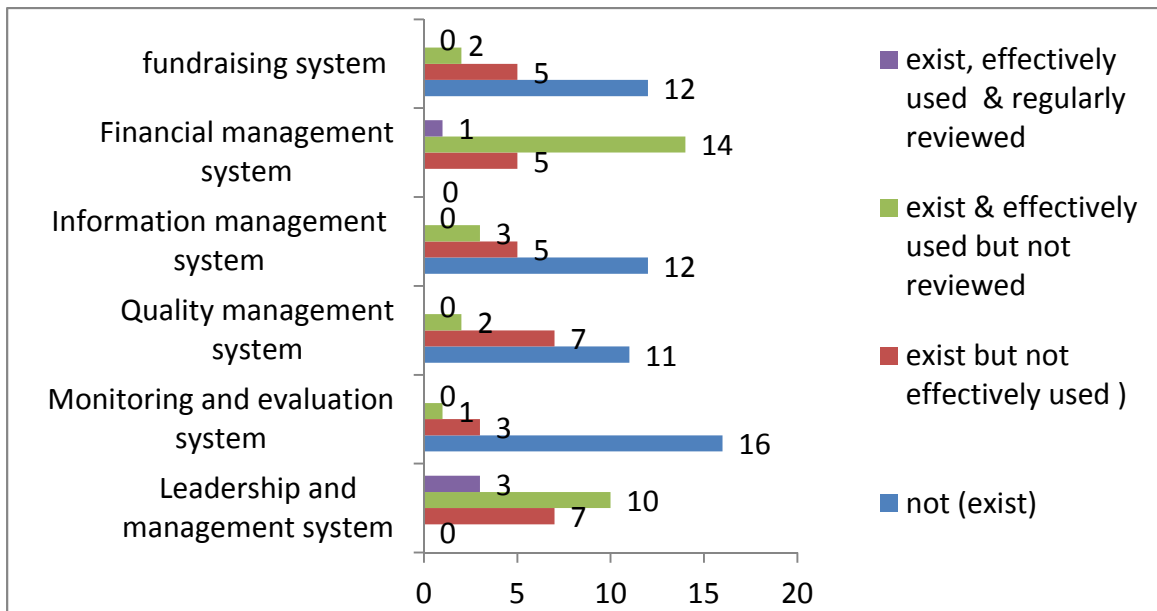
Bar graph4 regarding stakeholders' engagement policy also shows that, 15 Ethiopian charities have not stakeholders' engagement policy and only in 4 Ethiopian charities there is stakeholders' engagement policy but not effectively used and regularly reviewed. From this result one can conclude that majority of Ethiopian charities operating their project without stakeholders' engagement policy.

The same bar graph4 also indicate that 7 Ethiopian charities have no written beneficiary right, whereas 5 have written beneficiary right but not effectively utilized and regularly reviewed and only 3 Ethiopian charities have written beneficiary right that are effectively used even though, none of them has regularly reviewed. The result clearly indicates that most of Ethiopian charities engaged in supporting beneficiaries without written beneficiary right.

Bar graph 3 has also indicated that 5 Ethiopian charities have no inclusive policy whereas 9 have inclusive policy but not effectively used and only 4 have regularly reviewed and effectively utilized inclusive policy. Therefore, this result indicated that majority of Ethiopian charities have not regularly reviewed and effectively used its inclusive policies.

Which of the categories would appropriately define your current organization written systems status?

Bar graph 4: organization systems



As shown on bar graph 4, 12 of the Ethiopian charities have not written fund raising system and 5 have written fund raising system but not effectively used. As the above bar graph 4 indicated that, in 5 of the Ethiopian charities there is written financial management system but none of them effectively used its financial management system whereas, 14 Ethiopian charities have effectively used its financial management system even though the financial management system were not regularly reviewed. The same bar graph 5 has also shown that, 12 Ethiopian charities have no written information management system, whereas 5 have written information management system but not regularly reviewed and effectively used.

In relation quality management system bar graph 4 has also indicate that, 11 Ethiopian charities have no quality management system, whereas 7 have quality management system which are not regularly reviewed and effectively

used and only 2 Ethiopian charities have effectively used quality management system even though it is not regularly reviewed.

Regarding written monitoring and evaluation system, bar graph4 indicates that 16 Ethiopian charities have not written monitoring and evaluation system and 3 have written monitoring and evaluation system but the system is not regularly reviewed and effectively used. Concerning leadership and management system 7 Ethiopian charities have written leadership and management system but not effectively used and 10 have effectively used but not regularly reviewed leadership and management system.

Generally, bar graph 3 shows that majority of the respondents were agreed that their organization has no financial management, information management, strategic plan, quality management and communication systems and the remaining respondent also agreed that although, the systems exist they were not effective used and regularly reviewed.

Table 7 how could you rate your current organization office facility?

S.no	Rating scale	Frequency	Percentage
1	Very sufficient	0	0%
2	Sufficient	3	15%
3	Insufficient	7	35%
4	Very insufficient	10	50%
5	I don't know	0	0%
	Total	20	100%

As the table 7 indicates 35% and 50% of the respondent respond that the organization office facilities are insufficient and very insufficient respectively. And only 15% of the respondents respond that the office facilities of their organizations are sufficient. According to the majority of the sample Ethiopian charities were suffered due to limited office facilities.

Table 8 organization physical infrastructure office, car, store generator

S.no	Rating scales	Frequency	Percentage
1	Very sufficient	0	0%
2	Sufficient	2	10%
3	Insufficient	8	40%
4	Very insufficient	10	50%
5	I don't know	0	0%
	Total	20	100%

Table 8 shows that most of Ethiopian Charities physical infrastructure such as office, car, store, and generator are insufficient. In this regard, 40% and 50% of the respondents responded that the infrastructures of the charitable organization are insufficient and very insufficient. Only 10% of the respondents respond that the infrastructures are sufficient.

Respondents who were responded insufficient and very insufficient on table 8 and table 8 were asked to mention their reasons.

Table 9 Reasons why insufficient office facilities and infrastructures

S.no	Reasons	Frequency	Percentage
1	Shortage of budget	18	1000%
2	Government restriction Of 30%/70%	18	100%
3	I don't know	0	0%
	Total	36	100%

Here the total respondents have increased by 18 because; respondents are allowed to choose more than one reason.

