

AN ANALYSIS OF THE IMPACT OF REDUCED DONOR FUNDING ON
SUSTAINABILITY OF NAMIBIA NETWORK OF AIDS SERVICE
ORGANISATIONS (NANASO)

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ABSTRACT

The aim of this study was to analyse the impact of reduced funding on sustainability of the projects carried out by NGOs in Namibia. The sub objectives of the study was to analyse the impact of reduced level of financing by donors on the project sustainability of NANASO in Namibia, to analyse the impact of stakeholder participation on the project sustainability of NANASO in Namibia and finally to determine ways in which NANASO can become financially sustainable in the event of donor reduced funding. This study is significant to NANASO, other NGOs, the government, public and private sector, as well as researchers as it intends to identify the outcomes of reduced donor funding on NGO project sustainability. Sustainability of NANASO and other NGOs is crucial as their objectives and activities contributes to the reduction of the HIV/AIDS pandemic in the community. The findings of this study will also serve as a basis for future research in the same line of study. The research design for this study was descriptive research design and was deemed suitable as it reported the situation as it is without changing any variables of the impact of reduced funding and sustainability of NGOs. The approach used to collect data for this study was a quantitative one. Probability sampling in the form of multi stage sampling was used to select the sample for the study from the population. Data was collected using questionnaires having both open and closed ended questions. Quantitative data was analysed through inferential statistics using the Statistical Packages for Social Sciences (SPSS). The findings of the study revealed that reduced donor funding has a negative impact on project sustainability as it impacts on the adequacy of resources needed for the project and on the attainment of objectives as there will be limited financial resources. It was recommended that to ensure project sustainability after reduced funding,

NANASO should consider collaboration with other NGOs and also working closely with various stakeholders from both the public and private sectors.

Key words: Donor funding; Project sustainability; Stakeholders

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LIST OF ABBREVIATIONS AND ACRONYMS

AIDS	- Acquired Immune Deficiency Syndrome
ARV	- Antiretroviral
BONEPWA	-Botswana Network of People Living with HIV/AIDS.
HIV	- Human Immuno-Deficiency Virus
COHENA	- Advanced Community Health Care Services Namibia
COVID-19	- Coronavirus Disease of 2019.
NANASO	- Namibia Network of Aids Service Organisations
NGOs	- Non Governmental Organisations
SFH	- Society for Family Health
SPSS	- Statistical Package for the Social Sciences
TAC	- Treatment Action Group
UNAM	- University of Namibia
USAID	- United States Agency for International Development

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May you all be blessed.

DEDICATION

This thesis is dedicated to my family, my husband Romeo Simasiku and my children, Anna and Monde, for their support, sacrifice and the contributions they made during this study.

DECLARATION

I, Bestinah Wanga Lishoni hereby declare that this study is a true reflection of my own research and that this work or part thereof has not been submitted for a degree to any other institution of higher education. No part of this thesis may be reproduced, stored in any retrieval system, or transmitted in any form, or by means (e.g., electronic, mechanical, photocopying, recording or otherwise) without the prior permission of the author, or University of Namibia on my behalf.

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OCTOBER 2023

Bestinah Wanga Lishoni

Date

CHAPTER 1

INTRODUCTION

1. Introduction

1.1 Background of the Study

Non-Governmental Organisations (NGOs) play a crucial role in the society by encouraging equality. For more than five decades, projects implemented by NGOs have been mainly financed by donor-funding and research efforts have been directed towards understanding the planning, implementation and impacts of donor-funded projects (Muluh, Kimengsi & Azibo, 2019). Although there have been many researches on donor funding and NGOs, not enough information exists on the impact of reduced donor funding on the project sustainability of NGOs in Namibia, hence the need for this research. According to Chizimba (2013), project sustainability implies the ability of a project to continue in operation to achieve its purpose for the longest time possible after the donor withdraws support. Williamson (2010) revealed that there is an alarming rate of unsustainability of projects whereby upon a donor leaving, the NGO can no longer sustain the project. In the same sentiments, Mugambi (2016) pointed out that majority of donor funded projects have been noted to become non-operational on termination of donor support. According to Makwatikizo (2019), donors downscaling their financial support to Namibian NGOs has led to youths losing their jobs, reduce the quality and or quantity of support to the community and not achieving its goals. Thus, these reasons support the need for this study in the Namibian context. In the context of this research, sustainability represents the capacity of project beneficiaries to continue operating after donor funding has either been reduced or ended.

1.2 Statement of the Problem

In Namibia, many NGOs continue to close down and are struggling financially as donors are pulling out. Recently, the Namibia Network of AIDS Service Organisations (NANASO)'s Executive Director reported a decrease in funding from Global Fund, from 1,4 billion to 450 million in three years. This has resulted in the organisation's membership reducing from over 400 registered NGOs in 2010 to a mere 233 members due to drying-up of funds because of donor-funding withdrawals in recent years (Menges, 2018). This scenario is an indication that the projects by NGOs in Namibia might not be sustainable after donors have pulled out funding. However, Mwetulundila (2019) commented that despite the pulling out of donors in Namibia, NGOs are able to fully sustain their projects as donor aid is not the only key factor in successful project implementation. This makes the impact of reduced donor funding on project sustainability debatable, hence unknown in the context of Namibian NGOs.

The rationale behind this study is that projects by NANASO contribute in the fight to reduce the negative impacts of HIV/AIDS. If NANASO is to scale down or to shut down completely, this might mean a slowdown in the fight for HIV, an increased prevalence rate, which might cause numerous problems like a widening gap between the rich and the poor, more transactional sex by poor people to sustain their medical bills and unemployment. Namibia Institute for Health Metrics and Evaluation (2015) revealed that HIV/AIDS in Namibia is a critical public health issue and has been the leading cause of deaths in Namibia since 1996. Although the prevalence rate has declined, Namibia still has some of the highest rates of HIV in the world. According to Newaka (2019), two hundred thousand people are living with HIV in Namibia, which is a prevalence rate of about 12% and viral suppression has already surpassed international targets as of 2019. Reduced donor

funding can cause numerous problems to resurface due to the likely increase of the HIV prevalence rate, hence the need to analyse the impact of reduction of donor funding on the sustainability of NGOs so that mitigation strategies can be put in place to ensure continued growth and sustainability of NGOs. The impact of the reduced donor funding on the sustainability of NGOs has not been systematically studied, hence the consequences thereof are not known, thus the need for this study.

1.3 Objectives of the Study

The aim of the study was to analyse the impact of reduced level of financing by donors on the project sustainability of NANASO in Namibia.

Sub-objectives:

1. To determine the level of donor financing on project performance.
2. To analyse the impact of stakeholder participation on the project sustainability of NANASO in Namibia.
3. To determine ways in which NANASO can achieve sustainability in the event of donor reduced funding.

1.4 Significance of the Study

This study is significant to NANASO, other NGOs, the government, public and private sectors, as well as researchers as it intends to identify the outcomes of reduced donor funding on project sustainability. Knowledge on the impact of reduced funding can help NANASO, other NGOs, the government and the private sector to work together to find ways which can keep the NGOs operational and recommend ways for NGOs to be able to continue with their operations in the event of donors funding reduction or coming to an end. Sustainability of NANASO and other

NGOs is crucial as their objectives and activities contributes to the reduction of the HIV/AIDS pandemic in the community. Sustainability of NANASO will help the health sector to channelize the resources from the HIV burden to other health needs. The findings of this study will also serve as a basis for future research in the same line of study.

1.5 Limitations of the Study

- The research was limited in scope as the sample selected was limited to the employees of the NGOs under NANASO. Access to people and documents might limit the data collected as well as lack of availability of reliable data was likely to limit the scope of the study.
- Bias was an expected limitation to the study, as participants might not be honest in answering the questions. In order to encourage the participants to answer honestly and to reduce bias, names were not used.
- Face to face surveys were a challenge due to COVID-19 pandemic which requires social distancing and other safety precautions which makes it difficult for face to face surveys. In order to mitigate the face to face survey constraint, the researcher managed to send some of the questionnaires online and some were sent to participants who were not available for face to face via emails.

1.6 Delimitations of the Study

This research was only carried out at NANASO and will not cover other NGOs which are not part of NANASO Network. Furthermore, the study was only based in Windhoek, at the NANASO Head office and did not cover other regions.

1.7 Definitions of Terms

Community - Is any group of people sharing common purpose, are interdependent for the fulfilment of certain needs, are in proximity and interact on regular basis.

Development - is to lead long and healthy lives, to be knowledgeable, to have access to the resources needed for a decent standard of living and to be able to participate in the life of the community.

NGO - refers to the private organizations not established by government or by inter-governmental agreement which are capable of playing a role in international affairs by virtue of their activities or as private international organizations that serve as a mechanism for cooperation among private national groups in international affairs.

Project - is any endeavour in which human, material and financial resources are organized in a novel way, to undertake a unique scope of work, of given specification, with constraints of cost and time, so as to achieve beneficial change defined by quantitative and qualitative objectives.

Sustainability - is the organizational, technical and financial capacity of programs to continue beyond the program funding period.

Sustainable Development - development is sustainable if it meets the developmental and environmental policy needs of the present without compromising the ability of future generations to meet their own needs

1.8 Organization of the Study

The research report is organised into five chapters. This chapter contains the background of study, the statement of the problem, purpose of study, objectives, research questions, significance, limitations, delimitations, assumptions, definition of terms and organization of the study and summary. Chapter two presents a review of literature and relevant research on the problem under study and the theoretical framework. Chapter three presents the research methodology involving study design, location of study, target population, sampling procedures and sample size, research instruments/tools and their validity and reliability, procedures used for data collection, methods of data analysis, ethical issues and operationalization of the study variables. Chapter four contains data analysis, interpretation presentation and discussions. It also includes personal information of the respondents, followed by findings arranged according to the objectives of the study. Chapter five contains the summary of the study, conclusions and recommendations of the study including the lessons learnt from the findings leading to suggestions of further investigations on the factors influencing sustainability of development of donor funded projects.

1.9 Chapter Summary

This chapter gave a brief overview of the study starting with the introductory background of the study, statement of the problem, the objectives of the research, significance of the study, limitations, delimitations, definition of the main terms and ending with the thesis outline. The next chapter looks at the theoretical aspects of the study by means of a literature review.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter presents the literature review which outlines the history of NANASO and its decreasing funding over the years. The chapter also looks at the direct impact of reduced financing by the donors on project sustainability and also the impact of stakeholder participation on project sustainability as well as ways in which NGOs can sustain their projects after losing funds.

