

**AN ASSESSEMENT OF NGOs CAPACITY DEVELOPMENT
INTERVENTIONS: THE CASE OF CRDA MEMBERS**

**A THESIS SUBMITTED TO
THE SCHOOL OF GRADUATES STUDIES
ADDIS ABABA UNIVERSITY
IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR
THE DEGREE OF MASTER OF ARTS IN HUMAN RESOURCE
AND ORGANIZATIONAL DEVELOPMENT IN EDUCATION**

BY

BARAKI MULUGETA AMBAYE

**JULY 2010
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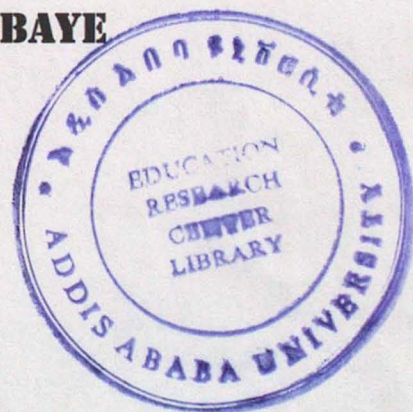
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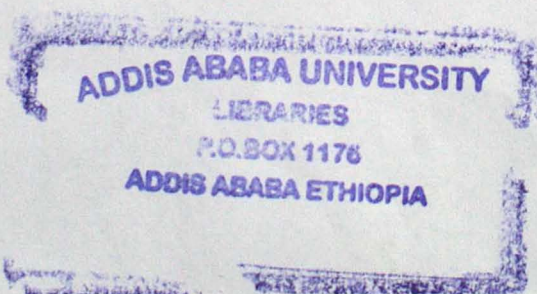
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Abstract

NGOs have been suffering from capacity problems which hamper the efficiency effectiveness, relevance and sustainability of their programs. In order to solve this problem group of NGOs established a coalition called Christine Relief Development Association/CRDA to contribute to the capacity development interventions of the NGOs. This study conducted with the objective to assess the capacity development interventions of NGOs focusing on CRDA member NGOs in light of governance, management practices, human resources, financial resources, service delivery, external relations and sustainability. Methodologically, descriptive survey method was employed. Data were gathered from 97 NGO employees, 3 CRDA capacity development experts and 6 stakeholders using random availability and purposive sampling techniques and appropriate data gathered through modified standard Organizational Capacity Assessment Tool, Focus Group Discussion and Key Informant Interview were analyzed qualitatively and quantitatively. Frequency counts and χ^2 test together with Fishers Exact Test for significant differences were used in the analysis. The results of the analysis indicated that the state of the seven core dimensions of organizational capacity is different among the local and international NGOs. Accordingly, the results of the study revealed that significant number of the local NGOs are found in an emerging stage/developing some capacity structure while the international NGOs are in the stage of expanding their organizational capacity, have a track record of achievement, their work is recognized by their constituency, the government, the private sector and other NGOs active in the same sector. Only very few of them are found to be in mature organizational development stage/ fully functioning and sustainable, with a diversified resource base and partnership relationship with national and international networks. The degree of linkage between the NGOs capacity and the development needs of stakeholders was found to be medium among the local NGOs and relatively high/well defined and recognized in the international NGOs and the NGO-Government relationship/linkage is not strong and smooth after the 2005 national election. CRDA's capacity development interventions are not adequately improving the effectiveness and efficiency of member NGOs and offer greater priority to training/workshop/seminars as the expense of grant and research related supports. Growing interests in terms of the content of training; addressing the fund requests of all members; shortage of professionals to run and follow the capacity development interventions to support the diverse members; reluctance of some members to report on the outcomes of capacity development interventions; rigid capacity development interventions, and linking all phases of the capacity enhancement process found to be the major problems encountered by CRDA. The strategies that have been used by CRDA to enhance capacity of members are increasing the capacity of members in the area of expertise and emergency responsiveness; creating access to information on various developmental approaches and practices; funding and developing the skill of resource mobilization. On top of this, conducting tailor made and participatory assessment before interventions; increasing the degree of linkage between NGOs and stakeholder; designing feasible capacity development interventions focusing on fund raising, developing the capacity of CRDA in all aspects; resuming the development of members' capacity to influence the enabling environment through strategic alliance with similar umbrella organizations rather than engaging in advocacy were suggested as indispensable ways to improve the performance of CRDA member NGOs.

Acronyms and Abbreviations

CSA	Charities and Societies Agency
CCRDA	Consortium of Christian Relief and Development Association
CRDA	Christian Relief and Development Association
DOSA	Discussion Oriented Organizational Assessment
DPPC	Disaster Preparedness and Prevention Commission
EFAFTI	Education For All Fast Track Initiative
FGD	Focus Group Discussion
KII	Key Informant Interview
MDG	Millennium Development Goals
MoJ	Ministry of Justice
OCTA	Organizational Capacity Assessment Tool
PPRSP	Participatory Poverty Reduction Strategy Process
SDPRP	Sustainable Development and Poverty Reduction Program

CHAPTER ONE

THE PROBLEM AND ITS SETTING

1.1. Background to the Study

Non-governmental organizations (NGOs) are generally thought to have come into existence around the mid-nineteenth century (World Bank, 2001). It was only about a century later that the importance of NGOs was officially recognized by the United Nations. At the UN Congress in San Francisco in 1968, a provision was made in Article 71 of the Charter of the United Nations framework that qualified NGOs in the field of economic and social development to receive consultative status with the Economic and Social Council.

NGOs are generally considered to be “non-state, non-profit orientated groups who pursue purposes of public interest”, excluding the private sector (Schmidt and Take, 1997). One of the most widely used definitions is given by Operational Directive 14.70 of the World Bank: “private organizations that pursue activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services, or undertake community development” (World Bank, 2001).

When we talk about, the capacity of NGOs, we are talking about building their capacity to build others (Hailey, 1995). For him, capacity building is an explicit effort to improve an organization’s performance in relation to purpose, context, resources and viability. It is a self-managed process of organizational change by which leaders, members and other primary stakeholders learn to assess strengths, diagnose key organizational weakness, recognize priority issues, and devise, apply and assess actions to address those issues (Bennis, 1969). In other words, capacity building requires new skills and changes in individual behavior in terms of systems, structures, procedures, culture, strategies and decision-making.

Borrowing the words of (Fowler Alan, 1997) capacity is the measure of an NGO's capability to effectively satisfy or influence its stakeholders. Thus, NGOs trying to adapt, survive, perform and influence the trend of development have to possess Governance, Human Resource, Management Practice, Financial Resource, Service Delivery, External Relations and Sustainability capacities.

The Christian Relief and Development Association (CRDA) is an indigenous umbrella organization of NGOs and religion-based agencies operating in Ethiopia. It was established in 1973 as a Relief Coordinating Agency by 13 religion based and secular humanitarian organizations. Its membership is now close to 265 agencies. The very reason for the existence of this umbrella organization is:

*To strengthen **the capacity** of its member agencies, in order to help disadvantaged communities/groups in their endeavors to improve their standards of living and their control over their own livelihood on sustainable basis (CRDA, 2006).*

It has a program and support services that help its member agencies in order to enhance their local capacity, with the ultimate objective of creating a strong NGO sector that is able to meet the expectations of its development partners.

This requires an understanding of country context: community needs (priorities), special technical knowledge, and unique approach to service delivery. To spearhead this strategy, it is found essential to promulgate a law to aid and facilitate the role of Charities and Societies in the over all development of the Ethiopian people. FDRE issued Charities and Societies Proclamation, (No.621/2009) replacing all previous fragmented legislations about NGOs. In order to enact this declaration, an institute of the Federal Government which is accountable to the Ministry of Law and named as Charities and Societies Agency came to existence recently.

As it is outlined in this proclamation section 3 sub-articles 2, the purposes of these charity institutions shall include 15 areas .Some of the activities include the alleviation of poverty or disaster, the advancement of economy and environmental protection, education, health, relief of disadvantaged groups of the community,

human and democratic rights and capacity building on the basis of the country's long term development direction. However, those who can take part in Rights-related activities that fall under items (j, k, l, m and n) shall be Ethiopian Charities/NGOs whose members are Ethiopians, generate income from Ethiopia and wholly controlled by Ethiopians.

The initiative of CRDA and the member NGOs is also a clear reflection of the Ethiopian government national capacity development strategy developed in 1998. The government has long identified the lack of capacity in terms of not having the required number and quality of intuitions, working systems and human resources as the chief obstacles that stand in the way of realizing its development objectives (ESDPRP: 1998).As it is vividly described in the Sustainable Development and Poverty Reduction Program of Ethiopia, the various aspects of development initiative that have been undertaken by the government acknowledged the prime importance of the need for capacity building .This national document further elaborates that building the institutional capacity of public, private and civil society including NGOs in discharging their respective role in the poverty alleviation and democratization process of the country is one of the focus area of Ethiopia's Capacity Building Program.

Moreover, the capacity building interventions are highly related with Education and Training Policy (ETP) of Ethiopia crafted in 1994 and the multi-year Educational Sector Development Program (ESDP) that started in 1997/98 to achieve the present and future national economic and social development goals. This leads to the primary focus of the national capacity building strategy of Ethiopia, *Building Capacity to Build Capacity* which by itself necessitates special attention to the creation of educational institutions for this purpose in a sustainable basis (CBS, 1998).

Furthermore, capacity building interventions significantly contribute in fulfilling the commitments that the Ethiopian government interred to achieve EFA and MDGs by the year 2015. The Education for All-Fast Track Initiative (EFAFTI) is an evolving

global partnership among donor and developing countries to ensure accelerated progress towards EFA, and in particular, Millennium Development Goals (MDG) 2 and 3. The EFAFTI was created in 2002 to help countries address four “gaps” identified as major hurdles to achieving EFA: finance, data, policy, and capacity, (EFAFTI Framework ,2004).

Increasing organizational capacity requires a detailed understanding of what exactly are the strengths which can be built on and the limitations which need to be addressed. In other words, good strategies for capacity building require good diagnosis. Put another way, “lack of diagnosis is mal practice whether in medicine or management” (Hailey, 1995).

Consequently, the contributions of NGOs need to be tailored to existing capacity to ensure effectiveness and to avoid unintended distortions. The goal of this study, assessing NGOs capacity development interventions is thus a central element of preparing, implementing and supporting the national development strategies through a strong synergetic effect of programs.

1.2. Statement of the Problem

Non-Governmental Organisations (NGOs) play a significant role in the development of any nation. They are key partners in national development as they focus on crucial activities of national concern such as the welfare of children with disabilities and the aged, as well as helping disadvantaged communities to access basic needs such as food security, health and education among others.

In Ethiopia like elsewhere, NGOs are also expected to partner the Government in its efforts to spearhead development, particularly among the poor and the marginalized communities. In order to replicate the best practices of NGOs to the government institutions and make them partners of the country’s capacity development program, the government of Ethiopia recognized these humanitarian organizations as potential stakeholders (CSP, 621/2009). Government and public organizations have an

obligation to seek new and ever more effective ways of making tangible progress toward their missions and this requires building organizational capacity (Venture philanthropy partners, 2001). For these partners, great programs need great organizations behind them and the only way to build a great organization is through building capacity.

As cited in (Hailemariam, 2009) Luthaus, Anderson, and Murphy (1995) leading scholars in the area agreed on the creation of effectively performing institutions for development of a country. They emphasized on an investment choices to focus on building the capacity of NGOs and institutions to solve their development problems. In simple terms, an organization's capacity is its potential to perform its ability to successfully apply its skills and resources to accomplish its goals and satisfy its stakeholders' expectations (Lusthaus et al., 2002). For these authors, the aim of capacity development is to improve the potential performance of the organization as reflected in its resources and its management.

The IDRC suggests that a high-performing organization is one that employs its capacities effectively in the pursuit of clear goals and the fulfillment of stakeholder needs. In addition to being affected by its capacities, the organization's performance is influenced by forces in the external environment in which it operates and the internal environment of the organization, which is related to its culture, rewards and incentives, and the management style.

Too often capacity building interventions are aimed at only the outer layers of the onion, leaving the crucial inner layers untouched (UNDP, 2003). There are many reasons for this. Often it is the result of NGOs carrying out the intervention themselves when they may lack the skills and knowledge to do it well. It may also be difficult for NGOs to approach the task with objectivity.

Problems identified in NGOs by umbrella organizations are on areas related to the following elements clustered into seven dimensions of nonprofit organizations capacity: Governance, Human Resource, Management Practice, Financial Resource,

Service Delivery, External Relations and Sustainability (www.intrac.org, retrieved on February 20, 2010).

Irrespective of NGOs membership, under utilization of funds, poor leadership, less managerial and operational skills and rigid adaptive nature are still unsolved problems. As study by World Bank (2008), many NGOs are beset by financial, technological and managerial difficulties hindering the full realization of their ideals and objectives. Linkages between and among NGOs are limited and the existence of interaction depends on the nature, purpose, and very often the geographical distance between NGOs. Still, others have very close-minded interests resulting in their inability to adjust to the dynamic environment.

Moreover, as cited in the literature concerned with sustainable social development, and as reported from the field (NGO Committee on UNICEF, 2002), gaps of NGOs include: over-zealousness, restricted local participation, inadequate feasibility studies, conflicts or misunderstanding with the host partner (usually resulting from a poorly negotiated contract and lack of safeguards), inflexibility in recruitment and procedures, lack of adequate funding to complete or sustain projects, inadequately trained personnel, turf issues, lack of transparency, inadequate or non-existent evaluation component and research expertise, inability to replicate results, and cultural insensitivity. Many NGOs operating on a restricted budget fail to include a feasibility and evaluation component. This has been shown repeatedly to be a serious and costly omission.

CRDA has been supporting the efforts of member organizations with networking and information, technical support, training, financial support and forum for capacity building since the mid 1990s. The technical support (Mentoring and Advisory Services) of CRDA meant for its local/indigenous members and it focuses on program and organizational development aspects. The purpose of such support is to enable organizations properly design, implement, monitor and evaluate development interventions as well as improve organizational capacity. It has so far undertaken a

study to evaluate the Institutional Strengthening Grant /ISG support, and mid-term evaluation on its capacity support services in 1999- 2001. However, to my knowledge no study has been done to specifically assess and provide tangible evidences that indicate or verify the effectiveness of the capacity-development interventions/supports of CRDA in bringing positive changes in terms of enhanced capacity of more than 20 member NGOs. Besides, the appropriateness and relevance of the capacity building-interventions has not been supported by concrete facts and also members are not bold enough to be live witnesses. Moreover, CRDA as the biggest Consortium (formerly called umbrella organization) needs to take lesson from its capacity-development interventions; in order to improve its development practices and be effectively address the capacity-gaps of member NGOs as well as adapt it self to global debate about the concept of capacity-development and the various components. In other words, there is a gap that needs investigation.

Therefore, as an NGO employee with reasonable years of experience in rural and urban project and in view of the foregoing, the researcher was very much interested to assess the effectiveness of CRDA Capacity-development interventions. Hence, the purpose of this study was to assess NGOs capacity development interventions focusing on CRDA members NGOs with particular emphasis on the (Governance, Human Resource, Management Practice, Financial Resource, Service Delivery, External Relations and Sustainability) dimensions. To achieve this goal, the study had raised the subsequent research questions and addressed during data analyses:

- 1) What is the current state of NGOs capacity in terms of core dimensions (i.e Governance, Human Resource, Management Practice, Financial Resource, Service Delivery, External Relations and Sustainability) to build NGOs capacity?
- 2) To what extent is the NGOs capacity linked to the development needs of their stakeholders?
- 3) To what extent do CRDA capacity building interventions improve the efficiency and effectiveness of member NGOs?

- 4) What are the major problems encountered by CRDA in its attempt to enhance members capacity?
- 5) What are the strategies that could enhance the capacity of NGOs?

1.3. Objectives of the Study

The study was designed mainly to assess NGO Capacity Development Interventions implemented by CRDA. The specific objectives of the study include:

- i. To identify particular areas of NGOs capacity in terms of core dimensions (Governance, Human Resource, Management Practice, Financial Resource, Service Delivery ,External Relations and Sustainability) that are strongest and those that need improvement.
- ii. To rectify the linkage between the capacity building interventions of NGOs and the development needs of stakeholders.
- iii. To find out the contribution of CRDA in improving the effectiveness and efficiency of member NGOs.
- iv. To identify the major problems affecting the role of CRDA in implementing capacity building interventions to NGOs?
- v. To assess the capacity building strategies that could assist NGOs to be more effective, efficient and productive?

1.4. Significance of the Study

The out put of this study may serve to CRDA, member NGOs, other Charity Organizations, donors and the government of Ethiopia to wave out the current problem related with NGOs performance and facilitate good atmosphere in bridging the gap through furnishing feasible recommendations.

In addition, the findings of the study:

1. could build the capacity of the NGOs in conducting participatory self assessment and identify capacity building needs of NGOs,

2. may help the NGOs better understand capacity building,
3. provide real information about the NGOs existing capacities that need to be replicated and the missing ones to cope-up in this aggressively changing donor environment,
4. assist funders and other partner organizations use the research outputs to support internal change efforts within CRDA and its members ,
5. offer insight to the directions of umbrella /apex and member NGOs regarding their capacities for best performance and securing more fund,
6. may suggest best ways that NGOs could do to increase the capacity of their organization,
7. could serve as additional reference material for those who are interested to conduct further study in this untapped area of research.

1.5. Delimitations of the Study

The study was delimited to CRDA member NGOs situated in Addis Ababa and which received capacity development support of 2007 – 2009; however its comprehensive notions will bear greater level of validity. Most of these NGOs were involved in integrated community development sector in different parts of Ethiopia through their outreach offices. Accordingly, the synthesis of the study can have broader scope to apply in parts of Ethiopia where NGOs are operating.

It was also confined to NGOs (Governance, Human Resource, Management Practice, Financial Resource, Service Delivery, External Relations and Sustainability) capacity dimensions in order to make the research manageable and within the financial and material resource capacity of the researcher.

1.6. Limitations of the Study

The study was confined to assess the capacity development interventions of CRDA member NGOs using elements of organizational capacity such as Governance, Management Practice, Human Resource, Financial Resource, Service Delivery,

External Relations and Sustainability. As organizational capacity is a newly introduced concept in the NGOs, people's knowledge of capacity dimensions and even the related activities taking place in their organization were limited. This lack of clear understanding affected the accuracy and dependency of the information gathered from the respondents to some degree.

In addition, the unsatisfying cooperation from NGOs to furnish timely responses were the major limitations.

1.7. Operational Definitions of Terms

Terms are defined as they are used in the thesis.

Board is a common name for an NGO's governing body. It can take on many different forms, depending on the cultural or national context. The board's main function is to provide leadership, vision, and legitimacy to the NGO (www.idealists.org, retrieved on February 20, 2010).

Capacity is the measure of an NGO's ability to satisfy or influence stakeholders, consistent with its mission (Fowler Alan, 1997).

Capacity Building is strengthening organizations capacities to effectively provide services to constituents, including the development of systems to maintain this capacity (Fowler Alan, 1997).

Client is a noun used to refer to someone who is the recipient of an NGO's services. "Client" or "constituent" conveys a more empowering relationship between the NGO and service recipient than "beneficiary" (www.pactpub.com retrieved on February 20, 2010).

Constituency refers to the group or groups who receive services from an NGO (www.pactpub.com retrieved on February 20, 2010) (The words clients and constituents are used interchangeably).

Institutional Development is a dynamic process, as NGOs become learning organizations capable of influencing and adapting to a continually changing environment and most effective when it is a participatory process (Bennis, 1969).

Non Governmental Organizations/NGOs are entities that are entirely or largely independent of government and have humanitarian or co-operative rather than commercial objectives (World Bank, 2001).

Organizational assessment: «all systematic processes which are used to assess the performance, competence and capacity of an organization and find ways to increase its efficiency and effectiveness" (Hailey, 1995).

Stakeholders are those who benefit from the activities of the organization as well as those who care about the activities of the organization. Stakeholders often include beneficiaries of services, government bodies, board members, staff, volunteers, and donors as well as others who have a stake on the activities (www.pactpub.com retrieved on February 20, 2010).

Sustainability refers to the long-term continuation of an organization, program, or project (Bennis, 1969).

Umbrella or Apex NGOs NGOs that have take the task of serving other NGOs

1.8. Organization of the Study

This paper has been organized in five chapters. The first chapter deals with the background of the study, statement of the problem, significance of the study, delimitations and limitations of the study and definitions of some key terms to be used.

Chapter two covers review of related literature. It consists of the basic conceptual explanations and research findings on the capacity building of NGOs.

Chapter three deals with research design and methodology that has been employed in the course of the research.

Chapter four in succession contends with presentation, analysis and discussion of the findings.

Finally, Chapter five provides the gist of the study and concludes itself by forwarding the findings in relation to the basic questions and suggestions that may strengthen the capacity development supports that CRDA is rendering to member NGOs and at last; a list of reading materials used in this study are attached before the appendices.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

This chapter deals with review of literature in order to lay the theoretical framework of the study. Areas the chapter treats include the notion of organizational development, existing status of capacity development initiatives in the NGO sector, organizational capacity and effectiveness, strategies and interventions for developing NGOs capacity, frameworks and core dimensions to assess organizational capacity and growth and development of NGOs sector in Ethiopia.

2.1. The Notion of Organizational Development

The basic techniques of organizational development stemmed from experiments conducted by applied social scientists in the early Twentieth Century. Many organizational techniques were introduced during this period (George, 1968).

Organizational Development is a response to change ,a complex educational strategy intended to change the beliefs, attitudes, values ,and structure of organizations so that they can better adapt to new technologies ,markets ,and challenges ,and dizzying rate of change itself (Bennis,1969). The definition implies that organizational development is a means to bring about complex change. In addition, it effects change chiefly, though not exclusively, through education. Organizational development expands people's ideas, beliefs, and behaviors so that they can apply new approaches to old problems. In short, it refers to any effort to improve an organization.

The term Organizational Development has recently burst onto the NGO landscape as a by-product of the general recognition of the need for stronger non-government organizations to foster effective relief and development (James, 1998). According to him, it has become the fashionable concept of the late 1990s amongst NGOs, but is being used by many NGOs with careless abandon to mean whatever they want it to

mean. However, it is very important to appreciate the different influences which have shaped organizational development as a diverse discipline.

2.2. What is Organizational Capacity?

On the surface, the concept of organizational capacity is plain enough. It is generally understood that an organization's capacity is its ability to influence its life and progress toward desired results. Beyond that organizational capacity is difficult to define. The reason for this is that organizations are multi-dimensional. They are influenced by many variables both inside and outside of the organization. Internal variables include work structures, decision-making processes, information systems, reward systems, and human resource management practices, to name a few. External variables include societal needs, politics, religious climate, local, national, and international laws, market trends, donors interest, other organizations that vie for the same donors, international, national, and regional economies, exchange rates, tax policies, and so on. Definitions of organizational capacity tend to get complex because organizations are complex (Daniel R., 2000).

So what is capacity and what are the elements constituting organization's capacity? According to the Technical Advisory paper by the United Nation Development Program (UNDP, 1994) capacity is defined as:

The ability of individuals and organizational units to perform functions effectively, efficiently and sustainably. This definition implies that capacity is not a passive state but part of a continuing process and that human resources are central to capacity development and the overall context within which the organizations undertake their functions are also key consideration in capacity development.

According to (Deborah, 2003) "Capacity" refers to an organization's ability to achieve its mission effectively and to sustain itself over the long term. Capacity also refers to the skills and capabilities of individuals.

Jessica ED, Sally C. and Jodi R. (2004), defined "capacity" as "it refers to how the organization or program operates, the structure in place, and the operating process that dictate employee action" and it is one of the dimensions for effectiveness of the

any organization. Peter (2002) defined Capacity as a set of attributes that help or enable an organization to fulfill its mission. The attributes that any particular organization possesses constitute the organization's capacity profile.

Capacity includes capabilities, knowledge, and resources that a nonprofit needs in order to fulfill its mission through a blend of sound management, strong governance, and a persistent rededication to achieving results (Christine and et.al., 1998).

From the above definitions by different authors, capacity is the ability of an organization, individual or a system to achieve some objective efficiently, effectively and sustainably. And this ability can be measured and developed for better throughout the life of the organization.

2.3. Organizational Capacity and Effectiveness

According to Deborah Linnell (2003) Capacity building, capacity itself, and organizational effectiveness are all related, but they are not, the same.

“Capacity” refers to an organization's ability to achieve its mission and to sustain itself over the long term.

“Capacity building” refers to activities that improve an organization's ability to achieve its mission... or a person's ability to and realize his/her goals or to do his/her job more effectively. For organizations, capacity building may relate to almost any aspect of its work: improved governance, leadership, mission, and strategy, administration (including human resources, financial management, and legal matters), program development and implementation, fundraising and income generation, diversity, partnerships and collaboration, evaluation, advocacy and policy change, marketing, positioning, planning, etc

“Organizational effectiveness” relates to the capacity of an organization to sustain the people, strategies, learning, infrastructure and resources it needs to continue to achieve its mission. It is a long-term outcome that some capacity building strategies may affect... There are many definitions and characterizations of effectiveness, taking into consideration elements such as organizational structure, culture, leadership, governance, strategy, human resources, etc.

The relationship between capacity and organizational performance may be illustrated by analogy with the motor car. We are careful to maintain the car's engine, chassis,

brakes, tyres, etc. - its capacity because we value the safe and reliable transportation the performance that it provides (Europe Aid, 2005). It means that an organization's capacity depends on factors in its "enabling environment". Lack of fuel, had roads and poor maintenance quickly affects a car's performance and may eventually destroy its capacity to deliver transportation at all.

To show the linkage between capacity and organizational effectiveness Peter E. (2002) stated as effective organizations tend both to have broad array of capacity attributes and use or mobilize the capacity to fulfill their organization's mission.

Performance and capacity are interrelated concepts. Organizational performance arises from the use of capacity. Assessing performance also leads us to areas where capacity needs building (Lusthus, 1995). Because performance is relative to an organization's basic capacity, the analysis of capacity sets the stage for understanding organizational performance.

But to do so it is not as such easy to evaluate the existing capacity of the organization and identify the strength and weaknesses of the organization especially for those of the nonprofit sector. As noted by Paul C. and Peter Y. (2002) evaluating capacity can be difficult, it is hard to develop measurement for assessing organizational effectiveness and management assistance success to identify capacity gaps. It is especially difficult to do so for nonprofit organizations since, unlike for profit companies, there is no financial bottom line to appraise.

2.4. Existing Status of Capacity Development Initiatives in the NGO Sector

Many studies and workshops relating to capacity relating to NGO have been undertaken in different parts of the world. Some of the important ones are discussed below before proceeding particularly to address the existing status of capacity development initiatives in the NGO sector of Ethiopia.

Anthony and Bebbington and Diana of IIED, London (1996) had conducted a study on NGO capacity and effectiveness. Some of the findings concluded from this study on NGO capacity and effectiveness are: changes in NGO funding patterns and amounts due to increased interest in the security of NGOs besides other crisis leading to the choice of other alternative models of development; capacity building is much more than training or financing which implies coherence among the mission, organizational structure, and activities of the organizations; organizational structure issues are also critical to successful strategies for building capacities in the organizations; a need for enhancement of institutional coordination with government and other NGOs for effective delivery of services, and NGOs based outside of Europe and North America have different concepts of capacity building as compared to those European and North America institutions.

Alan Brews, (1994) in the text titled, 'Capacity Building Debate', said, "Capacity building is closely related to the concept of empowerment. In brief, capacity building gives substance to empowerment. If empowerment is value than capacity building is the content." The challenges as he indicated are allied to sustainable economic growth, sustainable improvements in the quality of life and building sustainable capacity.

An Oxfam publication entitled "Capacity Building, an Approach to People Centered Development" (1997), critically discuss about the introduction of capacity building; for whom and where as well as the importance of investing on people's development. As the text throws light that there is a low investment on in people's development aspect in developing countries. The developing countries are spending more in survival part and debt servicing rather than in formal education. More specifically, "The lack of access to educational opportunities places a major constraint on people's life chances, as well as on their capacity to participate in the social, economic and political process affecting them" Oxfam (1997).