As table 9 has indicated, among 18 respondents who responded that office facilities and physical infrastructures of the organization are insufficient and very insufficient have mentioned the reasons are shortage of budget and government restriction. Besides, most of the respondents added that absence of logistic management system was also another reason.

Table 10 does your current organization has sufficient and qualified staffs

S.no	Level of Agreement	Frequency	Percentage
1	Strongly agree	0	0%
2	Agree	2	10%
3	Disagree	9	45%
4	Strongly disagree	9	45%
5	I don't know	0	0%
	Total	20	100%

Table 10 shows that majority of the sample organization has no Sufficient and qualified staffs. In this regard 45% of the respondents responded that they were disagreed and strongly dis agreed the existence of sufficient and qualified staffs in their organization. And only 10% agree with the presence of sufficient and qualified staffs in their organization.

Do the existing staffs of your current organization have essential Technical capacities?

Table 11 Technical capacity of the staffs

S.no	Level of Agreement	Frequency	Percentage
1	Strongly agree	0	0%
2	Agree	2	10%
3	Disagree	12	60%
4	Strongly disagree	6	30%
5	I don't know	0	0%
	Total	20	100%

Table 11 shows that majority of the sample Ethiopian Charities has no has no the essential technically capacities. As shown above 60% and 30% of the respondent respond that they were dis agree and strongly dis agrees respectively that the existing staffs have essential Technical capacities. And only 10% agree on the case.

Table 11 Respondents who are responded strongly dis agree and disagree about the adequacy, quality and technical capacities of their respective

organization staffs were also asked to mention reasons behind. Accordingly majority of the respondents mention that shortage of budget, government restriction Of 30%/70% admin/program cos allocation and founder syndromes of the directors are the major reason.

4.4. Public Image

Under public image thematic area directors/senior managers of selected Ethiopian charities were asked different questions. And the information have arranged and described using tables. Then analysis has made based on frequency of the respondent.

From four experiences how could you explain your argument for the following public image issues?

Table12 Ethiopian charities vs the public Image

S. No	Items/domains	Strongly agree		Agree		Dis Agree		Strongly Dis agree		I don't know	
		Frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%
1	Ethiopian media provides positive analysis about the role played by Ethiopian Charities in the civil society	0	0	2	10	15	75	1	5	2	10
2	The general public have positive perception about Ethiopian Charitable organizations	0	0	1	5	3	15	0	0	16	80
3	The public consider Ethiopian Charities as a community resource/asset	0	0	3	15	11	55	1	5	4	20
4	The business sector have a positive perception on Ethiopian Charities	0	0	0	0	17	85	0	0	3	15
5	government officials have a positive perception on Ethiopian charitable organization	0	0	5	25	12	60	1	5	2	10
6	Ethiopian Charitable organization have sufficiently publicized their activities thereby promoted their image	0	0	0	0	18	90	0	0	2	10

As shown on table 12, 75% questioner respondents were respond that the they are dis agree with the perception Ethiopian medias have positive analysis about the role played by Ethiopian Charities and only 10% of the respondents were agreed with the perception Ethiopian media positive analysis provision about the role played by Ethiopian Charities. In the same table 80% of the respondents were respond that they don't know about the general public positive perception about Ethiopian Charities and 15% respondents were dis agreed about positive perception of general public about Ethiopian Charities. Table12 also indicate that 55% of the respondents responded that they are dis agreed with issue that the public consider Ethiopian Charities as a community resource/asset and only 15% respondents agreed with that the public consider Ethiopian Charities as a community resource/asset .

Table 12 also shows that 85%of respondents were dis agreed with the issue that business sectors have a positive perception on Ethiopian Charities and the remaining 15% were responded that they don't know whether business sectors have a positive perception on Ethiopian Charities or not. As table12 indicated 90% of the respondents were respond that they dis agree with the issues Ethiopian Charities have sufficiently publicized their activities and thereby promoted their image and the remaining 10% of the respondents were respond that they don't know about the issue.

Table 13 the role ChSA's played for Ethiopian Charities

S.no	the role played by CSA's	Frequency	Percentage
1	Very supportive and encouraging	0	0%
2	supportive and encouraging	4	20%
3	Controlling	11	55%
4	Very controlling	3	15%
5	I don't know	0	0%
	Total	20	100%

Table 13 shows that the role CSA's played over Ethiopian Charities is controlling. The majority of the respondents (55%) were responding that CSA play controlling

role over the Ethiopian Charities. And only 20% of the respondent were respond that CSA play supportive and encouraging role.

Finally under public image thematic area respondents were asked one open ended question that was to explain the impact of public image on the fate of their organization and the result is as follow:

Majority of the respondents were focused on the negative impact of the negative public image. Accordingly most of those respondents were explain that negative public image eroded their trust among the donor, beneficiaries, society and the government. It is also discouraging even end to closing the organization. Farther more they added that negative public images are the core reason for budget cut and close agreement among parties. It also leads to high beneficiaries' expectation and dissatisfaction.

Result Obtained through In-depth Interview

All the interviewees were responding all the interview questions, so that there was no missing. The results are as follow:

Ethiopian Charities Role in Countries Development Endeavors

All the interviewees were asked the role of Ethiopian Charities in countries development endeavors. Their responses are as follow:

All the interviewees were responded Ethiopian charities by comparing from other charity categories and their answer were almost similar. The respondents were explained that almost all except "Mekodonia" have very limited capacity in in institutional level, manpower, financial and networking and collaboration. As a result most of them preferred to intervene on software activities like training and advocacy. The summery of their response were:

- Ethiopian Charities are more focused on right based activities than development intervention

- Compared to Ethiopian resident and international charitable organization Ethiopian Charities role in countries development endeavors is very limited
- Majority of Ethiopian charities have been involved in a narrow intervention area with specific geographic coverage.
- The number Ethiopian Charities have been decline and their role become shrink through time.

For the above question all the respondents explained that their role is not sufficient enough as they are expected. The respondents give their justification by comparing Ethiopian Charities with the other two categories.

The next question was the role played by Ethiopian Charities compared with Ethiopian resident and international charitable organization. The result is as follow:

Three respondents started their response by saying that they are incomparable and justify that Ethiopian Charities have limited capacity and mainly focus on software activities such as community awareness, training and social mobilization. Their role on tangible and hardware work like on shelter, material support, school construction, and the like are insignificant. The other two respondents explain Ethiopian Charities are few in number and weak in achievement. They also added that Ethiopian Charities have no technical, material, man power and financial capacity to involve in the country development endeavors.

