

## CHAPTER ONE

### GENERAL INTRODUCTION AND SUMMARY

#### 1.1 Background to the Study

Martens (2002, p.271) referred to the act of defining an NGO (Non-Governmental Organization) as a “mission impossible”. However, Martens gives the following definition; “NGOs are formal (professionalized) independent societal organizations whose primary aim is to promote common goals at the national or the international level” (Martens, 2002, p.282).

The term NGO can be applied to any non-profit organization which is autonomous from government. NGOs are normally value-based organizations which relay, in whole or in part, on benevolent donations and voluntary service. Many NGOs have close working relationship with poor communities. Some are membership organizations of poor or vulnerable people (Community Based Organization or faith based organizations) who identify the needs of specific members of the community and work toward addressing these needs. Resources of NGOs are mostly additional; they complement the development effort of others, and they help to make the development process more accountable, transparent and participatory (Samuel 2005). Samuel noted that NGOs do not only "fill in the gaps" but they also act as a response to failures in the public and private sectors in providing basic services.

NGOs in HIV (Human Immunodeficiency Virus) and AIDS (Acquired Immune Deficiency Syndrome) sector have a common goal which is to educate people with respect to HIV and AIDS leading to HIV and AIDS prevention if not elimination. According to Samuel (2005), the essence of NGOs remains the same: to provide basic services to those who need them.

With HIV and AIDS cure not forthcoming, the “multi-sectoral approach” as noted by Kemenade, (2002) is using civil society in controlling the spread, and mitigating associated effects. In the case of HIV and AIDS, NGOs have developed a number of strategies to alleviate the challenges which the disease has inflicted upon society. The developed strategies include: Care and support, education and sensitisation developed largely by People Living with HIV and AIDS (PLHIV) and NGOs. Emphasis is put on catering for the needs of PLHIVs through social support, empowerment, care and mobilisation of material (food aid, mattresses for needy families and scholastic materials for school going orphaned children) and financial support from different sources Kemenade.

The most commonly known NGOs in HIV and AIDS sector in Ghana are WAPCAS, Pro-link, Maritime, CEPEHRG, AGREDS, FHI-360, World Education Inc. CRS, and ADRA among others (GAC list of NGOs). Activities of some of these local and foreign NGOs operating in HIV and AIDS sector in Ghana have transformed whole communities. HIV and AIDS according to UNAIDS, (2002) is having profound impacts on livelihoods in sub-Saharan Africa. These include the deaths of working-age adults, the diversion of resources to caring, and the rupture of traditional chains of knowledge transmission. NGOs are responding by providing assistance to communities affected by the epidemic in the fields of agriculture, skills training, and microfinance, as

well as by offering home care and support. A key feature of such initiatives is the focus on previously neglected groups such as key populations (UNAIDS).

A 2003 report by UNAIDS/WHO indicated that in sub-Saharan Africa alone, approximately 26.6 million people are believed to be living with HIV and AIDS), while the estimated number of children orphaned in the region as a result of the epidemic stands in the region of 11 million (UNAIDS, 2002). In Ghana, It is estimated that 230,348 people were living with HIV in 2010 (102,713 males and 127,635 females) and 32,057 were children. In 2010 there were 14,165 new infections and 17,230 annual AIDS deaths, 2,472 of whom were children. In 2011 225,478 were living with HIV (100,336 males and 125,141 females) and there were 12,077 new HIV infections (10,373 adults and 1,707 children) new infections with 15,263 deaths. (Ghana Country AIDS Progress Report Jan. 2010 to Dec.2011)

The collective impacts of AIDS have become more visible, and include drastic reductions in life expectancy, the loss of adult workers in every sector, and an unusual increase in the number of orphans and other vulnerable children (UNICEF, 2002).

To ensure that the challenges posed by HIV and AIDS are well managed, there is the need for local NGOs in that sector to operate more professionally by ensuring that they are able to account for all funds they receive from development partners and the central government as well as other philanthropic individuals.

As the power of NGOs continue to increase, both in the domestic and international fronts, their operations became more sophisticated and their roles more complex. Some NGOs have become as large as medium-sized corporations (Commonwealth Business Council, *ibid*). Some (like those in Bangladesh and Sri Lanka) employ more staff than governments.

Jeffrey E. Garten, Dean of the Yale School of Management (in SustainAbility 2003, p. 7) agrees: “NGOs have had too much of a free ride in identifying themselves with the public interest. They have acquired the high ground of public opinion without being subjected to the same public scrutiny given to corporations and governments ... it is time that companies and governments demand more public examination of NGOs.”

Resource utilization among local NGOs in HIV and AIDS sector perhaps is one of the greatest challenges among: fundraisers, developing partners and policy analysts. This issue demand vigorous research into resource utilization challenges faced by local NGOs in HIV and AIDS sector in Ghana.

## **1.2 Research Field and Subject Area**

### **1.2.1 Management**

According to Mary Parker Follet, management “is the art of getting things done through people”. Management is the organizational process that includes strategic planning, setting objectives, managing resources, deploying the human and financial assets needed to achieve objectives, and measuring results. Management also includes recording and storing facts and information for later use or for others within the organization. Management functions are not limited to managers and supervisors. Every member of the organization has some management and reporting functions as part of their job.

Management in HIV and AIDS therefore means the ability to work with people to design procedures to promote and protect sound management practices, both programmatic and financial.

## **1.2.2 Project Management**

According to Project Management Body of Knowledge (PMBok), Project management is the application of knowledge, skills, tools, and techniques to project activities to meet the project requirements. A project consists of resources and components whether it is people, objects, cash, material or anything. It is an endeavor which a human, material, financial resources or the machine is well organized for doing something productive in different manner. Project management has to be undertaken with unique scope and processing of work as per given specifications with the time and cost constraints which will deliver great change that is beneficial and well defined by the qualitative and quantitative methods.

Project management in relation to this research focused on significant increase in reliable deliverables and sound financial information so that managers and the Board can depend on accurate information to make decisions. It also ensures that there is no misused of assets or funds while ensuring that the organisation's policies are compiled in line with development partners and government regulations.

## **1.3 Research Objectives**

The general objective of the research is to identify challenges confronting local NGOs in HIV and AIDS sector in resource utilization and identify appropriate systems to enhance effective resource utilization.

### **1.3.1 The Research questions**

- What are the technical challenges of local NGOs in HIV and AIDS sector in resource utilization

- What are the limitations of local NGOs in HIV and AIDS sector in resource utilization
- What factors influence contract abrogation
- What mechanism would enhance efficient resource utilization by local NGOs in HIV and AIDS sector

### **1.3.2 Specific Objectives**

To achieve the general objective, the research aimed at addressing the following objectives:

- To identify technical challenges of local NGOs in HIV and AIDS sector in the effective management of resources
- To identify limitations of local NGOs in HIV sector in managing resources
- To find out effects of conditionalities and why local NGOs in HIV sector contracts are often abrogated
- To identify system(s) that would enhance effective resource utilization among local NGOs in HIV and AIDS sector

## **1.4 Problem Statement**

NGOs can be broadly identified: to provide services (welfare); to provide education; and public policy advocacy (Brown & Moore, 2001). NGOs in HIV and AIDS sector in Ghana has played a central role in educating people regarding HIV and AIDS and also providing care and support for affected families and infected individuals. With the recognition of the vital role played by local NGOs in this sector at grassroots level in

the task of providing Anti Retro-viral Therapy (ART), Care and Support, Income Generating Activity (IGA) for PLHIV, condoms and the water based lubricating gel, educating and building the capacity of Support Groups of PLHIV. There is the need to ensure that they continue to receive resources from development partners, INGOs (International Non-Governmental Organizations) and the central government as well as corporate institutions. This is possible if they are able to make judicious use of resources they receive from development partners, INGOs and the Central Government as well as other corporate institutions.

Local NGOs in HIV and AIDS sector require the requisite knowledge and skills in managing resources they receive from both government, Development Partners, INGOs and corporate institutions. However, local NGOs continue to lack a stable financial base (Sarr, 2006). Perhaps due to the way and manner some of them have over the years managed the resources they received from Development Partners, central government, INGOs and corporate institutions. As a result of mismanagement, many run out of funds after few months/years of project implementation. This result in drastic implication for the Organization, beneficiaries of the project, those closely involved with or employed by such organizations and the nation at large.

The search for funding is indispensable for the survival and the development of local NGOs (Vincent, 2006). This is because local NGOs require a significant amount of funds and other resources to effectively carry out their activities. Turary (2002) argued that the continuity of NGOs is the continuity in raising money, but if the organization is not doing that it will wither and die. It can also be said that if the NGO is not able to properly account for the funds receive it will 'wither and die'. Better still, if the NGO spend on organizational expenses to the detriment of the community that she is

supposed to work for, she will soon become irrelevant and may not get funding any longer.

The Washington Post in 1992 exposed the huge mismanagement of resources by Bill Aramony, CEO of United Way America. He was convicted in 1995 on 23 counts of felony charges, including conspiracy, fraud and filing false tax returns. He did this in the name of the NGO.

A 2006-07 government report on utilization of foreign funds by Indian NGOs shows that out of the \$2.15 billion in foreign aid received, around \$680 million was used for organizational expenses, compared with \$563 million used for relief and rehabilitation of victims of natural calamities, \$435 million for rural development, \$269 million for construction and maintenance of schools and colleges, and \$263 million for welfare of children (New Delhi Tuesday, Dec. 14, 2010)

In 2004 many local NGOs and CBOs received funding from Ghana AIDS Commission (GAC) many failed to deliver and were not able to account for the funds leading to the collapse of such organizations. ‘Ghana faces HIV funding challenges as Global Fund withdraws support’ (Wednesday, November 30, 2011 by GNA). It is believed that out of the five sub-grants of the Global Fund from GAC, only two were able to utilize the resources for what it was meant to do. This perhaps could account for the decision to withdraw. Funding challenges has often led many local NGOs to live on project-to-project existence; making some Managers utilize project fund for personal and non-project activities because to them funding may soon seize. Some are unable to make long term plans to expand core activities or to improve the quality of program services.

According to the 2011-2015 National HIV and AIDS Strategic Plan, *Local NGOs do not have adequate human resources and funding to implement HIV activities. The umbrella or networks organizations also lack full time secretariats. Management and*



*accountability of the funds received for the national response remain a challenge at both national and decentralized levels. Implementers and other stakeholders lack the capacity to properly account for funds disbursed which leads to delays in producing financial reports and subsequent release of additional funds.*

This is the problem which the study sought to investigate, taking local NGOs in HIV sector in Ghana as a case.

## **1.5 Background and Justification of the Research**

### **1.5.1 Background of the Research**

The term NGO was first used in 1945 by the United Nations to indicate the role of consultants in UN activities that were not those of national governments (Lewis, 2001). The UN “created a term to encompass its societal consultant” (Martens, 2002, p. 274) but left open the term’s content. With the rapid increase in international development-related activities by non-state actors, today the term describes a greater variety of organizations than originally intended. Earlier forms of organizations identified in the field of development, such as voluntary organizations, community development programs, and cooperatives, have been gradually eclipsed.