Alan Fowler (1998) extensively illustrates about the understanding of Southern and Northern NGOs and their development, organizing for non-profits for their development, enhancing and empowering them, effective resource mobilization and impact assessment in his famous book "Striking a Balance, A Guide to Enhancing the Effectiveness of NGOs in International Development. He has made a great contribution to NGO capacity building sector worldwide. His input to NGO capacity building is based on problem solving or of deficit –based approach. Not only his work but other related work above as undertaken by Anthony Bebbington and Diana Mitlin of IIED, London (1996) Alan Brews (1994) and Oxfam (1997), are based on the same approach. Thus, this thesis An Assessment on NGOs Capacity Development Interventions: the case of CRDA members through modified self–assessment tool to the context of Ethiopian NGOs is different from the studies that are central to other countries reality.

The text by PRIA made a remark that "the capacity building needs of Southern NGOs are mostly defined by Northern agencies. The fundamental base on which capacities can be built requires a continuous process of learning, reflection, systematization, analysis and articulation."

Savors Jackie in GEM Journal, (2000) states that "There is a danger to the organization of viewing capacity building in isolation or at one level at a time because capacity building does not begin with organizational capacity nor end with global capacity. Rather capacity building involves the entire network of relationship of society, from those developed at the organizational level or to those at the multi-organizational level and global levels. Therefore, one might say that building of relationships via multi- level capacity building is laying a foundation for civil society and sustainable development". The finding presented by Jackie seems logical as it assumes that capacity building is not only for a particular organization or a onetime event rather it is a continuous process of comprising multi-organizational level to entire globe. Jackie's findings are based on a comparative study of Northern and Southern NGOs where as in this study I have focused on the assessment capacity

development interventions of the nongovernmental sector of Ethiopia which are member of CRDA and fall under Southern NGO category.

Organizational/institutional capacity relates to the tangible as well as intangible factors .Tangible factors address the physical assets and resources, delivery of quality programs and human resources available in the organization. Intangible ingredients deal with the organization's strategic, professional, technical, competitive and management capabilities. Both of the tangible as well as intangible variables are responsive to gear-up institutional capacity building.

A book by Horton Douglas et.al., entitled *Evaluating Capacity Development Experience from Research and Development organizations around the World* published by ISNAR, CTA, IDRC, CRDI- 2003, has been found to be one of the recent as well as pioneer contribution to capacity development. This book throws light on how to break the all-too-common haphazard and offers supply driven approach to capacity development, besides suggesting on how to proceed with strategic planning of capacity development by comprising micro, meso and macro level of capacity enhancement, whether it is related to management, human or other physical resources types. Organizational capacities cannot take place only through supply driven training until its strategy addresses the organizational priorities .” capacity development can take place at the micro level of individuals and project teams, at the meso level of organization ,and at the macro level of national economic and legal institutions” Horton Douglas et.al.,(2003).

2.5. Strategies and Interventions for Developing NGOs Capacity

According to (UNDP, 1998) capacity development strategies can be classified into four types: the technical and organizational approach; the systems network approach; the social approach; and the political approach

The technical and organizational approach is the traditional approach to capacity-development. However, in the 1980s, growing pressure to address environmental

issues resulted in a growing awareness that individual organizations did not have the capabilities to address such problems on their own.

The advent of globalization and the “new economy” (Zadek, 2001) also brought about a blurring of boundaries between the public and private sector and a trend towards approaches such as outsourcing and public-private partnerships. At the same time these changes brought transformations in the non-profit sector, placing them under more pressure to deliver services (Loza, 2004).

The end result was a change in the nature of capacity-development towards a systems and network approach that considered organizations’ external and contextual influences, the demands of key stakeholders and their relationships, where systems or networks of organizations worked together to bring about improvements.

Social networks are intrinsic in bringing about these improvements, whether it is within a single organization, or at a system or network level. The social approach arose from identifying the need to build on social relationships to promote partnerships and collaboration, recognizing that capacity-development is as much as it is technical and organizational in finally, the political approach addresses the role of governance—without a stable and supportive political environment, it is difficult to implement or encourage donors to consider any capacity-building programmes.

There are eight capacity development interventions suggested by UNDP (1997) that are necessary or useful for NGOs working on sustainable development in order to be more efficient, productive and constructive in their work.

1. Exchange

The exchange of knowledge, experience and persons forms a possible strategy in achieving capacity development. It is important to ensure that there is a real interaction and follow-up, which can occur in several ways. This may include working visit by one or more members of staff, over a limited period, to a comparable organisation/company, deploying one or more members of staff, over a limited

period, to a comparable organisation/company, and allowing one or more members of staff to participate in a conference or seminar.

Virtually exchanging knowledge and lessons learned via various communications media (the internet, printed publications, video, radio, etc).

2. Facilitation

Facilitation can occur at various points in the capacity development process. For example, it may be necessary to study the initial problem analysis with the assistance of an independent external consultant. Facilitation usually assumes that both the clarification of the question and the start of the solution are present within an organisation or network of organisations. In order to encourage the knowledge-sharing and development process, a facilitator can mobilise the knowledge and capacity already present. The facilitator therefore acts as a catalyst for knowledge exchange and development.

Facilitation can focus on a limited subject within the organisation (e.g. 'how can we strengthen our financial sustainability?') or on a more integrated organisational development approach, where an analysis of the entire organisation is required.

3. Coaching

Coaching is a structured form of process support of an individual or small group or staff from an organisation or network (supervision) by a process-supervision expert or someone from a peer organisation with such expertise.

Coaching is usually seen as an intensive form of personal supervision that works as a catalyst in the development of that individual or team.

Coaching is almost always used to encourage personal growth and development. The main objectives concern the way in which the person functions within his/her own job description and/or the organisation.

4. Research

Two types of research can be distinguished:

a. Research that benefits Capacity Building

Research can form a strategy for strengthening the primary processes or organisations. Organisations always need information on which to make operational decisions. In some cases this requires in depth research as well as good monitoring information. If this is to contribute to capacity development then it must be clear from the start how the research results will be used to strengthen the organisation/networks of organisations.

b. Research on Capacity Building

Experience gained in the capacity building process is often interesting and could be useful to others. Systematic research can therefore contribute to the capacity development of third parties.

5. Training

Training can concern either the entire staff of an organisation, or a group of staff, or individuals within the organisation or network of organisations.

There are various types of training, e.g. 'in/out organization' training and 'on the job' training. In some cases training will take a more educational form. The value of training is generally recognised in various areas: gaining skills and knowledge, both to benefit the organisation/network and to personally benefit the trainee.

Training can also strengthen the mobility within the organisation and can motivate the staff members involved.

6. Advice

Advisory services can refer to a specific aspect, such as advising on the organic cultivation of crops.

These advisory services may take place at the organisational development level, e.g. creating, detailing and setting up a monitoring system, or can focus on supporting the programme formulation of one or more partner organisations. This strategy makes use of the specific up-to-date knowledge of an external advisor.

Advisory services often form part of a longer-term project, where the partner organisation is developing new insights based on feedback from an external consultant. Advice is thus provided at clearly agreed times, as input into a process that is supervised from within the partner organisation. This may include 'remote' (i.e. off-site) advisory services.

7. Management

Activities within the primary process of the organisation, such as management, do not directly contribute to capacity building, yet management (as a strategy) plays an important role in capacity development within an organisation, as it can set the conditions.

For example management can be relevant in cases where local management capacity is temporarily insufficient to guarantee that an organisation can maintain its primary process, while trying to strengthen its own capacity. However, such a period of interim management (or trouble-shooting) must be as short as possible, and the focus must remain on training local management staff, so that a more sustainable solution can be achieved.

A second form of temporary management concerns coordinating large programmes or sector plans, where it is important that capacity development processes are harmonised. This sometimes requires a temporary, separate coordination.

8. Implementation

Just as with management, the strategy 'implementation' (i.e. taking direct responsibility for the primary process) does not lead to capacity development. However, investing in implementation can sometimes be a prerequisite to allowing

other capacity development strategies to be achieved or, as previously described, for undertaking a learning process. Implementation should therefore be embedded in a wider strategy and be of a temporary nature.

The only exceptions to this rule are situations where, from a humanitarian point of view, support is required due to a structural lack of local capacity. In such cases this strategy would only be temporary and should be accompanied by a clear phasing-out strategy.

Therefore, an organization can intervene to bridge its capacity gaps through implementing one or more of the aforementioned interventions based on prior assessment. This means there is no one and same ready made capacity development intervention which is a cure to all organizations' problem. Rather interventions are context based and organization bounded.

2.6. Frameworks and Core Dimensions to Assess Organizational Capacity

The technical advisory paper by the United Nation Development Program (UNDP, 1994) define capacity assessment which is a footstep for identifying and building capacity gaps from various dimension of any Organization as:

“a structured and analytical process whereby the various dimension of capacity are assessed within the broader systems context, as well as evaluated for specific entities and individuals within the systems.” Capacity assessment is usually undertaken before implementing of the organization which is used to identify the capacity gaps exist in the organization. In addition when explaining capacity assessment at different level it says that assessments are particularly important for identifying and measuring capacity gaps. The usually expressed as a weakness, may apply to one or more dimensions.

According to William, Radya and Robert (1998) program and Projects require competent organizations to transform labor, land, resources and technology into ongoing improvements in people's lives. Investment in organizations capacity enables development in other areas. In addition they believe that capacity assessment will be helpful to identify current organizational strengths and weaknesses to establish a plan for improvement that includes mechanisms to measure change when implementing project and programs.

Capacity measured by a set of organizational attributes that get such characteristics as institutionalization, competence adaptability and durability, is assumed to bear on the ability of an organization to its mission effectively established rules and procedures, modes of communication and planning are all indicators of institutionalization and institutionalization is an indicator of capacity Peter E. (2002).

Universalia's experience in the field in the 1980s showed that it was to successfully apply assessment methods in order to identify the strengths and weaknesses of an organization's structure, processes and systems (Lusthus, C. 1995).

There are many frameworks constituting various elements of organizational effectiveness developed by different groups to assess the capacity of non-profit organizations. A framework developed by Institute of Development Research Center for viewing organizational capacity entails six main, interrelated areas that underlie an institution's performance: strategic leadership, human resources, other core resources, program management, process management, and inter-institutional linkages. Each of these areas contains various components which range in importance among institutions (Lusthaus C., 1995).

According to Rosabeth M. and Derick B (1981) the most interesting question is not how to measure effectiveness or productivity but what to measure, how techniques chosen and how they are linked to the organizations structure, functioning and environmental relations.

In the tool for Assessing Startup Organizations, La Piana Associates Inc., (2003) developed with an intention to assess the startup nonprofit organization's strengths and weaknesses, it is stated that to succeed in advancing their missions, nonprofits should have these elements in place: a Healthy Governance Function; a Competent Executive Director; a Sound Financial Management System; a Workable, Legal, Human Resource Policy and Practices; a Successful Fund Development Strategy, and a Clear, Consistent Message.

The other framework is Organizational Capacity Assessment Tool (OCAT), developed by William B., Radya E., and Robert M. of Pact and has been used extensively in South Africa and Angola with a variety of local NGOs. According to this framework, there are seven elements of organizational effectiveness which can be used to assess the capacity of organizations. These elements are Governance, Management Practice, Human Resource, Financial Resource, Service Delivery, External Relations and Sustainability. These criteria are going to be adopted for assessing the organizational capacity in this study.

The various frameworks for measuring organizational effectiveness can be helpful in defining indicators for the success of organizational capacity assessment. The seven elements which serve as a critical role in an organization's overall effectiveness identified by OCAT will be explained briefly below.

2.6.1. Governance

Governance refers to the leadership and direction of an NGO. Leadership involves articulating and maintaining a vision and mission for the NGO which is shared by the board of directors/trustees or other oversight bodies. The board provides direction, maintains independent oversight of the management, and ensures that effective strategic planning takes place. The board can help to identify and procure additional resources for activities, carry out public relations, and lobby government for effective policy development or reform. It can bring additional professional and technical expertise to an NGO by inviting legal, financial, marketing and other technical specialists to join it. Effective leadership fosters the involvement and participation of NGO members, staff and other is facilitated when NGO members and staff and others stakeholders in all aspects of organizational work together with management and the board to articulate a shared vision of the future, to identify the mission by which they will attain that vision, and to determine realistic and clear objectives (William B, Radya E and Robert M, 2001).

How an organization makes decisions is a critical issue in its effectiveness. A strong board and governance structure can help an organization's identify, critical programs, staffing and funding crises. On the other hand, many organizations with weak ineffective boards fail to remain effective over the long run, regardless of how strong their programs, how healthy their funding base, or how skilled their staff. Responsible governance by the board and effective day-to-day management by the staff are equally important, to organizational effectiveness (Philbin A and Makush S, 2000).

2.6.2. Management Practices

'Management practices' refer to the mechanisms used to co-ordinate activities and facilitate processes within the organization. These practices include organizational structure and culture, planning, personnel, programme development, administrative procedures, risk management, information systems, and programme reporting (William B, Radya E and Robert M, 2001).

Management capacity may be composed of the following management practices and systems that seem most relevant for nonprofit organizations: a formal mission statement that articulates the organization's reason for being, a strategic plan lays out a coherent plan of activities to be undertaken in the fulfillment of that mission, an independent financial audit is as indicator of fiscal management, the ability to report fiscal information in a reliable and consistent manner with reference to human resource systems and processes (Jessica E, Sally C. and Jodi R., 2004).

Effective planning requires effective monitoring, evaluation and reporting systems, the outcomes of previous planning, the identification and assessment of resource availability and an understanding of the contextual factors that impact on the NGO. Staff and stakeholder involvement enhances planning by benefiting from their insight and helping to ensure their commitment. Programme or project plans are best implemented when supported by a management plan that identifies requirements for technical assistance; financial, logistical and human resource needs; and budgets and schedules for delivery. Other operating mechanisms which need to be in place are

administration of offices and office services records, cash, equipment and materials; and personnel information. Organizational culture reflects how those who work to achieve its mission perceive, think, feel about and respond to situations affecting the NGO's purpose, programme and operations (William B, Radya E and Robert M, 2001).

2.6.3. Human Resources

'Human resources' refer to all the people connected in any way with the work of the NGO. Among these are management, staff, members, communities, funders and board members (William B, Radya E and Robert M, 1998). Human resource management is responsible for planning; staffing; human resource development; assessments and rewards; and maintaining effective human resource relations (Charles L., Marie-Helene A., Gary A., and Fred C., 1999).

People are often the most valuable resource a nonprofit organization has to realize its mission. How they are developed and managed is critical to their productivity and to the organization's success. Effective organizations develop staffs, boards and volunteers that embrace and support the organization's vision, mission and values (Philbin A and Makush S, 2000).

In a mature NGO, job descriptions and task assignments will be updated to match changing plans, priorities and conditions. Work will be allocated to ensure coordination, communication and smooth work flow. Staff and communities will be asked to perform tasks that fit their skills and expertise. Opportunities to upgrade skills or develop new ones will be provided as these are needed to do the work of the NGO. NGOs must offer a diversity of incentives to reward or sanction performance and they should generally be competitive with the open job market. Staff should be able to use all their skills and experience, if they are to contribute to the organization in a meaningful way and find satisfaction in their work. They should be encouraged to take initiatives to improve the ways in which their work is done (William B, Radya E and Robert M, 2001).

In effective organizations the physical and spiritual expressions of organizational culture are in alignment with the organization's core values. To change organizational culture board and staff members must recognize the current culture, analyze the consistency between the organization's values and its culture, then take steps to change the culture.

Organizational culture grows out of the shared history, experience, tradition, language and values of the members. It is created by orienting and training staff to these shared patterns of thought and behavior, or it is cultivated by recruiting staffs who share similar values. A common organizational culture contributes meaning and stability to the organization and ensures high performance from the staff (William B. Radya R and Robert M, 2001).

2.6.4. Financial Resources

An organization's achievements depend, to some extent, on the resources it has available and how these are managed and applied. A viable NGO will initiate systems and procedures to budget regularly to meet financial needs and obligations, to record these financial transactions, and to monitor and report on its financial status. Financial systems and procedures should be integrated with the strategic and implementation plans of an NGO, they must meet internal requirements as well as those of funders and other partners. An NGO will demonstrate that it meets these requirements through producing reports and other information in the form and frequency requested by funders and submitting regularly to independent audit firms (William B, Radya Eançl Robert M, 2001).

Your organization's ability to manage its financial resources is critical. Good management of budgeting, financial record-keeping and financial reporting is essential to the overall functioning of your organization. Good financial management ensures that your Board of Directors and managers have the information they need to make decisions and allocate the organization's resources. It also inspires confidence in your funders (Charles L., Marie-Hélène A., Gary A., and Fred C., 1999).

An NGO needs to have a sufficiently diverse resource base and longer-term plan for meeting its financial needs. There is a growing awareness among some NGOs of the necessity to identify multiple funders, to develop alternative resources within their own communities (such as payment-in-kind, fee-for-service), to form partnerships with the private sector, and to improve their ability to generate their own funds, all of which will allow them to continue activities when any one source of funding ends.

Fundraising and other revenue generation, cost sharing and other stall efficiencies are all undertaken to bolster an organization's fiscal health (Jessica E, Sally C. and Jodi R., 2004).

As to the legal requirements expected from nonprofit organizations (William B, Radya B and Robert M, 1998) noted that the management of an NGQ needs to ensure that it is in compliance with the legal, and labour regulations of its country in a cost-effective manner.

2.6.5. Service Delivery

An important component for success and effectiveness of an NGO is appropriate and quality service in a cost-effective way that can be sustained. Sustainability involves the eventual assumption of service-delivery responsibilities by target communities themselves (William B, Radya B and Robert M, 2001).

Discussion Oriented Organizational Self-Assessment (DOSA) by Levinger and Evan B., (1997) noted that organizations scoring highly in this category would be characterized as having high levels of involvement by stakeholders (including those traditionally under represented in development decision-making) in project design, implementation and assessment; strong monitoring and evaluation systems; highly sustainable development activities, high quality technical support for field operations.

2.6.6. External Relations

An effective NGO recognizes and responds appropriately to the larger context in which it operates, including the social, political, ecological, economic and other forces which surround it. In order to build collaborative supportive relationships within the larger context, an NGO should become known within appropriate groups within a community; establish a track record of achievements; and widen its impact through partnerships with government, funder networks and other agencies and NOOs active in the same sectors and geographic areas. This can often be facilitated by building bridges with the private sector and the media (William B, Radya E and Robert M, 2001).

Having regular contact with other institutions, organizations, and groups with strategic importance to your organization can result in a healthy exchange of approaches and resources (including knowledge and expertise). Your organization may be forming linkages or may already have linkages with potential collaborators and collegial bodies, potential funders, or key constituents. Linkages help your organization keep up with advances in pertinent fields and give your organization access to wide-ranging sources of up-to-date information within each area of your organization's work (Charles L., Marie-Hélène A., Gary A., and Fred C., 1999).

A successful NGO should strengthen its relationship with government without compromising its integrity and independence. It should ensure that its activities relate to sectorial coalitions and other bodies or development agencies and the national NGO coalition, as well as it should respect NGO legislation. In addition, NGOs should participate in lobbying and advocacy networks to influence legislation, national and regional planning for the benefit of the larger community (William B, Radya E and Robert M, 2001).

2.6.7. Sustainability

According to William, Radya and Robert, 2001 sustainability refers to the long-term continuation of an organization, programme or project. Sustainability results when adequate mechanisms are put in place to maintain the six components- governance, management practices, human resources, financial resources, service delivery and external relations. Programme or benefit sustainability occurs when partners and other stakeholders perceive that services are important and of value to them; when they feel a sense of ownership; when programme activities can continue because beneficiaries' behavior has changed; or when local institutions have been identified to provide continuing services and support, allowing the NGO to develop a phasing-out strategy.

Organizational sustainability is based on a shared vision of an NGO's mission and expertise, enabling it to interact with other partners in civil society. This is facilitated when an NGO is a member of, and shares information with, 'coalitions and networks, and when it participates fully and equally with other stakeholders in the development process. These activities help to strengthen the NGO sector as a whole and the viability of individual organizations (William B, Radya E and Robert 4, 200).

2.7. Growth and Development of NGO Sector in Ethiopia

There is no universally accepted definition of Non-Governmental Organizations. In the Ethiopian context, the term NGO could be defined as voluntary humanitarian private organization, non-profit making, non-self-serving, non-political, non-partisan and independent organizations involved in the promotion of social justice and development using its own resources (DPPC, 1995).

In the present scenario of the civil society development, the NGOs are portrayed as instrumental catalyst for addressing people's needs whether it is about output delivery or capacity building process. In Ethiopia, a number of NGOs are working and very few of them are successfully running ,whereas most of them have registered failures mainly due to " problems related to manpower, material and finance, donor fatigue,

dispersed type of service giving, socio-cultural constraints ,less attention to partnership aspects of NGO co-ordination, lack of transparency in resource distribution and utilization, lack of clear vision and agenda, lengthy procedures and bureaucratic hurdles in registration, project appraisal, agreement and extension etc.

For shouldering the responsibility of development, NGO's present capacity in Ethiopia needs to be scaled-up based on their own organizational inquiry, leadership aspects, professionalism, positive contribution, program delivery, conducive policy and swift procedures that will benefit them from micro to meso and up to macro levels through participatory and assessment based capacity-development interventions.

It will be pertinent here to deal specifically with the growth and development of NGO sector of Ethiopia till date. NGOs first started to appear in Ethiopia in the 1960s and these were mostly of European origin (CRDA, 2004). In the 1970s, more NGOs emerged in response to the 1973/74 famine and later on the 1983/84 food crises. There were only 70 NGOs in 1994 and 192 in 1996. It was after the Ethiopian People Democratic Front came into power that NGOs began to flourish in Ethiopia. Their number increased to 270, 368, 899, 1406, 2200, and 3800 respectively by the end of 1998, 2000, 2002, 2004, 2008 and December 2009 (DPPC, 2009). Right after the enactment of the recent Charities and Societies Proclamation No.621/2009 in the 13th of February 2009, all NGOs ordered to re-register by the agency organized for this purpose. Based on the sporadic date released from this institution, the total number of NGOs that has been registered as of February 22, 2010 reached 1500 of which 68.06 % is local NGOs. Although the number of NGOs has substantially mushroomed after 1991 or dawn fall of the Military Regime due to the conducive environment created by the government, it decreased roughly by 61.50 % after the execution of the newly introduced proclamation which has been highly politicized and debated by different personalities in and outside of the country. The reason behind the reduction in their number needs thorough investigation though the NGO communities argue that it is the negative implication of the recent proclamation.

The number of NGOs continued to grow ever since however, their activities principally limited to relief and rehabilitation before they become more developmental oriented.

In the early 90s, the focus of NGOs greatly diversified where more and more of these organizations committed themselves to longer term development work. As a result, since then quite a number of NGOs including my institution have executed integrated or specialized (specific) programs both in rural and urban setups. Through these programs NGOs have succeeded in creating social assets and capital that serve the best interest of disadvantage communities. Naturally, not all NGOs have enjoyed this as some NGOs programs failed (for a number of reasons) to meet the needs of identified target groups. Unfortunately, the contributions of NGOs to the development effort of Ethiopia have not been well documented and the facts still remain unknown to most stakeholders and the general public.

NGOs in Ethiopia are considered 'gap fillers' in some quarters with more interest in self-perpetuation than serious commitment to development. They are ranked at suspicion especially by the government after the 2005 election. It seems for this reason that the environment (starting from the registering agency) in which the sector operates is foul with excessive regulation and bureaucratic requirements that consume a lot of NGOs time and resources.

In a nut shell, the trend of NGOs number shows that the modern NGO experience in Ethiopia with its ups and downs is just four to five decades old. The performance of NGOs has not grown substantially at random with their growth in size, and complexity. In addition, the scope of their work is more restricted than in many African countries despite the greater population size of the country and the greater extent of poverty and food insecurity.

The Christian Relief and Development Association (CRDA) came into being during the 1973/74 food crises. The founding members were some 13 either church based or international NGOs in the majority cases. Among these early pioneers was Agri-service Ethiopia (ASE) that was established in 1969 as a national development-

oriented NGO in Ethiopia (Dessalegn, 2002). The following table depicts the trend of CRDA membership from 2005 -2010.

Table: Trend of CRDA membership 2005 -2010

Category	2005	2006	2007	2008	2009	2010 as of the date of re-registration
International	83	86	90	91	99	75
Local	170	176	193	230	251	190
Total	253	262	283	321	350	265

Source: CRDA members' list Bullet-in, Annual Reports and list of Consortium members for the recent re-registration

As it is depicted in the table above, the trend of CRDA membership has been increasing year after year and showed a 24.29 % reduction in 2010 following the re-registration process and the implementation of the recent Charities and Societies Proclamation. CRDA has re-registered as Consortium of Ethiopian Residents and Foreign Charities (formerly referred as local and international NGOs respectively) in accordance with the proclamation on February 8/2010. The name of the umbrella organization has been amended as Consortium of Christian Relief and Development Association (CCRDA).

Assessments of the existing capacity level of concerned NGOs occupy a vital place to further advance the capacity building initiatives. CRDA has been working with interested donors to enhance the capacities of member NGOs with the objective to enhance the capacities of the poor and disadvantaged people. CRDA adopts the following ways to build capacities of NGOs: training, exposure visit, workshops, seminars and meetings, coaching, capacity assessment, financial and technical support (CRDA Annual Report, 2009).

2.7.1. NGOs Capacity Development Policy and Strategy in Ethiopia

Sustainable Development and Poverty Reduction Programme (SDPRP) can be considered the most recent Government policy document on national and sectoral development in Ethiopia. It is the end product of the Participatory Poverty Reduction

Strategy process (PPRSSP) that took over two years. Non-government sectors, including NGOs and private sector actively participated in its emergence. The three main objectives of SDPRP are to develop the economy rapidly, to reduce significantly the dependence on food aid and to ensure a more equitable distribution of the results of the economic growth. SDPRP thrust areas in the order of importance consist of (1) development of small holder agriculture; (2) private sector development; (3) export growth; (4) education and building on the existing capacity building initiatives; (5) deepening and moving decision-making to the grass roots population; (6) good governance and empowerment of the poor; and (7) research and water resources development for irrigation. Understandably, SDPRP accords prominence to capacity and capacity building and emphatically states that achieving the objectives will be unlikely otherwise. The underpinning of grassroots democratization, including empowerment of the poor, in such a policy document seems a precursor of serious intentions to create a more enabling environment for Community Based Organizations, NGOs and Civil Societies.

Government's perception of and approach to capacity appears consistent with the international debate. SDPRP defines capacity-building as an organized effort to develop human resources, establish effective working/operating systems, and strengthen the development of institutions in a mutually reinforcing way. It sees capacity development as process (achieving development objectives) and as an end (achieving of the objectives enhances capacity) (SDPRP, 1998).

Government policy strongly argues that its own strategy and partners (NGOs /CSOs included) capacity-building strategy at all levels should strive to: (1) strengthen the existing capacity; (2) create new /additional capacity; and (3) sustained the strengthen and newly created capacity.

It seems thus evident that the policy context for capacity development at the national or government level is favorable. Good will is prevalent to create an enabling environment for non-state sector to meaningfully engage in capacity enhancement

programs. The government has recognized NGOs as important partners in the development process and in fighting poverty.

2.7.2. NGO Capacity Needs; Government Perception

The government of Ethiopia developed a national capacity development strategy in 1998. The main finding was that the government capacity development programs were poorly conducted, fragmented and not well linked with productive and service sectors. The principal solution was to set up a Capacity Building Ministry at federal level and bureaus and offices in the regions and Woredas. This has been done, and the Ministry is currently looking at the main capacity needs of the NGOs/CBOs. In other words, the Government has not yet empirically established the capacity needs of NGOs and Civil Society organizations to develop its support programmes for them.