2.2 Sustainability of an Organisation

As stated by Kang'ethe and Manomano (2014), sustainability is measured by performance and effectiveness and sustainability is the ability of management to take care of the organization in the near future. An organization's financial sustainability is the ability to take advantage of opportunities and is usually combined with financial capacity (Davis, 2013).

According to Kang'ethe and Manomano (2014), there are a number of things that determine the sustainability of NGOs such as cooperation with other stakeholders, diversification of financial benefits, sound financial management practices, generation of own income and good working relationship with donor partners. Agere (2014) pointed out that funding is crucial to the survival of NGOs, and they are mostly struggling when they depend mainly on governmental funding and thus, NGOs should look for different ways to make their activities more sustainable. According to Mikeladze (2021), sustainability can be in financial terms whereby an NGO has the ability to raise funds or generate income in order to be able to perform necessary actions and can be measured by

the difference between income and expenditure, as well as by the increase in income to emphasize the organization's liquidity and its ability to remain in working condition.

2.3 An overview of NANASO

The Namibia Networks of AIDS Service Organisations (NANASO) is a National Network comprising of national networks of AID Service Organisations (ASOs). NANASO supports a number of organisations as well as individuals. The services offered include Training, Advocacy, Libraries Distribution hubs, community network and building AIDS competent communities. In addition, “NANASOs task is to distribute and administer the funds to civil societies and NGOs doing the actual work to fight HIV/AIDS, Tuberculosis and Malaria” (Kapitako, 2018). NANASO has always been an organisation which concentrated on delivering one programme to the community, this can always lead to a decline in funding if the donors no longer want to fund that programme and this was the case for NANASO ‘when international donors began to pull their funding from Namibia in favour of internal resources after the World Bank designated Namibia an upper middle-income country’ says USAID (2014). According to USAID, (2014) “in December 2012, the organization was paralyzed by inadequate funding and low staff moral”. USAID, 2014 further outlines that In August 2013 NANASO signed a new contract with Global Fund grant on HIV and Tuberculosis worth \$28 million’. These adequate funds didn’t last long though as in 2018, Global Fund then reduced its funding for NANASO for 3 years from 2018 to 2020 from an estimated grant of 1.4 billion to only N\$450 million for a period of 3 years reported Menges, (2018).

Because of the reduced funding, NANASO had to cut down the programmes funded by the Global to only four. “Out of the 10 organisations that are programmed under NANASO as recipients of the Global Fund grant, only two were retained due to the reduced funding” (Menges, 2018). The two programmes retained are Society for Family Health (SFH) and Positive Vibes and two more new programmes were added which are Cohena and Walvis Bay Corridor Group. All other NGOs that were now removed have had to cut their support to the communities they were supporting which can lead to a negative impact in terms of their health and also the positions that were funded by Global Funds money had to be retrenched and let go.

2.4 Theoretical Literature

2.4.1 Resource Dependency Theory

Postulated by Pfeffer and Salancik (2003), resource dependency theory has become a useful framework for examining the relationship between an organisation and its external environment. Factors such as resource criticality (a measure of an organisations’ ability to function in the absence of a resource) and concentration (availability of alternative sources for the same resource) as well as ability of external powers to determine resource allocation are central to understanding the external environment of organisations. Research on resource dependency theory has advanced the view that actors who have control of resources exert power especially when there is a high dependency. In this regard, the relationship between NGOs and donors is mostly supply led, which reflects a type of relationship where donors set the goals of programmes because of NGOs’ high dependence for funding (AbouAssi, 2013).

This relationship also reflects the situation that makes NGOs closer to their donors rather than the communities they claim to support (Banks et al., 2015). This follows that, because many NGOs have for a long time, depended significantly on foreign donors, the reported changing aid architecture and the associated withdrawal, decline and re-prioritisation of foreign aid could have a threatening effect on their continued existence and programmes.

Resource dependency theory therefore sheds light on the effect of power on NGOs behaviour and how they adopt strategies to safeguard organisational autonomy. Interestingly, Pfeffer and Salancik (2003) highlight that although resource dependence results in the exertion of power and control, the role of organisational management is to devise strategies for managing such dependence in order to ensure resource stability, organisational autonomy and interest. The specific strategies include resource diversification, formation of alliances through mergers and acquisition, co-optation and compliance to the demands of resource actors.

Given this context, the article drew on resource dependency theory as a framework to understand how NGOs in Namibia are constrained by the changes in their external environment and the various attempts being made to adjust amidst reduced donor funding to ensure their sustainability.

2.4.2 Resource-based theory

The resource-based theory is based on the principle of economic rent and on the premise that an organisation is a system made up of a collection of capabilities (Mutinda & Ngahu, 2016). According to Omeri (2015) the resource-based theory relies on the internal resources of an organization to explain organization competitiveness in performance and strategy. The study

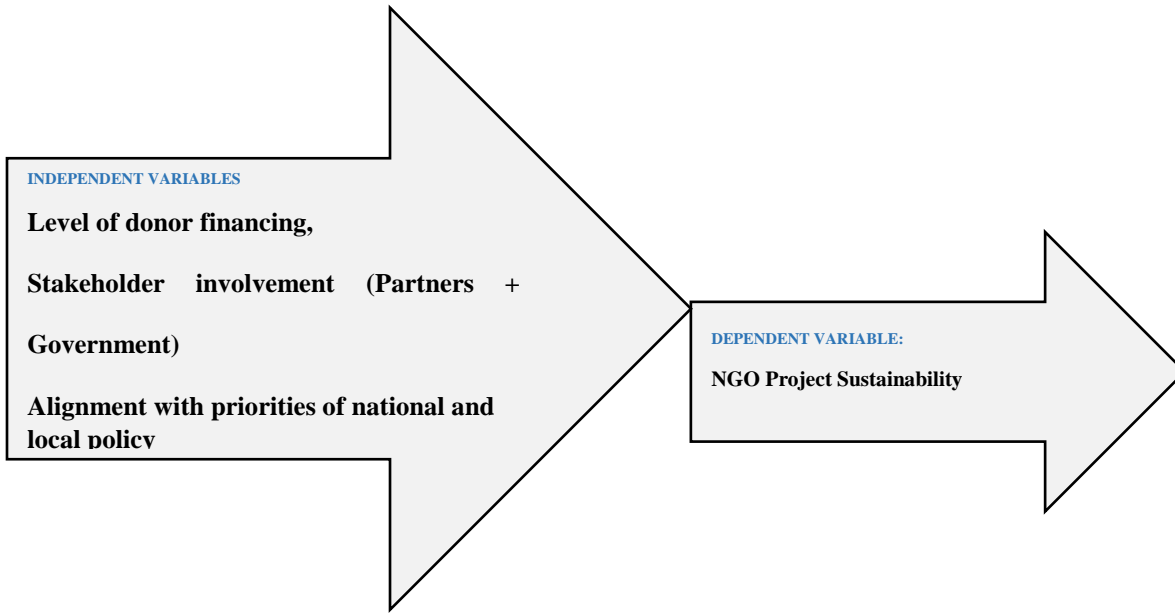
further argues that resources are the firm's total assets that can be used to create value to stakeholders. The theory posits that an organization's internal environments in terms of its resources capabilities are more important in determining its strategic plan compared to the external environment and that even though NGOs are not-for profit making organizations, they are still economic institutions that uses same or similar resources like their profit making counterparts (Mutinda & Ngahu, 2016). This view is also supported by Omeri (2015) when he argued that NGOs use financial resources to carry out their projects and mission drawn from the scarce resources of society. The study further posits that NGOs have high cost of operations and as a result will usually rely on communal support in the execution of some of their projects. Previous studies show that the revenue structure of most NGO is unilateral and as such there is the need for NGOs to diversify their funding sources to ensure sustainability (Saungweme, 2014).

This study adopts the resource view theory with the conviction that all NGOs require resources to operate and to remain sustainable to deliver their projects and objectives. Thus, resources are needed for the sustainability of NGOs and the achievement of objectives.

2.5 The Conceptual Literature

The conceptual framework that comes out of literature review shows the determinants of project sustainability of any NGO:

Figure 1: Conceptual Framework for variables impacting on project sustainability by NGOs during reduced donor funding:



Source: Researcher's own compilation based on literature reviewed.

From the conceptual framework, NGOs project sustainability can be seen to be affected by the level of donor financing received by the NGO and the involvement of the stakeholder in the support of the NGO's activities. This theoretical conceptualization cannot be determined a priori, but can only be determined through a systematic study of those factors in a particular economic set-up and context. Hence the current study is an attempt to systematically analyze these factors in the Namibian context, focusing on NANASO.

2.5.1 The impact of reduced level of financing by donors on the project sustainability

2.5.1.1 Loss of funding

According to Mikolajczak (2019), although the main goal of NGO activities is not profit-orientated, funding is necessary for NGOs for effective functioning to meet their social goals and without it objectives might not be reached and the organisation might end up closing. NGOs play an important role in society by assisting the communities in various areas where the governments do not reach on time or does not reach at all. NGOs also use reports from pilot projects and research activities to advocate for the poor to influence the governments to develop programmes that are meant for their development (Cousins, 1991). Financial resources enable the NGOs to achieve their set goals and contribute positively to the community development. According to the National Planning Commission (2012), it was reported that Namibia is classified as upper middle income country. This high status has had a negative impact for receiving donor funding for the NGOs operating in Namibia, resulting in NGOs struggling to raise funds in order to continue operations (Mudezeri, 2015).

The NGO fraternity has seriously been affected by the recent global economic recession and many have suffered from loss of funding resulting in many different challenges such as inadequate budget to meet the organisational objectives and closure (Davis, 2013). According to Kang'ethe and Manomano (2014), reduced donor funding has affected countries in Southern Africa, taking South Africa for example, having more people suffering from HIV/AIDS, the unfortunate cut on funding due to the financial crisis resulted in loss of funding causing organizations like Treatment Action Group (TAC) to close down six of its provincial office and this also resulted in some clinics

offering ARV treatment to stop enrolling patients on the ARV treatment programme due to severe ARV shortages at the clinics. Gravelly also, other organizations such as IDASA in Cape Town actually closed down their offices (Davis, 2013). In other countries such as Botswana, most NGOs such as Botswana Network of People Living with HIV/AIDS (BONEPWA) almost went to a closure, leaving the office to be run by only the director and the deputy director and all the workers getting retrenched. Furthermore, Swaziland is known to be having the highest incidence of HIV/AIDS and has seen its NGOs suffering as donors reduce funding because of the global financial crisis (Kang'ethe & Manomano, 2014).