The World Bank defines NGOs as "private organizations that pursue activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services, or undertake community development" (Operational Directive 14.70). In wider usage, the term NGO can be applied to any non-profit organization which is independent from government. NGOs are typically value-based organizations which depend, in whole or in part, on charitable donations and voluntary service. Many NGOs have close links with poor communities. Some are membership organizations of poor or

vulnerable people (Community Based Organization) who identify the needs of specific members of the community and work toward addressing these needs. Resources of NGOs are largely additional; they complement the development effort of others, and they can help to make the development process more accountable, transparent and participatory. They not only "fill in the gaps" but they also act as a response to failures in the public and private sectors in providing basic services (Samuel, 2005).

With HIV and AIDS cure not forthcoming, the “multi-sectoral approach” has emphasized the role of civil society in controlling the spread, and mitigating associated effects. With limited state responses, formation of NGOs is one of the civil society approaches to dealing with social problems. In the case of HIV and AIDS, NGOs have modeled a number of approaches to mitigate the challenges which the disease has inflicted upon society. The modeled approaches involve care and support, education and sensitisation developed largely by People Living with HIV and AIDS (PLHIVs) and NGOs. Emphasis is put on catering for the needs of PLHIVs through social support, empowerment, care and mobilisation of material (food aid, mattresses for needy families and scholastic materials for school going orphaned children) and financial support from different sources. These variables form important measures for social capital (Kemenade, 2002).

In the HIV sector in Ghana, for example, the most commonly known NGOs are WAPCAS, Pro-link, Maritime, CEPEHRG, AGREDS, FHI-360, World Education Inc. and ADRA among others (GAC list of NGOs). Activities of some of these local and foreign NGOs operating in HIV and AIDS sector in Ghana have transformed whole communities. HIV and AIDS is having profound impacts on livelihoods in sub-Saharan Africa (UNAIDS, 2002). These include the deaths of working-age adults, the diversion of resources to caring, and the rupture of traditional chains of knowledge transmission.

NGOs are responding by providing assistance to communities affected by the epidemic in the fields of agriculture, skills training, and microfinance, as well as by offering home care and support. A key feature of such initiatives is the focus on previously neglected groups such as key populations.

In sub-Saharan Africa, around 26.6 million people are believed to be living with HIV and AIDS (UNAIDS/WHO 2003) while the estimated number of children orphaned in the region as a result of the epidemic stands at around 11 million (UNAIDS, 2002). In Ghana, It is estimated that 230,348 people were living with HIV in 2010 (102,713 males and 127,635 females) and 32,057 were children. In 2010 there were 14,165 new infections and 17,230 annual AIDS deaths, 2,472 of whom were children. In 2011 225,478 were living with HIV (100,336 males and 125,141emales) and there were 12,077 new HIV infections (10,373 adults and 1,707 children) new infections with 15,263 deaths. (Ghana Country AIDS Progress Report Jan. 2012 to Dec.2011)

To ensure that the challenges posed by HIV and AIDS are well managed, there is the need for local NGOs in that sector to operate more professionally by ensuring that they are able to account for all funds they receive from developing partners and the central government. The World Bank Group 2013 identified the most common weaknesses of the NGO sector to include: limited financial and management expertise, limited institutional capacity, low levels of self-sustainability, isolation/lack of inter-organizational communication and/or coordination, small scale interventions and lack of understanding of the broader social or economic context. As noted earlier, local NGOs in HIV and AIDS sector require the requisite knowledge and skills in managing resources they receive from government, Development Partners, INGOs and corporate institutions. However, local NGOs continue to lack a stable financial base (Sarr, 2006). Perhaps due to the way and manner some of them have over the years managed the

resources they received from Development Partners, central government, INGOs and corporate institutions. As a result of mismanagement, many run out of funds after few months/years of project implementation. This result in drastic implication for the Organization, beneficiaries of the project, those closely involved with or employed by such organizations and the nation at large. According to the 2011-2015 National HIV and AIDS Strategic Plan, Local NGOs do not have adequate human resources and funding to implement HIV activities. The umbrella or networks organizations also lack full time secretariats. Management and accountability of the funds received for the national response remain a challenge at both national and decentralized levels. Implementers and other stakeholders lack the capacity to properly account for funds disbursed which leads to delays in producing financial reports and subsequent release of additional funds.

Resource utilization among local NGOs in HIV and AIDS sector perhaps is one of the greatest challenges among: fundraisers, developing partners and policy analysts. This issue demand vigorous research into the utilization of resources by local NGOs in HIV and AIDS sector in Ghana.

### **1.5.2 Justification/Significance of the Research/Study**

The study helped identify challenges and limitations associated with how local NGOs in HIV and AIDS sector utilize resources for activities in their communities and for their target population. The research came out with mechanisms that would enhance effective resource utilization as well as factors that would prevent contract abrogation among local NGOs implementing HIV and AIDS activities.

It has also prepared the researcher for future research work and might serve as a reference material for further studies and research work on NGOs in HIV and AIDS sector at various levels of educational institutions within and outside the country, especially the universities. Findings and recommendations that emerged from the study would serve as yardstick for further research into the other aspects of NGO in HIV and AIDS sector challenges. This is due to the fact that development challenge is a multifaceted phenomenon and no one research is capable of addressing it in full.

Finally, the study has contributed to the existing literature on resource utilization challenges of local NGOs in HIV and AIDS sector and to the body of academic knowledge. The findings of the study shall therefore be put at the disposal of students and other researchers in NGO Management and development work for reference purposes, hence it would add to knowledge.

## **1.6 Limitation and Delimitation of the study**

### **1.6.1 Limitation**

Although this research work has reached its aims, there were some inevitable limitations. Firstly, the study although studied local NGOs but was limited to local NGOs in HIV and AIDS sector. Secondly, the population of the study was small and largely based on NGOs known and are active according to figures from GAC, forty-five NGOs and might not represent the majority of the NGOs and experts in HIV and AIDS sector. Thirdly, purposive sampling was used which enabled the researcher identify experts and local managers in the HIV and AIDS sector so that other experts and managers of NGOs work are not administered questionnaires. Both Interviews and open ended questionnaires were used for Development partners and some local Manager who had time for interviews.

Finally, the lack of documentation, issues of confidentiality as well as ethics on specific issues with regards to resource utilization was a restriction which made access to information and used of certain vital information a challenge. In addition, it was most likely that many of the local NGOs were diplomatic with responses regarding challenges with respect to resource utilization.

### **1.6.2. Delimitations**

This study was restricted to challenges of resource utilization among local NGOs implementing HIV and AIDS activities and did not concentrate much on sources of funding by these NGOs or NGOs in general. The scope of the study covered what accounted for limitations in resource utilizations, what technical challenges confront local NGOs, what are the contractual issues and conditionalities and finally solicited best mechanisms in managing resources. The governance and management as well as structures of local NGOs were also studied. The population included managers and experts of NGOs in HIV and AIDS nationwide. Experts and Managers of other local NGOs were not used because they do not have expertise in challenges associated with managing HIV and AIDS activities. Close ended questionnaires were not be used; this was because the researcher intends to get respondents to express themselves regarding the research topic.

## **1.7 Definition of Terms**

**Civil society organisation:** Civil society is a space where citizens collectively assemble to share concerns and mobilise around particular issues and affairs. Civil society organisations include faith-based associations, local community groups and non-governmental organisations (NGOs).

**Executive body:** The body elected or appointed to carry out the normal business of the organisation in accordance with the governing articles and, where applicable, under the direction of the governing body. Members may, in addition, have statutory responsibility (e.g. company directors).

**Governing body:** The governing body has the ultimate authority in the organisation. It has the power to amend the governing articles and sets the overall direction of the organisation. It typically elects or appoints the executive and oversees its sanctions. Other powers may vary.

**International non-governmental organisations (INGOs):** NGOs with operations in more than one country.

**Key populations:** These are made up of Female Sex workers (FSW) Men who have sex with Men (MSM) and People who inject Drugs (PWID).

**Multinational Corporation:** companies with operations in more than one country

**Non-governmental organisations (NGOs):** a subset of civic organisations defined by the fact that they are formally registered with government, they receive a significant proportion of their income from voluntary contributions and are governed by a board of trustees.

**Stakeholders:** Individuals or groups that are affected or affect by an organisation and its activities. These can be internal (those formally apart of the organisation) or external (those not formally apart of the organisation but still affected by an organisations activities).

**Project** is unique in that it is not a routine operation, but a specific set of operations designed to accomplish a singular goal. So a project team often includes people who don't usually work together – sometimes from different organizations and across multiple geographies.

**Programmatic cost/areas** are the expenses or activities that are incurred when implementing HIV and AIDS activities for example Texting and Counselling, outreach stigma and discrimination campaigns among others.

## 1.8 Outline of the Thesis

The thesis is divided into five chapters. Chapter one is dedicated to the general introduction of the research and addressed major issues of objectives of the research and justified the need for the research. Other areas included limitation and delimitation of the Study as well as definition of terms.

Chapter two reflected on relevant and existing data/literature (secondary data) to the research and reviewed theoretical bases for the research on the nature of NGOs, growth and development as well as the challenges facing local NGOs in HIV and AIDS sector in understanding contracts. The chapter also examined methods of resource utilization and accountability.

Chapter three focused on procedures used to gather information for analysis. These included population, sample and sampling techniques, research instrument and questionnaires.

Chapter four contain the presentation and analysis of data. All findings presented in this chapter were based on information gathered from local NGOs in HIV and AIDS sector and Development partners as well as GAC. In respect to the above limitations of local NGOs in HIV sector in managing resources, why local NGOs in HIV sector contracts are often abrogated and other challenges were address in this chapter. The final Chapter contains the core findings of analysis made in chapter four and policy recommendations to solve the research questions.



## **CHAPTER TWO**

### **TOWARDS EFFECTIVE RESOURCES UTILIZATION BY LOCAL NGOs IN HIV AND AIDS SECTOR IN GHANA.**

#### **2.1 Introduction**

This chapter begins with a brief examination on the nature and activities of NGOs in HIV and AIDS sector and their sources of funding. Detailed analyses of existing literature on the variables of the study are examined; these are: technical challenges in resource utilization, limitations associated with resource utilization, contract and conditionalities issues as well as effective resource utilization method are examined. The conclusion makes inferences to the literature and conceptual framework of the research.

#### **2.2 The Nature of Non-Governmental Organizations**

NGOs are usually established to solve an identified social need. This makes NGOs to work and live on projects. A project has a beginning and an end. However, with time and success in projects implementation, NGOs build reputation which culminates into developing several projects, sometimes handled separately, and sometimes clustered into programmes. The pursuit of these projects and programmes is largely conducted through funds received from Development Partners, Central Governments, individuals and other institutions. Project funds are usually for specific projects with timelines and deliverables.

It is the activities indulge in by NGOs that determine their nature. NGOs are heterogeneous in nature making their geographical and historical contexts different. As a result, there are many concepts and definitions of the term NGO. This section looks at the concepts and definitions of NGOs.

### **2.2.1 Concept of Non-Governmental Organizations**

The concept of NGO came into use in 1945 following the establishment of the United Nations Organizations which recognized the need to give a consultative role to organizations which were classified as neither government nor member states (Willet,2002). The act of defining an NGO is referred to by Martens (2002) as a “mission impossible”. Whilst Lekorwe (2007) argues that the clear definition of NGO still remains contested. However, it can be argued that all NGO’s can be regarded as ‘civil society organisations’ though not all civil society organizations are NGO’s. Despite the challenge with coming out with a definite definition of NGO, attempts have been made by various authors to define the term.