The respondents also asked the reasons why Ethiopian Charities could not play their role as they are expected. All the respondents were respond that majority of Ethiopian charities have limited capacity to play their role as they are expected. The respondents have also added that lack of commitment to explore local resource, founder syndrome and dependency on foreign fund are among the major challenges which restrict their role in the national development endeavors.

From this one can conclude that Ethiopian Charities compared to the other two categories of charitable organization have played limited role in the country development endeavor.

Ethiopian Charities Complain Against Government Restriction

Interview respondents were also asked as they were ever manage complains comes from Ethiopian Charities particularly related with CSO proclamation. Their response is as follow:

Four interviewees responded that most of Ethiopian charities complain are emanated from the two government restrictions. Those are:

- Income sources restriction i.e. not more than 10% of their annual budget should be from foreign support and 90% and above annual budget from local sources and
- Admin cost restriction i.e. all CSOs have to maintain 30% admin cost and 70% program cost.

One interviewee has responded that he/she has manage a lot of complains that comes from Ethiopian Charities and the common complaining was that the proclamation generally narrow the work spaces of NGOs especially Ethiopian charities. Besides all respondents were agreed that complains were so hot during the proclamation ratified and it has been decreased through time.

The respondents also added that the major inspection findings of Ethiopian charities are unable to maintain 10%/90% and 70%/30%. And two of the respondents were explain their experience that significant numbers of Ethiopian Charities have closed due to 10%/90% and 70%/30% issues.

The above interview responses are clearly indicate that the restrictions laid by the government via CSO proclamation are the core influence on Ethiopian Charities involvement in countries development endeavors.

The interviewees also asked their views on the challenges of CSOs proclamation over Ethiopian Charities particularly?

Two respondents were responding that the proclamation has no influence on their job. It is about rule and regulation and every one should work by respecting rules and regulations. CSA could not force them to be register as Ethiopian charity or Ethiopian resident charity. It is their choice to choose either of the two. And still the room is open so that they have the right to change their category through maintaining the rule, regulation and procedures.

The other two respondents were responding that the proclamation has affected them both negatively and positively. As they were stated the negative impacts of the proclamation are restriction of foreign support through 10%/90% support and limitation on capacity development due to 79%/30% admin and program budget restriction. Whereas the positive impacts of the proclamation are privileged to work human right and especially use all the funds come for human right, priority given to government fund and encourage to establish and operate IGA.

Opportunities Accessible Ethiopian Charities

Interviewees were asked to explain the especial opportunities that CSO proclamations entitle for Ethiopian Charities. The result is as follow:

All of the interviewees were stated the opportunities as follow:

- Ethiopian Charities are highly encouraged to base their fund of support from local sources which is more sustainable than foreign fund.
- Ethiopian Charities are differently entitled to work on human right so that they can easily secure all the funds come for human right.
- Ethiopian Charities are given priority to get government fund.
- Even though all CSOs are allowed to establish and run IGAs, Ethiopian Charities especially provide support to establish and run IGAs.

Following 10%/90% fund/budget expectation respondents were asked about how it was materialized in the last 5years. The result is as follow:

Four of the respondents were responding that the charities have faced acritical challenge to meet the requirement. They added that majority of Ethiopian

Charities depend on foreign aid. They further illustrate that through our inspection we have found that some Ethiopian Charities have exercised up to 50%/50%. The respondents were also explained that due to unable to maintain 10%/90% there are charities exposed to warning and even closed. One respondent were respond that he has no know-how.

Ethiopian Charities Sustainability

Interviewees were asked as follow. Compared to Ethiopian resident Charities how could you explain Ethiopian Charities sustainability? The result is:

Four interviewees were respond that from experience the sustainability of Ethiopian Charities are under question. They also explain that a number of Ethiopian Charities have closed either being unable to maintain the proclamation or unable to secure sufficient fund. The respondents added that significant number of Ethiopian charities have requested change to Ethiopian resident charity and have been changed based on the criteria. The respondents respond as a conclusion that Ethiopian Charities less sustainable than Ethiopian resident charities.

The respondents have also mentioned the reasons for low sustainability among Ethiopian Charities are absence of fund, Founder syndrome un able to work in networking other likeminded organization dependency on foreign donors unable to practice the technical supports given by ChSA, lack of trust by donors, weak system and organizational structure, loose follow-up by board of directors, poor collaboration amongst Ethiopian charities and limited technical, material, man power and financial capacity.

One respondent was responding that both are under risk as far as they are not working respecting CSOs rules and regulations. From this interviewees responds result one can easily conclude that Ethiopian Charities have low sustainability than Ethiopian resident charities.

Following sustainability interviewees were asked about Ethiopian Charities has declined through time and the reason behind declination.

All the respondents are agreed with the declination of Ethiopian Charities. And their common reasons were:

- Due to shortage of fund Ethiopian Charities has changed to Ethiopian resident charities
- Due to shortage of fund and then give-up re-turn their silence and closed
- Due to lack of commitment among founders
- Due to unable to maintain the rules and regulation closed by CSA

The above to consecutive interview question responds indicates that the sustainability and engagement in the country development endeavors with full effort is highly under question.

Table 14 number of charities ChS registered in 2014 and 2016

Categories of CHS	2014		2016	
	Number	Percent	Number	Percent
Ethiopian society	351	11.6	333	10.7
Ethiopian resident society	104	3.4	89	2.8
Ethiopian resident charity	1999	66.0	2114	68
Ethiopian charity	112	3.7	107	3.4

Source: ChSA nine months progress report (2008 EC)

Result Obtained through Observation

Based on the observation check list researcher has conducted exhaustive observation on 20 randomly selected Ethiopian Charities. The observation was mainly focused on Office location, office facility, physical infrastructure and documentation. Accordingly, the results obtained through have illustrated as follow:

Office location: The researcher has observed that most Ethiopian charities head office location is not accessible for different services like transportation; staffs house rent, different sector bureaus/offices and project site. Regarding office

location the observer has found that 13 Ethiopian Charities head offices are located at the periphery of the city. This location are far away from the different sector bureaus/offices, project site and other stakeholders. The Staffs who were asked during observation have explained that the offices location is not appropriate for their day to day activities. Whereas, the other five Ethiopian charities are located at the center of the city but, in slum houses which are not at convincible working environment.

Office facilities: The researcher has also observed Ethiopian charities office facilities such as internet, office materials, water, toilet etc. and has found that majority of the charities offices facilities are not fulfilled and poor quality. Besides, the size of the offices especially those which are located in the center of the city are very small and very crowded.