Despite, there are perceptions about the capacity needs of the non-state sector especially Non Governmental Development Organizations in the government circle. In March 2003, the Ministry of capacity building held a national workshop on non-sector capacity building constraints and solutions. Of the 88 participant only 19 persons were from government agencies. There were 69 participants, over 78 % drawn from non governmental development organizations or civil Society Organizations (CRDA, 2003). One of the topics the workshop took up both in group discussion and in plenary session was to identify main capacity needs/constraints of the participant organizations. The agreed list of the constraints/needs include: shortage of trained manpower, shortage of finance and logistic support, inefficient or poor leadership, lack of fund raising techniques or skills, especially from domestic sources, and in the case of CSO/CBO, there are limitations with respect to organizational structure, co-ordination, awareness about roles and operational independence (local government agencies interfere in the affairs of these organizations).

It is empirically observed that a poor government-NGO relation, which obviously has implications for the capacity programs of the latter, was not in the list. Neither was

the lack of enabling environment that the NGOs strongly claim to immensely constrain their capacity enhancement programs. Another topic at the workshop was "What the Government should do to enhance the role of NGOs/CSOs in the national and sectoral development". The workshop recommended a number of measures that the government should take to improve the NGO/CSO effectiveness.

In general, two things strongly emerged from the interface. The first is that there is little knowledge about the capacity needs of the NGOs in the organizations themselves and by the agencies charged with the responsibility of providing government with information on NGO sector. Secondly, there are policies and, legal provisions and directives that tend to stress a controlling role of the government.

As mentioned above, the government is in the process of identifying capacity needs of the non- state sector in order to determine the direction and the extent of capacity development support to the sector. Although SDPRP outlines 14 capacity-development sub-programs involving all actors in the implementation of the program there are activities directly targeting NGOs/CSOs, and there are other activities from which the NGOs are bound to benefit indirectly (SDPRP, 1998). Activities targeting the NGOs /CBOs are: establishing and strengthening program management unit which takes place across the duration of the program (implying it is a continuous function). SDPRP does not say whether the unit will exist at the federal, regional and local levels; designing the capacity support programme which is scheduled for 2002/2003 and not yet in place, and implementing the support program that is scheduled to start in 2003/04 and not yet implemented.

Therefore, the NGO/CSO/CBO communities expect the implementation of these activities and other pertinent capacity-development programs by the newly established Charities and Societies Agency in the near future.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

This chapter deals with the research method, sources of data, sampling techniques, data gathering instruments and procedures as well as data analysis.

3.1. Research Method

The descriptive survey research design has been used to achieve the intended purpose as it helps to describe and compare the current status of the NGOs capacities. It was also appropriate to answer the basic questions stated and to judge the strength and feasibility of CDRA capacity development interventions in making the NGOs programs effective, efficient, relevant and sustainable. Descriptive research is a fact-finding activity generally undertaken to assess the opinions, behaviors, or characteristics of a specified group, community, or population and to detail the account of prevailing situations. It provides an accurate description of variables.

3.2. Sources of Data

Both primary and secondary survey data sources have been used in this research. Data has been collected from focus group discussion and key- informant interview. The primary sources of data for the study were NGO employees, CRDA capacity building experts as well as relevant stakeholders (Addis Ababa NGO Desk experts, senior officials from MoJ, CSA representative and donors).

In addition, the researcher's experience in the area, various other sources of secondary data have been gathered from CRDA resource center and the selected NGOs such as strategic plans, proposals, plan of actions, reports, leaflets, members list, annual bulletins, and used to backup the substance of the research. Statistical information, different workshop and conference reports and relevant books, thesis unpublished on capacity-building areas and related concepts have been also reviewed and critiqued and cited.

3.3. Sampling Techniques and Samples

The survey population was the number of NGOs that received capacity development assistance from CRDA between 2007 and 2009. This period was selected because it coincides with the time CRDA ended up its second three year action plan based on the strategic aims and right after the 2005 national election crises which shadowed bad image on the umbrella organization. There were some 40 recipient members per year on average. Twenty six/26 of these (16 Local and 10 International NGOs), selected randomly, were covered in the sample survey. The representative NGOs were found applying different organizational capacity interventions. As member of CRDA, most of them have been receiving capacity –building trainings (CRDA report 2007). Random sampling offers each respondent an equal chance of being included in the study and moreover each chance is independent of any other choices. In other words, a total of 104 respondents (four employees from each NGO) have been involved in the study.

The six /6/ stakeholders (2 from Addis Ababa NGO Desk, 1 from MoJ, 1 from CSA, and 2 donor community members) have been selected on the basis of purposive sampling. Purposive sampling is one of the types of non–probability sampling which does not base on chance but it uses the “expert’s judgment “to select a representative sample by having specific objectives in mind. On the other hand, the remaining 3 respondents (CRDA capacity-building experts) have been chosen employing availability since they are the only best sources and witnesses for capacity assessment of member NGOs in this context.

Thus, 3 CRDA capacity–development experts for focus group discussion, 6 stakeholders for key informant interview and 104 (65 %) out of a total of 160 for modified standard tool have been considered for the purpose of this research.

Number of Respondents vs. Types of Organizations				
Types of Organization	Organizations		Respondents	
	Number	%	Number	%
Umbrella NGO /CRDA	1	3.00	3	2.00
Local NGOs	16	48.00	64	56.00
International NGOs	10	30.00	40	35.00
Stakeholders (including expatriates)	6	18.00	6	5.00
Total	33	100.00	113	100.00

Refer the annex for the list of NGOs involved in this study.

3.4. Data Gathering Instruments and Procedures

The necessary data for the study have been gathered through modified Standard Organizational Capacity Assessment Tool (OCAT), Focus Group Discussion/FGD and Key Informant Interviews/KII.

A Standard Organizational Capacity Assessment Tool (OCAT) modified in light of the related literature and the Ethiopian context has been used with the aim of gathering data from a relatively large number of respondents of local and international NGOs. In addition, the modified standard tool explains the seven core dimensions of organizational capacity that could best describe the NGOs' current status of performance adequately. A tailor made standard tool was preferred since it is reliable, valid, and economical in time and expense, enable to reach large number of respondents at a time and conducive to statistical application.

Results from the assessments done using the modified standard tool have helped the organizations deepen their understanding of the current capacity of their guarantees as well as track their growth in capacity over time. In addition, as the process is participatory, it builds the capacity of the NGOs under study through the process of the capacity assessment.

Key informants interviews has been held with certain knowledgeable stakeholders who have been working with CRDA members for the last five and more years. This includes, two Addis Ababa NGO desk experts, a senior official from Ministry of

Justice, a representative of the Charities and Societies Agency and two officials from the donor community considered having particular insight to the seven capacity elements of the member NGOs and CRDA capacity Development services.

It was administered to get relevant and an in depth information about the capacity development interventions of CRDA to its members and the problems/challenges encountered by the umbrella organization in rendering the support to the member NGOs. Key informant interview provide a qualitative complement to the sample survey modified standard tool.

Focus Group Discussion has been also held with CRDA capacity development officers. The FGD was employed to obtain adequate information about the strategies and roles of CRDA in its endeavor to develop the capacity of member NGOs. The objective was to get the broadest possible opinions, cross-checking and verifying the findings with those directly involved with the members institutional development services in CRDA. Focus groups discussions differ from key informant interviews as they afford more debate and follow up and are conducted in group settings.

The researcher thinks that the Focus Group Discussion and Key Informant Interview complement each other. Focus groups created a dynamic, 'brainstorming' like context which was particularly conducive to identifying and exploring new issues and areas.

In order to strengthen the data gathered from the primary sources and to add supplementary information on the seven core dimensions and sub-dimensions of NGOs capacity, desk review of documents at CRDA resource center and the office of member NGOs have been complementary tasks of the researcher. The analysis has been concentrated on the strategic plan of CRDA, Capacity development plan of CRDA, reports of CRDA and pertinent documents of member NGOs.

The modified standard tool attached at the end of the thesis has been pilot tested in two non sample NGOs to customize it to the context of NGOs operating in Ethiopia. Accordingly some items were modified, canceled while new ones were added. The

key informant interview and the Focus Group Discussion points have been redesigned after prior information was gathered about the notion of capacity, NGO Capacity Building by CRDA and other apex organizations. In a similar way, before the interview and discussion, a pre-test has been conducted on the researcher's and some other organizations and the guides have been refined to assure their validity. Then, the second draft has been checked by available experts in the area and other potential personalities and final draft has been administered.

The field work has been administered for five weeks by the researcher using the refined instruments and necessary equipments. Survey methods complemented with modified standard tool tend to give reliable information about the NGOs that are covered, as such have proved to be efficient in collecting the required data collecting necessary details.

3.5. Method of Data Analysis

The presentation of data is the basic for member NGOs, CRDA and classification of further analysis. Different types of data require different methods of presentation and analysis. Although the data of this research basically involve qualitative mode of data presentation and analysis, some quantitative or statistical tools have been used to make the output of the research more valid.

Data that have been collected through the modified standard tool have been arranged by the computer Software: Statistical Package for Social Science (SPSS) to simplify and systematically project. This helped the researcher to make the computation exact, dependable and not time consuming.

Respondents have been categorized under two groups in terms of the type of the NGOs (Local and International). The qualitative data from the focus group discussion and interviews analyzed through triangulation with the results of the adapted tool and have been utilized to answer some of the basic questions and to validate the responses

of the localized tool (qualitative data from the NGO workers). Different characteristics of respondents have been analyzed using frequency and percentages.

Frequency counts and percentages have been calculated for those items prepared in Likert type scale as such as items are categorized under ordinal measurements which do not allow higher statistics like mean, and standard deviation or parametric tests. Hence, one of the known non parametric tests, the Chi-square has been employed to check weather there is a significant difference in the distribution of the preferences among groups of respondents in terms of the given items. It was preferred to the study due to the existence of different categories in terms of scales/opinions. In conducting a Chi-square test, for items violating the assumption that each cell has an expected frequency of five or more, Fisher's exact test which could be used regardless of expected frequency and with a perfect p-value has been employed for the analysis of this study (Bio-statistics Consulting, 2007).

The data gathered through key – informant interview and focus group discussion have also been summarized to support the information obtained through the modified standard tool. In general ,to meet the intention of the study, the following seven steps were undertaken: (1) Understanding the literature of the study, (2) designing the objectives and basic questions to be answered, (3) Selecting methods of the study, (4) Completion of information and data processing, (5) Analysis of data, (6) Interpretations of findings, conclusions and recommendations, (7) Finalizing and documentation.

CHAPTER FOUR

PRESENTATION AND ANALYSIS OF THE DATA

This chapter deals with the presentation, analysis of data gathered on the general characteristics of respondents, the status of the seven capacity elements, CRDA Capacity-development strategies, problems and relevant issues.

4.1. General Characteristics of Respondents

Group of respondents have been approached from 26 NGOs (16 Local and 10 International) to fill the modified standard tool for the purpose of this study. In general, 104 modified standard tool s have been distributed to the respondents and 97 / 93.26 percent returned after series of bustling at the doors of the NGOs. Focus Group Discussion and Key-Informant Interview have been conducted with CRDA capacity-development officers and stakeholders respectively. Based on the data collected, the general characteristics of the respondents of the study were analyzed below.

Table 1 depicts that 53.6 percent of the respondents belong to Local NGOs and 76.3 percent of them were full members of CRDA. Majority 57.7 percent of these NGOs started operation in Ethiopia between 1980 and 2000. By sex 72.2 percent of the respondents are males .The female respondents constitute only 22.7 percent. This is the reflection of the tangible gender in balance exhibited in the work environment of our country. Many scholars argue that this is highly related with the uneven distribution of education and low understanding of the community on the benefits of educating girls. Out of the total respondents' 2.06 percent were expatriates working with CRDA .Expatriate respondents were surveyed to enrich the findings of the study by soliciting diverse perspectives, knowledge and skills on the subject matter.

Table 1: General Background of Respondents

Characteristics		N=97	
		No	%
NGO Type	Missing	2	2.1
	Local	52	53.6
	International	43	44.3
	Total	97	100.00
Year Operation Started	Missing	14	14.4
	<1980	17	17.5
	1980-1990	17	17.5
	1991-2000	39	40.2
	>2000	10	10.3
	Total	97	100.00
Membership status	Missing	20	20.6
	Associate	3	3.1
	Full	74	76.3
	Total	97	100.00
Sex	Missing	5	5.2
	Female	22	22.7
	Male	70	70.2
	Total	97	100.00
Age	Missing	10	10.3
	25-30	26	26.8
	31-35	30	30.9
	36-40	13	13.4
	41-45	10	10.3
	>46	8	8.2
	Total	97	100.00
Educational Status	Missing	2	2.1
	Diploma	8	8.2
	Degree	58	59.8
	Working for MA	12	12.4
	MA	17	17.5
	Total	97	100.00
Year of experience	Missing	2	2.1
	1-3	44	45.4
	4-5	20	20.6
	6-10	14	14.4
	>10	17	17.5
	Total	97	100.00

Concerning the age of respondents, majority of them were found to be in the age group 31-35 years .This age distribution of employees is very helpful in introducing new ways of thinking and adapting very innovative development approaches. The respondents surveyed for this research are highly qualified and experienced. As shown in the same table; 17.5 per cent completed Masters Degree and 12.4 per cent

are doing Masters. Majority of the respondents or 59.8 percent fall under the category of Bachelor Degree qualification. Only 8.2 percent belong to intermediate degree/diploma .All respondents are reasonably experienced in varied development approaches and organizational development. Their experience in their current organization ranges from 1 to >10 years. Of the total respondents, 70 percent have an experience of 1-5 years that are potential agents to acquaint the NGOs with new requirements of donors and address the real needs of the target community through timely and quality implementation.

4.2. Analysis of Data on Assessment of NGOs Development Interventions

Under this part the main elements of organizational capacity (Governance, Management Practice, Human Resources, Financial Resources, Service Delivery, External Relations and Sustainability) and other relevant aspects of organizational performance (efficiency, effectiveness, relevance and sustainability) have been presented.

4.2.1. Capacity of NGOs in Seven Core Dimensions

Governance

Governance provides the leadership, direction, and legitimacy for an organization. Typical NGO founders are charismatic individuals with a strong commitment to a cause and a definite set of ideas about how to serve that cause. However, other staff and constituents need to share the founders' understanding and commitment if the organization is to be sustained.

NGOs have a General Assembly which is the supreme policy making body of the NGO. The General Assembly is responsible for amending the bylaws of NGOs and deciding on all policy issues. It also elects the Board Members, approves the annual budget and programs, appoints external auditors, approves auditor reports, reviews and evaluates annual reports as well as plan of action and budgets (CSP, 2009). The subsequent tables depict the informants' response on sub-components of Governance.

Table 2: Role and Composition of NGOs' Board

Board	Responses	NGO type N=97			Total	X ²
		missing	Local	International		
The charter (by laws) provides an adequate legal framework	missing	0	4 (7.7)	2(4.7)	6(6.2)	20.36773 0.007537
	NUA	0	5(9.6)	3(7.0)	8(8.2)	
	NMI	0	5(9.6)	4(9.3)	9(9.3)	
	NMI	0	3(5.8)	17(39.5)	20(20.6)	
	ARSI	0	11(21.2)	4(9.3)	15(15.5)	
	ANM	2(100.0)	24(46.2)	13(30.2)	39(40.2)	
Total		2(100)	52(100)	43(100)	97(100)	
Board provides overall policy direction and oversight	missing	0	0	1(2.3)	1(1.0)	25.44489 0.000934
	NUA	0	2(3.8)	0	2(2.1)	
	NMI	0	7(13.5)	3(7.0)	10(10.3)	
	NMI	0	5(9.6)	16(37.2)	21(21.6)	
	ARSI	0	10(19.2)	14(32.6)	24(24.7)	
	ANM	2(100.0)	28(53.8)	9(20.9)	39(40.2)	
Total		2(100)	52(100)	43(100)	97(100)	
Board provides accountability and credibility	missing	0	0	1(2.3)	1(1.0)	32.55981 0.000
	NUA	0	7(13.5)	3(7.0)	10(10.3)	
	NMI	0	9(17.3)	3(7.0)	12(12.4)	
	NMI	1 (50.0)	5(9.6)	19(44.2)	25(25.8)	
	ARSI	0	8(15.4)	13(30.2)	21(21.6)	
	ANM	1(50.0)	23(44.2)	4(9.3)	28(28.9)	
Total		2(100)	52(100)	43(100)	97(100)	
Board is composed of committed and competent members who represent the varied interests of the stakeholders	missing	0	3(5.8)	2(4.7)	5(5.2)	22.97123 0.002193
	NUA	0	2(3.8)	0	2(2.1)	
	NMI	0	4(7.7)	16(37.2)	20(20.6)	
	NMI	0	13(25.0)	12(27.9)	25(25.8)	
	ARSI	0	8(15.4)	7(16.3)	15(15.5)	
	ANM	2(100.0)	22(42.3)	6(14.0)	30(30.9)	
Total		2(100)	52(100)	43(100)	97(100)	
Members Own and control the NGO	missing	1(50.0)	3(5.8)	1(2.3)	5(5.2)	19.52012 0.013234
	NUA	0	1(1.9)	0	1(1.0)	
	NMI	0	5(9.6)	16(37.2)	21(21.6)	
	NMI	0	12(23.1)	10(23.3)	22(22.7)	
	ARSI	1(50.0)	19(36.5)	11(25.6)	31(32.0)	
	ANM	0	12(23.1)	5(11.6)	17(17.5)	
Total		2(100.0)	52(100.0)	43(100.0)	97(100.0)	
Members take active part in all major decisions	missing	0	0	1(2.3)	1(1.0)	22.31629 0.004676
	NUA	0	1(1.9)	0	1(1.0)	
	NMI	0	4(7.7)	16(37.2)	20(20.6)	
	NMI	0	11(21.2)	9(20.9)	20(20.6)	
	ARSI	0	16(30.8)	8(18.6)	24(24.7)	
	ANM	2(100.0)	20(38.5)	9(20.9)	31(32.0)	
Total		2(100)	52(100)	43(100)	97(100)	

NB. N =Number of respondents 0.05 α levels NUA-Needs Urgent Attention, NMI-needs Major Improvement, NMI-Needs Minor Improvement ARSI-Acceptable, Room for Some Improvement, ANM -Acceptable, Needs Maintaining(Other Tables Follow the same explanation)

The chi-square result of the five items in table 2 above confirms the presence of response difference among the local and international NGOs in all aspects of the board members, $\chi^2 (N_{97}) = 25.444$ and 22.316 , $P < 0.05$). This implies the difference among the two non-profit groups in legal framework of the charter (by laws), board mandate to offer policy direction, oversight, accountability, credibility, composition, active part in all major decisions and sense of ownership respectively .

Accordingly, the bylaws of the board was found to be acceptable, room for improvement and needs maintaining as indicated by 67.4 percent respondents and needs minor improvement as confirmed by 17 percent of informants of the local and international NGOs respectively. The over sighting, policy crafting, accountability and credibility functions of board of the international NGOs need minor improvement as responded by more than 37.2 percent respondents. In addition, 37.2 percent of respondents indicated the need for minor improvement in the composition, commitment and competence of board members of the international NGOs.

Regarding the idea of whether members own and control the NGO, the results of the survey questionnaire and the key-informant interview held with the stakeholders including government officials revealed that the ownership and control of beneficiaries/members is not as such visible during program/project implementation. Some of the reasons raised were very low understanding of members and founders regarding empowerment and ownership and control of NGOs, weak enforcement of the legal framework governing the NGOs, and dominant control of the NGO founder/s.

In most NGOs, the board conducts meetings quarterly and contingent meetings when necessary. In addition, the issues discussed by the board are properly minuted. From my own experience, significant numbers of NGOs have committed members who work on voluntary basis and are willing to commit their time for regular and contingent meetings. But with regard to diversity, the composition of the boards in terms of expertise, gender and sectoral representation is limited. The involvement of

boards in fund raising and public relations activities both in the local and international NGOs is minimal. Moreover, the organizations have never conducted training needs assessment and skill development of the board which will help them to execute their responsibility as a board.

Table 3: CRDA Support to Boards and Its Usefulness

Item	Responses	NGO type N=97			Total	X ² Df p-value
		missing	Local	Intern.		
Board received any capacity support from CRDA to improve its governance role?	Missing	2(100.0)	12(23.1)	12(27.9)	26(26.8)	11.5088 0.016397
	Yes	0	17(32.7)	22(51.2)	39(40.2)	
	No	0	23(44.2)	9(20.9)	32(33.0)	
Total		2(100)	52(100)	43(100)	97(100)	
Usefulness of the support	missing	2(100.0)	29(55.8)	16(37.2)	47(48.5)	20.90102 0.009702
	Least useful	0	0	3(7.0)	3(3.1)	
	Less useful	0	1(1.9)	0	1(1.0)	
	Useful	0	9(17.3)	20(46.5)	29(29.9)	
	More Useful	0	7(13.5)	3(7.0)	10(10.3)	
Total		0	6(11.5)	1(2.3)	7(7.2)	
Total		2(100.0)	52(100.0)	43(100.0)	97(100.0)	

NB. N =Number of respondents 0.05 α levels

The result of the two items in table 3 indicates a significant difference χ^2 (N_{97}) =11.5088 and 22.90102, $P < 0.05$) in relation to the capacity support rendered to the boards among the local and international NGOs. Majority of the respondents from the two groups 40.2 percent replied that board members have received capacity support from CRDA which was useful to them in discharging their duties and responsibilities properly. This shows that 33 percent the NGOs along with CRDA need to revisit the capacity gaps of their respective board members and design proper capacity development interventions that help them to provide policy direction, ensure organizational planning, perform fundraising and public relations functions ,hire and direct the NGO's senior managers.

Table 4: Legal Status of NGOs

Legal Status	Responses	NGO type			Total	X ²
		missing	Local	International		
NGO is registered according to the new Charities and Societies proclamation	NUA	0	1(1.9)	0	1(1.0)	14.38517 0.077227
	NMI	0	1(1.9)	0	1(1.0)	
	NMI	0	5(9.6)	6(14.0)	11(11.3)	
	ARSI	0	14(26.9)	22(51.2)	36(37.1)	
	ANM	2(100.0)	31(59.6)	15(34.9)	48(49.5)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO benefits from the best financial and legal status permissible under Ethiopian Law	Missing	0	2(3.8)	0	2(2.1)	12.51932 0.100934
	NUA	0	3(5.8)	0	3(3.1)	
	NMI	0	13(25.0)	7(16.3)	20(20.6)	
	NMI	0	11(21.2)	19(44.2)	30(30.9)	
	ARSI	2(100.0)	23(44.2)	17(39.5)	42(43.3)	
Total		2(100)	52(100)	43(100)	97(100)	

NB. N =Number of respondents 0.05 α levels NUA-Needs Urgent Attention, NMI-needs Major Improvement, NMI-Needs Minor Improvement ARSI-Acceptable, Room for Some Improvement, ANM -Acceptable, Needs Maintaining(Other Tables Follow the same explanation)

Relief and Rehabilitation Commission/RRC and Disaster Prevention and Preparedness Commission/DPPC are the two former NGOs registering bodies mandated by the government until February 2009. In February, 2009 the FDRE promulgated law and established Charities and Societies Agency with a power vested on it to license, register and supervise Charities and Societies (i.e Foreign, Ethiopian and Ethiopian Residents) in accordance with the legislation..

The results of the two items in table 4 shows the absence of significant difference among the two types of NGOs, $\chi^2 (N_{97}) = 14.38517$ and 12.51932 , $P > 0.05$). As indicated by more than 80 percent of the respondents, both the local and international NGOs have registered as per the requirement of the proclamation and secured a certificate from the agency which serves for three years. The researcher came across with the copies of the certificates of the sample NGOs including that of CRDA while collecting information regarding the member NGOs. CRDA has registered as Consortium of Ethiopian and Foreign Charities in accordance with the proclamation 621/2009 on February 8/2010 bearing number 1368. The name of the association has been amended as Consortium of Christian relief and Development Association (CCRDA).

This shows that being registered by the concerned body has enabled the Charities/NGOs to officially operate in Ethiopia, secure fund and have direct contact with funding community as per the articles of the regulation. This enactment has been a political issue and is still under strong debate among the opposition parties, NGO community and the government. The Ethiopian government argued through the public media and other official forums that the NGOs operating in the nation have engaged themselves in political issues and lack transparency in matters related to resource distribution and utilization. To solve this problem, the house of the parliament endorsed the recent Charities and Societies Proclamation. As a result, NGOs have to operate in compliance with the reporting, taxation, audit and other related regulations of the government. Any incompliance shall make the NGOs accountable in front of the law.

Leadership Qualities and Accessibility

Leadership is more effective if it is open to a wide variety of opinions and talents. Effective NGO leaders use the talents and enthusiasm of all NGO stakeholders' board members, staff, community members, clients, and even donors. Leaders are also more effective if they are focused and consistent, so they will be trusted and followed. Above all, good NGO leadership fosters the involvement and participation of the NGO's stakeholders and the community.

The chi-square result of the items (1, 2, 3,6,7,9 and 10) in table 5 (*See Table Annex*) indicates a significant difference, $\chi^2 (N_{97}) = 23.06006, 15.05354, P < 0.05$) among the local and international NGOs regarding leadership qualities of their respective organizations. This implies that the leaderships of the local NGOs have acceptable, room for some improvement and maintaining in the area of setting priorities, providing strategic direction and inspiration, than the international ones as indicated by > 67.3 percent of the respondents. On the other hand, the leadership of the international NGOs have acceptable, room for some improvement and maintaining as they direct ,motivate and manage staff ,articulate and communicate core values and

visions, make participatory decisions in a timely manner and delegate work and involve both staff and members as replied by >76.7 percent of respondents. However, result of item (4, 5 and 8) reflects the absence of response difference χ^2 , (N_{97}) =11.27798, 17.52017, $P > 0.05$) among the two groups of NGOs.

This shows the leadership of both the local and the international NGOs are accessible to all stakeholders. From my own experience and the exposure during this survey, leadership accessibility is relatively easy in local NGOs than international NGOs. Although, the result reveals no difference in the competence and commitment as well as handling internal conflicts well among the two groups of respondents, my experience and desk review of CRDA documents put international NGOs in a better position than the indigenous ones.

After reviewing the governance aspect of their organizations, the respondents in the open ended part of the modified tool suggested the governing body to improve the following: working environment, external relations, resource mobilization and fund raising, program staff autonomy, accountability of top managers, leadership quality, and decision making process in their organizations. In addition, they proposed the inclusion of competent board members and provision of relevant and intensive trainings to all board members on policies, strategic directions and nature of projects/programs which are under implementation in their respective organizations. This truly depicts the picture of those NGOs led by a largely invisible boards comprising of a small groups` of friends and family, assembled by the founder(s), merely for the purpose of meeting statutory requirements on paper. All too often, boards tend to micromanage and managers take on the role of the board in setting the NGO's direction and policies. A common issue in NGO governance is the confusion roles of the board and management which should be completely different.

The NGOs which have such kinds of over sighting body need urgent correction and change them by professional boards as per the procedures enumerated in the recent Charities and Societies Proclamation of Ethiopia issued in February 2009 .

The overall all findings for the Governance measure showed that boards of the NGOs are composed of committed members, they are legally recognized by responsible government office and have clearly articulated, shared, understood and well documented vision and mission. In addition, the general assembly, board and senior management have clear understanding of their respective roles and responsibilities. They promote participatory and accessible leadership style to some degree. More over, they are able to identify key stakeholders and maintain compliance with the reporting, taxation and other regulations of the government. However, composition of the board in terms of profession, gender and section representation were found to be limited, fund raising strategies, training need and skill development assessments missed, control/ownership of program/projects by beneficiary was not visible. Confusion of governance and management role in some local NGOs, existence of invisible boards in some NGOs just for meeting statutory requirements and the inadequate lobbying/negotiating and fund rising skills remain major gaps under this core dimension of capacity.