2.5.1.2 Project failure and not meeting goals

According to Nthenge (2014), insufficient financing is a major factor in projects, and is often cited as a reason for project failure. The commitment of resources, particularly financial resources, by beneficiary communities is seen as an important indicator of the expected value of the project to these communities. Project benefits will not be produced without adequate resources; financial, human, natural, and technical to sustain them. The availability of funding is critical to service delivery of the NGOs while the unavailability of funds plays a debilitating role in the effective running of these institutions (Agere, 2014). Since most or all the NGOs operate on a non-profit basis and depending on donations, it therefore makes their survival unpredictable especially if market fluctuations occur and recessions descend upon global economies (Agere, 2014). However, as long as the NGO's finances and funds are inadequate, NGOs will not be able to achieve their goals with maximum effectiveness (Mikeladze, 2021).

2.5.1.3 Causes organizational instability and closing down

Funding loss can also undermine organizational stability as local NGOs, many of which have adopted professionalized structures, sometimes in response to donor influence, lose the overheads that provide funding for their full-time staff. The loss of funding may push local NGOs to build closer relationships with the state foreign donors have often encouraged this process, in hopes that states, other donors, or private funding will preserve the development gains made by donor work through local NGOs (Arhin, Kumi & Adam, 2018).

2.5.1.4 Inadequate human resources

According to Omeri (2015), amidst reduced and poor funding, NGOs can barely attract stable and long serving skilled labour force because employees end up leaving in search of better and greener pastures. In agreement, Mutinda and Ngahu (2016) mentioned that NGOs suffer from a lack of staff from reduced donor funding and at times, due to lack of financial resources, important roles are assigned to an employee who does not have an appropriate education and puts the successful operation of the organization at high risk. After reduced funding, most NGOs struggle to obtain skilled labour force such as social workers and project coordinators as they no longer afford to pay them a better remuneration as government or other private agencies. In any occupational setting, the level of skills and training heralds competence levels as well as possible effectiveness and efficiency of the organization (Kang'ethe & Manomano, 2014). As pointed out by Agere (2014), most employees, including social workers who are ready to work in the NGO fraternity usually remain there as a stepping stone to increase their experience that will make them employable by

the government or any other private agency, as in the NGO fraternity, there is always a problem of funding (Agere, 2014).

2.5.2 The impact of stakeholder participation on the project sustainability

Nthenge (2014) explained that linking the beneficiaries to the relevant line ministries and other stakeholders is necessary for sustainable project activities by NGOs. Thus, there should be active involvement of local stakeholders (government line ministries, community elders, chiefs, religious leaders, private sector and individuals) for NGOs project sustainability. In project sustainability, the role of stakeholders is a critical one and sustainability cannot be achieved without their involvement and support. Stakeholders should actively participate to influence the direction and detail of design and implementation of project activities. According to Vacekova and Svidronova (2014), NGOs need to involve stakeholder participation in their projects as they have not yet reached such a level of economic and managerial professionalism to be able to exist solely on sources from self- financing activities (membership fees, sale of services and products, the use of intangible and tangible assets, and the use of investment appreciation). The lack of co-operation from the government poses a serious detriment to the efficiency of NGOs in service delivery and due to its survival amid poor collaboration with the government in various ways, it is being forced to shift some of its operational goal posts to do things that the government is supposed to do (Kang'ethe & Manomano, 2014).

2.5.3 Ways in which NGOs can sustain their projects in the event of donor funding reducing

2.5.3.1 Forming alliances or collaborations

Among the combinations of strategies used by NGOs to adapt and manipulate changing circumstances of the external environment, in this case, relates to formation of alliances with other stakeholders to manipulate their external environment. These alliances take the form of collaboration. Collaboration among NGOs gives them easy access to resources including funding, people and information. Other studies have further highlighted how revenue diversification where NGOs seek funding from different sources including social enterprise and social investment are central to the ways NGOs adapt in view of changing circumstances in their external environment (Hailey & Salway 2016; Kumi, 2017). According to Kang'ethe and Manomano (2014), NGOs have the ability to ensure efficiency and professionalism as well as embrace visions which are some of the lessons that the government can take from them. Therefore, to ensure sustainability, both the government and NGOs need to work on weaker synergy and poor collaboration between them and the government need to increase goodwill to foster a good working relationship with the NGO fraternity.

2.5.3.2 Financial management and other sources of funds

According to Mikeladze (2021), good financial management has a strong impact on sustainability because it helps to convince donors that NGOs have financial control that ensures that the funding received is used for the purposes or goals set. However, there is a great need for NGOs to be more accountable and transparent where financial management can play a role. Saungweme (2014) pointed out that sound financial management practices involves the process of managing the present and future financial resources of the organization and determining how the strategic plan

of the NGO will be funded. Musah and Anyass (2020) emphasised the need for NGOs to manage their finances and have a long term sustainable financial plan is because the donor environment is changing so fast and the demand on NGOs are increasing due to several factors, whilst on the other donor funding is reducing.

According to Saungweme (2014) sound financial management practices have serious impact on the sustainability of NGOs. Other research found evidence of a strong relationship between sound financial management and sustainability of NGOs (Omeri, 2015 and Ali, 2012,). Waiganjo et al. (2012) study on determinants of financial sustainability of Kenya NGOs also found a positive and significant relationship between sound financial management practices and sustainability of NGOs. Proper and sound financial management practices helps to convince donors that the NGOs have financial controls that will ensure that monies donated are used for their intended purposes (Saungweme, 2014).

Musah and Anyass (2020) argued that NGOs need to have good financial management practice by storing all information related to assets and liabilities and finds ways to reinvest to generate more income, which can also lead to diversifying income and increasing income from local or foreign sources. According to Vacekova and Svidronova (2014), diversifying income is when an organization is able to receive funding from a variety of sources, including state, international and private. It is strategically advantageous for an NGO to focus on self-supporting activities in line with its core mission. Self-financing can be understood as a business to generate its own income and is the acquisition of internal sources bringing financial income and profit.

According to Mikolajczak (2019), NGOs with diversified income are characterized by a stronger financial position than those that use only a few sources of income and diversification of income

increases the probability of survival of an organization as it not only supports planned activities, but also ensures that resources are available for hiring staff, purchasing equipment and maintaining jobs. Stability of funding ensures not only continuity of NGO activities, but also predictability and manageability.

In the event of reduced donor funding, organizations can look for multiple donors instead of relying on one donor. According to Kumi (2017), examples of these other sources include: intensified local and external public giving by seeking to intensify fund-raising efforts from individuals, through avenues such as open appeals and online giving using social media such as Facebook and go fund me. In addition, organisations can also promote their social mission but with attention to generating revenue from their work and setting up subsidiary businesses and enterprises to generate a proportion of income to fund programme work. According to Ondieki (2015),” Developing additional funding streams becomes necessary to mitigate negative consequences of a sudden drop in income or to fuel further growth of the NGOs activities. Nongovernmental organizations also tend to approach income diversification as a means to gain more flexibility in their internal financial management”.

The following are some of the ways an organisation can diversify its source of funding: Charging fees for services, asking for support from government, organise fundraising activities and events, set up endowments, Membership fee and In-kind Support (Elisha, 2017).

2.5.3.3 Cost cutting measures

According to Arhin et al. (2018), studies have shown that NGOs are under increasing pressure to demonstrate efficient use of resources. The greater scrutiny by several stakeholders in relation to the proportion of NGOs' budgets that are spent on administration and other indirect expenses has ignited several cost-cutting measures. Cost-cutting measures has been identified as one of the strategies being adopted by many NGOs in response to the changing aid landscape to meet the challenge of sustainability due to donor funding reduction.

First, some organisations were reducing their number of core staff for administration and operations. This has seen redefinition of job responsibilities in a way that staff can take on several tasks simultaneously. Such staff-restructuring measures were expected to provide organisations the opportunity to streamline administrative costs and free up funding for other costs and projects. Second, influenced partly by the narrative of value for money. Many organisations were also making strenuous efforts to develop organisational systems and procedures that reduce excessive waste and leakages. Part of this strategy has involved bid analysis for contracted services and procurement and a strong emphasis on 'receipts' for all transactions and introduction of capping schemes for program management costs as a percentage of total program cost. The third area where NGOs were seeking to cut cost of operations was through a reduction in the number of geographical areas of operations (Arhin et al., 2018).

2.5.4.4 Donor management of aid reduction

In planning for aid reduction, the first step is often to make a comprehensive inventory of the donor's development objectives. Donors tend to focus on making or preserving gains in the core

development metrics addressed by a given project or set of activities. As a result, the tendency of aid donors is to focus on funding replacement for local NGOs in a country or sector from which they are withdrawing aid and lose focus on other objectives, including civil society sustainability. This can lead to a deliberate effort to steer local NGOs that have been involved in implementing donor-funded aid programs toward government funding and an explicit expectation that the national government will replace foreign donors as the primary funder for local civil society (Pallas & Nguyen, 2018).

Diversified donor funding can help with sustainability in the event of reduced funding. Discussions with local NGOs may actually enhance this focus on funding replacement, as local NGO partners are likely to be professionalized organizations that have come to understand organizational operations and survival in terms of contracts, grants, and funding cycles (Pallas & Nguyen 2018).

2.5.3.5 Visibility enhancing strategies

In this strategy, organisations were responding to the sustainability challenge through activities that make them easily recognised by actors such as donors, private firms and governments. First, organisations seek to market their work, achievements and capacities to a wide range of actors with the hope that such actors can benevolently support their work, dedicating resources for inviting journalists for media reportage of their events; creating a good public image about themselves and to assert their expertise and authority in particular sector of fields of knowledge. This has made some organisations look for opportunities to make contributions to public discussions on radios, televisions and the mass media. Other activities many were doing to enhance their visibility include intensifying printing and mass distribution of brochures and other

programme and communication materials in order to attract funding from diverse actors as organisations seek to broaden their resource base (AbouAssi, 2013).

2.5.3.6 Engage in Income generating activities

The other way an NGO can survive losing donor funding is engaging in income generating activities. With funding challenges hitting NGOs, “most NGOs have expanded fund-raising activities directed at the general public, tapped new corporate donors for monetary and in-kind support, and held one-time events. They have redesigned program implementation strategies to include cost-recovery components whereby the beneficiaries of the program pay part, and sometimes all, program costs (Ondieki, 2015).