Physical Infrastructure: The researcher has also observed Infrastructures (office space, car, and generator). Accordingly, 16 Ethiopian Charities have no car, generator and sufficient office space.

Documentation: the researcher has also observed documentation of Ethiopian Charities and found that the majority of the Ethiopian charities have poor documentation with highly disordered manner. The researcher has asked some staffs during his observation about documentation and they have responded that due to lack of space and equipment like shelf and locker they are forced to maintain documentation in such disordered manner. Besides, different organization service promotion activities like tapela/billboard, posters, leaflets, graphic description, success stories and project profiles were not posted on appropriate place.

Result obtained through Document Review

The researcher has also reviewed different documents obtained from Ethiopian Charities, Donors, Addis Ababa social affairs and from charities and societies agency (ChSA). The documents collected and reviewed for this study purpose were:

- List of Ethiopian Charities with registration criteria
- Criteria set by ChSA, for CSOs license renewal
- Selected Ethiopian Charities different manuals and policies
- Selected Ethiopian Charities profile, policies and magazines
- CSA annual report, magazines, website etc.
- Selected Ethiopian charities fundraising strategies

The results obtained through document review have used to triangulate with other results obtained through questionnaire, interview and observation.

Chapter Five

Summery and Discussion

5.1. Introduction

Under this chapter results obtained using different techniques have discussed. The discussions were made by triangulating the results and information obtained using primary data, secondary data and review literature. For clear understanding the researcher has discussed the results under each thematic area of the study. Potential opportunities which are aligned with Ethiopian charities have also clearly described.

5.2. Summery

From the analysis of the data obtained from the mixed methods, the researcher has established the following findings and further discussed against previous research findings and literatures review. Ethiopian charities are playing an increasingly important role in the social and economic milieu and implementing various development agendas at national level. Their contributions in earning foreign currency, opening up employment opportunities and addressing government priorities are immense. Despite their contributions, however their existence and overall operation have been challenged by resource constraints, limited capacity and undermining public image.

5.3. Discussion

5.3. Challenges Faced by Ethiopian Charities

5.2.1. Financial Viability

Diversifying sources of income is one of the key criteria to measure the organizational financial viability. The findings most of Ethiopian charities source of income depend on international donor and money collected from the community. Most ChS depend on single source of income. In Ethiopia, as elsewhere in Africa ChS heavily depend on donors' source of fund; they exert, for a variety of reasons, inadequate efforts to diversify resource bases. Most of them

do not seek to mobilize resources from the untapped local sources like cost recovery mechanisms, IGAs and public collections.

The great advantage of acquiring resources from local means is that Ethiopian can utilize resources without restrictions and without sacrificing their missions. Studies documented that the common mistakes that Ethiopian charities make are to become over dependent on a single source of funding, when that source reduces or dries up the organization struggles to generate new funding when it is too late, hence programs are compromised or terminated. Developing countries' like Ethiopia; charities organizations at the national level are criticized for being highly dependent on one form of funding source, in particular on foreign sources Dr Gebre Yntiso (2012). This has been taken as a threat not only for the sustainability of their development initiatives, but also for the very existence of the organizations themselves.

In view of this, the Ethiopian ChS law has recognized the rights of Charities and Societies to engage in business activities and promote various forms of fund raising activities. This is among of the strengths of the legislation. In an environment where donor funding is scarce many of the ChS tend to resort to domestic resources of income. However, Ethiopian complained that the proclamation has a lot of restrictions and bureaucratic hurdles. Majority of Ethiopian charities have insufficiency of fund to meet their goal. And the reasons for fund shortage/insufficiency are absence of donor, limited capacity among Ethiopian charities and government restriction.

As it is described by interview respondents' financial crisis one of the major reason for the closure of many Ethiopian charity organizations. it was also observed that the impact of the financial limitations that particularly resulted in reduction of staff numbers will have a "vicious spiral" effect on the ability of the Ethiopian charities to mobilize resources. Because the Ethiopian charities lost skilled human power that may involve in proposal writing and other means of income generation activities and the existing overburdened few staffs are only

engaged in the implementations of projects at hand, as they do not have time to engage in resource mobilization endeavors.

Low remuneration and work overload also make many Ethiopian charities vulnerable to high staff turnover. One of the risks of high staff turnover is the disruption in the continuity and quality of operations. So we can argue that the effects of current financial limitation is long lasting that need strong commitments and endurance to come out of the difficulties that Ethiopian charities currently face. Majority of questioner respondents from Ethiopian charities argued that the fund availability has dramatically decreased and it has a drastic effect especially for Ethiopian charities that have low retention period. Besides to financial limitation, irregular financial flow from donors critically affects most of Ethiopian charities. The majority of Ethiopian charity senior staffs argued that the fund flow from donor is irregular.

As discussed above, the limited resources available bring about undesirable competition rather than cooperation among CSOs. One respondent put this critical condition unequivocally: “the existing competition for resources reminds me of the theory of “survival of the fittest”. Those who fit with the competitive environment will survive and those who are not able to fit will perish. We unnecessarily fight for meager resources.

5.2.2. Organizational Capacity

As discussed elsewhere, the establishments of many ChS in Ethiopia are not well thought out and properly planned. As a result, there is significant capacity limitation among ChS in terms of human resource and institutional base. Institutionally majority of Ethiopian charities lack updated functioning organizational system and structure which are compliance issues for ChSA. Besides, manuals and policies which are survival and compliance issues were not available in most charities and even those which have it were not updated and utilized effectively. In addition, as argued by the majorities of questioner

respondents Ethiopian charities have also insufficient and low standard office facilities and physical infrastructures. Due to these capacity limitation pursuing appropriate funding or resources remains difficult to many Ethiopian charities. Thus, as they lack strong base a number of Ethiopian charities are on the verge of closure following lack of adequate support from donor resources.

At present, funding is available on competitive basis via responding to calls for proposals. To write saleable proposals that meet donors' priorities require well informed and skilled manpower. However, most of the Ethiopian Charities lack skilled and qualified staffs. As questioner respondents argument Ethiopian charitable organizations/associations have insufficient and unqualified staffs. More over respondents agreed that most of the existing staffs lack technical capacity.