Management Practices

Management is responsible for coordinating activities that implement the governing body's plans and achieve the organization's mission. Managers of small NGOs oversee all aspects of the organization with little need for systems and procedures. As the NGO grows, there is increased reliance on procedures and information systems to keep management informed so they can coordinate the organization's activities.

Systems should not exist for their own sake. In addition to determining if there are basic operational and management systems, it is particularly pertinent to ask which systems are helpful and which are not.

Table 6: NGOs Organizational Structure and Policies

Organizational Structure	Responses	NGO type			Total	X ² P-value
		missing	Local	International		
NGO has an organizational structure with clearly defined lines of authority and responsibility	Missing	0	0	3(7.0)	3(3.1)	29.00859 0.00014
	NUA	0	1(1.9)	0	1(1.0)	
	NMI	0	5(9.6)	0	5(5.2)	
	NMI	0	5(9.6)	18(41.9)	23(23.7)	
	ARSI	1(50)	25(94.1)	18(41.9)	44(45.4)	
	ANM	1(50)	16(30.8)	4(9.3)	21(21.6)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO's mission and goals are supported by the structure	NUA	0	1(1.9)	0	1(1)	17.7773 0.009835
	NMI	0	2(3.8)	0	2(2.1)	
	NMI	0	8(15.4)	18(41.9)	26(26.8)	
	ARSI	0	24(46.2)	18(41.9)	42(43.3)	
	ANM	2(100)	17(32.7)	7(16.3)	26(26.8)	
Total		2(100)	52(100)	43(100)	97(100)	
Management policies reflect further issues of equity	missing	1(50)	0	0	1(1)	19.87295 0.018007
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	4(7.7)	2(4.7)	6(6.2)	
	NMI	0	13(25)	19(44.2)	32(33)	
	ARSI	1(50)	20(38.5)	18(41.9)	39(40.2)	
	ANM	0	14(26.9)	4(9.3)	18(18.6)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO has policies and procedures in place to ensure mutual accountability to key stakeholders	Missing	0	4(7.7)	2(4.7)	6(6.2)	19.71039 0.013167
	NUA	1(50)	1(1.9)	2(4.7)	4(4.1)	
	NMI	0	3(5.8)	0	3(3.1)	
	NMI	0	10(19.2)	3(7.0)	13(13.4)	
	ARSI	0	21(40.4)	30(69.8)	51(52.6)	
	ANM	1(50)	13(25)	6(14)	20(20.6)	
Total		2(100)	52(100)	43(100)	97(100)	

NB. N =Number of respondents 0.05 α levels NUA-Needs Urgent Attention, NMI-needs Major Improvement, NMI-Needs Minor Improvement ARSI-Acceptable, Room for Some Improvement, ANM -Acceptable, Needs Maintaining(Other Tables Follow the same explanation)

The chi-square result of the five items in the table above shows a significant difference X^2 , (N_{97}) = 29.00859, 19.71039, $P < 0.05$) among the two groups of NGOs in relation to elements of organizational structure. This implies the local NGOs, have organizational structure which needs maintaining with clearly defined lines of authority and responsibility supported with mission statement as indicated by 78.9 percent of respondent. Besides, the management polices of the local NGOs better reflect further issues of equity than the international ones as stated by 65.4 percent of respondents. On the other hand, the polices and procedures in place by the

international NGOs to ensure mutual accountability to key stakeholders found to be acceptable and open for some improvement.

Table 7: Planning Process of NGOs

Planning	Responses	NGO type			Total	X ² P-value
		Missing	Local	International		
Inputs from appropriate stakeholders are taken into account during planning	NUA	0	1(1.9)	0	1(1)	14.82161 0.040295
	NMI	0	5(9.6)	1(2.3)	6(6.2)	
	NMI	0	14(26.9)	9(20.9)	23(23.7)	
	ARSI	0	19(36.5)	27(62.8)	46(47.4)	
	ANM	2(100)	13(25)	6(14)	21(21.6)	
Total		2(100)	52(100)	43(100)	97(100)	
Implementation plans reflect a strategic plan	NUA	0	1(1.9)	0	1(1)	22.80871 0.000754
	NMI	0	3(5.8)	0	3(3.1)	
	NMI	0	12(23.1)	7(16.3)	19(19.6)	
	ARSI	0	13(25)	28(65.1)	41(42.3)	
	ANM	2(100)	23(44.2)	8(18.6)	33(34)	
Total		2(100)	52(100)	43(100)	97(100)	
Resources are planned for and allocated properly	NUA	0	1(1.9)	0	1(1)	14.74969 0.011457
	NMI	0	9(17.3)	4(9.3)	13(13.4)	
	ARSI	0	27(51.9)	34(79.1)	61(62.9)	
	ANM	2(100)	15(28.8)	5(11.6)	22(22.7)	
Total		2(100)	52(100)	43(100)	97(100)	
Flexibility exists to adjust plans as a result of the monitoring process	Missing	0	2(3.8)	0	2(2.1)	18.79908 0.03059
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	3(5.8)	0	3(3.1)	
	NMI	0	6(11.5)	8(18.6)	14(14.4)	
	ARSI	0	26(50)	30(69.8)	56(57.7)	
	ANM	2(100)	14(26.9)	5(11.6)	21(21.6)	
Total		2(100)	52(100)	43(100)	97(100)	

NB. N =Number of respondents 0.05 α levels NUA-Needs Urgent Attention, NMI-needs Major Improvement, NMI-Needs Minor Improvement ARSI-Acceptable, Room for Some Improvement, ANM -Acceptable, Needs Maintaining(Other Tables Follow the same explanation)

The chi-square result of the four items in table 7 illustrates a significant difference between the local and international NGOs. This implies stakeholders input are taken into account during planning and implementation of plans and reflect a strategic direction in the international NGOs >76.9 percent which is acceptable, needs improvement and maintaining. The international NGOs, also plan resources, allocate properly and exercise flexibility to adjust plans based on monitoring results as indicated by >81.4 percent of the respondents.

It is obvious that program related annual action plans and budgets are prepared by the program people in a team while the administrative plans by the administration and finance managers of the organization.

After being reviewed by the program and executive directors as well as the board, it will be endorsed or approved for implementation by the annual meeting of the general assembly. The researcher feels that it will be more appropriate if the program and the supporting staff plan jointly with the needed inputs from the relevant stakeholders.

General Assembly discusses the action plan and budget and approves it for implementation in their annual meetings. The researcher feels that improvements need to be made on the planning process. It will be more appropriate if the program people and the support staff integrated in the planning process with necessary inputs of other stakeholders.

Table 8: NGOs Personnel Effectiveness

Personnel	Responses	NGO type			Total	X ² P-value
		Missing	Local	International		
Assess needs ,recruit and select staff on competitive base	Missing	0	1(1.9)	0	1(1)	20.62015 0.014679
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	2(3.8)	0	2(2.1)	
	NMI	0	10(19.2)	6(14)	16(16.5)	
	ARSI	0	21(40.4)	31(72.1)	52(53.6)	
	ANM	2(100)	17(32.7)	6(14)	25(25.8)	
Total		2(100)	52(100)	43(100)	97(100)	
Job descriptions are clearly defined and Staff is deployed according to them	NUA	0	1(1.9)	0	1(1)	12.72589 0.134013
	NMI	0	2(3.8)	0	2(2.1)	
	NMI	0	8(15.4)	5(11.6)	13(13.4)	
	ARSI	1(50)	25(48.1)	32(74.4)	58(59.8)	
	ANM	1(50)	16(30.8)	6(14)	23(23.7)	
Total		2(100)	52(100)	43(100)	97(100)	
Ensure the staff composition reflects fair gender and equality policy	NUA	0	2(3.8)	1(2.3)	3(3.1)	14.2427 0.055159
	NMI	0	3(5.8)	1(2.3)	4(4.1)	
	NMI	0	14(26.9)	21(48.8)	35(36.1)	
	ARSI	1(50)	29(55.8)	20(46.5)	50(51.5)	
	ANM	1(50)	4(7.7)	0	5(5.2)	
Total		2(100)	52(100)	43(100)	97(100)	
Provides satisfactory incentives and compensations based on merit	Missing	0	1(1.9)	0	1(1)	25.75883 0.000862
	NUA	0	3(5.8)	0	3(3.1)	
	NMI	0	8(15.4)	4(9.3)	12(12.4)	
	NMI	1(50)	13(25)	27(62.8)	41(42.3)	
	ARSI	0	26(50)	12(27.9)	38(39.2)	
	ANM	1(50)	1(1.9)	0	2(2.1)	
Total		2(100)	52(100)	43(100)	97(100)	
Attract people with good skills and avoid turn over	Missing	0	1(1.9)	0	1(1.0)	18.74359 0.024242
	NUA	0	3(5.8)	0	3(3.1)	
	NMI	0	3(5.8)	4(9.3)	7(7.2)	
	NMI	0	12(23.1)	4(9.3)	16(16.5)	
	ARSI	0	16(30.8)	26(60.5)	42(43.3)	
	ANM	2(100)	17(32.7)	9(20.9)	28(28.9)	
Total		2(100)	52(100)	43(100)	97(100)	

The results of item 1,4 and 5 in the table 8 above confirm the presence of response difference among the two groups of respondents regarding personnel areas, X², (N₉₇) =20.62015, 25.75883 and 18.74359, P<0.05). This shows the international NGOs better assess needs, recruit and select staff on competitive base, provide satisfactory incentives and compensations based on merits, attract with good skills and avoid turn over as indicated by >84.4 percent of respondents.

Item 2 and 3 in the table shows no significant difference among the responses of the two groups. This implies job descriptions are clearly defined and staff composition reflects fair gender and equality policy in the two categories of NGOs.

Relying on my experience and result of focus group discussion with CRDA capacity development experts, there are formal personnel procedures in most NGOs. Vacant posts have been advertised internally/externally using different media. Then, the hiring of the right person for the right position will be done by a panel drawn from the administration and relevant departments. The best performing candidate will be induced and join the NGOs with the official letter of appointment. Even though, this is the formal practice in both types of NGOs, there are instances where someone is assigned only with the recommendation of a single person to take any position.

Table 9: Administrative Procedures and Operating Manuals

Administrative Procedure	Responses	NGO type			Total	X ² P-value
		Missing	Local	International		
Administrative procedures and manual exist	NUA	0	2(3.8)	0	2(2.1)	16.85726 0.016093
	NMI	0	1(1.9)	0	1(1)	
	NMI	0	8(15.4)	18(41.9)	26(26.8)	
	ARSI	2(100)	25(48.1)	20(46.5)	47(48.5)	
	ANM	0	16(30.8)	5(11.6)	21(21.6)	
Total		2(100)	52(100)	43(100)	97(100)	
Administrative procedures are adhered to	Missing	0	2(3.8)	0	2(2.1)	18.34652 0.027054
	NUA	0	2(3.8)	0	2(2.1)	
	NMI	0	6(11.5)	1(2.3)	7(7.2)	
	NMI	0	5(9.6)	16(37.2)	21(21.6)	
	ARSI	2(100)	27(51.9)	20(46.5)	49(50.5)	
ANM	0	10(19.2)	6(14)	16(16.5)		
Total		2(100)	52(100)	43(100)	97(100)	
Procedures and operating manuals are updated	Missing	1(50)	1(1.9)	0	2(2.1)	26.89901 0.000439
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	3(5.8)	0	3(3.1)	
	NMI	0	15(28.8)	7(16.3)	22(22.7)	
	ARSI	1(50)	13(25)	28(65.1)	42(43.3)	
ANM	0	19(36.5)	8(18.6)	27(27.8)		
Total		2(100)	52(100)	43(100)	97(100)	

The chi-square result of the seven items in table 9 confirms the presence of response difference among the two groups of NGOs regarding their administrative procedures. This implies that administrative procedures and manuals are available in written form and almost all staff and members are adhered to it with acceptable degree and some room of improvement as indicated by >71.1 percent of the respondents of local NGOs. In the international NGOs, procedures and operating manuals are updated, systems are in place to minimize abuse, regular audit of inventory and management practices conducted and comments are implemented better than the local NGOs as indicated by >81.4 percent of respondents.

Currently, both the local and international NGOs have the operational and financial manuals. Except detail staff development policy, the operational manuals of many NGOs including that of my organization incorporate policies such as recruitment, procedures, performance appraisal systems, promotion policy, health and safety policy and equality policy among others.

Therefore, due emphasis should be given to enrich the operation manual with a detail staff development policy to bridge the gap in labor competence.

Table 10: Program Development and Involvement of Key Actors

Program Development	Responses	NGO type			Total	X ² P-value
		Missing	Local	International		
Stakeholders and staff are involved in programme design, implementation, monitoring and evaluation	Missing	0	1(1.9)	0	1(1)	28.68325 4.95E-05
	NUA	0	1(1.9)	0	1(1)	
	NMI	1(50)	15(28.8)	7(16.3)	23(23.7)	
	ARSI	1(50)	14(26.9)	32(74.4)	47(48.5)	
	ANM	0	21(40.4)	4(9.3)	25(25.8)	
Total		2(100)	52(100)	43(100)	97(100)	
Programmes are consistent with needs, strategies and areas of focus and mission of the NGO	Missing	1(50)	1(1.9)	2(4.7)	4(4.1)	17.48864 0.043585
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	3(5.8)	1(2.3)	4(4.1)	
	NMI	0	17(32.7)	7(16.3)	24(24.7)	
	ARSI	0	18(34.6)	25(58.1)	43(44.3)	
	ANM	1(50)	12(23.1)	8(18.6)	21(21.6)	
Total		2(100)	52(100.)	43(100.)	97(100.)	
Programme modifications reflect use of monitoring, evaluation and reporting findings	NUA	0	1(1.9)	0	1(1)	22.76333 0.000832
	NMI	0	6(11.5)	2(4.7)	8(8.2)	
	NMI	0	8(15.4)	21(48.8)	29(29.9)	
	ARSI	1(50)	26(50)	19(44.2)	46(47.4)	
	ANM	1(50)	11(21.2)	1(2.3)	13(13.4)	
Total		2(100)	52(100)	43(100)	97(100)	

NB. N =Number of respondents 0.05 α levels NUA-Needs Urgent Attention, NMI-needs Major Improvement, NMI-Needs Minor Improvement ARSI-Acceptable, Room for Some Improvement, ANM -Acceptable, Needs Maintaining(Other Tables Follow the same explanation)

The chi-square result of item one in table 10 illustrates absence of significant difference among respondent NGOs, X², (N₉₇) 28.68325, P>0.05). This implies involvement of staff and stakeholders in program design, implementation and monitoring and evaluations is exercised in both groups. However, from the key informant interview with stakeholders and my own exposure, the participation of these key players in the Project Cycle Management in general is limited to program staff and finance managers. Other supporting staff members and stakeholders involvement is minimal. Program design incorporates monitoring and evaluation activities which is also the donor's requirements.

Item 2 and 3 is the same table indicates the presence of response difference among the two groups. Accordingly, programs are found to be consistent with needs, strategies and areas of focus and mission of 76.7 percent of the international NGOs

with acceptable degree and some room of improvement. Program modifications reflect use of monitoring, evaluation and reporting findings in both types of NGOs with a better focus in the case of the local NGOs as replied by 71.2 percent of respondents.

Therefore, program development needs to be participatory, consistent with strategies of the organization and flexible to accommodate monitoring and evaluation feedback for better impact.

Table 11: Program Reporting and Appropriateness

Program Reporting	Responses	NGO type			Total	X ² P-value
		Missing	Local	International		
NGO has the ability to produce appropriate reports	NUA	0	1(1.9)	0	1(1.9)	24.07929 0.000
	NMI	0	5(9.6)	4(9.3)	9(9.3)	
	NMI	0	5(9.6)	2(4.7)	7(7.2)	
	ARSI	0	16(30.8)	31(72.1)	47(48.5)	
	ANM	2(100)	25(48.1)	6(14)	33(34.)	
		100.0%	48.1%	14.0%	34.0%	
Total		2(100)	52(100)	43(100)	97(100)	
NGO regularly prepares activity and evaluation reports	NUA	0	2(3.8)	0	2(2.1)	10.97002 0.264072
	NMI	0	0	1(2.3)	1(1)	
	NMI	0	6(11.5)	5(11.6)	11(11.3)	
	ARSI	0	27(51.9)	27(62.8)	54(55.7)	
	ANM	2(100)	17(32.7)	10(23.3)	29(29.9)	
Total			52(100)	43(100)	97(100)	
NGO publishes and disseminates information on its operations	NUA	0	3(5.8)	0	3(3.1)	19.27661 0.003852
	NMI	0	1(1.9)	1(2.3)	2(2.1)	
	NMI	0	19(36.5)	12(27.9)	31(32)	
	ARSI	0	17(32.7)	27(62.8)	44(45.4)	
	ANM	2(100)	12(23.1)	3(7)	17(17.5)	
Total			52(100)	43(100)	97(100)	
Report formats are flexible, varied and respond to stakeholders information requirements	Missing	0	2(3.8)	1(2.3)	3(3.1)	17.19775 0.042008
	NUA	0	5(9.6)	1(2.3)	6(6.2)	
	NMI	0	4(7.7)	3(7)	7(7.2)	
	NMI	0	13(25)	23(53.5)	36(37.1)	
	ARSI	2(100)	22(42.3)	15(34.9)	39(40.2)	
	ANM	0	6(11.5)	0	6(6.2)	
Total		2(100)	52(100)	43(100)	97(100)	

The chi-square result of item 1,3 and 4 in table 11 confirms the presence of response difference among the local and international NGOs in program reporting X^2 (N_{97}) 24.07929, 19.27661 and 17.19775, $P < 0.05$). This implies that the international NGOs have better ability to produce appropriate reports based on donor requirements and other stakeholders like the government and the general assembly as replied by (86.5) (76.7) percent of respondents. In addition, these organizations prepared newsletters, posters, magazines and leaflets to disseminate information on their operations more importantly than the local ones as indicated by 62.9 percent of respondents.

Therefore, the international NGOs are in a better position than the local NGOs in program reporting and image build.

Human Resources

An NGO's human resources (staff and volunteers) need skills, motivation, and opportunities to make the best contribution they are capable of. It is necessary to organize staff and volunteers so that they relate to each other in ways that are most conducive to productive outcomes. How these people make decisions, resolve conflicts, communicate, and conduct meetings is as important as how the work is designed and how jobs are organized and work allocated.

There is no single motivator of people in any organization. There are many types of motivators, such as money, a sense of service, the opportunity to use or maximize a skill or interest, opportunities for recognition and advancement, etc.

Effective motivators appeal to the individual and reward behaviors that make it possible for the organization to achieve its mission.

Table 12: NGOs Human Resource Development Policy and Planning

Human Resources Development	Responses	NGO type			Total	X ² P-value
		missing	Local	Intern.		
Human resources development policy and planning is in place	Missing	1(50)	10(19.2)	12.3 (0)	12(12.4)	20.88274 0.007157
	NUA	0	2(3.8)	0	2(2.1)	
	NMI	0	4(7.7)	5(11.6)	9(9.3)	
	NMI	1(50)	16(30.8)	27(62.8)	44(45.4)	
	ARSI	0	14(26.9)	9(20.9)	23(23.7)	
	ANM	0	6(11.5)	1(2.3)	7(7.2)	
Total		2(100)	52(100)	43(100)	97(100)	
Staff training is based on capacity, needs and strategic objectives	Missing	1(50)	2(3.8)	2(4.7)	5(5.2)	23.30687 0.002159
	NUA	0	2(3.8)	0	2(2.1)	
	NMI	0	8(15.4)	1(2.3)	9(9.3)	
	NMI	0	14(26.9)	27(62.8)	41(42.3)	
	ARSI	1(50)	16(30.8)	10(23.3)	27(27.8)	
	ANM	0	10(19.2)	3(7)	13(13.4)	
Total		2(100)	52(100)	43(100)	97(100)	
Opportunities exist to integrate skills acquired in training into the work environment	NUA	0	3(5.8)	0	3(3.1)	20.96633 0.001678
	NMI	0	5(9.6)	4(9.3)	9(9.3)	
	NMI	0	24(46.2)	8(18.6)	32(33)	
	ARSI	1(50)	15(28.8)	29(67.4)	45(46.4)	
	ANM	1(50)	5(9.6)	2(4.7)	8(8.2)	
Total		2(100)	52(100)	43(100)	97(100)	
Job appraisals and promotions are performance based and equitable	missing	0	4(7.7)	2(4.7)	6(6.2)	11.73343 0.304433
	NUA	0	3(5.8)	0	3(3.1)	
	NMI	0	9(17.3)	6(14)	15(15.5)	
	NMI	0	7(13.5)	2(4.7)	9(9.3)	
	ARSI	2(100)	22(42.3)	30(69.8)	54(55.7)	
	ANM	0	7(13.5)	3(7)	10(10.3)	
Total		2(100)	52(100)	43(100)	97(100)	

The chi-square results of item 1, 2, 3 in table 12 shows significant difference among the two groups. More than half 62.8 percent respondents of the local NGOs stated that human resources development policy and planning is in place which needs minor improvement. However, less than half 45.4 percent of respondents of international NGOs indicated that the policy is in place. This suggests although the indicated number of NGOs have human resources development policy and planning it should be to the standard and complete.

Majority of (86.1 and 70.1) percent of respondents from the local and international NGOs, respectively showed that staff training is conducted based on capacity needs assessment and strategic objectives. This finding suggest that at present time, though a small number of NGOs, they never done training need assessment and offer trainings based on availability that could support the daily operations of NGOs organized by other organizations or donors. Thus, the staff development program is not based on capacity needs and strategic objectives. Besides, the budget allocated by donors for the capacity development staff remains unutilized because staff training is not properly planned based on concrete need assessment.

Nearly ninety percent 86 percent of respondents of local NGOs confirm that opportunities exist to integrate skills acquired in training into the work environment which is found to be acceptable with some room for improvement and maintaining. However, two-thirds of 69.8 percent respondents from the international NGOs indicated that job appraisal and promotions are performance based and equitable. Overall, these findings suggest that training for the sake of training is a futile exercise without outcome that brings something new to the work setting. The findings also suggest that performance appraisal and promotions should be based on result/merit rather than behavior of employees without any bias.

Practices of NGOs Human Resource Management

The chi-square result of the first three items in table 13 (*See Table Annex*) depicts a significant difference among the local and international NGOs, X^2 , (N₉₇) =15.5308, 20.60758 and 17.55456, $p < 0.05$. This means, two-third (67.5 and 61.8) percent of the local and international respondents respectively agreed that the right people are assigned in the right place. In addition, more than half (58.1) percent of local NGO respondents stated that adequate and competent staff is deployed in their organization. Moreover, job descriptions for each position are well designed updated, respected and documented in the operational manual and personal files of every employee as replied by (69.8) percent of respondents of local NGOs.

Overall, the three findings suggest that competent staff is assigned in the right place with well articulated job description both in the local and international NGOs. The existence staff expertise and capacity is more or less congruent with the requirements of the organizations.

Results of item 4, 5, 6 in the same table reveal that absence of significant difference among the respondent NGOs, $X^2 (N=97) = 13.35975, 14.5663$ and $16.06308, P > 0.05$. This implies that there exist link between staff capacity and the NGOs mission, salaries are clearly structured and competitive and the human resource which is reflective of equality in all spheres is available. Although, data was not captured through other instruments, the researcher has a reservation on the competitiveness of salaries especially in the majority of the local NGOs due to shortage of fund and tight donors' requirements.

Results of item 7, 8, 9 and 10 of the same table depict the presence of difference in response among the two groups of respondents. This implies that (88.4% and 77.3) percent of the local and international NGOs respectively replied result-based performance and reward system is in place which needs minor/some improvement. Supervision which requires minor improvement (58.1) and (45.4) percent occurs as a regular basis both in the local and international NGOs respectively. Majority (>81.4) percent of local NGO respondents stated that grievance and conflict resolution procedures as well as health and safety policies are in place.

Respondents were also asked to state the trainings offered by CRDA to the management of their organization. The trainings received by the managers were the following: Protect Cycle Management; Leadership and Constituency; Strategic Management; Change Management; Participatory Rural Appraisal; Right based Approach To Development, and Finance for Non-Financial Managers.

These findings suggest that the human resource management which encompasses recruitments, selection, trainings, compensation management, labor relations, benefits

managements, performance evaluation, discipline, and grievance handling are well exercised in both the local and international NGOs. However, the activities required to attract, develop, and retain people with the knowledge and skills needed to achieve organizational objectives should receive priorities of priority.

Table 14: Diversity of Board and Staff

Diversity	Responses	NGO type			Total	X ² P-value
		missing	Local	Intern.		
Diversity of the community is reflected in the composition of the board and staff	Missing	1(50)	3(5.8)	2(4.7)	6(6.2)	22.04666 0.006004
	NUA	0	3(5.8)	0	3(3.1)	
	NMI	0	6(11.5)	0	6(6.2)	
	NMI	0	11(21.2)	4(9.3)	15(15.5)	
	ARSI	1(50)	27(51.9)	37(86)	65(67)	
	ANM	0	2(3.8)	0	2(2.1)	
Total		2(100)	52(100.)	43(100.)	97(100.)	

NB. N =Number of respondents 0.05 α levels NUA-Needs Urgent Attention, NMI-needs Major Improvement, NMI-Needs Minor Improvement ARSI-Acceptable, Room for Some Improvement, ANM -Acceptable, Needs Maintaining(Other Tables Follow the same explanation)

The result of responses in table 14 reveals the presence of a significant difference in the responses of the two groups, X^2 , (N_{97}) = 22.04666, $P < 0.05$. This states that the composition of the board and the staff is well diversified in away that it will have a great contribution to the realization of the mission of the organization as indicated by (86) percent of respondents from the international NGOs.

The finding suggests that the composition of staff and board need to be diversified in terms of profession, gender, ethnicity and other issues to create integrity within diversity in both groups of the NGOs.

Financial Resources

What an organization can achieve depends to a certain extent on the financial resources it has available and how well they are managed. A viable NGO has systems and procedures in place to ensure it has the funds to purchase the goods and services needed to conduct its affairs and is delivering services to constituents in a cost-effective manner.

NGOs cannot be burdened with unnecessarily complicated procedures or systems. An NGO will be better served if it has simple mechanisms in place for organizing cash disbursements and receipts, maintaining ledgers/journals and bank accounts, and meeting payroll, petty cash, and daily expenses. It is critical as well that the financial systems meet the requirements of donors, lenders, or clients who pay for the goods and services. Separate accounts probably will be needed for each significant donor, so that the funds can be tracked to assure money is spent in accordance with the conditions of the gift.

It is a mistake to rely on the goodness of people and ignore “internal control.” To avoid the misappropriation of cash and other assets, simple procedures such as requiring two signatures on checks, keeping a lock box for petty cash, and authorizing expenditures based on budgets go a long way.

Table 15: NGOs Accounting and Reporting Systems

Accounting	Responses	NGO type			Total	X ² p-value
		Missing	Local	Intern.		
Financial procedures and reporting systems are in place	Missing	0	1(1.9)	0	1(1)	15.76764 0.120557
	NUA	0	4(7.7)	0	4(4.1)	
	NMI	0	1(1.9)	0	1(1)	
	NMI	1(50)	13(25)	22(51.2)	36(37.1)	
	ARSI	0	12(23.1)	8(18.6)	20(20.6)	
	ANM	1(50)	21(40.4)	13(30.2)	35(36.1)	
Total		2(100)	52(100)	43(100)	97(100)	
Account categories exist for separating project funds	Missing	0	3(5.8)	1(2.3)	4(4.1)	18.96019 0.027008
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	1(1.9)	0	1(1)	
	NMI	0	8(15.4)	19(44.2)	27(27.8)	
	ARSI	1(50)	18(34.6)	15(34.9)	34(35.1)	
	ANM	1(50)	21(40.4)	8(18.6)	30(30.9)	
Total		2(100)	52(100)	43(100)	97(100)	

In table 15 above the result of chi-square reveals the absence of difference in the responses of the two groups of NGOs. This implies a financial manual and reporting system that needs maintaining are in place and functional as confirmed by respondents from the local and international NGOs. With regards to the existence of account categories for separating project funds, the respondents show presence of

difference among themselves X^2 , $(N_{97}) = 1896019$, $P > 0.05$. In other words, they have separate accounts for each program/project fund depending on the requirements of the specific donors.