Leadership also contributes to the diversifying in income of the organization. Ondieki, 2015 also highlighted that major reasons cited for NGO’s support were: the availability of expert financial managers, well laid down plan for the beneficiaries and the capacity of marketing managers in marketing the NGO. In other words, an organisation needs leaders that have skills that can be used to attract more funding for the organisation.

Vacekova and Svidronova (2014) pointed out that NGOs can sustain themselves by engaging in income generating activities, however, there are benefits and risks associated with such activities. The benefits of income generating activities include increase in income, increase in the NGOs confidence, sustainability, flexibility and empowerment of the board. However, the risks include risk of diverting from the main mission of the project and focusing more on the profit initiative part of the project, can result in loss or debt by the NGO and can result in damage of the organisations’ reputation. Contributing a similar point, Saungweme (2014) argues that NGOs that

embark on income generating programs face the challenge of identity crisis where there are being accused of losing focus and becoming profit oriented and privileges like tax exempt privileges like tax exemption enjoyed by NGOs could be revoked ones they are seen to be engaged in any profitable venture.

2.5.3.7 Government/State funding

In other countries, NGOs have been able to survive through funding from the state to support their programmes. In the case of NANASO, its main donor is Global fund from which it obtains funding and then these funds are later allocated to its sub-recipients. In the case of NANASO losing funding from Global fund, this would also affect the remaining four recipients under the organisation.

There are studies that have been conducted in other countries that show the type of support that an NGO can receive from an NGO. A study conducted in the Czech Republic shows that NGO receive about 39 per cent of funding from the government, while about a quarter of NGOs in the country receive over half of their funding or resources from the government. According to Stuart (2003, p. 5, as cited in Aipinge, 2015), “Kazakhstan took the first steps in drafting a law that would ensure an establishment of a legal channel for NGOs to participate in state tenders for social sector services”.

Layton (2003, as cited in Aipinge, 2015) claimed that ‘in the USA, NGOs receive support from government contracts up to 31% of their funding’. However, in 2004, about 37% of the NGOs experienced a decrease in their funding from state compared to the previous year (Aipinge, 2015). In conclusion, Donor funding for the South African NGO sector that boasts over 98 000 NGOs is channelled through the state, making public funds a major source of income for NGOs. Hence,

international donors are more inclined to finance NGOs that support government programmes, creating a risk of compromising the credibility of the NGO sector (Farouk, 2002, as cited in Aipinge, 2015).

2.6 Empirical Literature

Previous studies on financial sustainability of NGOs revealed that the absence of sound strategic financial planning is a major challenge affecting the sustenance of NGOs the world over (Omeri, 2015; Saungweme, 2014; Iwu et al., 2015). A study by Iwu et al. (2015) concluded that the majority of NGOs do not do well after donors reduce funding and do not have a proper strategic financial plan that ensure that their vision and goals can be achieved and this leaves these NGOs vulnerable and left to the whims and caprices of donors which make it difficult to measure their real impact.

A study conducted by Svidronova (2013) concluded that reduced donor funding is detrimental to the survival of NGOs in Slovakia as it affects their achievement of their goals and performance. In addition, the results concluded that most NGOs in Slovakia were not financial sustainable and were heavily relying from donor funding as the main source of funds. It was then recommended that NGOs should consider looking at the determinants which can enhance financial sustainability such as different strategies in financial, product and marketing areas. Svidronova (2013) further pointed out that the diversification can be improved with self-financing that is considered to be appropriate to achieve financial equilibrium and thus long-term sustainability of NGOs.

The result of a study conducted by Ntimama (2018) was that NGOs sustainability was affected by lack of financial management. The study concluded that lack of financial management has led to pulling out of donor funding therefore there is a need to have in place financial strategies to stream-

line operations during the low periods. Ntimama (2018) recommended that NGOs need to research on the different means of acquiring these funds and also need to vet their leaders to provide assurance and gives confidence to the donors and have in place reporting structures that facilitate accountability and openness.

The findings of a study by Mukunga (2011) showed that the sustainability of NGOs is difficult as many of the NGOs rely on one source of income. The conclusion based on the findings was that NGOs must have a good relationship with donor by engaging in practices such improved donor reporting and complying with donor requirement; this will guarantee donor support and as such ensure that their funding is sufficient and reliable. The NGOs also need also to have stronger partnerships between public and private sector, have clearly well-defined policies and procedures, and have a strong management team, and engage in strategic management. All these will lead to improved NGOs sustainability as well as organizational performances.

2.7 Conclusion

In conclusion, the sources from various authors showed that indeed reduced donor funding has a negative impact on project sustainability. It was revealed from the literature that many NGOs have closed due to lack of funding, with the exception of a few which management have helped to survive beyond the reduced donor funding period.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the research design and how the topic under study was examined. Chapter three included the research design, sample and sampling procedures, research methods, data collection procedures, data analysis and research ethics.

3.2 Research Design

This study adopted a descriptive research design. According to Leedy and Ormrod (2015), a descriptive research examines a situation as it is. It does not involve changing or modifying the situation under investigation nor is it intended to determine cause and effect relationships. Descriptive research describes the state of affairs as it exists at present. It includes surveys and fact-finding enquiries of different kinds. The researcher has only reported what has happened or what is happening but has no control over the variables. This research design is deemed suitable by the researcher as it examines the situation as it is, in this case, the impact of reduced funding and sustainability of NGOs. The approach to be used to collect data for this study is a quantitative one.

3.3 Research Philosophy

A research philosophy is an attitude and principle which is concerned with the ways of collecting, analysing and using data about a phenomenon. It describes the ontological assumptions which deal with the nature of reality (Tajvidi & Karami, 2015). The research philosophy of this study is positivist philosophy or approach. Aliyu, Bello, Kasim and Martin (2014) stated that as a philosophy, positivism adheres to the view that only factual knowledge gained through observation (the senses), including measurement, is trustworthy. In positivism studies, the role of the researcher

is limited to data collection and interpretation in an objective way. In these types of studies, research findings are usually observable and quantifiable. Positivism depends on quantifiable observations that lead to statistical analyses. It has been noted that as a philosophy, positivism is in accordance with the empiricist view that knowledge stems from human experience. It has an atomistic, ontological view of the world as comprising discrete, observable elements and events that interact in an observable, determined and regular manner. Positivism gives importance to get the quantitative results and may lead to statistical analysis. The study chose this paradigm as it is most suited to quantitative research.

3.4 Research Strategy

According to Saunders, Lewis and Thornhill (2019), a survey research strategy allows for a variety of methods to recruit participants, collect data, and utilize various methods of instrumentation and can use quantitative research strategies such as using questionnaires with numerically rated items. The strategy for this study was a survey. A survey is used to obtain data about practices, situation views at one point in time through questionnaire or interviews (Igwenagu, 2016). Furthermore, Ponto (2015) defined a survey as the collection of information from a sample of individuals through their responses to questions. This type of research allows for a variety of methods to recruit participants, collect data, and utilize various methods of instrumentation. Survey research can use quantitative research strategies such as using questionnaires with numerically rated items. This research strategy was found to be suitable for this study as information was collected from a portion of the population (sample) and a quantitative strategy way of collection data was used, using a questionnaire.

3.5 Population

Population is a collection of all the observations of a random variable under study and about which one is trying to draw conclusions in practice (Creswell, 2012). The target population for this research study is employees of the 233 NGOs which are part of the NANASO network.

3.6 Sample

Multi stage sampling, which is a type of probability sampling, was used to select the sample for the study from the population. Multistage sampling is taking of samples in stages using groups of participants at each stage (Leedy & Ormrod, 2015). Probability sampling is the selection of a sample from a population based on random selection or chance. Therefore, out of the 233 NGOs, 144 NGOs will be selected using probability sampling of multi-stage sampling. The defined population of the study is NGOs under NANASO and the first stage of sampling included selecting 144 of the NGOs from the total population of 233 NGOs using Morgan and Krejcie's (1970) table of determining sample size. In order to determine the sample size using Morgan and Krejcie (1970), the researcher checked at the table under "N" for 233 (N represent the population) and the corresponding column under "S" represented the sample size of 144. Therefore, the sample size for the population of 233 NGOs is 144 NGOs. After getting the sample size of 144 NGOs, the researcher went on to the second stage of sampling which included selecting one (1) employee from the finance department of each of the selected 144 NGOs who works in the projects department using purposive sampling. The final sample consisted of 144 employees from the selected 144 NGOs under NANASO network organisations.

3.7 Research Instruments

Data was collected using questionnaires having both open and closed ended questions. These questionnaires were given to the selected employees by either email or hand distribution for them to fill. According to Davis (2014), questionnaires are very economical in terms of time, energy and finance. Similarly, it yields quantitative data which is very easy to collect. A questionnaire is a research instrument that gathers data over a large sample and its objective is to translate research objectives into specific questions. The strength of a questionnaire over other instruments is that information can be collected from large samples and opportunity for bias is reduced since it is presented in paper form and confidentiality is upheld. Questionnaires were used to capture the various variables under the study.

3.7.1 Pilot Study

A pilot study is a preliminary small-scale study that researcher conduct in order to help them decide how best to conduct a large-scale research project. Using a pilot study, a researcher can identify or refine a research question, figure out what methods are best for pursuing it, and estimate how much time and resources will be necessary to complete the larger version, among other things (Davis, 2014). The questionnaires were pretested and a pilot study was carried out to determine the validity of the questionnaire, where the responses of the subjects were checked against the research objectives.

The questionnaire was pilot tested on ten (10) respondents who are part of target population but not in the sample at NANASO. After pilot testing, the questionnaires were revised to incorporate the feedback that was provided. In order to test the reliability of the instrument used in this study, the test-retest method was used, where the questions in questionnaire were asked in a twisted way but asking the same questions twice and this was part of the pilot testing within an interval of one weeks to establish whether the questionnaire elicit the same response.

According to Creswell (2014), conducting a pilot study beforehand allows a researcher to design and execute a large-scale project in as methodologically rigorous a way as possible and can save time and costs by reducing the risk of errors or problems. Further, pilot studies can be used for identifying or refining a research question or set of questions, refining a hypothesis, evaluating a sample population and testing the research instrument. In addition, Creswell (2014) stated that a pilot study is useful as it can identify and resolve potential problems and help estimate the time and costs required for a project.

3.8 Procedure

Questionnaires were given to the employees for one week to complete then the researcher collected them back. Reminders were sent to remind those who were still having the questionnaires on the date and time the researcher was to go collect the remaining questionnaires.