The challenge of increased competition between NGOs for funds especially against larger, established NGOs that are known by international donors due to their experiences and images was also critical. This puts the emerging NGOs especially Ethiopian charities under immense pressure to prove themselves to international donors of their capability to manage resources where aid flow is declining. Competition with other organizations was also noted as problematic and several important dynamics were highlighted.

Organizations that have good track records can easily access resources. According to an article published by IRIN (2011) many young organizations face the challenge of not being known and donors do not give money as they are not aware of the organization competencies or track record. Donors consider CSOs strategic directions, organizational capacity, governance system, leadership capacity; human resource and financial policies and monitoring and evaluation systems as basic capacity to manage funds.

Moreover, many of Ethiopian charities leadership faces founder syndrome. This is whereby the founder or founders tend to control and manage the affairs of the organization with minimal participation from other members. The leadership lacks dynamism and always tends to work in a traditional way which is business as usual. It does not think of doing things in a different way that can go with the changing social, economic and political landscapes. The leadership also lacks participatory mechanisms to address challenges and organizational changes in the organizations. For instance, the leadership may not allow other staff to engage in resource mobilization or the leaders become too comfortable with the old ways of raising funds and are not willing to explore other new ways that fit the changing operating environment.

NGOs in many countries do not have effective governance structures and where a board exists, they are rarely effective in providing strategic leadership in ensuring resources are mobilized. Boards are supposed to provide guidance and oversight to the operations of the NGO. However, many boards in Ethiopian charities are not aware of their role in resource mobilization. Majority of questioner respondents argued that most of board members are not involved in fund raising.

In Ethiopia, it is well recognized that there are well established and strong Ethiopian charities like “Meqedonia” that have effective structural governance provides strategic leadership and guidance for mobilizing resources from local or foreign sources. The presence and extent of involvement of management and governance structures in NGOs influenced their ability to mobilize resources. In most cases, such governance instruments as bylaws, policies and guidelines are lacking or outdated and this may lead potential donors to lose interest to fund.

It is important to draw lessons from both success and failure. So it is recommended to document the experiences of ChS that are successful in mobilizing resources from diversified sources and also capture the cases of organizations that ceased operations due to resource challenges. This will help to understand how and why they are out of business.

5.2.3. Public Image

The images of ChS in Ethiopia are detracted by their weaknesses and negative propaganda inflicted by Government Print and Electronic Medias. Majority of Ethiopian charity leaders and /or senior staffs agreed that, Ethiopian Charitable organizations have not enjoyed positive media coverage at local and national level. Ethiopian media on its side does not provide analysis of the role played by Ethiopian Charities in the civil society. Besides, the local and central government officials and private sectors lack positive perception on Ethiopian charitable organization. Majority of the private sectors and the society at large do not have knowhow about the categories of charities in Ethiopia.

Thus, the public image towards Ethiopian charities is simply based on the capacity owned by CSOs. Though challenges are exist here and there in an influencing manner, Ethiopian Charities have not sufficiently publicized their activities and promote their image. As the result the public in general didn't relay an Ethiopian Charities as a community resource. Most of the respondents were explain that negative public image eroded their trust among the donor, beneficiaries, society and the government. It is also discouraging even end to closing the organization.

Therefore, CSOs especially Ethiopian charities should work hard to build their images through adopting innovative and cost effective and efficient ways of doing business and demonstrating as to how they are effective development partners that add values on the efforts being made to address the socioeconomic problems of grass root communities. Government Medias are key partners in the countries development initiatives and should play positive roles in supporting ChS image building via showcasing good practices. A series of forums also need to be organized between ChS and Government Medias to do away with the recurrent wrong perceptions of the Medias on ChS.

5.4. Opportunities Available to Ethiopian Charities

As discussed in both qualitative and quantitative analysis, the existence of development needs, policies and strategies and the policy provision by the government for CSO's engagement on IGA is reported to be an obvious opportunity. The programmatic approaches or engagement in neglected sector could be a great leveraging point. The respondents mentioned of doing self-initiated innovative programming and better documentation and dissemination of good track record to local and international stakeholders.

The recognition by Ethiopian charities for aggressive engagement in local resource mobilization, and the need for minimizing excessive dependency on external funding will obviously create a favorable environment and enables to maintain the minimum service levels. As part of their funding diversification strategy, Ethiopian charities would like to engage in IGA businesses. Among things they planning to do differently, the awareness creation and marketing both at local and international level will enhance their visibility and acceptance. However the study participants mentioned of creating platforms for promoting Corporate Social Responsibility.

The findings showed the need to be a vibrant, responsible, responsive organization and also the need for enhancing competitiveness through organization (context) based interventions, which are meant for based on priorities. To have a collective voice, noted the need for value adding partnership building, and active participation in consortium. However, these perceived opportunities and future plans won't be materialized without availing the supports inquired by Ethiopian charities.

As ChSA informed interview respondents have indicated the following are the core opportunities:

- Ethiopian Charitable organizations are highly encouraged to base their fund of support from local sources which is more sustainable than foreign fund.

- Ethiopian Charitable organizations are differently entitled to work on human right so that they can easily secure all the funds come for human right.
- Ethiopian Charitable organizations are given priority to get government fund.
- Even though all CSOs are allowed to establish and run IGAs, Ethiopian Charitable organization especially provide support to establish and run IGAs.
- Ethiopian charities highly privileged to access government fund as far as they are fulfilled the core criteria.
- Some exclusive intervention areas such as internal adoption, child right, human right and promotion are potential areas to access funds comes for it.

Chapter Six

Conclusion, Recommendations and Implication for Social Work Intervention

6.1. Introduction

This chapter deals about conclusion, recommendation and Implication for Social Work Intervention. Under the recommendation different opportunities that are palatable for Ethiopian charities are stated. The actions to be taken by Ethiopian charities are illustrated under each thematic areas of the study and other core weakness areas of Ethiopian charities. Roles that should be played by each stakeholder have also described. Finally the study's implication for Social Work Intervention has briefly explained.

6.2. Conclusion

Many ChS especially Ethiopian Charites have been operating their projects in challenging scenarios. The resource constraint due to heavily dependences on single source of income, basically international funding to run their organizations and provide services to urban and rural communities. But unfortunately currently donor funding is declining and it is unpredictable and volatile. There is also a lot of competition for the available meager resources among ChS.