Item 3 and 4 in the same table shows a significant difference in the responses of the respondents. Vast majority (97.7) percent of the respondents from the international NGOs confirmed that budgeting process is participatory and integrated into the annual implementation plans.

Majority (88.4) percent of the respondents from the same group of NGOs state that a separate financial unit responsible for the preparation, management and implementation of the budget exists in their organization. Although, the program staff usually involves in its own budget preparation, the support staff other than the heads are not consulted during budgeting.

Both groups of the respondents showed absence of difference in the control of budget on an on going basis. The experience of the researcher also revealed that budget control is one of the major tasks of the finance people to facilitate the right utilization of fund as per the plan of action approved by the organization.

The findings suggest that both the local and international NGOs should work more to standardize the accounting system for efficient utilization of budget depending on the requirement of the specific donors.

Table 16: Diversification of Income Base

Diversification of Income Base	Responses	NGO type			Total	X ² p-value
		Missing	Local	Intern.		
NGO has multiple funders	Missing	0	2(3.8)	0	2(2.1)	21.0789 0.008204
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	1(1.9)	2(4.7)	3(3.1)	
	NMI	0	7(13.5)	18(41.9)	25(25.8)	
	ARSI	0	15(28.8)	13(30.2)	28(28.9)	
	ANM	2(100)	26(50)	10(23.3)	38(39.2)	
Total		2(100)	52(100)	43(100)	97()	
A cost recovery/income generation plans in place	Missing	1(50)	3(5.8)	2(4.7)	6(6.2)	14.90614 0.068156
	NUA	0	7(13.5)	6(14)	13(13.4)	
	NMI	0	7(13.5)	3(7)	10(10.3)	
	NMI	0	9(17.3)	19(44.2)	28(28.9)	
	ARSI	0	10(19.2)	6(14)	16(16.5)	
	ANM	1(50)	16(30.8)	7(16.3)	24(24.7)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO has a strategy to diversity funding sources	Missing	1(50)	0	0	1(1)	26.61432 0.000497
	NUA	0	4(7.7)	5(11.6)	9(9.3)	
	NMI	0	7(13.5)	7(16.3)	14(14.4)	
	NMI	0	6(11.5)	17(39.5)	23(23.7)	
	ARSI	0	25(48.1)	12(27.9)	37(38.1)	
	ANM	1(50)	10(19.2)	2(4.7)	13(13.4)	
Total		2(100)	52(100)	43(100)	97(100)	

NB. N =Number of respondents 0.05 α levels NUA-Needs Urgent Attention, NMI-needs Major Improvement, NMI-Needs Minor Improvement ARSI-Acceptable, Room for Some Improvement, ANM -Acceptable, Needs Maintaining/ Other Tables Follow the same explanation)

The chi-square result of item 1 and 3 in table 16 depicts there is a significant difference X^2 , (N_{97}) = 21.0789 among the two groups of NGOs. This implies (78.8) percent of the respondents from the local NGOs state that they have multiple funders than the international ones and (67.3) percent of them also have a strategy to diversity funding sources.

Item 2 in the same table shows the absence of difference among the respondents. This means most of the local and international NGOs do not have cost recovery income generation plan/activities and the income that the organizations are collecting from their members is very insignificant and no strong effort has been made to boost it. Merry Joy is one of the strongest local NGOs which is raising hundred of thousand of

birr from local sources under the fund raising program named as a "Ethiopians for Ethiopians."

In line to funding strategy respondents were requested to share their experiences that are going on in their organizations. Accordingly they list down the strategies they are using: diversifying intervention area and source of fund, reduce dependency on foreign aid, improve income generating schemes, mobilize local resources, raise the profile of the organization, establish partnership, develop shelf proposals, diversify grant projects, strengthen image building,

Respondents were also asked to list down the mechanisms that are in place to ensure accountability in fund utilization. Some of the major mechanisms are: periodic donors review, internal audit control, external audit, financial reporting, Earned Value Analysis, agreements, checklist, manuals and guidelines, segregation of duty, committee involvement in expense approval, financial automation and funding in accordance with annual work plan.

The findings suggest that although the recent proclamation officially encourages NGOs to engage themselves in income generation activities and use the return for the very objective of the organization, both the local and international NGOs are dependent on external funding.

Therefore, CRDA and its members should give due emphasize for local fund raising and mobilization to launch and implement inborn projects/programs that really address the problems of needy Ethiopians without the intimidation and influence of donors.

Service Delivery

The advantages of NGOs bring to service delivery are significant particularly in countries like Ethiopia where the government has inadequate capacity and resources to supply the needed services to the general community. In other words, NGOs may influence the development of health, education, and rural and small business sectors. NGOs have contributed resources to significantly improve child and maternal health,

increase female enrolment and access to education, and as well as assist farmers to boost production. We could say NGOs have had the most success when they cooperate with the government.

Table 17: Existence of Sectoral Expertise

Sectorial Expertise	Responses	NGO type			Total	X ² p-value
		Missing	Local	Intern.		
Relevant sectoral expertise exists within the organization	NUA	0	1(1.9)	0	1(1)	13.17247 0.115406
	NMI	0	1(1.9)	0	1(1)	
	NMI	0	10(19.2)	18(41.9)	28(28.9)	
	ARSI	2(100)	26(50)	19(44.2)	47(48.5)	
	ANM	0	14(26.9)	6(14)	20(20.6)	
Total		2(100)	52(100)	43(100)	97(100)	
Expertise is recognized by the full range of stakeholders	Missing	0	1(1.9)	0	1(1)	13.0056 0.37518
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	2(3.8)	0	2(2.1)	
	NMI	0	15(28.8)	20(46.5)	35(36.1)	
	ARSI	1(50)	13(25)	11(25.6)	25(25.8)	
	ANM	1(50)	20(38.5)	12(27.9)	33(34)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO is capable of adapting programme and service delivery to changing needs of stakeholders	NUA	0	1(1.9)	0	1(1)	14.79002 0.045154
	NMI	0	5(9.6)	3(7)	8(8.2)	
	NMI	0	11(21.2)	3(7)	14(14.4)	
	ARSI	0	25(48.1)	31(72.1)	56(57.7)	
	ANM	2(100)	10(19.2)	6(14)	18(18.6)	
Total		2(100)	52(100)	43(100)	97(100)	

The result of the chi-square of the first two items in table 17 indicate no significant difference X^2 , (N_{97}) = 13.17247 and 13.0056) among the two groups of respondents. This implies respondents of both the local and international NGOs have relevant sectoral expertise within their organizations. The expertise is recognized by the full range of stakeholders. Therefore, the NGOs should accept the importance of having the correct expertise that have the recognition of stakeholders/partners to render quality service delivery.

Item 3 in the same table shows a significant difference among the local and international NGOs. Majority (86.1) percent of the respondents of international NGOs state that they are able to adapt programme and service delivery to the evolving needs of the stakeholders.

These findings suggest that expertise exist within the local and international NGOs who are capable to adapt the program and service delivery to the ever changing needs and interest of stakeholders.

Table 18: Assessment and Dissemination of Results

Assessment	Responses	NGO type			Total	X ² p-value
		Missing	Local	Intern.		
Monitoring and evaluation system is in place	Missing	1(50)	9(17.3)	3(7)	13(13.4)	23.47176 0.002661
	NUA	0	1(1.9)	0	1(1.)	
	NMI	0	6(11.5)	3(7)	9(9.3)	
	NMI	0	11(21.2)	3(7)	14(14.4)	
	ARSI	0	18(34.6)	32(74.4)	50(51.5)	
	ANM	1(50)	7(13.5)	2(4.7)	10(10.3)	
Total		2(100)	52(100)	43(100)	97(100)	
Collaborative development of indicators	NUA	0	1(1.9)	0	1(1)	21.58649 0.00148
	NMI	0	2(3.8)	2(4.7)	4(4.1)	
	NMI	0	14(26.9)	2(4.7)	16(16.5)	
	ARSI	0	21(40.4)	32(74.4)	53(54.6)	
	ANM	2(100)	14(26.9)	7(16.3)	23(23.7)	
Total		2(100)	52(100)	43(100)	97(100)	
Indicators have been identified for each programme objective	NUA	0	1(1.9)	0	1(1)	18.93897 0.005765
	NMI	0	1(1)	7(16.3)	8(8.2)	
	NMI	0	16(30.8)	3(7)	19(19.6)	
	ARSI	1(50)	23(44.2)	26(60.5)	50(51.5)	
	ANM	1(50)	11(21.2)	7(16.3)	19(19.6)	
Total		2(100)	52(100)	43(100)	97(100)	
Baseline and impact data are analyzed regularly	NUA	0	1(1.9)	0	1(1)	13.16636 0.084574
	NMI	0	5(9.6)	1(2.3)	6(6.2)	
	NMI	0	17(32.7)	24(55.8)	41(42.3)	
	ARSI	1(50)	20(38.5)	9(20.9)	30(30.9)	
	ANM	1(50)	9(17.3)	9(20.9)	19(19.6)	
Total		2(100)	52(100)	43(100)	97(100)	
Results of monitoring and impact evaluations are used to make adjustments to the programme	NUA	0	1(1.9)	0	1(1)	17.15399 0.013699
	NMI	0	9(17.3)	2(4.7)	11(11.3)	
	NMI	0	17(32.7)	10(23.3)	27(27.8)	
	ARSI	0	20(38.5)	27(62.8)	47(48.5)	
	ANM	2(100)	5(9.6)	4(9.3)	11(11.3)	
Total		2(100)	52(100)	43(100)	97(100)	
Results are disseminated as appropriate/relevant	NUA	0	3(5.8)	0	3(3.1)	22.18482 0.001136
	NMI	0	0	1(2.3)	1(1)	
	NMI	0	24(46.2)	7(16.3)	31(32)	
	ARSI	1(50)	17(32.7)	30(69.8)	48(49.5)	
	ANM	1(50)	8(15.4)	5(11.6)	14(14.4)	
Total		2(100)	52(100)	43(100)	97(100)	

The chi-square result of item 1, 2 and 3 in table 18 illustrates the presence of difference in the response of the two categories of NGOs. This implies, majority (79.1) percent of respondents from the international NGOs state that acceptable monitoring and evaluation system is in place which needs some improvement and maintaining.

Vast majority (90.7) percent of respondents of international NGOs reveal that acceptable and collaborative development of indicators which need some improvement and maintaining is dominant in their organizations.

On the contrary, item 4 and 5 of the same table depict the absence of difference among the respondents, X^2 , (N_{97}) = 13.16636 and 17.15399, $P > 0.05$) of the local and international NGOs. These shows both the local and international NGO respondents believe that baseline and impact data analyzed regularly and used to make adjustments to the program. However, they indicated that trend needs minor improvement to have good results.

Eighty (81.4) percent of respondents from the international NGOs state that baseline, impact assessment and monitoring results are disseminated more appropriate/relevant than the local NGOs.

Overall, these findings suggest that assessment which is based on participation and collaborative effort of all concerned bodies and timely release of the results has a paramount importance to fine tune programs to the best use of the target groups.

Table 19: NGOs Marketing and Awareness Building

Marketing and Awareness Building	Responses	NGO type			Total	X ² p-value
		Missing	Local	Intern.		
Programmes are actively marketed to stakeholders	NUA	0	3(5.8)	0	3(3.1)	16.54496 0.023492
	NMI	0	0	1(2.3)	1(1.)	
	NMI	0	16(30.8)	5(11.6)	21(21.6)	
	ARSI	1(50)	27(51.9)	34(79.1)	62(63.9)	
	ANM	1(50)	6(11.5)	3(7)	10(10.3)	
	Total	2(100)	52(100)	43(100)	97(100)	
Organization actively educates and builds awareness among stakeholders	NUA	0	1(1.9)	0	1(1)	17.80117 0.010395
	NMI	0	2(3.8)	1(2.3)	3(3.1)	
	NMI	0	20(38.5)	11(25.6)	31(32)	
	ARSI	0	19(36.5)	28(65.1)	47(48.5)	
	ANM	2(100)	10(19.2)	3(7)	15(15.5)	
	Total	2(100)	52(100)	43(100)	97(100)	

The result of the chi-square in table 19 shows the presence of difference among the response of the two categories of respondents. This implies, majority (79.1) percent of the international NGOs actively market their programs to the stakeholders than the indigenous ones. They also actively educate and build awareness among the stakeholders.

Respondents were also asked how their organization use information generated out of the monitoring and evaluation activities for quality service delivery in the open-ended part of the modified tool. The following are the major ones: incorporating the information in re-planning, for correcting performance gap, documentation and, dissemination of results, making right decisions and scale up best practices.

The findings suggest that the international NGOs are in a better position than the local NGOs in the image building/marketing and awareness raising of stakeholders. This will help them to sell their best practices to other organizations and potential donors to get the right recognition and fund to scale up their programs.

External Relations

External relations are essential for an NGO to build links and supportive partnerships. These relationships depend on the NGO becoming known within pertinent communities and establishing an image and track record that reflects its achievements. Building these types of relationships will strengthen and widen its impact through partnerships and collaboration with government agencies and other organizations and NGOs active in the same sectors and geographic areas.

Table 20: Stakeholders Relations and NGOs Credibility

Stakeholder Relations	Responses	NGO type			Total	X ² P-value
		Missing	Local	Intern.		
NGO is seen as credible by stakeholders	missing	0	1(1.9)	0	1(1)	19.39817 0.03121
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	1(1.9)	0	1(1)	
	NMI	1(50)	7(13.5)	7(16.3)	15(15.5)	
	ARSI	1(50)	18(34.6)	27(62.8)	46(47.4)	
	ANM	0	24(46.2)	9(20.9)	33(34)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO is seen as a valuable resource by stakeholders	Missing	0	1(1.9)	0	1(1)	25.96356 0.001086
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	1(1.9)	0	1(1)	
	NMI	0	13(25)	6(14)	19(19.6)	
	ARSI	2(100)	13(25)	29(67.4)	44(45.4)	
	ANM	0	23(44.2)	8(18.6)	31(32)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO stakeholder relationship is one of partnership for a common purpose	Missing	0	1(1.9)	0	1(1)	23.21133 0.004444
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	1(1.9)	0	1(1)	
	NMI	0	12(23.1)	7(16.3)	19(19.6)	
	ARSI	2(100)	13(25)	27(62.8)	42(43.3)	
	ANM	0	24(46.2)	9(20.9)	33(34)	
Total		2(100)	52(100)	43(100)	97(100)	

The chi-square result of table 20 shows the presence of a significance difference among the two groups NGOs, $X^2 (N_{97}) = 19.39817, 25.96356$ and 23.21133 . This implies majority (>83.7) percent of international NGOs respondents state their organization is seen as credible and valuable resource by stakeholders. The NGO stakeholder relationship is one of the partnerships for the common purpose.

The findings suggest that the international NGOs have good practices of stakeholders' relation that could be shared to the local NGOs through experience sharing forums.

Table 21: NGOs and Government Collaboration

Government Collaboration	Responses	NGO type			Total	X ² P-value
		Missing	Local	Intern.		
NGO has contacts with decision makers	NUA	0	1(1.9)	0	1(1)	27.2424 0
	NMI	0	2(3.8)	0	2(2.1)	
	NMI	0	7(13.5)	23(53.5)	30(30.9)	
	ARSI	2(100)	21(40.4)	15(34.9)	38(39.2)	
	ANM	0	21(40.4)	5(11.6)	26(26.8)	
	Total	2(100)	52(100)	43(100)	97(100)	
NGO is able to engage policy makers in dialogue	Missing	0	3(5.8)	2(4.7)	5(5.2)	10.38509 0.63779
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	1(1.9)	1(2.3)	2(2.1)	
	NMI	0	14(26.9)	12(27.9)	26(26.8)	
	ARSI	1(50)	27(51.9)	26(60.5)	54(55.7)	
	Total	2(100)	52(100)	43(100)	97(100)	
Exchange of resources occurs between NGO and government	Missing	0	8(15.4)	3(7)	11(11.3)	18.36072 0.026723
	NUA	0	2	0	2	
	NMI	0	4(7.7)	0	4(4.1)	
	NMI	0	8(15.4)	7(16.3)	15(15.5)	
	ARSI	0	25(48.1)	30(69.8)	55(56.7)	
	Total	2(100)	52(100)	43(100)	97(100)	
NGO activities and recommendations are integrated into government's development plans	Missing	1(50)	6(11.5)	2(4.7)	9(9.3)	32.83641 0
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	1(1.9)	1(2.3)	2(2.1)	
	NMI	0	9(17.3)	28(65.1)	37(38.1)	
	ARSI	0	25(48.1)	8(18.6)	33(34)	
	Total	2(100)	52(100)	43(100)	97(100)	

NB. N =Number of respondents 0.05 α levels NUA-Needs Urgent Attention, NMI-needs Major Improvement, NMI-Needs Minor Improvement ARSI-Acceptable, Room for Some Improvement, ANM -Acceptable, Needs Maintaining(Other Tables Follow the same explanation)

The result of chi-square in item 1, 3 and 4 in table 21 reveals the presence of significant difference among the responses of the two groups of respondents. This shows half of respondents (>53.5) percent from the international NGOs confirm they have contacts with decision makers, engage policy makers in dialogue and their activities and recommendations are integrated into government's development plans.

According to them, this initiative needs improvement in both the local and international NGOs. Concerning occurrence of exchange of resources between NGO and government, there is no presence of difference among the respondents. This reveals both the local and international NGOs exchange resource with the government and need some improvement.

Overall, the findings suggest that the efforts made by the NGOs to influence decision makers (government bodies) should be meaningful and bring a positive change in the country's development plan. In addition, CRDA has to improve the gap created between the government and NGO, after the 2005 election through arranging forum of discussion with higher governments.

Table 22: NGOs and Funders Collaboration

Funder Collaboration	Responses	NGO type			Total	X ² P-value
		Missing	Local	Intern.		
NGO has diversified contacts within the funding community	Missing	0	4(7.7)	3(7)	7(7.2)	16.07359 0.082627
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	1(1.9)	1(2.3)	2(2.1)	
	NMI	0	11(21.2)	10(23.3)	21(21.6)	
	ARSI	0	18(34.6)	24(55.8)	42(43.3)	
	ANM	2(100)	17(32.7)	5(11.6)	24(24.7)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO is seen as credible by funders	NUA	0	1(1.9)	0	1(1)	25.56544 0.000222
	NMI	0	0	1(2.3)	1(1)	
	NMI	0	12(23.1)	26(60.5)	38(39.2)	
	ARSI	0	18(34.6)	11(25.6)	29(29.9)	
	ANM	2(100)	21(40.4)	5(11.6)	28(28.9)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO is seen as a valuable resource by funders	Missing	0	3(5.8)	2(4.7)	5(5.2)	20.89115 0.010782
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	0	1(2.3)	1(1)	
	NMI	0	9(17.3)	11(25.6)	20(20.6)	
	ARSI	0	16(30.8)	23(53.5)	39(40.2)	
	ANM	2(100)	23(44.2)	6(14)	31(32)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO has opportunity to engage in open and frank dialogue with funders	NUA	0	2(3.8)	0	2(2.1)	24.48936 0.000263
	NMI	0	6(11.5)	4(9.3)	10(10.3)	
	NMI	0	5(9.6)	21(48.8)	26(26.8)	
	ARSI	0	19(36.5)	11(25.6)	30(30.9)	
	ANM	2(100)	20(38.5)	7(16.3)	29(29.9)	
Total		2(100)	52(100)	43(100)	97(100)	

The chi-square result of item 2,3 and 4 in table 22 shows a significant difference X^2 , $(N_{97}) = 25.56544, 20.89115$ and 24.48936 $P < 0.05$ among the respondents of the two groups. This implies two third (60.5) percent and half (53.5) percent of the respondents from the international NGOs respectively state they are seen as credible and valuable resource by the funders. Besides, the same groups of NGOs confirm they have opportunity to engage in an open and frank dialogue with funders.

On the other hand, both the local and international NGOs showed consensus on having diversified contacts within the funding community. However, the experience of the researcher and review of documents revealed that the latter ones have a relatively large and diverse relationship with the donor community than the former ones.

These findings suggest that comparing the demand of the community for different services, donor collaboration of both the local and international NGOs is not adequate. Therefore, they need to develop their capacity in the area of funder collaboration so that they could raise more resource and address the many problems of the community.

Table 23: NGOs Public Relations and Image Building

Public Relations	Responses	NGO type			Total	X ² P-value
		Missing	Local	Intern.		
NGO engages in public relations	NUA	0	2(3.8)	0	22.1 ()	13.47002 0.065495
	NMI	0	1(1.9)	2(4.7)	3(3.1)	
	NMI	0	19(36.5)	25(58.1)	44(45.4)	
	ARSI	0	17(32.7)	10(23.3)	27(27.8)	
	ANM	2(100)	13(25)	6(14)	21(21.6)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO's objectives and goals are understood by stakeholders	NUA	0	1(1.9)	0	1(1)	18.51057 0.006695
	NMI	0	5(9.6)	4(9.3)	9(9.3)	
	NMI	0	8(15.4)	19(44.2)	27(27.8)	
	ARSI	0	27(51.9)	16(37.2)	43(44.3)	
	ANM	2(100)	11(21.2)	4(9.3)	17(17.5)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO has a positive image among stakeholders	Missing	0	3(5.8)	2(4.7)	5(5.2)	14.13398 0.166117
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	5(9.6)	3(7)	8(8.2)	
	NMI	0	8(15.4)	3(7)	11(11.3)	
	ARSI	0	16(30.8)	25(58.1)	41(42.3)	
	ANM	2(100)	19(36.5)	10(23.3)	31(32)	
Total		2(100)	52(100)	43(100)	97(100)	
Information is disseminated on the NGO's activities	Missing	0	2(3.8)	16(37.2)	18(18.6)	25.14204 0.000786
	NUA	0	2(3.8)	0	2(2.1)	
	NMI	0	6(11.5)	4(9.3)	10(10.3)	
	NMI	0	9(17.3)	7(16.3)	16(16.5)	
	ARSI	0	21(40.4)	9(20.9)	30(30.9)	
	ANM	2(100)	12(23.1)	7(16.3)	21(21.6)	
Total		2(100)	52(100)	43(100)	97(100)	

The results of item 1,3 and 4 in table 23 illustrated the absence of difference among the responses of the local and international NGOs. This implies the two groups have consensus on their public relations, positive image among stakeholders and information dissemination regarding their activities.

On the contrary, they have a difference in making their objective and goals understood by stakeholders. This implies, the local NGOs (51.9) percent has made acceptable effort to disseminate and understand their goals among partners better than the international NGOs (44.2) percent. Although, the response of respondents is highly respected, the researcher has a reservation on the result of this item because the international NGOs are used to be equipped by public relation/communication officer and resource to build their image.

The findings suggest that the effort of public relations in both the local and international NGOs, need to be strengthen with reasonable budget allocation and professional to ensure the realization of their mission.

Table 24: *Local Resource Mobilization*

Local Resources	Responses	NGO type			Total	X ² P-value
		Missing	Local	Intern.		
NGO has relations with the private sector for technical expertise, material and/or human resources	NUA	0	3(5.8)	0	3(3.1)	13.62756 0.063626
	NMI	0	3(5.8)	6(14)	9(9.3)	
	NMI	0	19(36.5)	22(51.2)	41(42.3)	
	ARSI	1(50)	25(48.1)	13(30.2)	39(40.2)	
	ANM	1(50)	2(3.8)	2(4.7)	5(5.2)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO participates in community partnerships	NUA	0	3(5.8)	0	3(3.1)	13.412 0.151462
	NMI	0	1(1.9)	4(9.3)	5(5.2)	
	NMI	0	5(9.6)	1(2.3)	6(6.2)	
	ARSI	1(50)	32(61.5)	35(81.4)	68(70.1)	
	ANM	1(50)	11(21.2)	3(7)	15(15.5)	
Total		2(100)	52(100)	43(100)	97(100)	
Structures are in place to facilitate working relations between NGO and civil society	NUA	0	2(3.8)	0	2(2.1)	11.396 0.182374
	NMI	0	4(7.7)	0	4(4.1)	
	NMI	0	13(25)	8(18.6)	21(21.6)	
	ARSI	1(50)	28(53.8)	31(72.1)	60(61.9)	
	ANM	1(50)	5(9.6)	4(9.3)	10(10.3)	
Total		2(100)	52(100)	43(100)	97(100)	

The results of table 24 illustrated no significant difference among the two groups of respondents related to local resources. This implies both the local and international NGOs have relations with the private sector participate in community partnership and design structures to facilitate working relations with civil society.

Although the findings showed some relations between the NGOs, private sector, community and civil society, it is not in a position to mobilize and raise significant amount of local resources. Therefore, relevant studies have to be carried out and appropriate strategies have to be developed in order to establish live relationship/partnership with the private sector and other local sources of support in the future. In other words, being recipient of fund from external sources will never and ever bring sustainable development and we need to diversity our local fund sources.

Sustainability

Table 25: Program Benefit Sustainability and Skill Transfer

Programme/ Benefit Sustainability	Responses	NGO type			Total	X ² P-value
		Missing	Local	Intern.		
Programmes are supported by those being served	NUA	0	2(3.8)	0	2(2.1)	8.61116 0.422805
	NMI	0	5(9.6)	3(7)	8(8.2)	
	NMI	1(50)	6(11.5)	2(4.7)	9(9.3)	
	ARSI	1(50)	28(53.8)	29(67.4)	58(59.8)	
	ANM	0	11(21.2)	9(20.9)	20(20.6)	
Total		2(100)	52(100)	43(100)	97(100)	
Sense of ownership of benefits by the community	NUA	0	1(1.9)	0	1(1)	10.90178 0.272301
	NMI	0	1(1.9)	1(2.3)	2(2.1)	
	NMI	1(50)	10(19.2)	4(9.3)	15(15.5)	
	ARSI	0	28(53.8)	29(67.4)	57(58.8)	
	ANM	1(50)	12(23.1)	9(20.9)	22(22.7)	
Total		2(100)	52(100)	43(100)	97(100)	
		100.0%	100.0%	100.0%	100.0%	
Programme activities can continue due to changes in community	Missing	0	1(1.9)	0	1(1)	22.89476 0.004632
	NUA	0	2(3.8)	1(2.3)	3(3.1)	
	NMI	0	1(1.9)	1(2.3)	2(2.1)	
	NMI	1(50)	11(21.2)	3(7)	15(15.5)	
	ARSI	1(50)	26(50)	37(86)	64(66)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO has developed systems for continuation of its programme in the medium and long-term	NUA	0	1(1.9)	0	1(1)	20.45477 0.002539
	NMI	0	7(13.5)	0	7(7.2)	
	NMI	1(50)	10(19.2)	23(53.5)	34(35.1)	
	ARSI	1(50)	23(44.2)	16(37.2)	40(41.2)	
	ANM	0	11(21.2)	4(9.3)	15(15.5)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO has developed programmatic phasing-out strategies	NUA	0	1(1.9)	0	1(1)	21.35493 0.00177
	NMI	0	2(3.8)	1(2.3)	3(3.1)	
	NMI	1(50)	17(32.7)	30(69.8)	48(49.5)	
	ARSI	0	27(51.9)	8(18.6)	35(36.1)	
	ANM	1(50)	5(9.6)	4(9.3)	10(10.3)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO ensures that local level skills transfer takes place	NUA	0	1(1.9)	0	1(1)	11.57225 0.22069
	NMI	0	1(1.9)	0	1(1)	
	NMI	1(50)	16(30.8)	22(51.2)	39(40.2)	
	ARSI	0	22(42.3)	15(34.9)	37(38.1)	
	ANM	1(50)	12(23.1)	6(14)	19(19.6)	
Total		2(100)	52(100)	43(100)	97(100)	

The chi-square results of item 1 and 2 in table 25 confirm the absence of significant difference among the respondents of the two groups of NGOs. This implies the programs that local and international NGOs rendering support those being served and who have sense of ownership of benefits.