3.9 Data Analysis

Quantitative data was analysed through inferential statistics using the Statistical Packages for Social Sciences (SPSS). Each of the objectives was achieved through descriptive and inferential analysis. The simple regression model was expressed as $y = \beta_1x_1 + \beta_2x_2$ where

x_1 = Level of financing

x_2 = Stakeholder involvement

β_1 and β_2 are coefficients

Initial analyses involved determining relationships between the variables using correlations.

The relationship between the dependent (project sustainability) and independent variables (level of financing and stakeholder involvement) were analysed through correlation, chi-square and simple regression functions in SPSS. The analysed data was presented in graphs, tables and variety of charts.

3.10 Research Ethics

Bell and Waters (2014) explain research ethics as norms or standards of behaviour that guide moral choices about our behaviour and our relationships with others. All participants were informed of the purpose of the study and consent was obtained from the individuals' participants. All the information collected was kept confidential stored in an external storage device for a period of five years and after that disposed by deleting permanently. All the information collected from various sources to be used in this study was referenced accordingly. Ethical clearance certificate was obtained from Decentralized ethics committee.

Approval

The researcher sought approval from NANASO in writing.

Informed consent

Consent was sought for all the participants in the study. Written forms were issued to the participants who indicated their willingness to take part in the study

Privacy and confidentiality

There was no way that the findings were related to the names of the participants. The research findings were presented in a confidential manner and were not disclosed to the public as the purpose of the research is academic

Voluntarism

Participants were informed about the objectives of the study and had the right to withdraw from the study anytime without any consequences.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter presents the results of the study which are presented based on the collected data. Findings were analysed using Statistical Package for Social Sciences (SPSS Version 27) computer software and presented in the form of frequency tables, numerical values, and percentages generated. The responses are presented followed by a brief interpretation guided by the research objectives and a discussion on research findings from the analysis of the data.

4.2 Response Rate

A total number of 100 questionnaires were returned and responded to out of the 144 that were issued. This represents a response rate of 69 per cent. According to Mugenda and Mugenda (2013), a response rate of 50% is satisfactory, 60% is good, and 70% or more is considered very good. Participants included 100 employees who took part in the study from the selected NGOs under NANASO network organisations.

4.3 Background Information of Respondents

This section presents the summary of respondents' background and shows responses on Respondents Gender, Respondents Age in Years, Respondents Highest Level of Education.

4.3.1 Gender of Respondents

The study required the respondents to state their gender and the responses are as organised in table 4.1 below:

Table 4.1 Respondents' Gender

		Gender			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	56	56	56	56
	Female	44	44	44	100.0
	Total	100	100.0	100.0	

Source: Survey Results (2022)

Table 4.1 displays the gender of the respondents, with 56 per cent being male and 44 per cent female, indicating that there were more male respondents than females. This is consistent with earlier findings. Moss (2008) supports the observation and adds that it is a reflection of the distribution of the available gender sampling component in a historically male-dominated workplace.

4.3.2 Respondents' Age in Years

Table 4.2 Respondents' Age in Years

		Age			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20-30 years	33	33	33	33
	31-40 years	45	45	45	78
	41-50 years	13	13	13	91
	51-60 years	9	9	9	100.0
	Total		100.0	100.0	

Source: Survey Results (2022)

The respondents were prompted by the study to indicate which age bracket they fell into. According to Table 4.3, 33 per cent of the respondents were between the ages of 20-30, and then 45 per cent were between the ages of 31-40, which was also the majority age group. 13 per cent were between the ages of 41-50 years and 9 per cent were between the ages of 51 and 60. There were no participants above the age of 61 in the study.

4.3.3 Respondents’ Highest Level of Education

The study sought to know the highest level of education of the respondents and the responses are as tabulated in table 4.3 below.

Table 4.3 Respondents’ Highest Level of Education

		Educational Level			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Certificate or Diploma	27	27	27	27
	Degree or a Professional degree	56	56	56	83
	Masters	17	17	17	100.0
	Total	100	100.0	100.0	

Source: Survey Results (2022)

Table 4.3 presents the Respondents’ Highest Level of Education and indicates that 27% had a certificate or a diploma while 56 % had a degree or profession, and majority of the participants fall within this group. 17% of the participants had a Master’s degree. No participant had a PhD.

Table 4.4 Years working at Nanaso

Work Experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0-5 years	20	20.0	20.0	20.0
	6-10 years	49	49	49	69
	11-20 years	31	31	31	100.0
	Total	100	100.0	100.0	

Source: Survey Results (2022)

Majority of the participants had worked in their respective departments for a period between 6 to 10 years. This is indicated by 49 out of 100 participants, thus, 49%. Those who have worked in their departments for less than 5 years (0-5 years) were shown by 20%. Approximately 31% of the participants had worked for NANASO for a period of 11 to 20 years. The Majority of respondents (80%) have worked for more than 5 years at sample organisations; hence, it may be perceived that they have adequate understanding of the functioning of selected NGOs including their finance and other functional affairs.

4.4 The impact of Reduced Donor Funding on Project Sustainability

4.4.1 There are enough financial resources to sustain the project

The findings of the study revealed that there were not enough financial resources to sustain the project. 70% of the participants in the study indicated that there were not enough financial and operational resources to sustain the project. However, 30% of the participants were of the opinion that there were enough resources to sustain the project as indicated by 10% who strongly agree and 20% who agreed. Mere description is not enough.

Table 4.5 Financial and operational resources

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	10	10	10	10
	Agree	20	20	20	30
	Disagree	70	70	70	100.0
	Total	100	100.0	100.0	

Source: Survey Results (2022)

4.4.2 Bills are paid on time and the project is running smoothly

The results of the study indicated that bills are not paid on time and the project is not running smoothly as shown by the majority of the participants, 67%. The participants who neither agreed nor disagreed on the timely payment of bills were 20%. Only 13% of the participants agreed that bills were paid on time and the project is running smoothly.

Table 4.6 Bills are paid on time and the project is running smoothly

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Agree	13	13	13	13
	Neither agree nor disagree	20	20.0	20.0	33
	Disagree	67	67	67	100.0
	Total	100	100.0	100.0	

Source: Survey Results (2022)

4.4.3 The organisation has enough human resources to meet expected objectives

Table 4.7 The organisation has enough human resources to meet expected objectives

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Agree	10	10	10	10
	Neither agree nor disagree	30	30	30	30
	Disagree	60	60	60	100.0
	Total	100	100.0	100.0	

Source: Survey Results (2022)

NANASO does not have enough human resources to meet expected objectives. This was shown by 60% of the participants. About 30% did not comment as they neither agree nor disagreed with the statement. Only 10% of the participants were of the opinion that the human resources were enough to meet the objectives.

4.4.4 Project goals are met despite reduced funding

Table 4.8 Project goals are being met despite reduced funding

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Agree	40	40	40	40
	Neither agree nor disagree	30	30	30	20
	Disagree	30	30	30	100.0
	Total	100	100.0	100.0	

Source: Survey Results (2022)

There were mixed views in regard to the project goals being met despite reduced funding, although majority of the participants agreed that the project goals are being met despite reduced funding as

presented by 40%. The participants who did not give a response were presented by 30% and those who did not agree with the statement that the project goals are being met were presented by 30%.

4.4.5 Government contribute part funding of the project

Table 4.9 Government contribute part funding of the project

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Agree	10	10	10	10
	Neither agree nor disagree	10	10	10	20
	Disagree	80	80	80	80
	Total	100	100.0	100.0	

Source: Survey Results (2022)

The findings of the study indicated that government does not contribute part funding of the project as shown by 80%. 10% of the participants neither agreed nor disagreed with the view and 10% agreed with the view.

4.4.6 Private organisations contribute towards funding of the project

Table 4.10 Private organisations contribute towards funding of the project

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Neither agree nor disagree	10	10	10	10
	Disagree	90	90	90	100
	Total	100	100.0	100.0	

Source: Survey Results (2022)

90% of the participants disagreed with the view that private organisations contribute towards funding of the project. This indicates that private organisations do not contribute towards funding of the project. Only 10% of the participants did not comment as they neither agreed nor disagreed with the statement.

4.4.7 Community contribute in cash or kind towards the project

Table 4.11 Community contribute in cash or kind towards the project

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Agree	10	10	10	10
	Disagree	90	90	90	100.0
	Total	100	100.0	100.0	

Source: Survey Results (2022)

Based on the findings of the study, the community does not contribute in cash or kind towards the project as shown by 90% of the participants. However, 10% of the participants indicated that the community contribute in cash or kind towards the project.

4.4.8 The project has potential to survive after funding has ended

Table 4.12 The project has potential to survive after funding has ended

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Agree	30	30	30	30
	Neither agree nor disagree	40	40	40	70
	Disagree	30	30	30	100
	Total	100	100.0	100.0	

Source: Survey Results (2022)

Majority of the participants as represented by 40% were not sure whether the project will survive after funding has ended as they neither agreed nor disagreed with the view. At least 30% agreed that the project will survive after funding has ended. Also, 30% disagreed that the project will continue after funding has ended. Thus, there were mixed views in regards to the continuity of the project after funding has ended, majority being uncertain. This can be due to that with the current reduced funding; participants can already see the negative impacts on the achievement of objectives and survival. In the event that the funding has ended, participants are not sure on the survival, hence the majority showing uncertainty.

4.5 The Impact of Stakeholder Participation on the Project Sustainability

4.5.1 Various stakeholders are aware of the project by NANASO

Table 4.13 Various stakeholders are aware of the project by NANASO

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	20	20	20	20
	Agree	70	70	70	90
	Disagree	10	10	10	100
	Total	100	100.0	100.0	

Source: Survey Results (2022)

The results of the study have revealed that the project by NANASO is a well-known project as indicated by 90% of the participants (20% who strongly agreed and 70% who agreed). However, only 10% of the participants indicated that they disagree with the view that various stakeholders are aware of the project by NANASO.

4.5.2 There is active involvement in the project by different stakeholders

Table 4.14 There is active involvement in the project by different stakeholders

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	30	30	30	30
	Agree	60	60	60	90
	Disagree	10	10	10	100
	Total	100	100.0	100.0	

Source: Survey Results (2022)

As per the findings of the study, there is active involvement in the project by different stakeholders as supported by 90% of the participants. 10% of the participants were not in agreement with the statement indicating that there was no active involvement in the project by different stakeholders.

4.5.3 The community and various stakeholders have an interest in the project

Table 4.15 The community and various stakeholders has an interest in the project

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	40	40	40	40
	Agree	60	60	60	100

Total	100	100.0	100.0
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Source: Survey Results (2022)

All the participants who took part in the study agreed that the community and various stakeholders have an interest in the project. Thus, 100% agreed to the view, 0% per cent of the participants disagreed with the view and there were no participants who neither agreed nor disagreed.