It is also realized that donors now consider some of the developing countries governments including Ethiopia as effective development partner and provide huge amount of fund in a form of direct budgetary support for the government. This new development also reduces the availability of resources to be channeled to ChS and at the same time heightens the competition over donor resources. In many cases the Ethiopian charities survival is dependent on how well it can compete with other ChS and on how good it is at developing its internal capacity and finding various ways and diversifying sources of funding, both internal and external.

Institutionally majority of Ethiopian charities lack organizational system and structure which are compliance issues for ChSA. Similarly majority of Ethiopian charities have no revised and practically utilized manuals, functioning systems and policies which are donors' compliance issue and existence issues. Due to capacity limitation pursuing appropriate funding or resources remains difficult to many Ethiopian charities. The images of ChS in Ethiopia are detracted by their weaknesses and negative propaganda inflicted by Government Print and Electronic Medias. Though these all big challenges are there with Ethiopian charities, the study has also indicated numerus untapped opportunities to overcome the challenges and meet their intended goals.

6.3. Recommendation

To overcome challenges and maximize the opportunities

The study result and review literatures clearly indicated that Ethiopian charities have multi-dimensional challenges. In view of the challenges faced and the identified opportunities including the Ethiopian charities future plans and supported demanded, strategies can be drawn for future action. Supports required- It includes a wide array of support areas ranges from the straight forward needs:

1. Diversification of Income Sources and strengthen financial feasibility

The study finding has noted that Ethiopian charities are highly dependent on one or two source of income. Many Ethiopian charities should use various cope up strategies in response to shrinking donor funding. The strategies include involving volunteers through their governance structures to mobilize resources, to access new funding through responding to various calls for proposals, look for options of domestic resource mobilization schemes and design ways of retaining regular donors and hold consultative meetings with likeminded organizations, Consortiums and Ethiopian Charities and Societies for Cost containment (reduction of administrative costs) is the other strategy should be adopted by Ethiopian to cope up with the current funding challenges.

Increased competition for scarce resources requires Ethiopian charities to start thinking of new options for diverse and multiple funding streams. Diversifying sources of funding and mobilizing local resources is essential for Ethiopian to plan for increasing organizational autonomy and flexibility. It is therefore, recommended that smaller and emerging Ethiopian charities should draw lessons from bigger CSOs via organizing experience exchange programs and should also consider domestic resource mobilization options like public collection, contribution of staff and members, private donations, and running IGA schemes. There is also a need to strengthen partnership with private sector as they started considering the public good as part of their business model. This would make possible to work around social enterprises and entrepreneurship.

For local resources mobilization from individuals, volunteerism and corporate sector, efforts has to be geared towards changing attitude of the public. Although it has been for government to disburse some fund to help contribution could be in the form of in-kind donations. It has also been noted that private sector should think beyond profit and contribute to the poor community and government do the necessarily encouragement.

2. Capacity Strengthen

It was noted that many Ethiopian charities lack internal capacity to adopt and employ diversified resource mobilization mechanisms. Thus, from donors side a number of issues have been flagged including the need for revising their modality of releasing call for proposals, commitment for capacity building of Ethiopian charities; funding support to organize experience sharing conference, professional volunteers to provide training on fund raising were some of the supports inquired.

They should also be able to deploy well qualified and experienced staff and improve their ICT structures in a way to avail more resources for the sustainability of the organization. However, the situations in which the Ethiopian

charities currently find themselves do not allow them to do this. Therefore, donors and government should support to strengthen the organizational capacity of Ethiopian charities through providing core granting.

3. Building public image

The finding also indicates that the roles played by Ethiopian Charities were well recognized. The program implemented by Ethiopian Charities shall be regarded as a complementary and integral part of the development plan by the government. The images of Charitable Societies (ChS) in Ethiopia are detracted by their weaknesses and negative propaganda inflicted by Government Print and Electronic Medias.

Transparency and Accountability are the two most significant factors noted as determinant to financial and organizational sustainability. The findings revealed that those who showed an evolving transparency and governance have been approached by donors directly. This would imply having sound financial system, better management of staff and enhanced credibility to donors and their constituencies has paramount significance.

ChS including Ethiopian charities should work hard to build their images through adopting innovative and cost effective and efficient ways of doing business and demonstrating as to how they are effective development partners that add values on the efforts being made to address the socio-economic problems of grass root communities. Government Medias are key partners in the countries development initiatives and should play positive roles in supporting Ethiopian charities image building via showcasing good practices. A series of forums also need to be organized between all categories of ChS and Government Medias to do away with the recurrent wrong perceptions of the Medias on ChS.

4. Constructive Dialogue with donors

Donors due to the overall capacities among Ethiopian charities and poor image building have low trust on Ethiopian charities. The relationship between donors and Ethiopian Charities should be built In line with the Paris Declaration (2005) that refers to national ownership, harmonization, adaptation, mutual accountability and results in charitable organization support. In this respect, donors and ChS need to actively work together towards promoting creative solutions to help Ethiopian charities operating under financially and institutionally sustainable settings.

Consortiums and Forums should take the leading role to facilitate consultative meetings that will help to share the concerns of both donors and charities and to take appropriate actions to systematically address them. It is important to create more arenas for regular dialogue between donors and civil society actors, on joint formulation of policy, goals and indicators for goal achievements.

On the other hand revisiting the ‘companion’ model of support from donors is something needs to be considered. Transparency and feedback mechanism on proposal appraisal processes is another important factor, so that Ethiopian charities could learn from the process.

On the partnership front, there need to be willingness and shared values among NGOs to better serve grass root level community; need for trust building and a proactive action is of paramount significance. This implies enhanced role of networks, coalitions and umbrella organizations.

5. Strengthen relationship with the government

Notwithstanding the need for meaningful partnership and alliance with the government, who can even be a source for additional resources to Ethiopian charities. This requires action from both the Ethiopian charities and government side in terms of attitudinal change. Government should see financial

sustainability of Ethiopian charities as an opportunity and help them in their Endeavour, but at the same time play its regulatory role in a transparent manner. Ethiopian charities also need to have a positive attitude towards government's initiative and try to convince based on evidences and focus on correcting their internal deficiencies and justify their value additions.

6. Documentation and strengthen information system

The study finding clearly indicated that Ethiopian charities have significant documentation problem and lack of information system. It is important to draw lessons from both success and failure. So it is recommended to document the experiences of ChS that are successful in mobilizing resources from diversified sources and also capture the cases of organizations that ceased operations due to resource challenges. This will help to understand how and why they are out of business.