Item 3, 4 and 5 in the same table illustrate a significant difference among the respondents of local and international NGOs. This states vast majority (86) percent and half (50) percent of the international and local NGOs respectively can make program continue due to changes in community. The respondents from the international NGOs confirmed their organizations, developed system (53.5) percent for continuation of its program in the medium and long-term backed with phase out strategies (69.8) percent. However, only (19.2 and 32.7) percent of respondents from the local NGOs stated they have developed programmatic phase out strategy.

Concerning local skill transfer there were no difference among the two categories of NGOs. Hence, NGOs ensure that local level of skills transfer takes place. The close-ended tool result on the existing of clear and written phase out strategy reveals identical response.

Over all the findings suggest that continuation of programs and importance of phase out strategy is under estimated by the local NGOs. In other words, the international NGOs programs relatively have a better potential to persist, including possible departure on the end of funding for programs than the local ones. As a result, program sustainability should be one of the strong criteria to measure the involvement of NGOs in the development sections (health, education, micro-enterprise...etc.)

Organizational Sustainability and Enabling Environment

The chi-square results of item 1 in table 26 (*See Table Annex*) shows a significant difference $X^2 (N_{97}) = 15.73348, P < 0.05$) among the two groups of respondents. This implies the international NGOs have a clearly articulated vision which is shared

among its stakeholders than the local ones (25) percent as indicated by half (55.8) percent of the respondents.

Concerning membership of key NGO networks, sharing information in proactive manner and participating in a dynamic development arena both groups of the NGOs doesn't have a difference. However, as it was stated under external relation, the local and international NGOs have no relationship with the private sector and also their collaboration with the government is not as it should be.

Two-third (65.5) percent and one fifth (21.2) percent of the international and local NGOs respectively have linkages with other NGOs, social institutions, governments entities, research and civic institutes and the private sector which is the strong concern of the organizations. More than two-third (65.1) percent of respondents from the international NGO state that their organizations influence the NGO enabling environment than the local ones (30.8) percent.

Regarding the capacity of reviewing structures in response to organizational development and awareness of legislation affecting the NGO sector, the two groups of respondents showed no differences.

The findings suggest that apart from boldly crafted and shared vision of NGOs, cooperation with governments and other institution on the basis of legal framework is vital to local and international NGOs success in the field to ensure quality, accountability and sustainability.

Table 27: Financial Sustainability and Fund Raising Strategy

Financial Sustainability		NGO type			Total	X ² P-value
		Missing	Local	Intern.		
NGO has the ability to access diversified resources to contribute to its activities	Missing	0	1(1.9)	0	1(1)	21.56784 0.006813
	NUA	0	2(3.8)	0	2(2.1)	
	NMI	0	5(9.6)	3(7)	8(8.2)	
	NMI	0	11(21.2)	3(7)	14(14.4)	
	ARSI	1(50)	14(26.9)	29(67.4)	44(45.4)	
	ANM	1(50)	19(36.5)	8(18.6)	28(28.9)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO has a fee for service and/or other cost recovery mechanisms built into service delivery where appropriate	Missing	0	4(7.7)	2(4.7)	6(6.2)	13.70778 0.178427
	NUA	0	2(3.8)	0	2(2.1)	
	NMI	0	11(21.2)	6(14)	17(17.5)	
	NMI	1(50)	21(40.4)	29(67.4)	51(52.6)	
	ARSI	1(50)	10(19.2)	6(14)	17(17.5)	
	ANM	0	4(7.7)	0	4(4.1)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO has a fund raising strategy	NUA	0	8(15.4)	1(2.3)	9(9.3)	17.64964 0.007354
	NMI	0	4(7.7)	6(14)	10(10.3)	
	NMI	1(50)	9(17.3)	20(46.5)	30(30.9)	
	ARSI	0	23(44.2)	11(25.6)	34(35.1)	
	ANM	1(50)	8(15.4)	5(11.6)	14(14.4)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO has capacity to implement the fund raising strategy	NUA	0	3(5.8)	2(4.7)	5(5.2)	14.77731 0.026381
	NMI	0	6(11.5)	5(11.6)	11(11.3)	
	NMI	0	9(17.3)	21(48.8)	30(30.9)	
	ARSI	1(50)	16(30.8)	6(14)	23(23.7)	
	ANM	1(50)	18(34.6)	9(20.9)	28(28.9)	
Total		2(100)	52(100)	43(100)	97(100)	
Local fund raising opportunities have been identified	Missing	0	1(1.9)	0	1(1)	25.71477 0.000759
	NUA	0	9(17.3)	1(2.3)	10(10.3)	
	NMI	0	4(7.7)	10(23.3)	14(14.4)	
	NMI	1(50)	11(21.2)	20(46.5)	32(33)	
	ARSI	0	21(40.4)	6(14)	27(27.8)	
	ANM	1(50)	6(11.5)	6(14)	13(13.4)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO has capacity to develop proposals and respond to tenders	Missing	0	0	1(2.3)	1(1)	12.65354 0.106899
	NUA	0	2(3.8)	2(4.7)	4(4.1)	
	NMI	1(50)	15(28.8)	21(48.8)	37(38.1)	
	ARSI	0	14(26.9)	12(27.9)	26(26.8)	
	ANM	1(50)	21(40.4)	7(16.3)	29(29.9)	
Total		2(100)	52(100)	43(100)	97(100)	

NB. N =Number of respondents 0.05 α levels NUA-Needs Urgent Attention, NMI-needs Major Improvement, NMI-Needs Minor Improvement ARSI-Acceptable, Room for Some Improvement, ANM -Acceptable, Needs Maintaining(Other Tables Follow the same explanation)

As it is depicted in item 1 of table 27 above there is a significant difference among the two groups of respondents X^2 , (N₉₇) = 21.56784, P < 0.05 regarding diversified resources. Majority (67.4) percent of respondents from the international NGOs state that they have better ability to access diversified resources than local ones (26.9) percent to contribute to their activities.

Item 2 and 6 in the same table illustrate the absence of difference between the local and international NGOs. This implies, the NGOs have fees for service and/or other cost recovery mechanism built into service delivery where appropriate. They also state that they have capacity to develop proposals and respond to tenders. However, the reality on the ground showed that fees that the organizations are currently collecting from their members are not significant to support their financial need of the programs.

The results of item 3, 4 and 5 depict a significant difference among the respondents, $X^2 = (N_{97}) = 17.64964, 14.77731$ and 25.71477 , P < 0.05). This implies half (48.8) and one third (30.8) percent of respondents from the international and local NGOs have a fund raising strategy, identified local opportunities and the capacity to implement the strategy.

According to these results, both groups need to make improvements in designing and effectively implementing funding strategy.

Overall, the findings suggest that what is vital for financial sustainability is not sufficient quantity of funding, but also its quality and diversification. A great majority of NGOs largely depends on donor funding and often faces the risk of collapse when these funds cease. Perhaps more importantly, even when funding from such sources continues, the greater dependence on them may also threaten NGOs performance, distort their autonomy and weaken legitimacy (Edwards and Hulme, 1998).

Therefore, the NGOs, should give special priority in designing and implementing effective fund-raising strategies: having, multiple donors instead of a single one, self-financing through income generating activities, local fund raising, public cooperation,

national and local governments support, local foundations, etc. In fact for Ethiopian NGOs, raising money domestically is perhaps the strongest alternative to viable as autonomous and truly indigenous.

4.2.2. NGOs Capacity Linkage to the Need of Stakeholders

Table 28: *Involvement of Stakeholders in NGOs Program*

Issues/Items	Responses	NGO type			Total	X ²
		missing	Local	International		
NGO is able to identify key stakeholders	Very Low	0	1(1.9)	0	1(1.0)	21.98288 0.001354
	Low	0	1(1.9)	1(2.3)	2(2.1)	
	Medium	0	5(9.6)	2(4.7)	7(7.2)	
	High	1(50.0)	20(38.5)	34(79.1)	55(56.7)	
	Very High	1(50.0)	25(48.1)	6(14.0)	32(33.0)	
Total		2(100)	52(100)	43(100)	97(100)	
There is recognition of the stakeholders as partners	Very Low	0	2(3.8)	0	2(2.1)	14.9941 0.037764
	Low	0	3(5.8)	2(4.7)	5(5.2)	
	Medium	0	5(9.6)	4(9.3)	9(9.3)	
	High	1(50.0)	21(40.4)	31(72.1)	53(54.6)	
	Very High	1(50.0)	21(40.4)	6(14.0)	28(28.9)	
Total		2(100)	52(100)	43(100)	97(100)	
Results of stakeholder needs assessments are integrated into the planning process	Very Low	0	1(1.9)	0	1(1.0)	11.10412 0.227192
	Low	0	1(1.9)	1(2.3)	2(2.1)	
	Medium	0	17(32.7)	9(20.9)	26(26.8)	
	High	0	17(32.7)	22(51.2)	39(40.2)	
	Very High	2(100.0)	16(30.8)	11(25.6)	29(29.9)	
Total		2(100)	52(100)	43(100)	97(100)	
Stakeholders are involved in the review of NGO's mission and strategies	Missing	0	0	1(2.3)	1(1.0)	18.66207 0.035286
	Very Low	0	1(1.9)	0	1(1.0)	
	Low	1(50.0)	1(1.9)	0	2(2.1)	
	Medium	0	16(30.8)	8(18.6)	24(24.7)	
	High	0	22(42.3)	26(60.5)	48(49.5)	
	Very High	1(50.0)	12(23.1)	8(18.6)	21(21.6)	
Total		2(100)	52(100)	43(100)	97(100)	

NB. N = Number of respondents 0.05 α levels (Other Tables Follow the same explanation)

CRDA member NGOs has been working with different stakeholders. Among these beneficiaries of services (poor women and children), community groups, government, donors, business sectors and other NGOs are the four front stakeholders of the respondent NGOs. The result of the items (1, 2 and 4) in table 28 illustrates a significant difference, χ^2 , (N97) = 21.98288, 14.9941 and 18.66207, $P < 0.05$) among the local and international NGOs regarding their stakeholders. This implies that the

extent of linkage of the international NGOs to identify key stakeholders, recognize them as partners and involve them in the review of their mission and strategies is found to be high as indicated by (79.1, 72.1, and 60.5) percent of the respondents respectively. However, the chi-square results of item 3 confirms the absence of response difference χ^2 , (N_{97}) = 11.10412, $P > 0.05$) among the two groups of NGOs regarding the extent of integration of stakeholders need assessment result into the planning process. This means both the local and the international NGOs outreach to stakeholders is improving and certain members of the community, government bodies and other groups may be consulted or invited and their needs as well as views are considered in the planning and decision making process

Overall, the findings suggest that the degree of linkage between the NGOs capacity and the development needs of stakeholders was found to be medium among the local NGOs and high or well defined and recognized in the international NGOs.

Table 29: *Stakeholders Commitment/ownership to their Needs*

issues/items	Responses	NGO type			Total	X ² p-value
		Missing	Local	Intern.		
Programme priorities are based on actual need	Missing	0	1(1.9)	5(11.6)	6(6.2)	15.42152 0.311346
	Very Low	0	1(1.9)	0	2(2.1)	
	Low	0	3()	3()	6()	
	Medium	0	13(5.8)	5(11.6)	18(18.6)	
	High	1(50)	17(32.7)	20(46.5)	38(39.2)	
	Very High	1(50)	16(30.8)	10(23.3)	27(27.8)	
Total		2(100)	52(100)	43(100)	97(100)	
Programme priorities and services are defined in collaboration with stakeholders	Missing	0	1(1.9)	1(2.3)	2(2.1)	21.16221 0.007759
	Very Low	0	1(1.9)	0	1(1)	
	Low	0	2(3.8)	1(2.3)	3(3.1)	
	Medium	0	10(19.2)	21(48.8)	31(32)	
	High	1(50)	23(44.2)	6(14)	30(30.9)	
	Very High	1(50)	15(28.8)	14(32.6)	30(30.9)	
Total		2(100)	52(100)	43(100)	97(100)	
Programmes are efficient, adequate, cost effective, timely	Missing	0	0	1(2.3)	1(1)	18.85478 0.031664
	Very Low	0	1(1.9)	0	1(1)	
	Low	0	2(3.8)	0	2(2.1)	
	Medium	0	19(36.5)	7(16.3)	26(26.8)	
	High	1(50)	17(32.7)	27(62.8)	45(46.4)	
	Very High	1(50)	13(25)	8(18.6)	22(22.7)	
Total		2(100)	52(100)	43(100)	97(100)	

The chi-square result of item one in table 29 shows the absence of significant difference among the two kinds of respondents. This implies programme priorities are based on actual need of the target beneficiaries in both the local and international NGOs.

Item 2 and 3 in the same table depicts the presence of a significant difference between the local and international NGOs. This means, majority (> 62.8) percent of the respondents of the international NGOs state that program priorities and services are defined in collaboration with stakeholders which are efficient, adequate, cost effective and timely.

Overall, the findings suggest that priorities reflective of the actual need of the recipients defined in consultation with high involvement of stakeholders to deliver efficient and effective program as stated by the two groups of NGOs. The findings also assert that the international NGOs outsmart the indigenous ones in participating stakeholders to define program priorities and services.

4.2.3. Improvement in Effectiveness and Efficiency of NGOs

Performance is the ability of an organization to meet its goals and achieve its overall mission. An organization's performance is influenced by its capacity, by its internal environment, and by the external environment in which it operates. Based on Lusthaus, Anderson, and Murphy (1995) and Lusthaus et al. (2002) an organization's performance can be expressed in terms of four key indicators: effectiveness, efficiency, relevance, and financial sustainability.

Table 30: Effectiveness of NGOs

Effectiveness		NGO type			Total	X ² P-value
		missing	Local	Intern.		
The NGO meets its short - term targets in annual work plans.	missing	0(0.0)	1(1.9)	0(0.0)	1(1.0)	13.555 0.251
	Very Low	0(0.0)	1(1.9)	0(0.0)	1(1.0)	
	Low	0(0.0)	9(17.3)	3(7.0)	12(12.4)	
	Medium	0(0.0)	8(15.4)	6(14.0)	14(14.4)	
	High	2(100.0)	20(38.5)	14(32.6)	36(37.1)	
	Very High	0(0.0)	13(25.0)	20(46.5)	33(34.0)	
	Total	2(100.0)	52(100.0)	43(100.0)	97(100.0)	
The NGO achieves most of its objectives	Very Low	0(0.0)	1(1.9)	0(0.0)	1(1.0)	13.372 0.071
	Low	0(0.0)	8(15.4)	1(2.3)	9(9.3)	
	Medium	0(0.0)	12(23.1)	7(16.3)	19(19.6)	
	High	1(50.0)	17(32.7)	12 (27.9)	30(30.9)	
	Very High	1(50.0)	14(26.9)	23(53.5)	38 (39.2)	
	Total	2(100.0)	52(100.0)	43(100.0)	97(100.0)	
Achievements compared well with other similar organizations	missing	0(0.0)	1(1.9)	0(0.0)	1(1.0)	13.871 0.261
	Very Low	0(0.0)	1(1.9)	0(0.0)	1(1.0)	
	Low	0(0.0)	3(5.8)	1(2.3)	4(4.1)	
	Medium	0(0.0)	18(34.6)	11(25.6)	29(29.9)	
	High	2(100.0)	16(30.8)	24(55.8)	42(43.3)	
	Very High	0(0.0)	13(25.0)	7(16.3)	20(20.6)	
	Total	2(100.0)	52(100.0)	43(100.0)	97(100.0)	
Performance gaps and opportunities are identified quickly and bridged	missing	0(0.0)	2(3.8)	0(0.0)	2(2.1)	24.825 0.001
	Very Low	0(0.0)	1(1.9)	0(0.0)	1(1.0)	
	Low	0(0.0)	6(11.5)	0(0.0)	6(6.2)	
	Medium	0(0.0)	19(36.5)	12(27.9)	31(32.0)	
	High	2(100.0)	18(34.6)	31(72.1)	51(52.6)	
	Very High	0(0.0)	6(11.5)	0(0.0)	6(6.2)	
	Total	2(100.0)	52(100.0)	43(100.0)	97(100.0)	

The chi-square result of item 1, 2 and 3 in table 30 illustrates no significant difference among the two groups of respondents. This implies both the local and international NGOs meet their short-term targets in the annual work plans and achieve most of their objectives. In addition, achievements compared well with other organizations. Although there is absence of difference among the NGOs in meeting the target, it does not show complete effectiveness. The desk review of the research shows many under accomplishments in the quarterly and annual reports.

Concerning identification of performance gaps and opportunities quickly and bridging them, the respondents showed a significant difference $X^2 (N_{97}) = 24.825$, $P < 0.05$). This states three fourth (72.1 and 34.6) percent of respondents of local and international NGOs respectively confirmed that their organizations assessed performance gaps and bridged them quickly. However, the international NGOs are found to be in a better position than the local areas.

The findings suggest that local NGOs need to make improvement in identifying capacity gaps and taking remedial action. Besides, they have to take lesson from the international NGOs which might be suitable to their natural context.

Efficiency of NGOs

Efficiency is the result of making decisions that lead to doing things that which helps to achieve objectives with fewer resources and at lower costs.

The chi-square result of item 1, 3 and 4 in table 31 (*See Table Annex*) depicts a significant difference, $X^2 = (N_{97}) = 20.884$ and 23.858 , $P < 0.05$) among the two categories of respondents. This implies vast majority (81.4) percent of the international NGOs state that they achieved objectives without using more resources than necessary except minor adjustments.

Half (51.2) percent of the respondents from the international NGOs also confirm that the interventions use least costly resources which needs minor improvement. Majority (69.8) and two-third (62.8) percent of local and international NGOs state that alternative approaches are employed to achieve the same outputs and overhead cost as low as possible respectively.

Item 2,5, 6 in the same table depict absence of significance differences among the two groups of respondents. This states both groups of NGOs converted resources/inputs (funds, expertise, time, etc) into results, decisions are made as close to where services are delivered and delivers achieved on time and budget.

Although the efficiency of the local and international NGOs is getting improvement in the recent times, it has been critical issue by the government. They are blamed for unbalanced expense for administration cost as the expense of the program activities. The 70/30 government recent regulations, 70 percent of the NGO, budget for program cost and the remaining for administration cost is making a hard trip by the NGOs which were not efficient in resource utilization and administration expenditures.

Therefore both the local and international NGOs have to improve their efficiency by doing things right as it is a question of survival under the rule of the land.

Table 32: Relevance of NGOs Interventions

Relevance	Responses	NGO type			Total	X ² P-value
		missing	Local	Intern.		
The interventions meet stakeholders/users needs and priorities	Very Low	0	2(3.8)	0	2(2.1)	12.17 0.111
	Low	0	6(11.5)	3(7.0)	9(9.3)	
	Medium	1(50.0)	5(9.6)	4(9.3)	10(10.3)	
	High	0	25(48.1)	14(32.6)	39(40.2)	
	Very High	1(50.0)	14(26.9)	22(51.2)	37(38.1)	
Total		2(100)	52(100)	43(100)	97(100)	
Interventions are consistent with donor policies	Very Low	0	4(7.7)	1(2.3)	5(5.2)	13.250 0.067
	Low	0	4(7.7)	1(2.3)	5(5.2)	
	Medium	0	11(21.2)	4(9.3)	15(15.5)	
	High	1(50.0)	19(36.5)	30(69.8)	50(51.5)	
	Very High	1(50.0)	14(26.9)	7(16.3)	22(22.7)	
Total		2(100)	52(100)	43(100)	97(100)	
Interventions are useful for target groups	missing	0	1(1.9)	0	1(1.0)	13.121 0.252
	Very Low	0	6(11.5)	2(4.7)	8(8.2)	
	Low	0	2(3.8)	1(2.3)	3(3.1)	
	Medium	0	13(25.0)	4(9.3)	17(17.5)	
	High	1(50.0)	10(19.2)	10(23.3)	21(21.6)	
	Very High	1(50.0)	20(38.5)	26(60.5)	47(48.5)	
Total		2(100)	52(100)	43(100)	97(100)	

NB. N =Number of respondents 0.05 α levels (Other Tables Follow the same explanation)

The result of table 32 reveals the absence of significant difference among the respondents regarding relevance of NGO programs. This implies the interventions that has been accomplished by the local and international NGOs meet stakeholders/users needs and priorities, consistent with donor polices and useful for target groups.

Although the relevancy of NGO programs is sound to some degree, we cannot say it is totally meet stakeholders/users needs and priorities. For one thing it is donor driven and expert led in its approach, secondly, the planning process itself is dominated by top-bottom approach and rushing in time.

Therefore, although the finding suggest the relevance of both groups of NGOs programs is acceptable and need some improvement, it is also an area of emphasis which should thoroughly assessed to improve interventions benefits and priority to the target groups (owners of projects/programs).

Table 33: NGOs Sustainability Prospects

Sustainability	Responses	NGO type			Total	X ²
		Local	Local	P-value		
The NGO can sustain its activities without outside financial support	Very Low	0	11(21.2)	6(14.0)	17(17.5)	15.977 0.018
	Low	1(50.0)	12(23.1)	8(18.6)	21(21.6)	
	Medium	0	19(36.5)	27(62.8)	46(47.4)	
	High	1(50.0)	2(3.8)	1(2.3)	4(4.1)	
	Very High	0	8(15.4)	1(2.3)	9(9.3)	
Total		2(100)	52(100)	43(100)	97(100)	
The NGO can manage all its activities with outside staff support	missing	0	3(5.8)	0	3(3.1)	19.685 0.009
	Very Low	0	9(17.3)	0	9(9.3)	
	Low	0	9(17.3)	18(41.9)	27(27.8)	
	Medium	1(50.0)	11(21.2)	9(20.9)	21(21.6)	
	High	0	10(19.2)	7(16.3)	17(17.5)	
	Very High	1(50.0)	10(19.2)	9(20.9)	20(20.6)	
Total		2(100)	52(100)	43(100)	97(100)	
The NGO generates an increasing level of domestic financial resources	missing	1(50.0)	1(1.9)	0	2(2.1)	25.249 0.004
	Very Low	0	18(34.6)	6(14.0)	24(24.7)	
	Low	0	9(17.3)	21(48.8)	30(30.9)	
	Medium	0	8(15.4)	6(14.0)	14(14.4)	
	High	0	7(13.5)	6(14.0)	13(13.4)	
	Very High	1(50.0)	9(17.3)	4(9.3)	14(14.4)	
Total		(100)	(100)	(100)	(100)	
There are a good prospects to sustain all activities without external support	missing	1(50.0)	1(1.9)	0	2(2.1)	17.898 0.026
	Very Low	1(50.0)	6(11.5)	8(18.6)	15(15.5)	
	Low	0	14(26.9)	20(46.5)	34(35.1)	
	Medium	0	3(5.8)	2(4.7)	5(5.2)	
	High	0	20(38.5)	11(25.6)	31(32.0)	
	Very High	0	8(15.4)	2(4.7)	10(10.3)	
Total		2(100)	52(100)	43(100)	97(100)	

Sustainability measures the potential of NGO programs to persist, including possible departure by the operating NGOs or the end of funding for programs.

The result of table 33 depicts the presence of significant difference among the two groups of respondents. This implies that (62.8) percent of the international NGOs state their organization can sustain its activities without the outside financial support with minor improvements, less than half (41.9) percent of the respondents from the international NGOs also state they can manage activities with the support of outside staff. On the other hand 36.5 and 21.2 percent of the local NGO respondents illustrate they can sustain activity without outside financial support and with the support of outside staff.

Item 3 and 4 reveal that the NGOs generate an increasing level of domestic financial resources and there are good prospects to sustain all activities without external support as indicated (48.8) and (46.5) percent of international NGO respondents.

Although the findings showed sustainability of programs without external financial and technical support is in its increasing level the reality on the ground and the review of relevant documents does not agree with the response of the respondents.

Therefore, the NGOs capacity development interventions should focus on networking with government and other organizations to develop a system to sustain local, regional or national development. Integrated systems work to inter relates the efforts of multiple development stakeholders, for example, the government local and international NGOs, private sectors, community based organizations, professional at all levels and the community in general.

Table 34: Capacity Needs Identified and Developed by CRDA

Item	Responses	NGO type			Total	X ² P-value
		Missing	Local	Intern.		
Has the NGO conducted any sort of capacity assessment?	Missing	0	2(3.8)	2(4.7)	4(4.1)	1.446364 1
	1 .Yes	2(100)	40(76.9)	32(74.4)	74(76.3)	
	2. No	0	10(19.2)	9(20.9)	19(19.6)	
	Total	2(100)	52(100)	43(100)	97(100)	
Who made the capacity need assessment?	Missing	0	13(25)	16(37.2)	29(29.9)	16.94678 0.012327
	1. NGO management	2(100)	20(38.5)	24(55.8)	46(47.4)	
	3.Communities	0	3(5.8)	2(4.7)	5(5.2)	
	4.CRDA	0	8(15.4)	1(2.3)	9(9.3)	
	5.NGO and Stakeholders	0	8(15.4)	0	8(8.2)	
	Total	2(100)	52(100)	43(100)	97(100)	

As it is depicted in item 1 of table 34, there is not difference among the opinions of respondents about capacity assessment. This implies two-third (76.9) percent of both the local and international NGOs confirm they conducted capacity assessment. These assessments were made by the NGO management as (58.8) and (38.5) percent of the international and local NGOs indicated. CRDA also facilitated some capacity assessments as (15.4) percent of local NGOs respondents stated. However, from the focus group discussion and document review, the researcher understood that very few NGOs conducted organizational capacity assessment either by themselves or the support of CRDA. The strong reason for the low coverage of assessment is human and monetary shortage.

Respondents were also asked to state the critical gaps identified through the capacity assessments in their organizations. The capacity gaps explained were low fund raising capacity inadequate competence of staff, shortage of standard guidelines on finance and performance appraisal, poor leadership, sustainability of programs and finance, absence of human resource development plan, poor management practices, narrow external relations, poor database management system, inadequate skill of proposal developments role confusion among the governance and management, loose collaboration and networking with the government.

These findings suggest that organizational capacity assessment is recently introduced phenomenon in the majority of local and international NGOs. In addition, the involvement of umbrella organization like CRDA in this process is very limited due to the human and other resources shortage. This means, the capacity development services supports that has been rendered by apex organizations including CRDA are not members specific and assessment based.

However, from the focus group discussion open-ended questions results as well as any my own experience, CRDA has been collaborating with external specialized institutions in providing capacity development supports to member organizational consultants, expatriate experts, and government professional are some among the very many collaborations to CRDA.

Respondents also indicated that CRDA doesn't have the capacity to satisfy the capacity development needs of over 265 member organizations. As a result some members are retreating from the membership and questioning the relative advantage of being CRDA member. The respondents also are not comfortable with the expatriate consultants outsourced by CRDA especially for the year to year training /workshop/ seminar. They suggest that Ethiopian consultants do better than the expatriate ones and CRDA should look into inland professionals.