### **2.2.2 Definition of Non-Governmental Organisations**

According to Wikipedia, ‘voluntary organization’ or ‘charity’ are terms that are common in the UK, following a long tradition of volunteering and voluntary work that has been informed by Christian values and the development of charity law. ‘Non-profit organization’ is frequently used in the United States, where the market is dominant, and where citizen organizations are rewarded with fiscal benefits if they show that they are not commercial, profit-making entities.

Edwards (2000) sees NGOs as subset of civic organisation, defined by the fact that they are formally registered with government, receive a significant proportion of their

income from voluntary contributions (usually alongside grants from government), and are governed by a board of trustees rather than the elected representatives of a constituency.

Similarly Holloway (2001) NGOs are a group of organizations distinct from government institutions and business organizations. Their distinct feature is that they are formed to complement, supplement and offer alternatives to government development efforts.

The World Bank (1995) however argues that NGOs are private organisations that pursue activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services, and/or undertake community development.

According to one anthropologist, “The ways in which people construct the meaning of NGOs—what they are supposed to accomplish, what actually constitutes a genuine nongovernmental organization, and how much definitions really matter—are highly contestable” (Abramson 1999: p. 240) .

Ghana policy Guidelines (2007) on NGOs defines an NGO as an organisation, which is an independent , non-profit making, non-political and charitable organisation, with the primary objective of enhancing the social, cultural and economic wellbeing of communities, [and the operation of that organisation does not have a religious, political or ethnic bias].

From the above definitions and the purpose of this research, NGOs as the name suggest are organisations that are; private, self-governing, not-for-profit making or oriented organizations with enthusiasm geared to enhancing the wellbeing of disadvantage people. NGOs in HIV and AIDS will therefore include all NGOs, CBO, FBO, Support Groups of PLHIV, National Association of People Living with HIV and AIDS (NAP+)

who provide education to people regarding HIV and also providing care and support for affected families and infected individuals.

### **2.3 History and growth of Non-Governmental Organizations.**

People all over the world are forming associations, groups, foundations and similar institutions to render welfare services, champion human rights, democracy and advocacy issues (Samuel 2005). The struggle for universal peace and elimination of diseases has contributed to the thousand and one NGOs we have seen in recent years.

According to Wikipedia, NGOs are largely a phenomenon of the twentieth century which is traced to United State. Alexis de Tocqueville noted that in England people often perform great things singly, whilst Americans form associations for the smallest undertakings. NGOs have existed as far back as 25,000 years ago. More than 100,000 private, not-for-profit organizations with international focus have been founded since 1850. NGOs growth actually took off after the Second World War, with about 90 international NGOs founded each year, compared with about 10 each year in the 1890s. About 30 per cent only of early international NGOs have survived, even though those organizations founded after the wars have had a better survival rate. Many more NGOs with local, national or regional focus have been created, not all have survived or have been successful just like their international counterparts,.

Another version of the origin of NGOs as stated in Wikipedia, has it that the first organization to have been founded was the Anti-Slavery International, established in 1839 which according to Margaret Keck and Kathryn Sikkink, succeeded first in helping create abolition as a pressing political issue in the United States, and then, when

the issue ultimately contributed to war, became a critical factor in preventing British recognition of the South.

Issa (2005) revealed that NGOs in Africa thrived in 1980s and 1990s due to the initiation and implementation of structural adjustment programme. NGOs grew at this period to take over the work of the retrenching state that had been convinced by international financial institutions and development agencies such as the World Bank and International Monetary Fund to disengage from the provision of social services to its population. Issa further argues that the bilateral and multilateral institutions set aside substantial funds aimed at mitigating social dimensions of adjustment. This was a period in which the participation of international NGOs in Africa grew radically.

It is most likely that NGOs in HIV and AIDS sector started when the first HIV case was identified in 1982 in the United States of America. Their activities became more visible in the late 1990s as the virus was claiming more lives and living family orphans. The case of Uganda where whole communities were sweep-off is still fresh in the minds of many people. Although the 1980s were described as the 'NGO decade', growth continues quickly. In Kenya, for example, the NGO sector experienced its biggest growth between 1993 and 2005, from 250 registered NGOs in 1993 to 2,232 (Vanessa, 2008). In Tanzania the growth is even more dramatic. In 1990 there were 41 registered NGOs. By 2000 the figure was more than 10,000 (Reuben, 2002).

It can therefore be said that developing countries like Ghana have benefited from the work of NGOs in the area of relief and development, economic and social as well as political and health. The sharp reduction of the number of new HIV infections in Africa especially in Ghana is a clear indication of the good work of NGOs and civil society in general. From prevalence rate of 3.6 in 2002 to 1.5 in 2012 is an indication of the work

of NGOs (NHARCON 2013). According to available statistics at Ghana AIDS Commission, GHANET and NAP+ there are about 105 local NGOs registered some with national coverage whilst others are limited to particular districts and communities.

### **2.3.1 History and growth of NGOs in HIV and AIDS sector in Ghana.**

Following the first diagnosed HIV case in Ghana in 1986, a Unit in Korle-Bu Teaching Hospital was named Fevers Unit. Speaking to the GNA in 2005 Ms Leticia Awuku, Nurse Counsellor at the Unit explained the rationale for the name ‘‘it is called Fevers Unit because most diseases treated here start with fever’’ (Feb. 9, GNA). PLHIV were cared for in this unit till they die because as at that time there was no ART. This unit is still being used to keep people at the AIDS stage. People also visit to learn more about HIV and AIDS.

National Advisory Commission on AIDS (NACA) was formed by the then government in 1985 to advise government on HIV and AIDS issues. This was a year earlier before the first HIV case was reported in the country. In 1987, a year after the first case was diagnosed in the country the government established the National STDs/AIDS Control Programme (NACP) under the Ministry of Health’s Diseases Control Unit to be responsible for issues relating to HIV and AIDS (NHARCON 2013).

To ensure that the education was nationwide in character, a number of NGOs, FBO and CBOs were formed to work in partnership with the development partners. These NGOs, FBOs and CBOs included; Christian Health Association of Ghana (CHAG) made up of Catholic Secretariat, Salvation Army and the Presbyterian Church. The rest are Ghana Red Cross, Save the Children Fund (SCF) UK, Centre for Development of People (CEDEP), CARE International, and Action AID and Stop the Killer AIDS (NHARCON 2013). As noted by Bridget (1997) Christian Missionaries also contributed to the growth

of NGOs by establishing schools and clinics. Summons on HIV were and are still preached in churches and mosques to educate people and call for compassion for PLHIV and families affected with AIDS.

### **2.3.2 Role of NGO in HIV and AIDS sector**

Throughout the world, NGOs in general have played and continue to play a significant role in ensuring that there is equity regardless of the social class of people. According to Lekorwe (2007) it is through the complementary efforts of NGOs and interest groups that good governance can be promoted. These same efforts also help to ensure that government goods and services reach the grassroots, the poor, the marginalized, the disadvantaged in society, both fairly and equitably.

NGOs operate in all levels - grassroots, national, regional and international. They respond to emerging needs in the fields of health, education, refugees, environment, human rights, and other key aspects of development. NGOs in HIV and AIDS sector have contributed to a drastic reduction of HIV new infection and re-infection as well as reduction in AIDS related death. For example in 2007 a World Bank report on HIV and AIDS recognised the role of NGOs. The report said the mobilization of empowered 'grassroots' communities, along with delivering condoms and life-saving treatments, are beginning to slow the pace of the continent's epidemic, which killed more than 2 million African adults and children, and left another 24.7 million Africans struggling to live with its deadly effects.

### **2.4. Sources of Resources of NGOs in HIV and AIDS Sector**

Although this project is not focused on sources of funding but before the main issue of resource utilization is discussed, it is important to mention areas where NGOs source or

get their funding from for their project activities. Resources for HIV and AIDS activities has come from the least poor person in the world to the richest person aimed at combating HIV and AIDS through their respective taxes they pay in their countries and either by adhering to HIV education or educating people about HIV and AIDS. This is confirmed by The Henry (2010) report that Donor governments, low-income and middle-income country governments, the private sector, and individuals have contributed to the substantial increase in HIV and AIDS funding from the 1990s into the new millennium.

Below are the various sources of resources for NGOs in HIV and AIDS sector in Ghana.

#### **2.4.1 National Governments funding of HIV and AIDS activities**

National Governments have contributed to the fight against HIV and AIDS through their agencies in other countries throughout the world especially in developing countries and part of Asia. The majority of the global funding disbursed for the HIV and AIDS epidemic in 2010 was provided by donor governments the Henry (2010) report. According to a July 2011 report by UNAIDS/The Henry J. Kaiser Foundation, the bulk of the funding came from the United States (U.S.) accounting for more than half (54.2%) of disbursements by governments in 2010. The U.K. accounted for the second largest share of disbursements in 2010 (13.0%), followed by France (5.8%), the Netherlands (5.1%), Germany (4.5%), and Denmark (2.5%).<sup>5</sup>

#### **2.4.2 Ghana Government funding of HIV and AIDS**

A study conducted by Asante and Ama-pokua, (2008) on National AIDS Spending Assessment 2007 revealed total expenditure on HIV and AIDS related activities in



Ghana for 2007 was US\$52,445,091.00. The study indicated it was an increase of 61% from 2006. Total funding increased from US\$28.4 million in 2005 to US\$32.6 million in 2006 and to US\$52.5 million in 2007. The largest proportion of the funds was sourced from international organisations. In 2007, funds from International Organizations formed 78.3 percent of total spending on HIV and AIDS.

Ghana Operational Plan 2010 reports put 2007 funding to approximately \$44 million and in 2009; \$68 million was invested in the Ghanaian response to HIV/AIDS. The report estimated an increase in 2010 to \$81 million: one million to be provided by the Government of Ghana (GoG) to the GAC; and a potential \$7 million for Districts (based on the GoG requirement that District Authorities designate 0.5% of the District Common Funds they receive on HIV/AIDS activities). \$13 million was estimated to come from the United States Government; \$2.5 million each to be provided by the Joint United Nations Program on HIV/AIDS (UNAIDS) and the World Bank; \$2 million each to be provided by the Danish International Development Assistance (DANIDA), German Technical Assistance (GTZ) and the Department for International Development (DfID); and \$2 million by other donors.

This indeed is an indication of the contribution of Ghana's Development partners to the fight against HIV and AIDS.

### **2.4.3 Multilateral Corporations funding organisations**

Funding for HIV and AIDS activities in developing countries or better still in low- and middle-income countries is distributed by multilateral organisations, which obtain their funding from a number of national governments. The largest such body is the Global Fund to fight AIDS, TB and Malaria, which had distributed about US\$16.2 billion for HIV/AIDS, malaria and tuberculosis by November 2011. The Global Fund (2012,

May). The July 2010 report by UNAIDS/The Henry J. Kaiser Foundation captured that around 61 per cent of Global Fund funding is spent on HIV and AIDS. The World Bank is the second largest multilateral donor to the HIV and AIDS response in developing countries and is one of eight co-sponsors of UNAIDS. By the end of 2006, it had dispersed US\$879.22 million to 75 projects to prevent, treat and reduce the impact of HIV and AIDS.

#### **2.4.4 Private sector funding of HIV and AIDS activities**

Since the first HIV case was diagnosed in USA in 1982, both small and very large number of private sector organisations including corporate donors, individual philanthropists, religious groups, charities and non-governmental organisations (NGOs) have contributed money to the fight against the HIV Virus and supported infected and affected families.