4.5.4 The project has received local support that guarantee continuation

Table 4.16 The project has received local support that guarantee continuation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Agree	60	60	60	60
	Neither agree nor disagree	20	20	20	80
	Disagree	20	20	20	100
	Total	100	100.0	100.0	

Source: Survey Results (2022)

60% of the participants agreed that the project by NANASO has received local support that guarantees continuation. 20% of the participants neither agreed nor disagreed with the statement. 20% also, disagreed with the view.

4.5.5 Active involvement of stakeholders has resulted in NANASO achieving its objectives

4.17 Active involvement of stakeholders has resulted in Nanaso achieving its objectives

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Agree	40	40	40	40
	Neither agree nor disagree	30	30	30	70
	Disagree	30	30	30	100.0
	Total	100.0	100.0	100.0	

Source: Survey Results (2022)

There were mixed views in regards to the involvement of stakeholders in influencing the achievement of objectives by NANASO. 40% of the participants indicated that active involvement has resulted in NANASO achieving its objectives. 30% of the participants disagreed with this view. However, 30% neither agreed nor disagreed with the view.

4.5.6 Stakeholder participation is important for the continued survival of NANASO

Table 4.18 Stakeholder participation is important for the continued survival of NANASO

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	40	40	40	40
	Agree	60	60	60	100
	Total	100.0	100.0	100.0	

Source: Survey Results (2022)

All participants who took part in the study, as represented by 100%, agreed that stakeholder participation is important.

4.6 Ways in which NANASO can sustain its Project

4.6.1 NANASO Management has the capacity to operate the project with reduced funding

Table 4.19 NANASO Management has the capacity to operate the project with reduced funding

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	31	31.1	31.1	31.1

Agree	58	57.8	57.8	88.9
Disagree	11	11.1	11.1	100.0
Total	100.0	100.0	100.0	

Source: Survey Results (2022)

The results of the study indicated that the management of NANASO has the capacity to operate the project with reduced funding as indicated by 57.8% of those who took part in the study who agreed to the view, 31.1% strongly agreed. Only 11% of the participants disagreed with the view.

4.6.2 Stakeholder support is present in terms of financial resources, technological resources and human resources

Table 4.20 Stakeholder support is present in terms of financial resources, technological resources and human resources

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Agree	67	66.7	66.7	66.7
	Neither agree nor disagree	20	20.0	20.0	86.7
	Disagree	13	13.3	13.3	100.0
	Total	100.0	100.0	100.0	

Source: Survey Results (2022)

As per the findings of the study, 20% of the participants were neutral, as they neither agreed nor disagreed with the view. About 67% of the participants, which represents majority, indicated that there was stakeholder support. However, 13% disagreed with the view, showing that there were of the opinion that there was no financial, technological and human resources support from the stakeholders.

4.6.3 NANASO has formed alliances and collaborations with other NGOs and sources of funding

Table 4.21 NANASO has formed alliances and collaborations with other NGOs and other sources of funding

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly agree	11	11.1	11.1	11.1
	Agree	76	75.6	75.6	86.7
	Neither agree nor disagree	9	8.9	8.9	95.6
	Disagree	4	4.4	4.4	100.0
	Total	100.0	100.0	100.0	

Source: Survey Results (2022)

NANASO has formed alliances and collaborations with other NGOs and other sources of funding as supported by the findings of the study. The participants who agreed to this view were represented by 86.7% (75.6 who agreed and 11.1% who strongly agreed. Only 8.9% of the participants neither agreed nor disagreed. Only a small percentage of participants as indicated by 4.4% disagreed that NANASO has formed alliances and collaborations with other NGOs and other sources of funding.

4.7 Inferential Data Analysis

4.7.1 The impact of reduced donor funding on project sustainability

Table 4.22 Correlation between operational resources, bill payment, Government contribution and private organisation contribution on project sustainability.

		There are enough financial and operational resources to sustain the project	Bills are paid on time and the project is running smoothly	Government contribute funding of the project	Private organisations contribute towards funding of the project	The project has a potential of surviving after funding has ended
There are enough financial and operational resources to sustain the project	Pearson Correlation	1	.902**	.201*	.812**	.464**
	Sig. (2-tailed)		.000	.016	.000	.000
	N	100	100	100	100	100
Bills are paid on time and the projects is running smoothly	Pearson Correlation	.902**	1	.032	.594**	.364**
	Sig. (2-tailed)	.000	.000	.000	.000	.000
	N	100	100	100	100	100
Government contribute funding of the project	Pearson Correlation	.201*	.032	1	-.016	.267**
	Sig. (2-tailed)	.016	.707		.846	.001
	N	100	100	100	100	100
Private organisations contribute towards funding of the project	Pearson Correlation	.812**	.594**	-.016	1	.365**
	Sig. (2-tailed)	.000	.000	.846		.000
	N	100	100	100	100	100

The project has a potential of surviving after funding has ended.	Pearson Correlation	.464**	.364**	.267**	.365**	1
	Sig. (2-tailed)	.000	.000	.001	.000	
	N	100	100	100	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Source: Survey Results (2022)

This section intended to measure the correlation between operational resources, bill payment, government contribution and private organisation contribution on project sustainability. As per the results of the study, there is a strong correlation between the adequacy of financial and operational resources to sustain the project and the bills being paid on time as shown by $r=0.902$, $p>0.05$). This result indicates that adequate resources are needed and are necessary to pay the bills and expenses which help sustain the project.

The results also indicated that private organisations' contribution towards funding of the project and availability of financial and operational resources to sustain the project have a positive relationship and are needed for sustainability of the project at ($r=0.812$, $p>0.05$). It was also noted from the results of the study that private organisations contribute towards funding of the project not only contribute positively on sustainability but also had a positive relationship with bills are paid on time and the projects is running smoothly at ($r=0.594$, $p>0.05$).

As per the findings of the study, enough financial, technological and human resources are essential for the continued operation of the business. In support of the findings, Nthenge (2014) emphasized

that insufficient financing is a major factor in projects, and is often cited as a reason for project failure. The commitment of resources, particularly financial resources, by beneficiary communities is seen as an important indicator of the expected value of the project to these communities. Project benefits will not be produced without adequate resources; financial, human, natural, and technical to sustain them.

4.7.2 The impact of stakeholder’s participation on project sustainability

Table 4.23 Correlation between stakeholders’ awareness, involvement, community and stakeholder’s interest on project sustainability and local support.

		Various stakeholders are aware of the project	There is active involvement in the project by different stakeholders	The community and stakeholders have interest in the project	The project has received local support that guarantee continuation	Stakeholder participation is important for the survival of NANASO
Various stakeholders are aware of the project	Pearson Correlation	1	.806**	.872**	.612**	.464**
	Sig. (2-tailed)		.000	.016	.000	.000
	N	100	100	100	100	100
There is active involvement in the project by different stakeholders	Pearson Correlation	.806**	1	.872**	.594**	.364**
	Sig. (2-tailed)	.000	.000	.000	.000	.000
	N	100	100	100	100	100
The community	Pearson Correlation	.201*	.032	1	-.016	.267**

and stakeholders have interest in the project	Sig. (2-tailed)	.016	.707		.846	.001
	N	100	100	100	100	100
The project has received local support that guarantee continuation	Pearson Correlation	.612**	.594**	.912**	1	.365**
	Sig. (2-tailed)	.000	.000	.846		.000
	N	100	100	100	100	100
Stakeholder participation is important for the continued survival of NANASO	Pearson Correlation	.464**	.364**	.267**	.365**	1
	Sig. (2-tailed)	.000	.000	.001	.000	
	N	100	100	100	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Source: Survey Results (2022)

The aim of this section is to determine the correlation between stakeholders' awareness, involvement, community and stakeholder's interest on project sustainability and local support that guarantee continuation of the project. The results of the study indicated that there was a strong positive correlation between the community and stakeholders have interest in the project and that the project has received local support that guarantee continuation as shown by at ($r=0.912$, $p>0.05$). The results indicated that stakeholders' interest in the project and local support from the community and stakeholders ensures sustainability of NANASO project. It was found that there is a positive relationship between active involvement in the project by different stakeholders and that various stakeholders are aware of the project as shown by ($r=0.806$, $p>0.05$). There was also a

significant relationship between the stakeholders' awareness of the project and the project receiving local support that guarantee continuation as indicated by ($r=0.614$, $p>0.05$).

As per the findings of the study, the involvement of the stakeholder in the project is of vital importance. The awareness and interest of stakeholders in a project can have a positive impact on the sustainability of the project as per the findings of the study. In support of the findings, Nthenge (2014) explained that linking the beneficiaries to the relevant line ministries and other stakeholders is necessary for sustainable project activities by NGOs. Thus, there should be active involvement of local stakeholders (government line ministries, community elders, chiefs, religious leaders, private sector and individuals) for NGOs project sustainability. Therefore, the awareness, interest and involvement of stakeholders in a project are of great importance for its sustainability.

4.7.3 Strategies in which NANASO can sustain its project

Table 4.24 Correlation between management capacity, stakeholder support, forming alliances and collaborations, cost cutting measures and project sustainability.

		NANASO management has the capacity to manage the project with reduced funding	There is stakeholder support in funding and terms of financial resources, technological and human resources	NANASO has formed alliances and collaborations with other NGOs	Cost cutting measures are in place and efficient use of resources	There are on-going income generating projects to sustain Nanaso after reduced donor funding
NANASO management has the capacity to manage the project with reduced funding	Pearson Correlation	1	.696**	.201*	.822**	.864**
	Sig. (2-tailed)	.000	.000	.016	.000	.000
	N	100	100	100	100	100
There is stakeholder support and funding in terms of financial resources, technological and human resources	Pearson Correlation	.696**	1	.032	.674**	.568**
	Sig. (2-tailed)	.000	.000	.000	.000	.000
	N	100	100	100	100	100
NANASO has formed alliances and	Pearson Correlation	.201*	.032	1	-.016	.267**

collaborations with other NGOs	Sig. (2-tailed)	.016	.707		.846	.001
	N	100	100	100	100	100
Cost cutting measures are in place and efficient use of resources	Pearson Correlation	.822**	.674**	-.016	1	.365**
	Sig. (2-tailed)	.000	.000	.846		.000
	N	100	100	100	100	100
There are on-going income generating projects to sustain NANASO after reduced donor funding	Pearson Correlation	.864**	.568**	.267**	.365**	1
	Sig. (2-tailed)	.000	.000	.001	.000	
	N	100	100	100	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Source: Survey Results (2022)

The aim of this section is to determine the correlation between management capacity, stakeholder support, forming alliances and collaborations, cost cutting measures and project sustainability. The results of the study indicated that there was a strong positive correlation between NANASO management; it has the capacity to manage the project with reduced funding, and cost cutting measures are in place and efficient use of resources as shown by at ($r=0.822$, $p>0.05$). The results indicated that on-going income generating projects to sustain NANASO after reduced donor funding have a strong, positive relationship with NANASO management's capacity to manage the project with reduced funding as indicated by ($r=0.864$, $p>0.05$). It was also found out that there is a positive relationship between on-going income generating projects to sustain NANASO after

reduced donor funding and stakeholder support and funding in terms of financial resources, technological and human resources, as indicated by ($r=0.568$, $p>0.05$).