Many Ethiopian charities have limited access to information pertaining to donors' funding; creating better access to funding information has potentially significant implications for Ethiopian charities both in their activities and resources. Consortiums could take the role of dispersing information on donor funding such as calls for proposals. Donors need to provide periodic public information on donor spending. This means that Ethiopian charities are able to easily find out where donors are focusing their efforts, the ability to find funding sources is enhanced, as well as the ability to find out who else is funding at national and sectoral levels. Ethiopian charities should also strengthen their information accessing capacities through improving their Information and Communication Technology and other means.

6.4. Implication for Social Work Intervention

Charitable organization and associations are important civil society sectors to create chance for volunteers'/ social work practitioners in supporting vulnerable group of the community. Ethiopian charities with the existing challenges have

been playing significant role supporting vulnerable groups, promoting human right, enhancing community awareness in all scenarios through participating significant number of social work practitioners.

More importantly, social workers have a responsibility to promote social justice, in relation to society generally, and in relation to the people with whom they work. From this perspective, social work professionals through charitable organization have been played significant role to address multi-dimensional problems of destitute and venerable group of society.

Social work grew out of humanitarian and democratic ideals and its values are based on respect people to form association so as to help people in needs. As it is clearly explained in the code of ethics by the (IASSW, 2004), and by (NASW 1999), the profession of social work has emerged through the effort to address the person in-environment interaction and the service to improve people's lives'. In Ethiopia there is large number of needy people supported by charitable organization. The existence and involvement of charities can give relief for many destitute people in Ethiopia.

As it is also explained by Larkin (2004), social work is a profession that is geared towards helping unprivileged member of people within their society. To do so the role of Ethiopian charities are very immense. The need to address a wide range of problems adversely affecting vulnerable groups prompted the emergence and growth of non-governmental organizations (NGOs) globally as we experience them today.

As defined by (WIKIPEDIA the free Encyclopedia, 1997) Social work is an academic and practice-based professional discipline that seeks to facilitate the welfare of communities, individuals, families, and groups justice, rights, collective responsibility, and respect for diversity, social work engages people and structures to address life challenges and enhance well-being. Social work tries to promote social change and grassroots empowerment of people and aids in

socioeconomic development, social cohesion, and liberation from abuse and oppression.

Likewise a charitable organization is a type of non-profit organization established by volunteers with the objective to facilitate the welfare of communities, individuals, families, justice, rights, collective responsibility, and respect for diversity and structures to address life challenges and enhance well-being. The defense of public safety, children, civil rights, and elimination of prejudice and discrimination are some other social centric activities that charities concern themselves with. In this regard the implication of this study for social work intervention is very meaningful.

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Annexes

Data collection tools

Addis Ababa University

Graduate Study

School of Social Work

Program: Masters in social work

Research title: Assessment of challenges and opportunities faced by Ethiopian Charities

Study area: Addis Ababa

A. Questionnaires to be filled by Selected Ethiopian charities Director/Senior Managers

The researcher has developed this questioner to find out challenges and opportunities faced by Ethiopian charities. As you are members of Ethiopian charities Director/senior managers I would like to kindly ask you to fill the questioners. The purpose of this questionnaire is to collect reliable data for the study of the challenges and opportunities faced by Ethiopian charities.

Confidentiality and consent

Your answers are completely confidential. Your name will not be written in this form and will never be used in connection with which you tell me. You do not have to answer any question that you do not want to answer and you may quit at any time you want to. However your honest response/answer to these questions will help us better understanding about the challenges and opportunities allied with Ethiopian charities. I would like to appreciate your commitment in responding to this questioner.

Personal Background

Agesex.....

Educational Level

Please specify your education level by choosing from the following list

- a. Grade 10 complete b. Certificate c. Diploma d. Degree. e. masters and above

Experience:

How long you are working in your current organization?

- a. 1-2 years b. 3-4 years c. 5-6 years d. 7-8 years e. Above 9 years

Part I. Financial Viability

1. How long your current organizations operate since its establishment?
 - a. 1-5 years b. 6-10 years c. 11-15 years d. above 16 years e. I don't know
2. From your experience please rank the percentage of your current organization fund/budget amount from the list of funding sources by putting (√).

fund sources	Below 20%	20-50(%)	50-80(%)	Above 80(%)
Funding from international donor				
Funding from local donors/private sector				
Ethiopian government fund				
Membership contribution				
From Income Generation Activity (IGA)				
Money collect from the community				
Any other				

The domain of the above percentage obtained from local NGOs resource diversification assessment. (Boston University)

3. From your experience how could you explain your current organization the funding/budget amount compared with the organization goal?
 - a. very sufficient b. sufficient c. insufficient d. Very insufficient. e. I don't know

4. If you are agreed with the insufficient or very insufficient with the budget amount to achieve the anticipated goal of your current organization, what is the major reason for the insufficient budget? You are allowed to choose more than one from the given list.
- a. Absence of donors' b. Limited capacity of the organization to secure fund c. government restrictions d. I don't know e, any other please specify.....
-
-
-
- b. How do you express the flow of already secured funding your current organization?
- a. Very regular b. regular c. Irregular d. Very irregular e. I don't know.
5. If the current/existing funder/s/donor quit its/their donation how long your organization can sustain without fund/what is the retention period?
- a. Below 3moths b. 3-6months c. for one year d. above one year e. I don't know
6. Based on your experience how could you explain funding availability in the past 5 years?
- a. Highly increased d. increased c. Has no significant changed, decreased e, Highly decreased
7. How do you rate your current organization financial sustainability?
- a. Highly sustainable b. sustainable c. Hardly sustainable d. badly sustainable f. I don't know.
8. Based on your experience and observation the board of directors' contribution in fund raising is_____.
- a. very high b. high c. moderate d. low e. very low e. not involve at all f. I don't know.

9. From your experience are there fund opportunities that Ethiopian charities specifically privileged to? Please mention them.....

.....

10. If there are opportunities, does your organization used/explored those opportunities? if not what are the challenges that hinder your organization to explore the opportunities? Please mention them.....

.....

11. Does your current organization has any other financing /fund related challenges please mention them?

.....