Bill and Melinda Gates Foundation has supported the global fight against HIV and AIDS by contributing US\$1.4 billion in grants to the Global Fund as of January 2012 and has spent US\$200 million establishing an initiative to prevent HIV transmission in India (Global Fund 2012, 26th January). In partnership with the Merck Company Foundation and the government of Botswana, the Gates Foundation has made significant progress in combating the HIV/AIDS epidemic in Botswana.

The William J. Clinton Foundation, founded by the former American President, Bill Clinton, is another private organisation with HIV and AIDS as one of its main concerns. The Foundation addresses the inequalities in access to health care in the developing world and in particular aims to improve access to antiretroviral treatment for developing countries. (Global Fund 2012, 26th January)

For this to become a reality, NGOs must learn to overcome challenges associated with resource utilization. Some of these challenges have been researched into and are discussed below.

## **2.5 Challenges local NGOs face in resource utilization**

Resources constitute a major strategic factor in organizational functioning. Thomas and John (1978) quoted by Uguru and Abdullahi (2007) states that managers work with many resources to accomplish their goals. Such resources include raw materials to produce goods, building to house operations and financial resources to fund their activities. The World Bank Group 2013 identified the most common weaknesses of the NGO sector to include: limited financial and management expertise, limited institutional capacity, low levels of self-sustainability, isolation/lack of inter-organizational communication and/or coordination, small scale interventions and lack of understanding of the broader social or economic context.

These limitations are discussed below under key thematic areas such as: technical challenges in resource utilization, limitations associated with resource utilization, contract and requirements as well as effective resource utilization methods.

### **2.5.1 Technical challenges of local NGOs in HIV and AIDS sector**

Technical factors refer to lack of adequate: Human resources, governance and leadership or better still technical and managerial skills and organizational structure. NGOs in HIV and AIDS sector lack these key ingredients hence their inability to effectively manage resource especially financial resources that are made available to them through the various development partners and central government (The World Bank Group 2013).

The burden of providing effective HIV and AIDS services, particularly to marginalized groups, often falls on NGOs that may or may not have adequate resources, know-how, and tools to address the immense needs in their communities in a way that would be considered sufficient from a public health perspective. The myriad of skills expected from local NGOs is frightening and an area of increasing concern particularly in the complex situation of responding to the HIV and AIDS pandemic in resource-constrained settings. NGOs are expected to provide professional, community-based services together with professional monitoring, evaluation, and reporting. All of this is expected with insufficient resources, inadequate access to technical assistance or standards, and little guidance or support from government. Scale-up becomes a major problem because it is difficult for NGOs to obtain sufficient infrastructure and staff to expand. Many local NGOs suffer from what Helen (2005) calls "brain drain" as trained professionals are hired away from their home communities by INGOs paying higher salaries. As a result, attracting and sustaining fully qualified and trained staff is yet another challenge Helen.

### **2.5.2. Human Resource Management**

NGOs unlike private business organizations that make profit receive funds from individuals and development partners and sometimes the Central Government to executive a project. This makes the issue of remuneration and job security a challenge. As a result of these challenges, some local NGOs depend on voluntary and part-time and project staff to executive their projects making it difficult if not impossible to have control over the quality of labour they obtain. The human resources are therefore determined by those who wish to work as volunteers, part-time and project-on-project and others who are waiting for more secure jobs. Some of the staff used to prosecute

activities of local NGOs is not well trained to effectively carry out their duties. Other challenges as noted by Vilain (2006) include; recruitment, assignment and layoff as well as human resources development and administration and finally everyday management of staff. NGOs are found to be weak at staff career development. Often organizations lacked a career structure in which staff could develop. In addition they are not good at budgeting for staff training. In situations where the organizations were expanding rapidly, it creates problems for many who are unable to keep up with the demands of their work. According to Lekorwe (2007) lack of well trained and experienced human resources limits the extent to which local NGOs are able to manage their daily affairs and their capacity to effectively plan, appraise, implement, and monitor their projects and programmes.

The part-time and Project-on-project staffs are paid allowances and salaries respectively. The project-on-project staffs are recruited to execute a project after which their appointment comes to an end. This is supported by Ibrahim and Muhtesem (2006) which revealed that not all people working for local NGOs are volunteers. There are paid staffs who typically receive lower pay than in the commercial private sector. As a result staff turn-over is high in local NGOs.

It is interesting to note that while Ibrahim and Muhtesem (2006) said staff of local NGOs are paid low wages, a 2006-07 government report on utilization of foreign funds by Indian NGOs showed that out of the \$2.15 billion in foreign aid received, around \$680 million was used for organizational expenses, compared with \$563 million used for relief and rehabilitation of victims of natural calamities, \$435 million for rural development, \$269 million for construction and maintenance of schools and colleges, and \$263 million for welfare of children. (New Delhi Tuesday, Dec. 14, 2010).

During the launch of World AIDS day 2007 in the Western region of Ghana, Mrs Olivia Opoku Adoma Western Regional Monitoring and Evaluation officer on HIV and AIDS, said Some CBOs/NGOs do not have the personnel with the technical knowhow to effectively carry out the activities planned for their areas of intervention, Mrs Adoma noted that under the GARFUND activities, many NGOs/CBOs were granted funds for education and sensitization but many of them failed to adhere strictly to the guidelines.

(1<sup>st</sup> March 2009, Ghana Web)

After four years of this revelation, the challenge is still here with us as acknowledged in the 2011-2015 Ghana National HIV and AIDS Strategic Plan, that Local NGOs do not have adequate human resources. The umbrella or networks organizations also lack full time secretariats.

We can only win the battle against HIV and AIDS when we have adequate, competent and sincere personnel who are prepared to do things right. The institutions entrusted with the responsibility to monitor these NGOs must also work whilst those responsible to making funds available to them must start doing a diligent work. Until then, we shall continue to lack qualified expertise to plan as to how to execute work plans and be able to reconcile whatever amount has been used in executing the work.

### **2.5.3 Governance and Leadership**

According to the World Bank Experience, governance is an open and liberal policy making; a bureaucracy imbued with a professional culture; an executive arm of governance accountable for its actions; and a strong civil society participating in public affairs <http://magnet.undp.org>; all under the rule of law. For the UNDP, good governance is, among other things, participatory, transparent and accountable. It is also effective and fair and it promotes the rule of law. <http://magnet.undp.org> Good

governance ensures that political, social and economic priorities are based on broad consensus in society and that the voices of the poorest and the most vulnerable are heard in decision-making over the allocation of development resources. Leadership is a process by which a person influences others to accomplish an objective and directs the organization in a way that makes it more cohesive and coherent. This definition is similar to Northouse's (2007) definition which sees leadership as a process whereby an individual influences a group of individuals to achieve a common goal.

According to Gareth and Jennifer (2011) management is a process that seeks to address Values, attitudes, emotions, and culture in an organisation and a manager as a person is bound by ethics that guide in decision making, learning, creativity, and entrepreneurship. In this regard the manager designs organizational structures that facilitate Planning, strategies, control, make positive change and acquire competitive advantage in the organization. Further, effective team management is characterised by building and managing human resources and promoting systems that facilitate communication and information technology management. A manager is perceived as a leader whose leadership is evidenced in managing vital operations and process. The suggestion by Gareth and Jennifer is that, management involves a process of planning, organising, directing, coordinating and reporting. It is therefore the responsibility of any management to design, initiate and control the implementation of HIV and AIDS activities in a collaborative manner.

According to the Company code of Ghana 1963 Act 179 every organization or company, is required to have a board of directors to oversee the activities of the entity. However, same cannot be said of some local NGOs. Because these NGOs are founded with the 'motive to make money' their board is usually composed of family members,

relatives and at best ‘absentee professionals’ whose names are part of the board yet they never attend meetings neither do they know anything about the organization. With a board composed of relatives and ‘absentee professional’, the best expected of such an organization is lack of accountability, unprofessional conduct in using resources. More (2005, p. 2) observed that ‘NGOs in developing countries often lack institutional capacities and resources and often manage donor funds poorly’. Turary (2002) argues that local NGOs are constrained by their limited managerial and technical capacity.

The 2003 Annual Report of the Ghana AIDS Commission captures 17 defaulting organisations that were detected to have misapplied funds including those that could not be traced. Some of these organisations have no offices or permanent addresses and have just one man, a non- professional, operating from a briefcase in hand. (16 September 2005 GNA)

With good governance structure and leadership in place some of the challenges associated with local NGOs would be the thing of the past. Lack of transparency and accountability are some of the factors impeding the effective management of local NGOs in Africa. According to Botswana Guardian (2006) some local NGOs dealing with the HIV and AIDS epidemic in Botswana have been accused of maladministration, financial mismanagement, and the misuse of donor and public funds which were channelled through them.

Addressing an HIV and AIDS Conference attended by United Nations and government officials across Southern Africa, Zambian President, Levy Mwanawasa, in March 2004 said most civil society groups were composed of family members who got donor funding under the guise of AIDS prevention programmes (16 September 2005 GNA).

Mukasa (2006) opined that the common problem among NGOs was to do with the governance of the organizations and the relations between board members and staff.



These stemmed largely from the boards' inability or unwillingness to carry out their responsibilities of governing the organizations. Board members often lacked the time or the expertise to be able to carry out these responsibilities effectively. As a result, senior staffs were often left to make policy decisions with little or no support from board members. Mukasa, observed that most nonprofits organizations are governed by self-perpetuating, largely self-appointing boards of directors. "Though trustees are not elected by society at large, their essential purpose is to hold an organization in trust for the benefit of society, as specified in its papers of incorporation and grants of tax exemption" (Lewis, 2005)

It is sad to say that many local NGOs have the Executive Director making request for funds, cross check the cheques, approves of the funds and responsible for spending. Under this leadership nothing good is expected to come from this style of management where one man determines what happens without involving board of other staff.

#### **2.5.4 Organizational Structure**

The way in which work is structured and documented determines the actual organisational processes. Documentation of the organizational processes is very paramount in managing an organization. This is because; the chart gives authority and remains far more powerful than do statements of intent and sentiment. Many local NGOs do not even have offices and those who do hardly open these offices for people to have access for information if any. These offices are only opened when they hear of officials coming for monitoring or when they hear of potential funding for HIV activities.

The case of Ghana is confirmed by a columnist: Ali Ibrahim Anchong (1st March 2009) that out of the over seventy CBOs/NGOs in Odumase district "It is not uncommon to

find CBOs/NGOs offices always closed in areas such as Odumase, Agormanya, Somanya, Nuaso, and surrounding areas. (1<sup>st</sup> March 2009, Ghana Web)

These communities have led the rate of HIV infection for many years; yet NGOs collect funding for work and do nothing and sadly not very much has been done to bring them to book.

Lotsmart (2007) maintains that majority of local NGOs lack such structures and operating mechanism. This makes it difficult for any local NGO to systematically generate funds locally. The major contributory factor to this is the constraint that limited financial resources places on the ability of NGOs to plan, organize and design clearly defined structures as well as equip their offices with adequate equipment and facilities to enable them work effectively.

According to a GNA report (16<sup>th</sup> September 2005), the pre-occupation of the global HIV and AIDS community to pressing issues such as the search for a cure and control of the epidemic has given a free hand to some NGO to operate anyhow with very little control over their activities. Amazingly, some of these organisations have no offices or permanent addresses and have just one man, a non- professional, operating from a briefcase in hand.