Table 35: Interventions used by CRDA

Item	Responses	NGO type			Total	χ ² P-value
		Missing	Local	Intern.		
Interventions used to bridge capacity gaps	Missing	0	4(7.7)	0(0)	4(4.1)	45.07627 0.033634
	Facilitation, advice, training, research and management	0	1(1.9)	0	1(1)	
	Training and technical support	0	11(21.2)	23(53.5)	34(35.1)	
	Training, grant, and exchange of knowledge and experience	0	2(3.8)	0	2(2.1)	
	Training and exchange of knowledge and experience	0	4(7.7)	1(2.3)	5(5.2)	
	All	0	6(11.5)	3(7)	9(9.3)	
	Facilitation, training, research and exchange of knowledge and experience	0	1(1.9)	0	1(1)	
	Training, exchange of knowledge and experience and technical support	0	1(1.9)	3(7)	4(4.1)	
	Training/workshops/ seminars, grant, exchange of knowledge and experience and technical support	0	1(1.9)	0	1(1)	
	Facilitation, training, grant, exchange of knowledge and experience and technical support	0	1(1.9)	0	1(1)	
	Advice and research	0	0	1(2.3)	1(1)	
	Advice	1(50)	15(28.8)	9(20.9)	25(25.8)	
	Research	0	3(5.8)	2(4.7)	5(5.2)	
	Grant	0	1(1.9)	1(2.3)	2(2.1)	
	Technical support	1(50)	1(1.9)	0	2(2.1)	
Total	2(100)	52(100)	43(100)	97(100)		

Using the nine lists of interventions depicted in table 35 above and any other option, respondents were asked to select their preferred options as interventions/strategies in which CRDA capacity development assistance is used to be delivered. The list comprised facilitation, advice, training/workshops/seminars, research, grant exchange of knowledge and experience, technical support, management (as strategy) and implementation (as a strategy).

International NGOs respondents showed in a slight preference for those options which involved training and exchange of knowledge and experience, advice, research and grants-with options, c, g, and b scoring the highest.

On the other hand, local NGOs showed a slight preference for those options which involved facilitation advice, training, research and management-with options c, g and all scoring the highest. This implies CRDA commonly uses advice, training workshop seminar and technical support as capacity development interventions/strategies, as indicated by half of (50) percent and three fourth (74.4) percent of the local and international NGOs. Besides, it intervenes on all options (a to j) in the local NGOs as confirmed by one tenth (11.5) percent of the respondents.

The findings suggest that CRDA capacity development interventions are thin and offer a greater priority to training/ workshop seminars. Apart from this, although grant and research related capacity development interventions are highly demanded by the local NGOs, the scope and capacity of CRDA to develop others capacity is not compatible. Furthermore, the interventions need to focus on tailor made capacity development assessment and other areas of organizational capacities (management and implementation as strategy) in which their presence is not confirmed by CRDA members.

As has been conducted focus group discussion with CRDA capacity development experts, the capacity development interventions /services of the umbrella organization constituted networking and information communication, technical support (mentoring and advocacy services), training (short-term training courses, workshops, seminars, conferences, etc), financial and technical support and forum of capacity building.

Before coming to capacity constraints which the local NGOs perceive currently, results of FGD reveal that there has been capacity growth with many, local small NGOs in soft wares as well as hard wares. There has been a marked improvement over the stock of human resources with many of the local NGOs: better trained and experienced personnel, more experienced management, more mature leadership, increased knowledge of strengths and limitations of the communities they work with and for and more knowledge of the environment with the government and the donors. There has also been some improvement in the organizational aspects of

development. Operating systems are in place, although they have a lot of the desired. There has also been development in institutional terms. Local NGOs are better equipped with office equipment and logistics support; they are institutionally bigger with increased number of programs.

Despite the marked improvements, there are still considerable capacity limitations at the various levels. For instance, staff numbers and quality do not often much the expertise requirements of the jobs, leaderships quality is below far, management skill of the persons steering the NGO, need a lot of improvement. Management is not sufficiently sensitive to staff development. Vision, mission, and core values are often there but they are more symbolic than actually guiding programmes. Lobbying/negotiating and fund rising skills also remain rudimentary. Core elements of organizational capacity such as: working systems (staff development, financial, procurement, etc) exist in some form, but they are inadequate and often not adhered to by management. In most cases, they are in-place, not because of internal appreciation for their instrumentality but because of external influence.

Table 36: *Effectiveness of CRDA Capacity – development Interventions*

Item	Responses	NGO type			Total	X ² P-value
		Missing	Local	Intern.		
Extent of addressing the gaps by CRDA	Missing	0	8(15.4)	0	8(8.2)	22.89812 0.005167
	1. Ineffectively	0	3(5.8)	5(11.6)	8(8.2)	
	2. Less effectively	1(50)	24(46.2)	33(76.7)	58(59.8)	
	3. Effectively	1(50)	15(28.8)	5(11.6)	21(21.6)	
	4. More effectively	0	1(1.9)	0	1(1)	
	5. Most effectively	0	1(1.9)	0	1(1)	
	Total	2(100)	52(100)	43(100)	97(100)	

The majority (76.7) percent respondents of international NGOs and half (46.2) percent of local NGO respondents depicted in table 36 confirmed that the extent of CRDA interventions in addressing capacity gaps of member organization is found to be not effective/less effective.

4.2.4. Problems Encountered by CRDA

Results of FGD revealed that there has been capacity growth with many, local small NGOs in softwares as well as hardwares. There has been a marked improvement over the stock of human resources with many of the local NGOs: better trained and experienced personnel, more experienced management, more mature leadership, increased knowledge of strengths and limitations of the communities they work with and for and more knowledge of the environment with the government and the donors. There has also been some improvement in the organizational aspects of development. Operating systems are in place, although they have a lot of the desired. There has also been development in institutional terms. Local NGOs are better equipped with office equipment and logistics support; they are institutionally bigger with increased number of programs.

Despite the marked improvements, there are still considerable capacities, limitations at the various levels. These include: staff numbers and quality do not often much the expertise requirements of the jobs; leadership quality is below far; management skill of the persons steering the NGO need a lot of improvement; management is not sufficiently sensitive to staff development; vision, mission, and core values are often there but they are more symbolic than actually guiding programmes; lobbying/negotiating and fund rising skills remain rudimentary; working systems (staff development, financial, procurement, etc) exist in some form, but they are inadequate and often not adhered to by management.

The experts also expressed that the major problems /challenges encountered by CRDA in rendering the capacity development supports are: growing interest in terms of the content of training; addressing the fund request of all member NGOs; shortage of professionals to run and follow the capacity building support to the diverse members; reluctance of some members of report on the outcomes of capacity building interventions; rigid (un participatory capacity building) interventions, and linking all phases of the capacity enhancement process.

4.2.5. Strategies to Enhance NGOs Capacity

Normally, a strategy bridges the gap between the vision and mission of an organization or a department on the one hand and the activities on the other. In order to achieve uniformity, consistency, and transparency it is important that such strategy has been made and is understood and shared by every body within CRDA and among the member NGOs.

As has been convened key informants interviews with various stakeholders, explained the role of CRDA in capacity enhancement of member NGOs is increasing the capacity of its members to more effectively plan and implement development projects and programs as well as to effectively respond to emergency situations. They further broken down into specific tasks and functions: expertise in project and program management and funding; funding for project implementation; access to information on various development approaches and practices; skills in relief/emergency responsiveness; skills in fundraising, and institutional strengths.

The experts also suggest that CRDA focus should go beyond capacity building for project planning and implementation to consider the issue of creating an enabling environment for the operations of member NGOs, building credibility of members and Financing an analytical and technical capacity.

If NGOs are to extend the vision beyond project implementation to address the root causes of the problems that their projects seek to be relieve, then as the engaging advocacy, their operational activities must be supported by technical competence and rigorous analysis of identified policy concerns.

The stakeholders also stressed that sustainability of NGO initiatives is usually assured as beneficiary communities or government entities takeover and manage project activities. Nevertheless, the effective handover of NGO project activities is dependent on the recipients to manage these activities. Capacity building efforts should therefore

consider supporting the transfer of technical and managerial know how from NGOs to the community based organizations as NGOs activities are handed over to them.

Given this situation CRDA's capacity building program is relevant within the context of contemporary development discourse and the development scenario in Ethiopia addressing needs of CRDA's member organizations and the development of the community in Ethiopia at large, the experts underlined.

In general, CRDA has been provided various capacity building supports to improve the creditability of its members; which include technical and financial support at organizational and programmatic levels through training, workshops/seminars, exchange visits and apprenticeship programs. Moreover, over eight forums and task forces are established under auspices of CRDA, which promote the common causes of NGOs at large and CRDA members' in particular. Nevertheless, there is a sense within the NGO community that CRDA needs to look beyond the evolution of strong NGO implementing agencies as a sector. Many stakeholders believe that capacity enhancement efforts must generally contribute to building creditability of NGO sector as true partners in development and, to enable NGOs address issues that extended beyond the delivery of services. However, the experts underscored the need to extend the present limited focus to the area of capacity building to any sort of contributions strengthening the seven capacity building components (governance, management practices, human resource, financial resources, service delivery, external relations and sustainability) has a paramount importance to all member NGOs. In relation to this most CRDA members have to improve their governance and management practices, strengthen the local fund resources and service delivery at least with the expected minimum standard.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

In this chapter, major findings of the study are summarized and conclusions based on the findings are drawn. The chapter also includes recommendations forwarded relying on the assumption that could be possible solutions for the problems investigated in the study.

5.1. Summary of Major Findings

The major purpose of this study was assessing CRDA member NGOs capacity development interventions. To meet the intention of the study the following seven steps were undertaken: (1) Understanding the literature of the study, (2) designing the objectives and basic questions to be answered, (3) Selecting methods of the study, (4) Completion of information and data processing, (5) Analysis of data, (6) Interpretations of findings, conclusions and recommendations, (7) Finalizing and documentation. To this effect, the following basic questions were asked:

- 1) What is the current state of NGOs capacity in terms of core dimensions (i.e Governance, Human Resource, Management Practice, Financial Resource, Service Delivery, External Relations and Sustainability) to build NGOs capacity?
- 2) To what extent is the NGOs capacity linked to the development needs of their stakeholders?
- 3) To what extent do CRDA capacity building interventions improve the efficiency and effectiveness of member NGOs?
- 4) What are the major problems encountered by CRDA in its attempt to enhance members' capacity?
- 5) What are the strategies that could enhance the capacity of NGOs?

The study has been conducted using modified standard tool, key informant interview and focus group discussion and document review as instruments /tools of gathering data.

5.1.1 Background of Respondents

The respondents were randomly selected from 26 (16 local and 10 international) CRDA member NGOs. Majority of these organizations 57.7 percent started operation in Ethiopia between 1980 and 2000 .About 57.7 percent of the respondents was found to be in the age group between 25 and 35 years of which 22.7 percent of them were female.

Respondents were composed of 17.5 percent completed Masters Degree and 12.4 percent were doing Masters. Majority of the respondents or 59.8 percent were under the category of Bachelor Degree qualification. Only 8.2 percent belong to intermediate degree/diploma. All respondents were also reasonably experienced in the NGOs working environment. Of the total respondents, 70 percent have an exposure of 1-5 years in these non- profit organizations.

5.1.2 Findings Related to the Seven NGOs Core Capacity Dimensions

1. The results of the modified tool revealed that 60 percent of the local NGOs are found in an emerging stage/developing some capacity structure for governance, management practices, human resources, financial resources, service delivery, external relations and sustainability. On the other hand 82 percent of the international NGOs are in the stage of expanding their organizational capacity, have a track record of achievement, their work is recognized by their constituencies including the government, the private sector and other NGOs active in the same sector. Still very few of them (1.8) percent are found to be in mature organizational development stage/ fully functioning and sustainable, with a diversified resource base and partnership relationship with national and international networks.

2. The degree of linkage between the NGOs capacity and the development needs of stakeholders was found to be medium among the local NGOs (20.9) percent and relatively high/well defined and recognized in the international NGOs (79.1) percent However, the key informant interview conducted with stakeholders themselves revealed that the NGO–Government relationship/linkage is not strong and smooth after the 2005 national election.
3. The results of the modified standard tool (76.7) percent and FGD revealed that although CRDA has contributed to the enhancement of members' capacity, its interventions are not adequately improving the effectiveness and efficiency of member NGOs. The interventions are thinly, not fully based on assessments and offer greater priority to training/workshop/seminars as the expense of grant and research related supports that are highly demanding by the local NGOs.
4. The major problems/challenges encountered by CRDA while rendering the capacity development services to member NGOs were found to be: growing interests in terms of the content of training; addressing the fund request of all members NGOs; shortage of professionals to run and follow the capacity development interventions to support the diverse members; reluctance of some members to report on the outcomes of capacity development interventions; rigid (un participatory) capacity development interventions, and linking all phases of the capacity enhancement process among others.
5. The strategies used by CRDA to enhance capacity of member NGOs, were found to be increasing the capacity members in the area of expertise and emergency responsiveness, creating access to information on various developmental approaches and practices, funding and developing the skill of resource mobilization. In addition, the key informant interview revealed that CRDA focus should go beyond capacity development to consider the following: creating an enabling environment for the operations of member NGOs; building credibility of members and financing analytical and technical capacities.

5.2. Conclusion

Organizational Capacity Development Intervention Assessment aims to identify issues and collect information, which will help an organization to devise strategies to enhance its capacity and effectiveness.

After extensive assessment of the organizational capacity development interventions of CRDA member NGOs, the researcher taking the areas that need some improvement and maintaining /strengths and areas that need major improvement//weaknesses in consideration has come up with the following conclusions.

1. The study disclosed that only very few international NGOs are found to be in a state of mature capacity stage (fully functioning and sustainable with diversified resource based and partnership). Therefore, it may be safe to conclude that the majority of NGOs are not in a position to perform well or assure quality service delivery to alleviate the real problems of the needy community groups.
2. The degree of linkage between the NGOs capacity and development needs of stakeholders is found to be not very high and relationship of these charities with the government is not strong and smooth. Hence, it would be reasonable to conclude that the relevant stakeholders such as beneficiaries of their services, government, donors and other NGOs are not fully involved in the planning, implementing, monitoring and evaluation of development programs. Member NGOs have had not the most success in their development initiative and the government is suspicious about the functions, transparency and accountability of the NGOs.
3. The findings of the study stated that CRDA's capacity development interventions are not adequately improving the effectiveness and efficiency of member NGOs because they are not intensive and highly dominated by trainings/workshops. It could be concluded that although CRDA has provided

considerable support to enhance organizational capacity among members the interventions have not improved the performance of member NGOs to the expected level. In other words, the capacity development intervention of CRDA are not explicitly designed to ensure the transfer of skills to staff within these organizations and need to be improved and rooted on dynamic international synergy.

4. It was found out that the major problems/ challenges encountered by CRDA are growing interest in terms of training contents, addressing fund request of members, linking all phases of the capacity enhancement process and unparticipatory capacity development interventions. To this effect it may be reasonable to conclude that the umbrella organization is not in a position to satisfy the increasing needs of its members in relation to capacity development especially grant fund requests.
5. The study revealed that CRDA is bridging the gap between its vision and mission as well as capacity development interventions through strategies like capacity enhancement of members, creating access to information and network, funding and developing the skill of resource mobilization. Thus, it could be concluded that the useful strategy which is strategic alliance with other similar service providers is not yet developed to benefit members better from the area and link their activities to the best approach to alleviate problems of the community.

5.3. Recommendation

On the basis of the findings obtained the conclusions reached, the following suggestions are forwarded:

1. In order to address the capacity gaps of respondent NGOs in relation to the seven core dimensions the NGOs should:
 - ✦ strengthen the structures to clarify lines of authority and responsibility in gaining stabilization;

- ✚ improve professional skills and know how of NGO employees in order to gain better work results and chance to compete on the development market;
 - ✚ build up a strong leadership with clear-cut hierarchically structured responsibilities which include the necessity of articulating clear visions of the given NGOs and mission towards staff ;
 - ✚ assure an adequate system of budgeting, accounting and financial control, including financial control, including financial reporting for the donors;
 - ✚ open the doors for scaling up the NGOs to an even more successful and efficient entity in the interest of the organizations' and their clients;
 - ✚ be encouraged to develop their local capacity and expertise because this increases efficiency while ensuring sustainability of programs, and
 - ✚ design resource mobilizing strategies to diversify their income base from local sources using various means, such as arranging fund raising events, organizing and increasing their members and establishing relationship with the private sectors.
2. To address the concerns in relation to the linkage of NGOs capacity to the development needs of stakeholders, the researcher recommend that significant efforts be made to strengthen and expand NGO-Stakeholders bondage. In particular, I recommend the following activities:
- ✚ NGOs should involve all relevant stakeholders in the whole cycle of project management focusing on sustainability issue to prevent an imbalanced relationship and bridge the linkage gaps;
 - ✚ NGOs should establish forums of partnerships that include all pertinent stakeholders including the government in their operational area in consultation with Charities and Societies Agency to assure quality service delivery;
 - ✚ a legal framework for contracts should be established to clarify expectations of the role of NGOs and stakeholders including the

government in service delivery, to identify common goals, and to create monitoring and evaluation mechanisms. The government should further work to revisit the suitability of the recent Charities and Societies Proclamation (e.g 70/30 program versus administration cost) to support the goals of development oriented NGO, and

- ✦ NGOs with a record for transparency, accountability, strong linkage with stakeholders need, and good management practices should be awarded with extending service contracts.

3. CRDA should place greater emphasis on developing capacity of members to influence the enabling environment rather than engaging the advocacy. In order to address these and improve the effectiveness and efficiency of its interventions, the following area require further attention:

- ✦ consciously and purposively linking all process of the capacity environment in developing its own capacity and organizational strengths;
- ✦ facilitating internal processes of growth both in the design of products delivered and in the capacity enhancement process;
- ✦ maintaining a holistic approach in delivering capacity-development services;
- ✦ refining the existing capacity needs assessment and monitoring and evaluation tools to take into consideration the qualitative nature of enhancing capacities within developmental organizations;
- ✦ encouraging member NGOs to utilize services from other existing capacity-developing organization such as, Pact, UN, USAID ... etc), and
- ✦ updating the set of capacity development package to entertaining the unanticipated needs of member NGOs.

4. To solve the problems encountered CRDA should work to address the differing capacity needs of its members. This could be done through diversifying the

portfolio and introducing more tailor made interventions. CRDA should also consider developing its own capacity and organizational strengths as well as coordinate the exchange of expertise among members and similar umbrella organizations to deliver wider capacity development interventions with the expected level.

5. Given its unique position as one of the very few and pioneer umbrella/consortium of NGOs in Ethiopia, the researcher suggested that CRDA should continue to maintain the development of members' capacity as a key strategic objective. The strategies need to be made explicit and documented for easy reference for all especially to be engaged in the area and other interested groups. It should also expand its focus beyond the development of capacities for project delivery and should consider capacity needs of all members especially the indigenous ones in securing grant fund. Moreover, CRDA should create strategic alliance with other providers of similar capacity-development services and this trend should be further developed for cross-fertilization of experiences to bring better and sustainable outcomes.

Finally, as concept of capacity development is a relatively new area of research, the student researcher recommended a more detailed and comprehensive assessment in relation to NGOs capacity development interventions in order to further strengthen the findings of this study.

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APPENDICES

APPENDIX A:

ADDIS ABABA UNIVERSITY
COLLEGE OF EDUCATION
DEPARTMENT OF EDUCATIONAL PLANNING AND MANAGEMENT
[HUMAN RESOURCE AND ORGANIZATIONAL DEVELOPMENT]

Modified Standard Tool to be filled by employees drawn from CRDA member NGOs.

General Direction:-

Organizational capacity refers to the resources, abilities, skills, knowledge processes, and systems employed by the organization to realize its mission and vision effectively and efficiently in sustainable manner.

The modified standard tool is designed to collect data on organizational capacity and capacity development interventions of NGOs focusing on CRDA members. In addition, it aims at gathering information about the role that the umbrella organization is playing to improve its performance in developing capacity of member NGOs. The success of the study depends on quality and timely responses to the tool. Therefore, you are humbly requested to respond to the questions genuinely and frankly.

N.B

❖ *No need to write your name*

INSTRUCTION

1. Indicate your opinion through circling on the rating scale
1-Needs urgent attention/Very Low 2- Needs major Improvement/ Low 3-Needs minor improvement/Medium
4- Acceptable, room for some improvement/ High
5- Acceptable, needs maintaining / Very high
2. Indicate your opinion for choices by marking" X "in the box provided for each question.
3. If it is required, you could mark or circle more than one answer.
4. Use the spaces provided for open ended questions.

Thanks for your time and cooperation!

SECTION I

Background Information

1. Name of Organization _____

2. Year of operation started _____

3. CRDA membership

3.1. Approved in _____ month _____ year

3.2. Current membership status Associate Full

4. NGO type

Local Faith Based International

5. Number of branch/ out teach offices

2-5 6-10 11-15 16-20 Above 20

6. Respondent's

6.1. Sex Male Female

6.2 Age 25 -30 Yrs. 31-35Yrs. 40 Yrs. 4 5 Yrs.
 6 Yrs. and above

6.3. Nationality _____

6.4. Position _____

6.5. Qualification

Diploma BA degree Doing MA degree
 MA degree Doing PHD PHD Other Field of Specialization

6.6. Service year in the current organization

1-3 years 4-5 years 6-10 Above 10 years

7. Any special training received relevant to your position

8. Number of staff in your organization

Type	Number Per Sex		
	M	F	T
Program Staff			
Support Staff			

SECTION II: Organizational capacity as measured in the seven dimensions (Governance, Management Practices, Human Resources, Financial Resources, Service Delivery, External Relations and Sustainability).

3.1 Governance

To what extent does the governing structure of the organization operate? Please rate your opinion about the mentioned dimensions of NGO governance.

Note: The **Governance** of NGOs implies the totality of functions that are required to be carried out in relation to the internal functioning and external relations of organizations.

Board refers to any independent body who oversees the management of the NGO.

Dimensions of capacity	Needs urgent attention	Needs major improvement	Needs minor improvement	Acceptable, room for some improvement	Acceptable, needs maintaining
A. GOVERNANCE					
<i>1. Board</i>					
a. The charter (by laws) provides an adequate legal framework					
b. Board provides overall policy direction and oversight	1	2	3	4	5
c. Board provides accountability and credibility	1	2	3	4	5
d. Board is composed of committed and competent members who represent the varied interests of the stakeholders	1	2	3	4	5
e. Members Own and control the NGO	1	2	3	4	5
<i>2. Legal status</i>					
a. NGO is registered according to the new Charities and Societies proclamation	1	2	3	4	5
b. NGO benefits from the best financial and legal status permissible under Ethiopian Law	1	2	3	4	5
<i>3. Leadership</i>					
a. Set priorities and provide clear direction for the NGO	1	2	3	4	5
b. Direct ,motivate and manage staff	1	2	3	4	5
c. Articulate and communicate core values and visions of the NGO	1	2	3	4	5
d. Accessible to all stakeholders	1	2	3	4	5
e. Competent and committed to the vision	1	2	3	4	5
f. Make decisions in a timely manner	1	2	3	4	5
g. Involve staff in planning and decision making	1	2	3	4	5
h. Handel internal conflicts well	1	2	3	4	5
i. Delegate work and involve staff and members	1	2	3	4	5
J. Provide strategic direction and inspiration	1	2	3	4	5

4. Has the board of your organization received any capacity support from CRDA to improve its governance role? es

5. If your response to item number 6 is 'yes', how useful was the support to you.

least useful less useful useful more useful most useful

6. What aspects of governance would you suggest to the board of your organization to improve?

3.2. Management Practices

To what extent is the ability of your organization to develop and administer programs through smooth internal management systems in a way that supports the mission? Please indicate your opinion regarding the mentioned management practices dimensions.

Dimensions of capacity	Needs urgent attention	Needs major improvement	Needs minor improvement	Acceptable, room for some improvement	Acceptable needs maintaining
B. MANAGEMENT PRACTICES					
1. Organizational Structure					
a. NGO has an organizational structure with clearly defined lines of authority and responsibility	1	2	3	4	5
b. NGO's mission and goals are supported by the structure	1	2	3	4	5
c. Management policies reflect further issues of equity	1	2	3	4	5
d. NGO has policies and procedures in place to ensure mutual accountability to key stakeholders	1	2	3	4	5
e. Systems are in place to ensure appropriate involvement of all levels of staff in decision making	1	2	3	4	5
2. Planning					
a. Inputs from appropriate stakeholders are taken into account during planning	1	2	3	4	5
b. Implementation plans reflect a strategic plan	1	2	3	4	5
c. Resources are planned for and allocated properly	1	2	3	4	5
d. Flexibility exists to adjust plans as a result of the monitoring process	1	2	3	4	5
3. Personnel					
a. Assess needs, recruit and select staff on competitive base	1	2	3	4	5
b. Job descriptions are clearly defined and Staff is deployed according to them	1	2	3	4	5

c. Ensure the staff composition reflects fair gender and equality policy	1	2	3	4	5
d. Provides satisfactory incentives and compensations based on merit	1	2	3	4	5
e. Attract people with good skills and avoid turn over	1	2	3	4	5
4. Programme Development					
a. Stakeholders and staff are involved in programme design, implementation, monitoring and evaluation.	1	2	3	4	5
b. Programmes are consistent with needs, strategies and areas of focus and mission of the NGO	1	2	3	4	5
c. Programme modifications reflect use of monitoring, evaluation and reporting findings	1	2	3	4	5
5. Administrative Procedures					
a. Administrative procedures and manual exist	1	2	3	4	5
b. Administrative procedures are adhered to	1	2	3	4	5
c. Procedures and operating manuals are updated	1	2	3	4	5
6. Programme Reporting					
a. NGO has the ability to produce appropriate reports	1	2	3	4	5
b. NGO regularly prepares activity and evaluation reports	1	2	3	4	5
c. NGO publishes and disseminates information on its operations	1	2	3	4	5
d. Report formats are flexible, varied and respond to stakeholders information requirements	1	2	3	4	5

3.3. Human Resources

To what extent is the Human Resource in your organization selected, retained and trained to make sure that objectives are met? Please indicate your opinion regarding the stated HR dimensions.

Dimensions of capacity	Needs urgent attention	Needs major improvement	Needs minor improvement	Acceptable, room for some improvement	Acceptable, needs maintaining
C. Human Resources					
1. Human Resources Development					
a. Human resources development policy and planning is in place	1	2	3	4	5
b. Staff training is based on capacity, needs and strategic objectives	1	2	3	4	5

c. Opportunities exist to integrate skills acquired in training into the work environment	1	2	3	4	5
d. Job appraisals and promotions are performance based and equitable	1	2	3	4	5
2. Human Resources Management					
a. The right people are assigned in the right place	1	2	3	4	5
a. Adequate and competent staff is deployed	1	2	3	4	5
c. Job descriptions are documented , updated and respected	1	2	3	4	5
d. Clearly established links exist between staff capacity and the NGO mission	1	2	3	4	5
e. Salaries are clearly structured and competitive	1	2	3	4	5
f. HR policy is available and reflective of equality in all spheres	1	2	3	4	5
g. Result – based performance assessment and reward system is in place	1	2	3	4	5
h. Supervision occurs on a regular basis	1	2	3	4	5
i. Grievance and conflict resolution procedures are used when necessary	1	2	3	4	5
J. Health and safety policy is in place	1	2	3	4	5
3. Diversity					
a. Diversity of the community is reflected in the composition of the board and staff	1	2	3	4	5

4. Has the management of your organization participated in any skill enhancement training arranged by CRDA over the past year? Yes No

5. If your response to item number 7 is 'yes', state the title of the training and its duration.

3.4. Financial Resources

To what extent does your organization ensure an accountable and auditable financial system?

Please indicate your opinion about the mentioned financial resource dimensions.

Dimensions of capacity	Needs urgent attention	Needs major improvement	Needs minor improvement	Acceptable room for some improvement	Acceptable needs maintaining
D. Financial Resources					
1. Accounting					
a. Financial procedures and reporting systems are in place	1	2	3	4	5
b. Account categories exist for separating project funds	1	2	3	4	5
2. Diversification of Income Base					
a. NGO has multiple funders	1	2	3	4	5
b. A cost recovery/income generation plans in place	1	2	3	4	5
c. NGO has a strategy to diversity funding sources	1	2	3	4	5

3. What mechanisms are in place to ensure accountability in fund utilization?

4. What is the NGOs future funding strategy?

3.5. Service Delivery

To what extent does the organization involve in new areas of work and respond to priorities of the stakeholders? Please indicate your opinion about the mentioned service delivery dimensions.