Part II. Organizational Capacity

1. Based on your experience/understanding please rank your current organization Manuals status by putting (√).

Organizational manuals and strategic plan	Does not exist	exist but not effectively used	exist & effectively used but not regularly reviewed	exist, effective used & regularly reviewed
Renewed license				
HR manual				
Financial manual				
Logistic management manual				
Strategic plan				
Mission, Vision Goal and Value				

2. Based on your experience/knowhow please rank your current organization policies status by putting (√).

Organizational manuals	<i>Does not exist</i>	<i>exist but not effectively used</i>	<i>exist & effectively used but not reviewed</i>	<i>exist, effective used & regularly reviewed</i>
operational policy				
Fraud policy				
Gender policy				
Child policy				
Stakeholders engagement policy				
Written beneficiary right				
Inclusive policies				

3. Based on your experience and understanding please rank your current organization different written systems status by putting (√).

Organizational systems	<i>not (exist)</i>	<i>exist but not effectively used)</i>	<i>exist & effectively used but not regularly reviewed</i>	<i>exist, effectively used & regularly reviewed</i>
Leadership and management system				
networking and communication system				
Quality management system				
Management of information system				
Financial management system				
fundraising system				

4. Based on your understanding how could you explain your current organization office facility status?

- a. Very sufficient b. sufficient. c. insufficient d. Very insufficient e. I don't know.
- 5. By your understanding how could you explain your current organization physical infrastructure office, car, store etc. status?
 - a. Very sufficient b. Sufficient c. insufficient d. Very insufficient e. I don't know.
- 6. If your answer for question number two & three is insufficient and/or very insufficient what is the reason behind?
 - Shortage of financial resource b. government restriction of admin cost 70/30 c. I don't know. d. any other reasons
 -

- 6. Does your current organization have sufficient qualified staffs?
 - a. strongly agree b. Agree c. Dis agrees d. Strongly dis agrees e. I don't know

- 7. Based on your knowhow and experience does your current organization existing staff have the necessary technical capacity?
 - a. strongly agree b. Agree c. Dis agrees d. Strongly dis agrees e. I don't know

- 8. If your answer for question 5 & 6 is dis agree and/or strongly dis agree please mention the reasons behind
-
-

Part III. Public Image

Based on your experience please indicate your level of agreement by putting (√) on you choice

S.No	Items	Strongly agree	Agree	Dis Agree	Strongly Dis agree	I don't know
1	Ethiopian media provides positive analysis about the roleplayed by Ethiopian Charities in the civil society					
2	The general public have positive perception about Ethiopian Charitable organizations					
3	The public consider Ethiopian Charities as a community resource/asset					
4	The business sector have a positive perception on Ethiopian Charities					
5	government officials have a positive perception on Ethiopian charitable organization					
6	Ethiopian Charitable organization have sufficiently publicized their activities thereby promoted their image					

9. How could you explain the supportive role of CSA for your organization success?

- a. very supportive b. supportive c. fairly supportive d. controlling nature
- e. highly controlling role

10. From your experience are there any negative impacts on CSOs following public and stakeholders negative perception? Please mention them.

- 1.....
- 2.....
- 3.....
- 4.....

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B. Interview guide line to be used with selected CSA NGOs desk officers

Introduction: good morning/afternoon. My name is.....I am a social work student at Addis Ababa University. I am interviewing peoples here at CSA to find out challenges and opportunities faced by Ethiopian charities. As you are members of CSA NGOs desk officer members I would like to discuss with you about the aim and benefits of the study. The purpose of this interview is to collect reliable data for the study of the challenges and opportunities allied with Ethiopian charities.

Confidentiality and consent

Your answers are completely confidential. Your name will not be written in this form and will never be used in connection with you tell me. You do not have to answer any question that you do not want to answer and you may quit at any time you want to. However your honest response/answer to these questions will help us better understanding about the challenges and opportunities allied with Ethiopian charities. I would like to appreciate your commitment in responding to this interview. This interview will take about an hour are you willing to discuss with me?.

Personal Background

Age sex.....woreda.....

Educational Level

1. a. Grade 10 complete b. Certificate c. Diploma d. Degree e. masters and above

Experience:

2. How long you are working in CSA on your current position?
a. 1-2 years b. 3-4 years c.5-6 years d. 7-8 years e. Above 9 years

Sumi-structure Interview questions

1. Based on your inspection experience what seems the involvement of Ethiopian charitable organizations in countries development endeavors
2. Compared to other international and Ethiopian resident Charites how could you explain Ethiopian Charites over all capacity in involving in the country development endeavors?
3. Have you ever manged/ treat complain comes from Ethiopian Charites regarding new CSO proclamation?
What was the common complains?
4. Do you think that the new CSOs proclamation has challenge on Ethiopian Charites particularly? If so what are the challenges
5. Do you think that Ethiopian Charites as especial opportunities from resource perspectives?
Could please mention those opportunities?

6. Compared to other international and Ethiopian resident Charities how could you explain Ethiopian Charities engagement respecting new CSOs proclamation
7. Compared to Ethiopian resident Charities how could you explain Ethiopian charitable organizations sustainability?
8. Source documents indicated that the number of Ethiopian Charities has decline through time what is the reason behind?
9. The new CSOs proclamation illustrated that Ethiopian charities shall base their financing from local sources. Does it materialized as expected in the last 5years?

If not, what are the reasons?
10. Are there any other things you want to add?

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C. Document Review guiding questions

The purpose of this document review is to collect information about challenges and opportunities associated with Ethiopian charitable organizations. The information obtained using document reviews will be use for the purpose of this study only. Thus, you are kindly request to provide honest information. Thank you in advance for your collaboration.

Documents will be reviewed

- List of Ethiopian charities
- Amount birr utilized by selected Ethiopian charities in the last 5 years
- CSA annual report, magazines, website etc.
- Selected Ethiopian charities fundraising strategies
- Different selected Ethiopian charities reports, leaflets, websites, magazines, manuals etc.

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D. Observation check list

The purpose of this document review is to collect information about challenges and opportunities associated with Ethiopian charitable organizations. The information obtained via observation will be used for the purpose of this study only. The hosting organization name will not be written in this form and will never be used in connection with the organization and with you. Thus, you are kindly request to guide me and provide honest information. Thank you in advance for your collaboration.

Observation focus areas

1. Working environment
2. Office location Vs access different services (transportation, staffs home, different sector bureaus/offices, project site etc.)
3. Office facilities (internet, office materials, water, toilet, etc.)
4. Physical Infrastructures (office space, car, generator, etc.)
5. Office setups (office arrangement, office space, section classification and arrangement etc.)
6. Documentation and its arrangement
7. Different organization service promotion activities (tapela/billboard, posters, leaflets, graphic description, success stories. sample project implementation photo graphs, organization branding etc.)