The department of Social welfare responsible for monitoring activities of NGOs themselves do not have motor bikes not to talk of 4x4 vehicles which are mostly driven by NGOs managers. This calls for appropriate monitoring systems to be put in place to ensure that those whose proposals are selected are indeed on ground working.

## **2.6 Limitation of local NGOs in HIV and AIDS sector in Resource Utilization**

All activities, be it manufacturing, marketing, human resources management, purchases and supply, research and development, depend on the sufficient and timely availability

and accessibility of funds both for initiation and smooth continuation to project close out. Just like how difficult it is for human being to survive without blood, so is it with organizations to survive without funds regardless of its activities. How these resources are utilised is very relevant <http://www.newagepublishers.com/samplechapte>.

Mechai and Hayssen (2001) opined that receiving money alone is not important. Terms and conditions, while receiving money are more important. Cost of funds is an important element. Its utilization is rather more important. If funds are utilised appropriately, repayment would be possible and easier, too. Inflow and outflow of funds must carefully be match.

According to Brown and Moore (2001) satisfying clients and donors can sometimes be in conflict with the organisation's long term goals. Brown and Moore provided an example in which they describe a large children's program that was closed down by the auditors because one of the partners had been "padding an expense account".

A similar case happened in the United States of America which according to The Washington Post in 1992, Bill Aramony, CEO of United Way America was involved in a huge mismanagement of resources. He was convicted in 1995 on 23 counts of felony charges, including conspiracy, fraud and filing false tax returns. He did this in the name of the NGO.

The limitation associated with resource utilization is the conditionality attached to every HIV and AIDS project. It is the funding organization that mostly determines what activity and target population as well as location of the project.

### **2.6.1 Issues of conditionality**

Conditionality is the imposition by development partner (bilateral and multilateral) on the aid recipient countries or NGO as in the case of this project. This was used mainly

by International Monetary Fund (IMF) and the World Bank; however, most donors' particularly bilateral aid organizations are using it as a tool for aid provision.

White sees the issue of conditionality to be against large countries as bias in terms of allocation of aid is concern. "...Country allocation, sector (sub-sector) of activity and in project design, there are biases in aid allocation. There is a bias in favour of small countries at the expense of large ones" (White, p 105).

Svensson (2000) opined that conditioned type of aid succeeds when donors are able to keep their promises by making the funds available in very good time. Svensson noted that as a principle, aid conditionality could partly solve the problem, but requires strong commitment ability by the donor.

Mechai and Hayssen (2001) believe strongly that conditionality inhibits the independence of NGOs to choose which program activities to undertake and to select the most effective strategies for implementation. Mechai and Hayssen added that all donors have their own agenda, i.e., their own views as to which problems are important and the best intervention strategies to address these problems. Another problem is that many grants and donations carry restrictions on the types of expenses that they may cover. The most common restriction is to cover only direct program costs, but not the cost of support services or other overhead costs incurred by the NGO. The NGOs must "contribute" these costs on their own, or at least cover an increasing share of these costs over time. One of such conditioned is called the Fixed Obligated Granted (FOG) where local NGOs in HIV and AIDS sector are required to pre-finance activities and come for re-imburement. It is very obvious that almost all local NGOs do not have the capacity to source for funding to meet this FOG terms yet they go for such conditioned. The results of which reporting for on activities which have either not been implemented or do what we call in Ghana 'something to represent something' because they know that

some donors are interested in figures number of people reached and not the strategies and impact of the project to beneficiaries.

<http://www.ngoconnect.net/documents/592341/749044/10%2BSteps%2Bfor%2BManaging%2BSubgrants>

## **2.6.2 Effects of Aid Conditionality**

Sometimes, development partners or donors seem to be interested in the aspect of getting the politics right rather than giving aid for some development or poverty reduction purpose.

Moyo (2009) argued that the perception that aid can improve poverty is falsehood since aid has been and continues to be, an unmitigated political, economic and humanitarian disaster for most developing countries. Mayo sees the vicious-cycle of aid as one that chokes off investment, encourages dependency and facilitates corruption, adding that this cycle perpetuates underdevelopment and guarantees economic failure in poor regions.

Conditionality is followed by remarkable negative effect on aid utilization. Most of the aid conditions are sort of quick actions, and donors are aware of the negative impacts. Deborah and Knack (2004, p.256) argue that “...despite what we believe to be generally good intentions, the foreign aid system also poses problems for governance in aid dependent states.”

Financial problem is a pressing factor for the survival of local NGOs hence they behave passively. It is hard to object to some of the donor aid policies even if the NGO is having some reservations on its target population but for the money involve, they go for the funds with alacrity.

### **2.6.3 Contractual challenges; the case of USAID projects**

In 2010, the Academy for Educational Development (AED), then headed by president and CEO Stephen Moseley, sent a cheque for nearly \$1 million to the United States Agency for International Development. This was because, AED had overcharged the federal government by that amount for a project it was overseeing in Pakistan hence the return of the cheque Christopher (March 31, 2011). On Dec. 8, USAID announced its decision to suspend AED because of "evidence of serious corporate misconduct, mismanagement, and a lack of internal controls," as well as "serious concerns of corporate integrity." That meant AED could not receive new funds from the federal government. This according to Christopher led to the suspension of AED.

Until the suspension, AED managed about \$500 million in grants and contracts every year and employed more than 700 people in Washington and about 2,000 people worldwide. 180 employees have since left or been laid off, according to Michelle Galley, a spokesperson for AED.

According to USAID, the suspension of AED was proof of the government's careful stewardship of taxpayer dollars. "The American people's money must be spent to advance their priorities, not to line the pockets of contractors or to maintain projects that don't work," Obama said in March 2009.

Christopher (2011) said AED in October 2008 won the bid to provide emergency relief in Pakistan and apparently overpaid for emergency supply kits and engaged accounting firm Ernst & Young to investigate the problem without immediately involving the USAID's inspector general. According to an AED employee they needed to have engaged USAID officials. Saying "You need to engage with them fully as soon as possible, instead of pushing them off and making it look like you're obstructing justice,"

It is interesting to note that in late 2010, AED gave back almost \$1 million to USAID an amount that AED's own audit had determined that it owed as a result of its mismanagement of the Pakistan project. (The New York Times Book Review Thursday, March 31, 2011). According to a USA TODAY reported on 9/1/2009 four chief executives of NGOs earned more than half a million dollars in 2007. This according to the paper breached President Obama and Congress directive of a \$500,000 cap on salaries at companies getting taxpayer bailouts.

Speaking on the issue of salaries Chuck Grassley of Iowa the ranking Republican member on the Finance Committee which has jurisdiction over non-profit compensation had this to say "It seems to me that these are salaries that are outrageous, particularly if they're government contractors," on his part, Sen. Patrick Leahy,D-Vt., who chairs the subcommittee that funds foreign aid had this to say about AED "It conflicts with most people's notion of what a non-profit organization is about when they're paying themselves salaries that are several times higher than what a U.S. Cabinet secretary would earn," Christopher (March 31, 2011)

The U.S. Agency for International Development relies on a cadre of for-profit companies and tax-exempt groups to deliver foreign assistance programs, which Obama says has gone awry. "Western consultants and administrative costs end up gobbling huge percentages of our aid overall," Obama said to the news website all Africa.com in July 2008. Large swaths of foreign aid are now dominated by this handful of corporate consultants, many of them enjoying the tax benefits of non-profit status," Leahy said. "A lot of them do very good work, but they also charge a lot in overhead and salaries. The process has become too cosy, shutting out many smaller non-profits that have much to offer."

These are shared notions of Ghanaians when they hear that an individual is working with an NGO. Although no research exists on the salaries of NGO staff or volunteers, however, it is generally perceived that they are paid better than government employees. The tax exemptions are a true reflection of what happens in Ghana giving the increase in number of mushroom NGOs of which many founders use to evade tax.

There is therefore the need to research into how remunerations of local NGOs are and whether it has impact on performance.

## **2.7 Mechanism in place to ensure Effective resource utilization**

In the context of aid effectiveness a key question is how aid can be used to strengthen the local NGOs in HIV and AIDS sector, while at the same time addressing the identified challenges. Esra Guler (2008) observed that NGO manager need to find the most favourable mix of quantity and quality of funds in relation to organization's mission, culture and strategy. Quoting from Fowler definition of quality funds for NGOs as being free from strict conditions, allocated on programs rather than projects, not constrained by administrative requirements, predictable and reliable in terms of flow, disbursed timely, and based on demonstrated performance. NGOs can look for alternatives to official aid. Basically, these are self-financing (income-generating activities), local fund-raising (public, corporations, national/local governments, local foundations), and external financing (venture capital, revolving loan/credit funds, etc.).

### **2.7.1 Vision Mission**

*“Vision without action is a daydream; action without vision is a nightmare.”* This Japanese proverb captures the first lesson on NGO management: While vision and mission are not sufficient to determine the role and activities of an NGO, the action



itself without a link to a clear, shared vision often leads to failure of NGO in realizing its potential. The lack of consistency between what an NGO envisions and what it does bring ineffectiveness since it creates confusion in the minds of the NGO staff, its supporters, and the outside world and weakens focus and energies. In order to ensure that the path from vision to action is consistent, an NGO needs to experience a three-stage process described by Fowler as (i) re-examining and confirming what the NGO stands for; (ii) linking these values to two long-term choices [through appropriate strategic plans]; and (iii) translating choices to tangible actions and tasks to be carried out by staff and stakeholders Fowler, (2004).

Taking this process seriously under a strong leadership and promoting internal dialogue such as organizing workshops including all staff can help achieve organizational effectiveness.

The weakness of local NGOs in strategic planning is also an important issue as the international aid system has been clustering around realizing the MDGs and setting unifying parameters for NGO access to official aid Fowler (2004). Under these trends, maintaining a clear link between vision and action and staying focused on primary stakeholders and mission require strong leadership, staff commitment, and also optimum degree of organizational flexibility to respond to changing needs, interests, and priorities. However, when it comes to the need for strong leadership and commitment by NGO staff, it is worth mentioning that many NGOs, especially those in less developed countries, may suffer from the leadership bailout and staff turnover as a result of the lack of institutionalization and overdependence on the founder, which in turn creates a great risk of collapse at the demise of founders.

A way to solve this institutional sustainability problem is creating systems for leadership development, staff empowerment, promotion of organizational culture, as

well as balancing of psychological motivation of staff with market-related incentives and expectations and above all ensuring job security for key staff.

### **2.7.2 Accountability Issues**

Accountability is a challenge among NGOs in HIV and AIDS sector. This has been acknowledged by 2011-2015 Ghana National HIV and AIDS Strategic Plan Management and accountability of the funds received for the national response remain a challenge at both national and decentralized levels. Implementers and other stakeholders lack the capacity to properly account for funds disbursed which leads to delays in producing financial reports and subsequent release of additional funds.

Lloyd and Casas, (2006) are of the view that the issue of accountable among NGOs is quite complex. NGOs are said to have "downward accountability" to their partners, beneficiaries, staff and supporters; and "upward accountability" to their trustees, donors and host governments. Lloyd (2005) adds that NGOs are inwardly accountable to themselves for their organizational mission, values and staff and horizontally accountable to their peers. Membership organizations (like grassroots, people's, or community-based organizations) are of course "laterally" accountable to their members.