In conclusion, as per the findings of the study, various strategies can be employed by NANASO in order to improve on its sustainability in the event of continued reduced donor funding. The study results indicated that management capacity, stakeholder support, forming alliances and collaborations with NGOs and other organisations and implementing cost cutting measures can be used to improve on project sustainability. These findings are supported by Hailey and Salway (2016; Kumi 2017) who indicated that one of the strategies used by NGOs to ensure survival after reduced donor funding include formation of alliances with other stakeholders and collaboration with other NGOs which gives easy access to resources including funding, people and information. According to Arhin et al. (2018), studies have shown that cost-cutting measures are one of the strategies being adopted by many NGOs in response to the changing aid landscape to meet the challenge of sustainability due to donor funding reduction. Other activities many were doing to enhance their visibility include intensifying printing and mass distribution of brochures and other programme and communication materials in order to attract funding from diverse actors as organisations seek to broaden their resource base (AbouAssi 2013).

4.8 Regression Analysis

4.8.1 Regression on reduced donor funding

Reduced Donor Funding: Enough financial resources to sustain the project, enough human resources to meet the objectives and Project have potential to survive after donor fund ending.

Dependent Variable: Project Sustainability

Independent variables: Level of donor funding: Enough financial resources to sustain the project + enough human resources to meet the objectives + Project has potential to survive after donor fund ending

This table provides the R and R^2 values. The R value represents the simple correlation and is 0.920 (the "R" Column), which indicates a high degree of correlation. The R^2 value (the "R Square" column) indicates how much of the total variation in the dependent variable of project sustainability can be explained by the independent variables of enough financial resources to sustain the project, enough human resources to meet the objectives and project having the potential to survive after donor fund ending. In this case, 85% can be explained, which is very large.

Table 4.25 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.920 ^a	.850	.081	.928

Source: Survey Results (2022)

The regression equation between reduced level of donor funding and project sustainability had a strong regression. In the model summary, the R square is 0.850 indicating that level of donor funding causes 85 percent variation in project sustainability, while the remaining 15 are attributable to other factors not considered in the study and one error term. This is outlined in model summary above.

Table 4.26 ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	13.044	3	4.348	5.048	.000 ^b
	Residual	115.427	97	.861		
	Total	128.471	100			

a. Dependent Variable: Project Sustainability at NANASO

b. Predictors: (Constant), Enough financial resources to sustain the project, Enough human resources to meet the objectives, Project has potential to survive after donor fund ending.

Source: Survey Results (2022)

This table indicates that the regression model predicts the dependent variable significantly well as the “p” value is: $p < 0.0005$, which is less than 0.05, and indicates that, overall, the regression model statistically significantly predicts the outcome variable (i.e., it is a good fit for the data).

Coefficients

The coefficient table below indicates the degree of relationship between each variable that represents the level of donor funding. The constant is 2. 574 while the variables which are statistically significant for the equation are: Enough financial resources to sustain the project (.240); Enough human resources to meet the objectives (.188); Project has potential to survive after donor fund ending (.278).

Table 4.27 Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		

1	(Constant)	2.574	.331		7.769	.000
	Enough financial resources to sustain the project.	.240	.078	.273	2.937	.000
	Enough human resources to meet the objectives.	.188	.098	-.117	-1.098	.001
	Project has potential to survive after donor fund ending.	.278	.090	.178	1.754	.000

a. Dependent Variable: Project Sustainability at Nanaso

Source: Survey Results (2022)

Based on the findings of the study, the regression equation is presented as:

Reduced Level of Donor Funding (Sustainability) = 2.574+0.240 (Enough financial resources to sustain the project) + 0.188(Enough human resources to meet the objectives) +0.278 (Project has potential to survive after donor fund ending).

4.8.2 Regression on stakeholder involvement

Regression on stakeholder involvement: Various stakeholders are aware of the project, the community and stakeholders has interest in the NANASO project, stakeholder participation is important for the continued survival of NANASO and Project Sustainability at NANASO.

Dependent Variable: Project Sustainability

Independent variables: Various stakeholders are aware of the project + The community and stakeholders has interest in the NANASO project + stakeholder participation is important for the continued survival of NANASO.

Table 4.28 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.897 ^a	.804	.129	.915

a. Predictors: (Constant), various stakeholders are aware of the project, the community and stakeholders has interest in the NANASO project , stakeholder participation is important for the continued survival of NANASO.

Source: Survey Results (2022)

This table provides the R and R^2 values. The R value represents the simple correlation and is 0.897 (the "R" Column), which indicates a high degree of correlation. The R^2 value (the "R Square" column) indicates how much of the total variation in the dependent variable, project sustainability can be explained by the independent variables: various stakeholders are aware of the project, the community and stakeholders have interest in the NANASO project, stakeholder participation is important for the continued survival of NANASO. In this case, 80.4% can be explained, which is very large.

Table 4.29 ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	19.599	3	6.533	7.796	.000 ^b
	Residual	113.134	97	.838		

Total	132.734	100			
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a. Dependent Variable: Project Sustainability at NANASO

b. Predictors: (Constant), various stakeholders are aware of the project, the community and stakeholders has interest in the NANASO project , stakeholder participation is important for the continued survival of NANASO.

Source: Survey Results (2022)

The regression model predicts the dependent variable significantly well Here, $p < 0.0005$, which is less than 0.05, and indicates that, overall, the regression model statistically significantly predicts the outcome variable (i.e., it is a good fit for the data).

Table 4.30 Coefficients^a

Model		Unstandardized Coefficients		Standardized	T	Sig.
		B	Std. Error	Coefficients Beta		
1	(Constant)	2.067	.327		6.329	.000
	Various stakeholders are aware of the project	.159	.103	.157	1.542	.125
	The community and stakeholders has interest in the NANASO project ,	.167	.076	.194	1.935	.055
	Stakeholder participation is important for the continued survival of NANASO.	.203	.082	.116	1.256	.211

a. Dependent Variable: Project Sustainability at NANASO

Source: Survey Results (2022)

To present the regression equation:

Project Sustainability= 2.067 +0.159 (Various stakeholders are aware of the project) + 0.167 (The community and stakeholders has interest in the NANASO project) +0.203 (stakeholder participation is important for the continued survival of NANASO).

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter displays the summary of the survey, conclusions drawn from the findings and the recommendations made based on the outcomes of the study. The researcher used a sample of 144 participants of which 100 were readily available and took part in the study. Questionnaires were used to collect data and were administered to participants through online means or by hand. Various literatures relevant to the topic were reviewed and this resulted into the below identified factors that influence project sustainability as follows:

- Level of donor financing
- Stakeholder participation
- Alignment with priorities of national and local policy
- Strategies to attract more recognition and funding to the project.

The above identified independent variables were extorted from Chapter 4 that analysed the findings of the study.

5.2 Research Objectives Revisited

The aim of the study is to analyse the impact of reduced funding on sustainability of the projects carried out by NGOs in Namibia. The sub-objectives of the study are:

- To analyse the impact of reduced level of financing by donors on the project sustainability of NANASO in Namibia.

- To analyse the impact of stakeholder participation on the project sustainability of NANASO in Namibia.
- To determine ways in which NANASO can be able to sustain its project in the event of donor funding pulling out or ending.

The findings of the survey supported the objectives of the study. The objectives of the study were answered by the research carried out and it was complemented by the related literature reviewed.

5.3 Conclusions of the Study

The conclusion drawn from the major findings are discussed as follows:

5.3.1 The impact of reduced level of financing by donors on the project sustainability of NANASO in Namibia

The findings of the study revealed that reduced donor funding indeed has a negative impact on the project sustainability of the projects of NANASO in Namibia. Various factors were analysed in order to determine the impact of donor funding. The first factor which was assessed was the financial resources currently available for the project. The results of the study revealed that there were not enough financial resources to sustain the project which hindered the success of the project. The expenses of the project were currently paid late indicating struggles with cash flow in the business. Due to the issues with the cash flows, the human resources were also not adequate to run the project smoothly. There were mixed results in regard to the project goals being met despite reduced funding, although majority of the participants agreed that the project goals are being met despite reduced funding as presented by 40%. The participants who did not give a response were presented by 30% and those who did not agree with the statement that the project goals are being met were presented by 30%. Thus, the researcher can comment that the project goals are also

affected by the reduced donor funding as participants could not agree unanimously on a single answer.

The findings of the study also showed that the project is mainly funded by the donors. About 80% of the participants indicated that the government of Namibia was not contributing financially to NANASO Project, 90% indicated that private sector was not contributing financially to the project and 90% showed that the community was not contributing financially to the project. Therefore, it can be noted that NANASO is only receiving funds from the donors and in the event of reduced funding it is affected greatly financially as there is no other organisation funding it. Therefore, in conclusion as per the findings of the study, reduced funding impact NANASO negatively as it is not able to meet its objectives on time and successfully, it does not have enough financial resources to attract and retain the needed human resources to run the project and meet the short term obligations on time.

5.3.2 The impact of stakeholder participation on the project sustainability of NANASO in Namibia

It was learned from the participants that stakeholder participation is of great importance for the sustainability of NANASO in Namibia. The results of the study indicated that the project by NANASO is a well-known project as indicated by 90% of the participants and stakeholders were aware of this project and its mission. Various stakeholders such as the government, private sector, other non-governmental organisations and the community were actively involved in the project in capacity building but not financially. As per the findings of the study, the local community was in the support of the project, which is a positive factor in the sustainability of NANASO project.

Despite the active participation of various stakeholders on the project, all of the stakeholders were not contributing financial assistance, limiting their influence in the achievement of objectives. Therefore, it can be concluded that stakeholder participation can assist the achievement of project objectives to a certain extent, but their financial contribution is also needed for continued project sustainability.