Dimensions of capacity	Needs urgent attention	Needs major improvement	Needs minor improvement	Acceptable, room for some improvement	Acceptable ,needs maintaining
E. SERVICE DELIVERY					
1. Sectoral Expertise					
a. Relevant sectoral expertise exists within the organization	1	2	3	4	5
b. Expertise is recognized by the full range of stakeholders	1	2	3	4	5
c. NGO is capable of adapting programme and service delivery to changing needs of stakeholders	1	2	3	4	5
2. Assessment					
a. Monitoring and evaluation system is in place	1	2	3	4	5
b. Collaborative development of indicators	1	2	3	4	5
c. Indicators have been identified for each programme objective	1	2	3	4	5
d. Baseline and impact data are analyzed regularly	1	2	3	4	5
e. Results of monitoring and impact evaluations are used to make adjustments to the programme	1	2	3	4	5
f. Results are disseminated as appropriate/relevant	1	2	3	4	5
3. Marketing and Image Building					
a. Programmes are actively marketed to stakeholders	1	2	3	4	5
b. Organization actively educates and builds awareness among stakeholders	1	2	3	4	5

4. How does the organization use information generated out of monitoring and evaluation activities for quality service delivery?

3. 6. External Relations

To what extent does the organization maintain stable relations with stakeholders and others? Please indicate your opinion about the mentioned external relations dimensions.

Dimensions of capacity	Needs urgent attention	Needs major improvement	Needs minor improvement	Acceptable, room for some improvement	Acceptable, needs maintaining
F. External Relations					
1. Stakeholder Relations					
a. NGO is seen as credible by stakeholders	1	2	3	4	5
b. NGO is seen as a valuable resource by stakeholders	1	2	3	4	5
c. NGO stakeholder relationship is one of partnership for a common purpose	1	2	3	4	5
2 Government Collaboration					
a. NGO has contacts with decision makers	1	2	3	4	5
b. NGO is able to engage policy makers in dialogue	1	2	3	4	5
c. Exchange of resources occurs between NGO and government	1	2	3	4	5
d. NGO activities and recommendations are integrated into government's development plans	1	2	3	4	5
3. Funder Collaboration					
a. NGO has diversified contacts within the funding community	1	2	3	4	5
b. NGO is seen as credible by funders	1	2	3	4	5
c. NGO is seen as a valuable resource by funders	1	2	3	4	5
d. NGO has opportunity to engage in open and frank dialogue with funders	1	2	3	4	5
4. Public Relations					
a. NGO engages in public relations	1	2	3	4	5
b. NGO's objectives and goals are understood by stakeholders	1	2	3	4	5
c. NGO has a positive image among stakeholders	1	2	3	4	5
d. Information is disseminated on the NGO's activities	1	2	3	4	5
5. Local Resources					
a. NGO has relations with the private sector for technical expertise, material and/or human resources	1	2	3	4	5
b. NGO participates in community partnerships	1	2	3	4	5
c. Structures are in place to facilitate working relations between NGO and civil society	1	2	3	4	5

3.7. Sustainability

To what extent does the organization sustain all activities without external support? Please indicate your opinion about the mentioned sustainability dimensions.

Dimensions of capacity	Needs urgent attention	Needs major improvement	Needs minor improvement	Acceptable, room for some improvement	Acceptable, needs maintaining
G. Sustainability					
1. Programme/ Benefit Sustainability					
a. Programmes are supported by those being served	1	2	3	4	5
b. Sense of ownership of benefits by the community	1	2	3	4	5
c. Programme activities can continue due to changes in community	1	2	3	4	5
d. NGO has developed systems for continuation of its programme in the medium and long-term	1	2	3	4	5
e. NGO has developed programmatic phasing-out strategies	1	2	3	4	5
f. NGO ensures that local level skills transfer takes place	1	2	3	4	5
2. Organizational Sustainability					
a. NGO has a shared vision of its role in society	1	2	3	4	5
b. NGO is a member of key NGO networks	1	2	3	4	5
c. NGO shares information in a proactive manner	1	2	3	4	5
d. NGO is a participant in a dynamic development arena	1	2	3	4	5
e. NGO has linkages with international NGOs, education institutions, government entities, research institutes, parastatals, civic institutions and the private sector	1	2	3	4	5
f. NGO has capacity to review structures in response to organizational development needs	1	2	3	4	5
g. NGO is aware of legislation affecting the NGO sector	1	2	3	4	5
h. NGO influences NGO enabling environment	1	2	3	4	5
3. Financial Sustainability					
a. NGO has the ability to access diversified resources to contribute to its activities	1	2	3	4	5
b. NGO has a fee for service and/or other cost recovery mechanisms built into service delivery where appropriate	1	2	3	4	5

c. NGO has a fund raising strategy	1	2	3	4	5
d. NGO has capacity to implement the fund raising strategy	1	2	3	4	5
e. Local fund raising opportunities have been identified	1	2	3	4	5
f. NGO has capacity to develop proposals and respond to tenders	1	2	3	4	5

4. Does the NGO have clear and written phase – out strategy? Yes No

5. If your response to item number 6 is “yes”, could you state some of the skills transfer and empowerment plans.

SECTION III: NGOs Capacity Linkages to Stakeholders Need

To what extent does the NGOs capacity is linked the development needs of their stakeholders? Please indicate your opinion against the issues or items raised.

<i>Issues/Items</i>	Very Low	Low	Medium	High	Very High
<i>1. NGO Governance and Stakeholders</i>					
a. NGO is able to identify key stakeholders	1	2	3	4	5
b. There is recognition of the stakeholders as partners	1	2	3	4	5
c. Results of stakeholder needs assessments are integrated into the planning process	1	2	3	4	5
d. Stakeholders are involved in the review of NGO’s mission and strategies	1	2	3	4	5
<i>2. Stakeholder Commitment/Ownership</i>					
a. Programme priorities are based on actual need	1	2	3	4	5
b. Programme priorities and services are defined in collaboration with stakeholders	1	2	3	4	5
c. Programmes are efficient, adequate, cost effective, timely	1	2	3	4	5

SECTION IV

How well is your organization performing? Please indicate your opinion concerning the stated dimensions of organizational performance.

Dimensions of Organizational Performance	Very Low	Low	Medium	High	Very High
Performance					
1. Effectiveness					
a. The NGO meets its short –term targets in annual work plans.	1	2	3	4	5
b. The NGO achieves most of its objectives	1	2	3	4	5
c. Achievements compared well with other similar organizations	1	2	3	4	5
d. Performance gaps and opportunities are identified quickly and bridged	1	2	3	4	5
2. Efficiency					
a. NGO achieved objectives without using more resources than necessary	1	2	3	4	5
b. NGO economically converted resources/inputs,(funds, expertise, time, etc.) into results	1	2	3	4	5
c. Interventions use least costly resources	1	2	3	4	5
d. Alternative approaches are employed to achieve the same outputs	1	2	3	4	5
e. Decisions made as close to where services are delivered	1	2	3	4	5
f. Overhead cost is as low as possible	1	2	3	4	5
g. Deliverables achieved on time and on budget	1	2	3	4	5
3. Relevance					
a. The interventions meet stakeholders/users needs and priorities	1	2	3	4	5
b. Interventions are consistent with donor policies	1	2	3	4	5
c. Interventions are useful for target groups	1	2	3	4	5
4. Sustainability					
a. The NGO can sustain its activities without outside financial support	1	2	3	4	5
b. The NGO can manage all its activities with outside staff support	1	2	3	4	5
c. The NGO generates an increasing level of domestic financial resources	1	2	3	4	5
d. There are a good prospects to sustain all activities without external support	1	2	3	4	5

SECTION - V

What key capacity need identified and developed by CRDA and members? Please indicate your opinion below.

1. Has the NGO conducted any sort of capacity assessment?
 Yes No
2. If your response to item number "1" is yes, who made the capacity needs assessment?
 NGO management NGO Board Communities
 CRDA NGO and Stakeholders
3. What are the most critical capacity gaps that are identified?

4. What methods /strategies /interventions has CRDA used to bridge the gaps?
 - a. Facilitation
 - b. Advice
 - c. Training/Workshops/Seminars
 - d. Research
 - e. Grant
 - f. Exchange of knowledge experience
 - g. Technical support
 - h. Management (as a strategy)
 - i. Implementation (as a strategy)

Other please specify

To what extent has CRDA addressed such gaps?

- Ineffectively less effectively effectively
 more effectively most effectively

5. To what extent does CRDA collaborate with external /specialized institutions in providing capacity development support? Would this be useful?

Anything you want to add as an input for this study

Thank you!

Appendix B: FOCUS GROUP DISCUSSION / FDG POINTS

Participants: CRDA Capacity Development Officers

QUESTIONS

1. What sorts of things does CRDA as an umbrella NGO trying to help its members accomplish better or differently?
2. In your work with member NGOs, donors and other partners, projects have objectives and deliverables and that sort of thing, are there any kinds of capacity constraints that tend encounter, and find yourself having to overcome? What are some of the capacity – gaps in relation to member NGOs (local Vs international)?
3. When you design capacity – development programs, are there (strategies) specific activities that you build in from the out-set aimed at helping develop members/ partners capacities? What are some these activities or components?
 - (Probe: Are approaches within projects, or is the project itself the approach?)
4. Could you specifically explain the major contributions that CRDA has been rendering to enhance the seven capacity elements of NGOs: governance, management practices, human resources, financial resources, service delivery, external relations and sustainability.
5. How do you explain the linkage between your capacity-development interventions with the performance of member organizations or development needs of their stakeholders?
6. What are the major problems and challenges you encountered in the enhancement of member NGOs capacity?

Appendix C: KEY INFORMANTS INTERVIEW GUIDE

Participants: Stakeholders (Addis Ababa NGO Desk, MoJ, CSA, Donors)

QUESTIONS

1. What is the state of relationship between CRDA and its member NGOs with
2. Do you think CRDA member NGOs have sufficient capacity to effectively and efficiently fulfill their role? If not, please elaborate on the gaps comparing the local and international NGOs.
3. What roles do you perceive for umbrella organizations such as CRDA in the development of members capacity?
4. What is the government and donors approach/strategy to developing capacity of NGOs?
5. Do you have performance monitoring frameworks to track the progress of CRDA/ member NGOs? If yes, could you explain about the system?
6. Which elements of capacity (governance, management practices, human resources, financial resources, service delivery, external relations and sustainability) do you think CRDA member NGOs need to replicate and /or improve in order to satisfy the development needs of stakeholders?

Appendix D: List of sample NGOs selected for the study

S/N	Name of the NGO	Type	
		Loc.	Int.
1	CCF Canada /Inc.		X
2	Professional Development Association for Ethiopia/PADET	X	
3	Abebech Gobena Yehesanat Kebekabena Limat Dirjit	X	
4	Action Aid Ethiopia		X
5	Center for Development Initiative	X	
6	Save the Children /U.S.A		X
7	Association for the Nation Wide Action for Prevention and Protection Against Child Abuse and neglect /ANPPCAN	X	
8	Birhan Integrated Community Development Association	X	
9	Self-Help Development International		X
10	Dan Church Aid		X
11	CARE -Ethiopia		X
12	Plan Ethiopia		X
13	African Development Aid Association	X	
14	Volunteer Service Overseas		X
15	Forum on Street Children	X	
16	Mary Joy Aid Through Development	X	
17	Ethiopian Rural Self-help Association	X	
18	Child Fund Ethiopia		X
19	Propride	X	
20	Concern International -Ethiopia		X
21	Agri Service Ethiopia	X	
22	New vision in Education Association	X	
23	CHAD -ET	X	
24	Jerusalem Children and Community Development Organization	X	
25	Good Shepherd family Care Services	X	
26	Ethiopian Orthodox Church /DICAC	X	

Appendix E: Table Annex

Table 5: Leadership Qualities and Accessibility

Leadership	Responses	Missing	Local	International	Total	X ²
Set priorities and provide clear direction for the NGO	missing	0	1(1.9)	0	1(1.0)	23.06006 0.002903
	NUA	0	2(3.8)	0	2(2.1)	
	NMI	0	5(9.6)	7(16.3)	12(12.4)	
	NMI	0	12(23.1)	24(55.8)	36(37.1)	
	ARSI	0	16(30.8)	7(16.3)	23(23.7)	
	ANM	2(100.0)	16(30.8)	5(11.6)	23(23.7)	
Total		2(100)	52(100)	43(100)	97(100)	
Direct ,motivate and manage staff	missing	0	1(1.9)	0	1(1.0)	26.2371 0.000944
	NUA	0	1(1.9)	0	1(1.0)	
	NMI	0	6(11.5)	6(14.0)	12(12.4)	
	NMI	0	8(15.4)	1(2.3)	9(9.3)	
	ARSI	0	24(46.2)	34(79.1)	58(59.8)	
	ANM	2(100.0)	12(23.1)	2(4.7)	16(16.5)	
Total		2(100)	52(100)	43(100)	97(100)	
Articulate and communicate core values and visions of the NGO	NUA	0	1(1.9)	0	1(1.0)	19.14007 0.004909
	NMI	0	3(5.8)	0	3(3.1)	
	NMI	0	13(25.0)	10(23.3)	23(23.7)	
	ARSI	0	18(34.6)	28(65.1)	46(47.4)	
	ANM	2(100.0)	17(32.7)	5(11.6)	24(24.7)	
Total		2(100)	52(100)	43(100)	97(100)	
Accessible to all stakeholders	missing	0	1(1.9)	0	1(1.0)	11.27798 0.794379
	NUA	0	1(1.9)	0	1(1.0)	
	NMI	0	1(1.9)	0	1(1.0)	
	NMI	0	16(30.8)	11(25.6)	27(27.8)	
	ARSI	1(50.0)	25(48.1)	24(55.8)	50(51.5)	
	ANM	1(50.0)	8(15.4)	8(18.6)	17(17.5)	
Total		2(100)	52(100)	43(100)	97(100)	

Competent and committed to the vision	missing	0	0	1(2.3)	1(1.0)	17.52017 0.052523
	NUA	0	1(1.9)	0	1(1.0)	
	NMI	0	7(13.5)	2(4.7)	9(9.3)	
	NMI	0	10(19.2)	8(18.6)	18(18.6)	
	ARSI	1(50.0)	18(34.6)	27(62.8)	46(47.4)	
	ANM	1(50.0)	16(30.8)	5(11.6)	22(22.7)	
Total		2(100)	52(100)	43(100)	97(100)	
Make decisions in a timely manner	NUA	0	2(3.8)	0	2(2.1)	16.6247 0.014633
	NMI	0	4(7.7)	1(2.3)	5(5.2)	
	NMI	0	15(28.8)	8(18.6)	23(23.7)	
	ARSI	0	19(36.5)	29(67.4)	48(49.5)	
	ANM	2(100.0)	12(23.1)	5(11.6)	19(19.6)	
Total		2(100)	52(100)	43(100)	97(100)	
Involve staff in planning and decision making	missing	0	0	1(2.3)	1(1.0)	20.48675 0.011066
	NUA	0	2(3.8)	0	2(2.1)	
	NMI	0	5(9.6)	1(2.3)	6(6.2)	
	NMI	0	11(21.2)	7(16.3)	18(18.6)	
	ARSI	1(50.0)	13(25.0)	26(60.5)	40(41.2)	
	ANM	1(50.0)	21(40.4)	8(18.6)	30(30.9)	
Total		2(100)	52(100)	43(100)	97(100)	
Handel internal conflicts well	missing	0	0	1(2.3)	1(1.0)	13.28468
	NUA	0	2(3.8)	0	2(2.1)	
	NMI	0	4(7.7)	0	4(4.1)	
	NMI	0	10(19.2)	9(20.9)	19(19.6)	
	ARSI	1(50.0)	27(51.9)	28(65.1)	56(57.7)	
	ANM	1(50.0)	9(17.3)	5(11.6)	15(15.5)	
Total		2(100)	52(100)	43(100)	97(100)	
Delegate work and involve staff and members	missing	0	1(1.9)	0	1(1.0)	24.67827 0.001616
	NUA	0	4(7.7)	0	4(4.1)	
	NMI	0	5(9.6)	2(4.7)	7(7.2)	
	NMI	0	11(21.2)	2(4.7)	13(13.4)	
	ARSI	0	24(46.2)	35(81.4)	59(60.8)	
	ANM	2(100.0)	7(13.5)	4(9.3)	13(13.4)	
Total		2(100)	52(100)	43(100)	97(100)	
Provide strategic direction and inspiration	NUA	0	3(5.8)	0	3(3.1)	15.05354 0.028907
	NMI	0	4(7.7)	3(7.0)	7(7.2)	
	NMI	0	10(19.2)	18(41.9)	28(28.9)	
	ARSI	0	26(50.0)	18(41.9)	44(45.4)	
	ANM	2(100.0)	9(17.3)	4(9.3)	15(15.5)	
Total		2(100)	52(100)	43(100)	97(100)	

NB. N =Number of respondents 0.05 a levels NUA-Needs Urgent Attention, NMI-needs Major Improvement, NMI-Needs Minor Improvement ARSI-Acceptable, Room for Some Improvement, ANM -Acceptable, Needs Maintaining(Other Tables Follow the same explanation)

Table 13: Practices of NGOs Human Resource Management

Human Resource Management	Responses	NGO type			Total	X ² P-value
		missing	Local	Intern.		
The right people are assigned in the right place	NUA	0	2(3.8)	0	2(2.1)	15.53082 0.027538
	NMI	0	3(5.8)	1(2.3)	4(4.1)	
	NMI	0	18(34.6)	13(30.2)	31(32)	
	ARSI	0	22(42.3)	27(62.8)	49(50.5)	
	ANM	2(100)	7(13.5)	2(4.7)	11(11.3)	
Total		2(100)	52(100)	43(100)	97(100)	
Adequate and competent staff is deployed	NUA	0	1(1.9)	0	1(1)	20.60758 0.002287
	NMI	0	9(17.3)	5(11.6)	14(14.4)	
	NMI	0	14(26.9)	13(30.2)	27(27.8)	
	ARSI	1(50)	14(26.9)	24(55.8)	39(40.2)	
	ANM	1(50)	14(26.9)	1(2.3)	16(16.5)	
Total		2(100)	52(100)	43(100)	97(100)	
Job descriptions are documented, updated and respected	NUA	0	1(1.9)	0	1(1)	17.55456 0.011549
	NMI	0	4(7.7)	0	4(4.1)	
	NMI	0	22(42.3)	13(30.2)	35(36.1)	
	ARSI	150 ()	16(30.8)	27(62.8)	44(45.4)	
	ANM	1(50)	9(17.3)	3(7)	13(13.4)	
Total		2(100)	52(100)	43(100)	97(100)	
Clearly established links exist between staff capacity and the NGO mission	NUA	0	2(3.8)	0	2(2.1)	13.35975 0.069092
	NMI	0	6(11.5)	3(7)	9(9.3)	
	NMI	0	18(34.6)	10(23.3)	28(28.9)	
	ARSI	1(50)	19(36.5)	28(65.1)	48(49.5)	
	ANM	1(50)	7(13.5)	2(4.7)	10(10.3)	
Total		2(100)	52(100)	43(100)	97(100)	
Salaries are clearly structured and competitive	missing	1(50)	1(1.9)	2(4.7)	4(4.1)	14.5663 0.162798
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	7(13.5)	5(11.6)	12(12.4)	
	NMI	0	12(23.1)	9(20.9)	21(21.6)	
	ARSI	1(50)	26(50)	27(62.8)	54(55.7)	
	ANM	0	5(9.6)	0	5(5.2)	
Total		2(100)	52(100)	43(100)	97(100)	
HR policy is available and reflective of equality in all spheres	Missing	0	1(1.9)	0	1(1)	16.06308 0.083207
	NUA	0	2(3.8)	0	2(2.1)	
	NMI	0	7(13.5)	1(2.3)	8(8.2)	
	NMI	0	19(36.5)	15(34.9)	34(35.1)	
	ARSI	1(50)	14(26.9)	22(51.2)	37(38.1)	
	ANM	1(50)	9(17.3)	5(11.6)	15(15.5)	
Total		2(100)	52(100)	43(100)	97(100)	

Result – based performance assessment and reward system is in place	Missing	0	2(3.8)	1(2.3)	3(3.1)	17.19775 0.042008
	NUA	0	5(9.6)	1(2.3)	6(6.2)	
	NMI	0	4(7.7)	3(7)	7(7.2)	
	NMI	0	13(25)	23(53.5)	36(37.1)	
	ARSI	2(100)	22(42.3)	15(34.9)	39(40.2)	
	ANM	0	6(11.5)	0	6(6.2)	
Total		2(100)	52(100)	43(100)	97(100)	
Supervision occurs on a regular basis	NUA	0	9(17.3)	1(2.3)	10(10.3)	15.14296 0.023338
	NMI	0	7(13.5)	6(14)	13(13.4)	
	NMI	0	19(36.5)	25(58.1)	44(45.4)	
	ARSI	0	11(21.2)	7(16.3)	18(18.6)	
	ANM	2(100)	6(11.5)	4(9.3)	12(12.4)	
Total		2(100)	52(100)	43(100)	97(100)	
Grievance and conflict resolution procedures are used when necessary	NUA	0	3(5.8)	0	3(3.1)	24.14686 0.000297
	NMI	0	12(23.1)	6(14)	18(18.6)	
	NMI	0	10(19.2)	24(55.8)	34(35.1)	
	ARSI	0	23(44.2)	11(25.6)	34(35.1)	
	ANM	2(100)	4(7.7)	2(4.7)	8(8.2)	
Total		2(100)	52(100)	43(100)	97(100)	
Health and safety policy is in place	NUA	0	3(5.8)	0	3(3.1)	19.24036 0.004004
	NMI	0	8(15.4)	1(2.3)	9(9.3)	
	NMI	0	21(40.4)	29(67.4)	50(51.5)	
	ARSI	0	11(21.2)	10(23.3)	21(21.6)	
	ANM	2(100)	9(17.3)	3(7)	14(14.4)	
Total		2(100)	52(100)	43(100)	97(100)	

Table 26: Organizational Sustainability and Enabling Environment

Organizational Sustainability	Responses	NGO type			Total	X ² P-value
		Missing	Local	Intern.		
NGO has a shared vision of its role in society	NUA	0	1(1.9)	0	1(1)	15.73348 0.025553
	NMI	0	3(5.8)	1(2.3)	4(4.1)	
	NMI	0	13(25)	24(55.8)	37(38.1)	
	ARSI	2(100)	21(40.4)	13(30.2)	36(37.1)	
	ANM	0	14(26.9)	5(11.6)	19(19.6)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO is a member of key NGO networks	Missing	0	2(3.8)	0	2(2.1)	16.74514 0.096771
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	0	1(2.3)	1(1)	
	NMI	0	6(11.5)	7(16.3)	13(13.4)	
	ARSI	1(50)	21(40.4)	27(62.8)	49(50.5)	
	ANM	1(50)	22(42.3)	8(18.6)	31(32)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO shares information in a proactive manner	Missing	0	1(1.9)	0	1(1)	17.41739 0.071289
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	3(5.8)	3(7)	6(6.2)	
	NMI	0	11(21.2)	18(41.9)	29(29.9)	
	ARSI	2(100)	29(55.8)	22(51.2)	53(54.6)	
	ANM	0	7(13.5)	0	7(7.2)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO is a participant in a dynamic development arena	Missing	0	1(1.9)	0	1(1)	15.91691 0.104895
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	3(5.8)	3(7)	6(6.2)	
	NMI	0	13(25)	22(51.2)	35(36.1)	
	ARSI	1(50)	18(34.6)	12(27.9)	31(32.)	
	ANM	1(50)	16(30.8)	6(14)	23(23.7)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO has linkages with international NGOs, education institutions, government entities, research institutes, parastatals, civic institutions and the private sector	NUA	0	1(1.9)	0	1(1)	22.47525 0.001095
	NMI	0	1(1.9)	0	1(1)	
	NMI	0	11(21.2)	26(60.5)	37(38.1)	
	ARSI	1(50)	23(44.2)	12(27.9)	36(37.1)	
	ANM	1(50)	16(30.8)	5(11.6)	22(22.7)	
Total		2(100)	52(100)	43(100)	97(100)	

To be continued

NGO has capacity to review structures in response to organizational development needs	NUA	0	1(1.9)	0	1(1)	10.63527 0.271462
	NMI	0	3(5.8)	0	3(3.1)	
	NMI	0	13(25)	12(27.9)	25(25.8)	
	ARSI	1(50)	20(38.5)	24(55.8)	45(46.4)	
	ANM	1(50)	15(28.8)	7(16.3)	23(23.7)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO is aware of legislation affecting the NGO sector	Missing	0	1(1.9)	0	1(1)	16.33122 0.119648
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	2(3.8)	0	2(2.1)	
	NMI	0	9(17.3)	8(18.6)	17(18.6)	
	ARSI	1(50)	25(48.1)	31(72.1)	57(58.8)	
	ANM	1(50)	14(26.9)	4(9.3)	19(19.6)	
Total		2(100)	52(100)	43(100)	97(100)	
NGO influences NGO enabling environment	Missing	0	2(3.8)	0	2(2.1)	18.35009 0.033661
	NUA	0	1(1.9)	0	1(1)	
	NMI	0	2(3.8)	0	2(2.1)	
	NMI	0	14(26.9)	7(16.3)	21(21.6)	
	ARSI	1(50)	16(30.8)	28(65.1)	45(46.4)	
	ANM	1(50)	17(32.7)	8(18.6)	26(26.8)	
Total		2(100)	52(100)	43(100)	97(100)	

Table 31: Efficiency of NGOs

Efficiency	Responses	NGO type			Total	X ² P-value
		missing	Local	International		
NGO achieved objectives without using more resources than necessary	Very Low	0	1(1.9)	0	1(1.0)	20.884 0.003
	Low	0	7(13.5)	2(4.7)	9(9.3)	
	Medium	0	9(17.3)	4(9.3)	13(13.4)	
	High	2(100.0)	21(40.4)	35(81.4)	58(59.8)	
	Very High	0	14(26.9)	2(4.7)	16(16.5)	
	Total	2(100)	52(100)	43(100)	97(100)	
NGO economically converted resources /inputs (funds, expertise ,time, etc.) into results	Very Low	0	1(1.9)	0	1(1.0)	12.099 0.121
	Low	0	7(13.5)	3(7.0)	10(10.3)	
	Medium	0	13(25.0)	19(44.2)	32(33.0)	
	High	2(100.0)	18(34.6)	17(39.5)	37(38.1)	
	Very High	0	13(25.0)	4(9.3)	17(17.5)	
	Total	2(100)	52(100)	43(100)	97(100)	
Interventions use least costly resources	missing	0	4(7.7)	1(2.3)	5(5.2)	23.858 0.002
	Very Low	0	1(1.9)	0	1(1.0)	
	Low	0	7(13.5)	1(2.3)	8(8.2)	
	Medium	0	7(13.5)	22(51.2)	29(29.9)	
	High	1(50.0)	23(44.2)	15(34.9)	39(40.2)	
	Very High	1(50.0)	10(19.2)	4(9.3)	15(15.5)	
	Total	2(100)	52(100)	43(100)	97(100)	
Alternative approaches are employed to achieve the same outputs efficiency	Very Low	0	2(3.8)	0	2(2.1)	18.267 0.007
	Low	0	10(19.2)	2(4.7)	12(12.4)	
	Medium	1(50.0)	10(19.2)	10(23.3)	21(21.6)	
	High	0	23(44.2)	30(69.8)	53(54.6)	
	Very High	1(50.0)	7(13.5)	1(2.3)	9(9.3)	
	Total	2(100)	52(100)	43(100)	97(100)	
Decisions made as close to where services are delivered	missing	0	1(1.9)	0	1(1.0)	11.537 0.560
	Very Low	0	1(1.9)	0	1(1.0)	
	Low	0	4(7.7)	0	4(4.1)	
	Medium	0	4(7.7)	4(9.3)	8(8.2)	
	High	2(100.0)	36(69.2)	31(72.1)	69(71.1)	
	Very High	0	6(11.5)	8(18.6)	14(14.4)	
	Total	2(100)	52(100)	43(100)	97(100)	