A 2008 assessment of 30 of the world's most powerful global organizations cites transparency as one of the least developed dimensions of accountability. In India, the problem is compounded by the highly unorganized nature of the NGO sector: organizations are often required to register under multiple laws without any uniform accounting policy or reporting framework (New Delhi Tuesday, Dec. 14, 2010).

NGOs in HIV and AIDS sector accountability issues is no longer a matter of simple financial accountability or reporting to donors about funds received. Lloyd (2005) says

the traditional concept of NGO-donor relationship following the principal-agent model is no longer applicable as the model presupposes that only entities with formal authority have the right to exact accountability from their agents. Slim (2002) says the practice of Western charities of reporting on “*money raised and spent, the number of poor people reached, and the administrative cost of raising and spending the money*” is over.

It is sad to say that this mentality is still being held by many managers of local NGOs as confirmed by Thomas Chandy, ECO of Save the Children, in India; who holds the view that every organization has legitimate administrative costs, it is impossible to distinguish administrative costs from program costs because it's all set up for delivering programs. Thomas is of the view that instead of focusing on how money gets allocated, we should look at the impact created at ground level (New Delhi Tuesday, Dec. 14, 2010).

Managers of local NGOs must begin to account for every cedi they get from development partners and central government. For those who are not able should face the consequences which usually are contract abrogation and leadership being asked to refund whatever money might have been misappropriated.

### **2.7.3 Record Keeping**

The foundations of all accounting are basic records that describe your earnings and spending. This means the contracts and letters for money you receive and the receipts and the invoices for things that you buy. These basic records prove that each and every transaction has taken place. Ali (2005) refers to these as the cornerstones of being accountable. Ali adds that managers of funds must make sure that all these records are carefully filed and kept safe. While all details of each transaction are written down in a cashbook which is explained as a list of how much you spent, on what and when. Ali

noted that when this principle is followed religiously, providing final account on what you spent cannot go far wrong.

It is worrying that many Local NGOs do not follow this basic rule. For those who follow it they do not separate them based on each development partner or funding.

#### **2.7.4 Internal control**

NGO must make sure that their organizations have proper controls in place so that money cannot be misused. Ali (2005) outline the following as good control systems: Keeping cash in a safe place (ideally in a bank account), making sure that all expenditure is properly authorized, following the budget, monitoring how much money has been spent on what every month, employing qualified finance staff and having an audit every year not forgetting of carrying out bank reconciliation every month. This means checking that the amount of cash you have in the bank is the same as the amount that your cashbook tells you that you ought to have. This last control is particularly important. It proves that the amounts recorded in the cash book and the reports based on it are accurate.

NGOs in HIV and AIDS sector have difficulty reconciling their bank. In some cases, descriptions does not agree with what is in the bank statement indicating that money was withdrawn for different purpose either then the project activities.

Control systems enable optimum utilization of resources. Resources are limited, particularly in developing countries like Ghana so, the focus, everywhere, is to take maximum benefit, in the form of output, from the limited inputs. These systems are needed in every type of organization, be it public or private sector.

### **2.7.5 Budgeting challenges**

Ali (2005) says that for good financial management practice accurate budgets must be prepared in order to know how much money will be needed to carry out project activities. A budget is only useful if it is worked out by carefully forecasting how much you expect to spend on your activities. Budgeting is done by NGOs however, the challenge is that they do not follow these budget lines and end up overspending even in areas they have not planned for.

### **2.7.6 Financial reporting**

The writing and reviewing financial reports is important in NGO management. A financial report should summarize income and expenditure over a certain period of time. Financial reports are created by adding together similar transactions. Financial reports summarize the information held in the cashbook. This is normally done using a system of codes, to allocate transactions to different categories.

It appears managers of local NGOs have continued to use the tradition approach of financial management which according to Ray and Dean treated in the narrow sense as procurement or arrangement of funds. A finance manager was treated as just provider of funds, when organization felt its need. Ray and Dean added that the utilization or administering resources was considered outside the purview of the finance function. It was felt that the finance manager had no role to play in the decision-making for its utilization. Ray and Dean noted that Project Managers and other take decisions regarding funds utilization without the involvement of finance personnel. They challenge managers to adopt what they call the modern approach which started during mid1950s. The approach provides answers to those questions which traditional approach has failed to provide. Financial management is considered as vital and an

integral part of overall management. Its scope is wider, as it covers both procurement of funds and its efficient allocation. Allocation is not a just haphazard process. Its effective utilization and allocation among various investments helps to maximize shareholders' wealth.

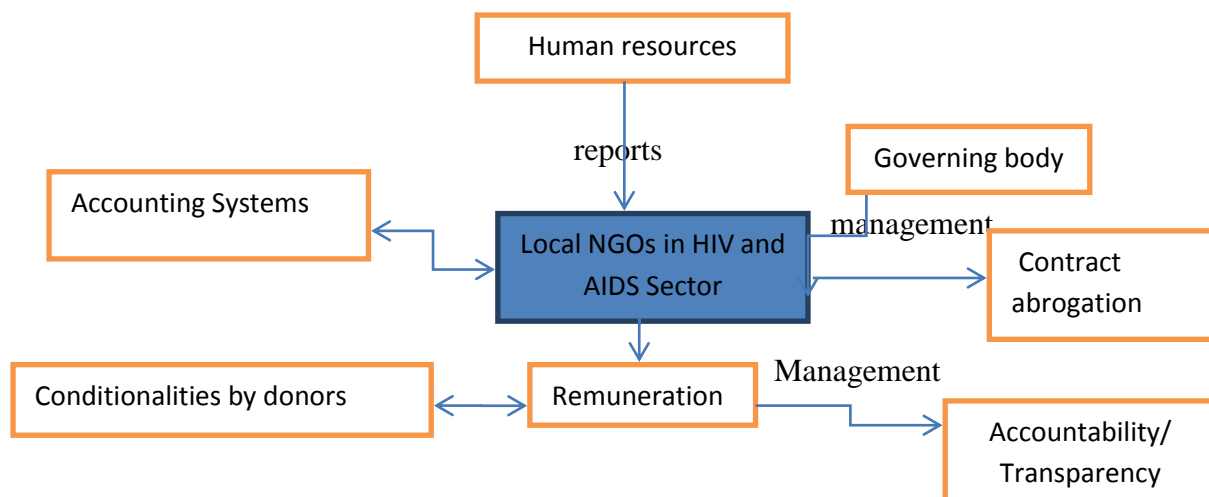
The use of part-time staff or volunteers as finance officers or managers and the unwillingness of local NGOs managers to let staff have insight information about what amount is involved in project activities account for the inability of many local NGOs to meet standards in financial reporting. The Managers are those who make request, approve and withdraw all funds for project activities but are unable to reconcile at the right time and as required because they lack knowledge in financial management.

## **2.8 Conceptual Framework**

Robson, (2002) explained that a conceptual framework of a study is the system of concepts, assumptions, expectations, beliefs, and theories that supports and informs a research.

This can be a visual or written product, one that explains, either graphically or in narrative form, the main things to be studied the key factors, concepts, or variables and the presumed relationships among them.

The conceptual framework provided below will help to interpret the data. This is a simple resource utilization structure for NGOs in HIV and AIDS sector. In this research, it is the actual ideas and beliefs that the researcher holds about the phenomena under study.



Adapted from Maxwell, (2004, p.48) **Figure 2.1: Conceptual Framework of resource utilization**

For local NGOs to be successful there is the need for them to ensure that they have the required and qualified human resource that can manage their projects and handle equipment well. The governing body must be made to play key roles for which they were formed and not just for the purpose of fulfilling requirements. They must have absolute responsibility over the financial management of the organization and help in fund raising. This will ensure accountability and transparency and reduce or eliminate contract abrogation. It will also improve remuneration for staff and reduce conditionality put in place by development partners since some of these conditionalities come about as a result of lack of transparency.

### 2.8.1 Deductions from the literature review

The literature has provided an outline of the role local NGOs in HIV and AIDS sector play especially in awareness creation, providing care and support for infected and affected families and assisting in Testing and Counselling with support for ART among their stakeholders or target population.

The literature identified sources of for NGOs in HIV and AIDS sector and concluded that much of the funds came from external sources. The important roles of NGOs in

HIV and AIDS sector notwithstanding, they are overwhelmed with some challenges. These identified challenges include; limited financial and technical management expertise and above all limited institutional capacity and policies to ensure effective resource utilization.

The literature was limited on the reasons for the inability of local NGOs in HIV and AIDS sector to properly account for resources they get from development partners and the Central Government. The focus of the study will therefore scrutinize the causes for this challenge and provide possible remedy.

As an addendum, the literature provided institutional issues confronting local NGOs in HIV and AIDS. Again, the literature was not able to decide the best institutional methods that will help local NGOs in HIV and AIDS to function without challenges that usually lead to contract abrogation. The study will therefore collect data on what funding agencies expect from Local NGOs in HIV and AIDS sector and make analysis so as to enable local NGOs in HIV and AIDS sector make informed choices.

This will help build the confidence of development partners and Central government in local NGOs in HIV and AIDS sector that resources entrusted to them shall be used for project activities and proper account submitted in time.



## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter indicates the detail strategy that was adopted by the researcher in carrying out the research work; a mixed research method thus a research design with philosophical assumptions as well as methods of inquiry. As a methodology, it involved theoretical assumptions that guide the direction of the collection and analysis of data and the mixture of qualitative and quantitative approaches in many phases in the research process. As a method, it focused on collecting, analyzing, and mixing both quantitative and qualitative data in this study. Its fundamental principle is that the use of quantitative and qualitative approaches in combination provides a better understanding of research problems than either approach alone (Creswell, 2003).

The chapter explained and justified the methods and processes that were used in order to collect data in answering the research questions.

The chapter represents the research design, data collection and data analysis procedure that were decided to be most suitable methods for addressing the formulated research questions. Both practical procedures and theoretical fundamentals are discussed in the following.

### **3.2 Population**

The Oxford dictionary defines population as all the people who live in a particular area, city or country. It can also be said to be all the elements or individuals that fall within a certain specification and have certain common characteristics.

Population is the aggregate of all cases that conform to some designed set of specifications. The specific nature of the population depends on the research or investigation (Lewis & Berg, 2001). A single number of a population is referred to as sample unit. Usually, units have numerous traits of which one or more may interest the researcher in particular.

The population for the study was one hundred and five (105) according to Ghana AIDS Commissions and Ghana HIV and AIDS Network list made available to the researcher. This included all local NGOs, INGOs and Institutions working on HIV and AIDS activities. The study population were selected because they are relevant to the research question. They are the people who understand the workings or better still operations of NGOs in HIV and AIDS sector. These are managers or senior staff of local NGOs and experts made up of donor, INGOs and GAC staffs.

### **3.3 Profile of Local Non-Governmental Organizations**

The outline principally looked at the contextual information about the local Non-Governmental Organizations in relation to the year of establishment, governance and management, staff composition and educational qualification as well as their remunerations, the existence or non-existence of Board of Directors and the role they play were gathered from respondents. Below is the detail of the outcome.

### 3.3.1 Year of Establishment

Data from the field indicated that there were very few NGOs established between 1985 and 1990 as only 2.85 percent NGOs were established. These NGOs can be said to be the first NGOs established to address the HIV pandemic when it was identified in 1982. 14.26 percent were established between 1991 and 1996. There was a significant increase of NGOs established between 1997 and 2002 as 42.86 percent were established with the 'later days' NGOs having 39.9 percentage. Below is a table showing year of establishment of local NGOs.