5.3.3 To determine ways in which NANASO can be able to sustain its project in the event of donor funding pulling out or ending

The study brought to light that there are various strategies which can be used by NANASO to help sustain its project in the event of donor funding pulling out or ending. The capacity of management was considered as one way in which NANASO can enhance the sustainability of the project. Management who have good knowledge and skills to run the project are in a position to devise various strategies to help sustain the project and their capacitation can enable them to approach other organisations for assistance. The findings of the study also revealed that forming alliances and collaborating with other NGOs and potential sources of finance can help NANASO to improve its finances in the event of donor funding reducing. These other alliances and organisations can act as other source of finances to NANASO and can help sustain the project. Collaboration with both the public and private sector can help NANASO to attain other resources besides financial resources such as human resources and technological resources. The participants in the study also indicated that cost cutting measures can be put in place and the available resources can be used efficiently for NANASO to sustain itself after donor funding is reduced. The findings of the study also showed that engaging in visibility enhancing strategies to attract opportunities and more donor funding is one way which can be used by an organisation to sustain itself, thus NANASO can incorporate and engage in visibility enhancing strategies. The participants also contributed that for

NANASO to sustain itself, there is need for introducing income generation projects on an on-going basis. In the event of reduced donor funding, as with the current situation, the project can be sustain by the income generated from these projects. Therefore, the researcher can conclude that for NANASO to be able to continue sustaining itself in the event of reduced funding or donor funding ending, it must look into the various strategies given by the participants in the study and implement the strategies in its organisation.

5.3.4 NANASO's Alignment with priorities of national and local policy

The findings of the study revealed that various stakeholders such as the government, private sector, other non-governmental organisations and the community were actively involved in the project in capacity building but not financially. Despite the active participation of various stakeholders on the project, all of the stakeholders were not contributing financial assistance, limiting their influence in the achievement of objectives. Therefore, the researcher can conclude that NANASO should align its goals and mandate with the priorities of national and local policy. In this way, NANASO can be assured of sustainability on the event of further donor funding reduction as the government can assist financially as the priorities will be linked to its national and local policy which will enhance developmental goals.

5.4 Recommendations

The major recommendations of the study are:

- i. NANASO should consider collaborating and forming alliances with other organisations, be it private, other NGOs and also should collaborate with the Government. This will assist NANASO in continuing with the project as the alliances

- can assist in form of different types of resources such as financial, technological and human resources as well as capacity building.
- ii. Another suggestion is that NANASO should engage in visibility enhancing strategies. The strategies which can be used include defining the target audience, thereby narrowing followers on the social media to target only people who are interested in the project and can be potential stakeholders who can contribute positively to the project. Engaging actively with people online can help NANASO to be recognised and valued more by different types of people. Hashtags, visual aids and share own content and other people's content on the site, online. NANASO should also consider working on its brand name so that it is well recognized and people associate it with certain values or services. Greater visibility means enhanced information sharing, faster communication and better, more informed decisions for the entire organization.
 - iii. NANASO should embark in other income generating projects. These income generation projects can be of different types and forms such as preparation and marketing of dairy products, agricultural production, establishment and improvement of livestock and poultry raising, and handicrafts. In the case of reduced donor funding, these income generation projects can help in additional financial resources which can be used for covering expenses and other crucial obligations which needs to be met.
 - iv. NANASO should consider aligning with priorities of national and local policies so as to be in line with governmental goals and thus can stand a chance for government intervention in case of reduced donor funding.

5.5 Directions for Future Research

This study suggests that further studies should be carried out to identify strategies that NGOs in Namibia can incorporate in case of either reduced donor funding or total withdrawal of funds by donors. In addition, for future research, change in research methodology and expanding the scope of the study to include a larger population is recommended. The study also suggests further studies on how the government of Namibia can also assist in getting funding from donors for NGOs in Namibia and not only NANASO.

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ETHICAL CLEARANCE CERTIFICATE

Ethical Clearance Reference Number: DEC FOC/ 22/18 Date: 21/07/2022

This Ethical Clearance Certificate is issued by the University of Namibia Ethics Committee (REC) in accordance with the University of Namibia's Research Ethics Policy and Guidelines. Ethical approval is given in respect of undertakings contained in the Research Project outlined below. This Certificate is issued on the recommendations of the ethical evaluation done by the ethics committee.

Title of Project: An Analysis of the impact of reduced donor funding on sustainability of Namibia Network of Aids Service Organizations (**NANASO**).

Student: Bestinah Lishoni

Student Number: 201062062

Supervisor(s): Prof Udai Paliwal (Institute of Commerce, Nirma University-India)

Centre for Research Services

Take note of the following:

1. Any significant changes in the conditions or undertakings outlined in the approved Proposal must be communicated to the ethics committee. An application to make amendments may be necessary.
2. Any breaches of ethical undertakings or practices that have an impact on ethical conduct of the research must be reported to the ethics committee
3. The Principal Researcher must report issues of ethical compliance to the ethics committee (through the Chairperson) at the end of the Project or as may be requested by the ethics committee
4. The ethics committee retains the right to:
 - i) Withdraw or amend this Ethical Clearance if any unethical practices (as outlined in the Research Ethics Policy) have been detected or suspected,
 - ii) Request for an ethical compliance report at any point during the course of the research.

The ethics committee wishes you the best in your research.

Precious Mushendami (Chairperson Ethics Committee)

Prof. Davis Mumbengegwi (Head, Multidisciplinary Research)

APPENDIX A: QUESTIONNAIRE

Confidential

For: NANASO

TITLE OF THESIS:

AN ANALYSIS OF THE IMPACT OF REDUCED DONOR FUNDING ON SUSTAINABILITY OF NAMIBIA NETWORK OF AIDS SERVICE ORGANISATIONS (NANASO).

My Name is Bestinah Wanga Lishoni, a Master's student from the University of Namibia pursuing a Degree in Master of Science: Accounting and Finance. The purpose of this study is to collect data relating to the impact of reduced donor funding on sustainability of NANASO.

The study is geared towards meeting the requirements for the degree program. Confidentiality and anonymity of all participants in the study will be maintained and no names will be used at any point in this study or the report of the study. I therefore humbly request for your assistance and cooperation in providing information necessary for this study. Your participation and contributions to this study is highly appreciated.

SECTION A:

BACKGROUND INFORMATION OF THE RESPONDENTS

1. Gender: Male
Female

2. What is your age bracket?

AGE BRACKET	TICK APPROPRIATELY
20-30	
31-40	
41-50	
50-60	
Above 60	

3. What is your highest level of education?

Level of Education	Tick Appropriately
High School Certificate	
Certificate/Diploma	
Degree/Professional	
Masters	
PHD	
Other(Specify)	

4. How many years have you been working for Nanaso? Cross (X) the appropriate box

Years	Cross Appropriately
0-5	
6-10	
11-20	
OVER 21	

SECTION B: THE IMPACT OF REDUCED LEVEL OF FINANCING BY DONORS ON THE PROJECT SUSTAINABILITY OF NANASO IN NAMIBIA.

In this section the study is interested in your view about the impact of reduced funding on the project sustainability of Nanaso. Read each of the statements carefully and tick the appropriate choice. Tick applicable responses using the 1-5 SCALE. 1=strongly agree; 2=agree; 3=neither agree nor disagree; 4=disagree and 5=strongly disagree.

The impact of reduced donor funding on project sustainability	1	2	3	4	5
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1. There are enough financial and operational resources to meet the needs of and to sustain the project.					
2. Bills are paid on time and the project is running smoothly and all expenses associated with the project are well covered					
3. The organisation has enough human resources to run the project so as to meet the expected objectives					
4. Despite reduced funding, the project is still going as planned and project goals are being met					
5. Government contribute or give part funding of the project					
6. Private organisations contribute towards funding of the project					
7. Community contribute in cash or kind towards the project					
8. The project has a potential surviving after the period funding has ended					

SECTION C: THE IMPACT OF STAKEHOLDER PARTICIPATION ON THE PROJECT SUSTAINABILITY OF NANASO IN NAMIBIA.

In this section the study is interested in your view on the impact of stakeholder participation on the project sustainability of Nanaso. Read each of the statements carefully and tick the appropriate choice. Tick applicable responses using the 1-5 SCALE. 1=strongly agree; 2=agree; 3=neither agree nor disagree; 4=disagree and 5=strongly disagree.

The impact of stakeholder participation on the project sustainability	1	2	3	4	5
9. Various stakeholders are aware of the project by Nanaso as there are awareness campaigns on the project and objectives thereof.					
10. There is active involvement in the project by different stakeholders					
11. The community and various stakeholders have an interest in the projects and are willing to participate in the project.					
12. The project has received local support that guarantee continuation					
13. Stakeholders who participate in the project by Nanaso are from different groups such as the private sector, the public sector and non-governmental organisations.					
14. The active involvement of the different stakeholders has resulted in Nanaso achieving its objectives.					
15. The different stakeholders has helped Nanaso to achieve its project goals					
16. Stakeholder participation is important for the continued survival of Nanaso					

Section D: WAYS IN WHICH NANASO CAN BE ABLE TO SUSTAIN ITS PROJECT IN THE EVENT OF DONOR FUNDING PULLING OUT OR ENDING

In this section the study is interested in your view on the ways to improve project sustainability by Nanaso. Read each of the statements carefully and tick the appropriate choice. Tick applicable responses using the 1-5 SCALE. 1=strongly agree; 2=agree; 3=neither agree nor disagree; 4=disagree and 5=strongly disagree.

Ways in which Nanaso can sustain its project	1	2	3	4	5
17. Nanaso management has the capacity to administer, maintain and operate the project with reduced funding.					
18. There is stakeholder support in funding in terms of financial resources, technological resources and human resources to ensure continue survival of Nanaso after donor funds ends or scales down.					
19. Nanaso has formed alliances and collaborations with other NGOs and other sources of funding					
20. Nanaso has the capacity to collaborate with the public and private sector for continued support and funding after the current donor funding ends or scales down.					

21. Cost cutting measures are in place and the efficient use of resources for objectives to be met despite the reduced funding.					
22. Nanaso has been engaged in visibility enhancing strategies to attract opportunities and more donor funding.					
23. There are on-going income generation projects which help sustain Nanaso in events of reduced donor funding.					
24. Management have the skills and knowledge which can be used in attracting more funding to Nanaso.					

SECTION E

Any general comments or suggestions on the impact of reduced donor funding’s impacts and how you think these impacts can be addressed?

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