**Table 3.1 Local NGOs year of establishment**

<b>Year of establishment of NGOs</b>		
<b>Year</b>	<b>No. of local NGOs</b>	<b>%e</b>
<b>1985-1990</b>	1	2.85
<b>1991-1996</b>	5	14.26
<b>1997-2002</b>	15	42.86
<b>After 2003</b>	14	39.9
<b>Total</b>	<b>35</b>	<b>100</b>

**Source Field data 2013**

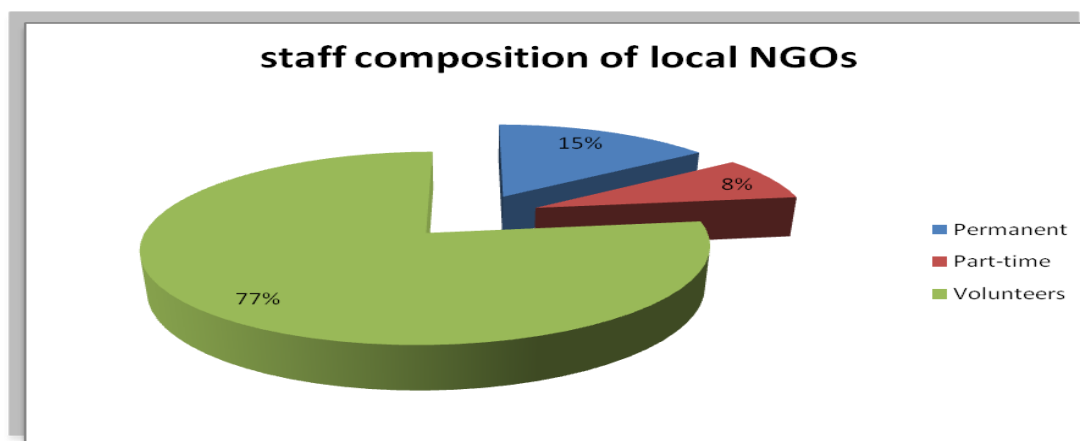
### 3.3.2 Governance and Management Issues of Local NGOs

Good governance and management of local NGOs resources are essential to the survival and continuous securing of funding by local NGOs. Effective and efficient governance systems attract local NGOs to development partners for funding. Staff qualifications and composition as well as board of directors in local NGOs management are looked at in this section.

### 3.3.3 Staff Composition

Staff composition of local NGOs is significant as it informs the kind of staff, their qualifications and experiences. This gives a clue regarding their capacity to manage

programs and funds. The staff in local NGOs in HIV and AIDS Sector would be largely group into permanent, part-time and volunteers/Support staffs. There is a total of 1079 staff employed by the 35 local NGOs surveyed. They were made up of: permanent staff (7.78 percent), part-time (15.19 percent) and volunteers/Support staff (77.06 percent) as shown in the figure below.

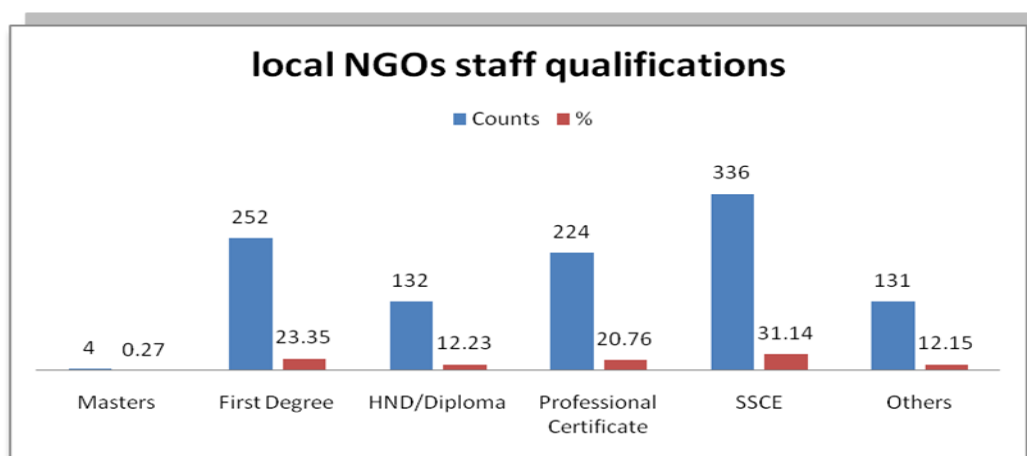


**Figure 3.1 Staff composition** Source; field data 2013

### 3.3.4 Educational Qualification of Local NGOs Staff

Data from the field has indicated that 87.85 percent of local NGOs staff sampled have had some form of formal education. While 12.15 percent had some form of education which is as a result of the training they have had from local NGOs to enable them perform their task either as Peer Educators or volunteers within their communities. This ranges from Senior High to Master's degree. Those with master's degree were 0.37 percent usually founders and Directors while 23.35 percent had First Degree mostly project Managers and Coordinators, 12.23 percent had High National Diploma and other Diploma Certificates usually Filed Supervisors/Officers, 20.76 had professional Certificates including NVIT. The majority of the employees 31.14 percent were Senior High School graduates, whilst 12.15 percent had other forms of education. This other

forms of education were said to be in-house training provided to community outreach or peer educators with no certificate as a result of drop out from school.



**Figure 3.2 Staff qualifications Source; field data**

The studies revealed that recruitment, assignment, and finally everyday management of staff among local NGOs were based on networks and family relations. It was also clear that because layoffs were based on project durations, many qualified people preferred to work for institutions and government that offer more secured jobs than NGOs. Local NGOs also lack career progressions and structure that promote personnel development for example study leave with or without pay. The moment a staff decides to further his or her education, it means that staff is firing him or herself; all because local NGOs are not good at budgeting for staff training and development. This tendency to use unqualified staff by local NGOs is affecting both programmatic and financial management and reporting systems.

### 3.3.5 Staff Remuneration

Remuneration among local NGOs in HIV and AIDS sector is very low. This can be attributed to the fact that many donor funded projects do not pay salaries but allowances. This makes it difficult for managers of local NGOs to pay their staffs well as compared to what government workers are currently paid. For example, World

Education Incorporated an international NGO makes provision for five Hundred and fifty Ghana Cedis eighty pesewas (Ghø550.80) as monthly allowance for local NGOs staffs implementing their projects. Staffs include the Manager, account officer and project Officer's time on the project. Under this circumstance, no local NGO can afford to pay staff well.

Data from the field indicated that majority of local NGOs staffs salary was between three hundred Ghana Cedis to five hundred Ghana cedis (GHø300.00-GHø500.00) 42.71 percent. Staffs who received monthly salary of five hundred to seven hundred were 25.71 percent whiles from seven hundred to nine hundred were 14.29 percent. Few staffs have nine hundred to one thousand, one hundred Ghana cedis representing 5.71 percent. 11.43 staffs were paid above one thousand one hundred Ghana cedis. Only 5 percent out of all the 35 NGOs claimed they provide communication and transportation allowance for staff.

A close analysis of staff's remunerations indicated that Local NGOs with National character or coverage pay their staff better as compared to those based in one community. For example, National Association of People Living with HIV and AIDS (NAP+ Ghana), West African Project to Combat HIV and AIDS/STIs, Pro-Link, Help Age Ghana pay above nine hundred and one thousand, one hundred Ghana cedis depending on the project a staff is assigned to. Those in one community such as Rural Watch, Mathew 25, Kharis foundation, PEYORG, 4-H Ghana pay between three hundred to five hundred Ghana cedis. The table below shows how local NGOs remunerate their staffs.

**Table 3.2 Remunerations of local NGOs staff**

<b>Remuneration for local NGO Staff</b>		
<b>Remuneration</b>	No. of local staff	%
<b>300-500</b>	15	42.86
<b>500-700</b>	9	25.71
<b>700-900</b>	5	14.29
<b>900-1100</b>	2	5.71
<b>1100</b>	4	11.43
<b>Total</b>	35	100

**Source field data 2013**

As noted earlier, not all personnel of local NGOs are well paid. NGOs staffs typically receive lower pay than in the commercial private sector. As a result, members do not devote their time to work as they try to find other means to make money. It also affects the quality of programmes implementation as staffs are compelled to ‘cut corners’ to ensure that they save some money to support themselves.

### **3.3.6 Board of Directors**

The formation of board of directors is crucial to the survival of local NGOs in HIV and AIDS sector as they are obliged by law to have board of directors as indicated in the company of Ghana 1963 Act 179. It is also one of the requirements local NGOs must meet before they are funded by funding agencies. Members of the board are responsible to provide strategic direction. Therefore, one would expect that boards of local NGOs would function well to give direction to their organizations.

All local NGOs studied (35) mentioned that they have board of directors with membership ranging from 5 to 6 with the male dominating. The board members usually occupy the following positions; 1.Board Chairman/Chairperson,2.Vice Chairman/Chairperson depending on the number of board members, 3.Financial

Secretary, 4.Organizer and others members including the founder/managers of local NGOs.

**Table 3.3 Local NGOs board composition**

<b>Board composition (indicate Number)</b>			
	Response	Board membership	Percentage
	Male	122	59.51
	Female	83	40.49
	Total	205	100

**Source field data 2013**

### **3.4 Sample**

A sample is a sub-group of the population which is an ideal representative of the entire population. As noted by Osuala (2005) researchers usually cannot make direct observations of every individual in the population they are studying. As a result, they collect data from a subset of individuals (a sample) and use those observations to make extrapolations about the entire population.

There are two broad sampling techniques namely Probability and Non – Probability samples. Osuala (2005) explain that in probability sampling, each and every unit of the probability is given an equal chance of being selected. Probability sampling is a sample in which each population element has a known, nonzero chance of being included in the sample. When a researcher wants precise, statistical descriptions of large population example, the percentage of the population illiteracy rate, they use probability sampling. This is used for all large scale surveys.

The non-probability method is also known as purposive sampling. Osuala (2005) explained that non – probability sampling method as the chance of selecting each element in a population which is unknown and for some element is zero. Under this method, there is no way to estimate the probability of each elements being included in



the sample and no guarantee that each element has a chance of being selected. The researcher makes personal decision to take the representative unit of the group.

The nature of the study allowed the use of purposive sampling where local NGOs in HIV and AIDS that can be traced were selected to be investigated. Development Partners and Managers of International NGOs as well as Ghana AIDS Commission Management were also involved. As a result, a purposive sampling technique was identified as the appropriate technique for the selection of local NGOs in HIV and AIDS that are recognized by GAC and are known to be working on HIV and AIDS issues and also receive funding from GAC and Development Partners in Ghana.

#### **3.4.1 Purposive Sampling**

Purposive sampling is an informant selection tool widely used in ethnobotany. The purposive sampling technique, also called judgment sampling, is the deliberate choice of an informant due to the qualities the informant possesses. It is a non-random technique that does not need underlying theories or a set number of informants. Simply put, the researcher decides what needs to be known and sets out to find people who can and are willing to provide the information by virtue of knowledge or experience (Lewis & Berg, 2001). Purposive sampling is especially exemplified through the key informant technique.

This will be applicable to development Partners, International or northern NGOs as well as GAC. This is because these institutions have often complained that resources entrusted to local NGOs in HIV and AIDS are not well utilized. National HIV and AIDS Strategic Plan (2011-2015).

### **3.4.2 Reason for the Sampling**

Patton (2002) said it is often difficult if not impossible or extremely expensive to collect data from all the potential units of analysis covered by a research. Patton continued that the researcher can draw precise inferences on all units based on relatively small units when the units accurately represent the relevant attributes of the whole unit.

The reasons for using a sample or unit rather than collecting data from the entire local NGOs in HIV and AIDS activities include the fact that: It would be practically difficult if not impossible for any researcher to collect data or analyse every unit in the population. The cost and time involve even if it would be possible to collect data on all population would be high.

### **3.4.3 Sample Frame**

The sampling frame is the list from which the potential respondents are drawn. The sample frame for this study include all local NGOs in HIV and AIDS activities recognized by GAC and Development Partners who are active and are currently implementing HIV and AIDS programmes. Total number of local NGOs in HIV and AIDS sector according to a list provided by GAC is 105. These include national and districts NGOs, Associations and CBOs as well as INGOs, donors and GAC.

The sample frame for the purpose of this research include

1. Local NGOs that are active as at the time of conducting this research
2. Those that can be traced ( Have offices and contact persons)
3. Have received funding for HIV and AIDS activities in the last one year

#### 3.4.4 Sampling size

The sample was drawn from the list of NGOs known by GAC, GHANET and Development Partners. A list of local NGOs in HIV and AIDS activities that are active which has been made available to the researcher by the aforementioned organizations has a total of one hundred and five (105) NGOs. Out of this, a total of 45 NGOs representing 42.86% of the population was studied. This number consists of 35 local NGOs and 10 experts-GAC representatives, INGOs/ Development Partners. These NGOs were selected for the following reasons;

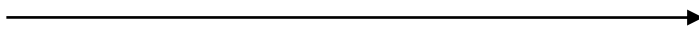
- These NGOs are very active and functional according to (GAC 2012).
- These NGOs have physical address and contact person, which made it easy for the researcher to trace and collect data from them.
- They have received funding from GAC and Development partners which according to GAC have challenges in managing resources.

The margin of error was computed to determine the validity of the information gathered from the questionnaires. The calculation of the margin of error was necessitated by the fact that the sample size of 45 covered less than half of the population size. According to the America Statistical Association (ASA), the margin of error “is a common summary of sampling error that quantifies uncertainty about a survey result”. It was further argued that three things seem to affect the margin of error these are sample size, the type of sampling done, and the size of the population. ASA added that a sample of 100 will produce a margin of error of not more than about 10 percent; a sample of size 500 will produce a margin of error of not more than about 4.5 percent, and a sample of size 1,000 will produce a margin of error of not more than about 3 percent.

This illustrates that there are diminishing returns when trying to reduce the margin of error by increasing the sample size.

This presupposes that with a lesser sample size like that of this research, the margin of error would be above than 10 percent. The margin of error was calculated using the relation 1 as stated below. To cover a wider percentage of the population a confidence level of 95% was employed.

$$e = Z \sqrt{\frac{\Pi(1-\Pi)}{n}}$$

Relation 1 

Where;

e is the level margin of error within which the data can be validated or rejected

Z is the confidence level

$\Pi$  is the proposition of respondents who knew of other NGOs whose contract have been abrogated

$1-\Pi$  is the proposition of respondents who did not know that contracts of their colleague have been abrogated

n is the sample size of respondents

### 3.5. Research Instrument

Semi-structured data collection tools were employed in the research. Questionnaire is a structured data collection technique whereby each respondent is asked with the same set of questions. It is one of the most efficient data collection methods to collect quantifiable information. Questionnaire as method of data collection can reach many respondents with a shorter possible time (Twumasi, 2005).

Twumasi (2005) mentions two types of questions these are open-ended questionnaire and close -ended questionnaire. Open -ended questionnaire- The open-ended questions are the one where the respondents write their own answers. It gives flexibility in answering the questions. Close -ended questionnaire are the questions where the researcher gives a number of alternative answers to the respondents to select from. It allows coding to be easy for the researcher. In spite this, it also restrict the respondent from adding any additional information. Another merit of questionnaire is that the respondents have opportunity to send the questions to their destination and submit them on a later date.

Questionnaires were used for both senior managers of local NGOs and experts in local NGO management which include Development Partners/International NGOs and GAC Executives. Under this, a set of close and open ended questions were set and administered through a purposive sampling targeting the directors and or senior Executives of a total of 45 NGOs representing 42.86% of the population were studied. This number consists of 35 local NGOs and 10 INGOs, Development Partners as well as GAC.

The researcher relied on both qualitative and quantitative approaches to research. The qualitative was used due to the open ended questions while the quantitative addressed close-ended questions.

### **3.5.1 Pilot Studies**

In order to ensure validity and reliability of the research instrument, the questionnaires were designed to reflect the research questions. The items were first given to the supervisor to read through for any correction to be effected. The supervisor's corrections were used to restructure the items to ensure their content and face validity.

According to Central Test International, validity is the most important criterion to bear in mind when choosing a test. It refers to the accuracy with which a test measures the personality traits or abilities it sets out to evaluate. Validity gives meaning to the test scores and gives authority to the link between how an individual performs in the test and the test's stated measurement criteria. It tells the degree to which it is possible to draw specific conclusions or predictions, based on an individual's test score; in other words, it provides information on the efficacy of the test.

The researcher implemented a pilot test in respect of the questionnaires. This was necessary to effect any revisions based upon the results of the pilot test. This test enabled the researcher to determine whether the component items of the questionnaires possessed the desired qualities of measurement. The pilot test was administered in Accra to 2 experts in local NGOs work and 4 senior staff of local NGOs. The objective of the pilot study was to inform the researcher of any faults unanticipated and also help improve upon the items of the final questionnaire. In order to achieve this objective, the researcher informed the respondents to give comments on ambiguities, relevance of items in relation to the problem of the study. The result was analysed and this helped the researcher to restructure some of the questions. The pretesting therefore improved the validity and reliability of the research instrument. For the quantitative data, entering was made using excel while open ended questions were coded using open coding and axial coding. Themes were generated around the key issues that were identified by respondents. The data file was edited with respect to structure for internal consistency. Below are the findings.

**Table 3.4 Findings from pilot studies**

<b>Question</b>	<b>Findings</b>
Do local NGOs have technical challenges?	Yes for all 6 respondent
What are these technical challenges?	Human resource-for both program and accounts, organizational and governance systems
What are the causes of these challenges	Inadequate remuneration, lack of qualified and experienced staff.

**Source field survey 2013**

### **3.5.2. Psychometric Properties**

Psychometrics is primarily concerned with the construction and validation of measurement instruments such as questionnaires, tests, and personality assessments. Patton (2002) mentions that to ensure data quality, there was the need for rigorous methods as the most vital component on which the reliability of an investigation depends. Patton explains that the use of rigorous methods starts with the employment of systematic data collection during fieldwork, e.g. through administering open or close ended questionnaires and interviewing and ends with appropriate systematic analysis strategies of the collected data based on qualitative and quantitative methods. This according to Patton will enhance the integrity in analysing, generating and assessing other elucidations of the phenomenon studied. Patton also argued for the need to analyse negative instances that do not fit within the identified patterns. Experts from GAC, INGOs and some managers of local NGOs were used to ascertain the content validity of the property to be measured. The following are the variables that were identified;

1. Technical challenges
2. Challenges and limitations in managing resources

3. Contracts and conditionality issues 4. Effective resources utilization mechanism

Information will be gathered around these key variables as shown in the table below.

**Table 3.5 indicators for measuring resource utilization**

Variable	Indicator for measuring resource utilization of local NGOs in HIV and AIDS sector	Purpose
Technical challenges		
Capacity of local NGOs For quantitative	1. High if it is more than 70% 2. Medium if it is between 40 and 69% 3. Low if it is less than 40%	1.To find out if local NGO have the capacity to manager resources 2. To determine the causes of technical challenges
Do local NGOs have the Capacity to manager resources qualitative	Have some capacity Do not have professionals, competent and qualified personnel to manage resources	

**Source: Researcher concept, 2013.**

Retests of the above variables were made to ascertain the reliability of the work. The responses were consistent with the 4 aforementioned variables.

### 3.5.3 Framework of Data Analysis

The data that were collected from both primary and secondary sources were collated, fused and analysed using both qualitative and quantitative-triangulation- analytical techniques to draw valid conclusions and inferences (Creswell, 2003).

It appears that qualitative and quantitative methods are very different and are not easily connected together. However, when used judiciously, the two can compensate for each other's weaknesses and supplement each other's strengths Stekler et al (1992).

Quantitative data includes closed-ended checklist usually on attitude, behaviour, or performance tools whilst qualitative data is made up of open-ended information that the researcher gathers through interviews with respondents. The usual, open-ended questions asked during these interviews allow respondents to provide answers in their



own words Higgs & Titchen (2001). *“Not everything that can be counted counts and not everything that counts can be counted”* (A. Einstein)

Sayre (2001, p.4), noted that “gathering intelligence about the marketplace is the purpose of conducting research of all types”. Quantitative methods focus on obtaining hard core data by means of numbers and statistics whilst qualitative research methods aim at providing an answer to why things are how they are, thus underscoring market understanding. Qualitative data is generally difficult to measure than quantify; however, it does tell valuable perspectives that can hardly be accessed through a traditional quantitative approach.

Patton (2002) proposed three approaches in interpreting data when using qualitative method, these are: storytelling approach, case study approach, and analytical framework. This means using local concepts, that is to say key phrases and terms used by the respondents. This implies that qualitative researchers capture the key phrases most important to the respondents and use those key phrases to build categories and to orient fieldwork. Although the analyst defines the categories, it still remains important how people actually experience and describe their reality (Patton, 2002). The idea of qualitative interpretation, according to Patton (2002), needs to focus on three aspects: (1) making the obvious, obvious, or confirming what is already known about the subject, (2) making the obvious dubious, or identifying misconceptions, and (3) making the hidden obvious, or discovering important things that have not yet been illuminated by others. Content analysis is one of the most important instruments of qualitative data interpretation analysis.

Qualitative research methods contain quality and powerful information which gives details something quantitative research cannot. Qualitative research methods allow for much more detailed investigation of issues - answering questions of meaning, who is

affected (by the issue) why, what factors are involved, do individuals react or respond differently to each other. More and more recognition is being given to the individual in the process, not just the observable effect Higgs & Titchen (2001).

Qualitative methods such as: open ended questions, semi-structured interviews, case studies and narrative can ultimately reveal more about challenges and effective ways of addressing social and scientific issues Higgs & Titchen (2001).

Data analysis used was adopted from Bowen (2003b) in which Bowen used ATLAS.ti for assigning open codes and quoted the exact words of respondents' as well as created analytical codes and themes related to assumption formulated. However SPSS statistic 17.0 and Microsoft Excel soft ware were used to analyse data and transport into tables, charts, percentages, graphs and quotations provided to represent the data. Inferences were also made to what respondents said regarding the variable of study.

The second level of coding according to Bowen is axial codes which allow the use of text set of codes representing concepts from the data that had some features in common. This made it possible to identify connections between categories and sub-categories. The Third-level used was selective codes were sub-themes created by connecting and consolidating second-level codes and at the same time, abstracting from the evidence contained in the data.

#### **3.5.4 Units of Analysis**

According to Kumekpor (2002) the units of analysis in any investigation refer to the actual empirical units, objects and occurrences which must be observed or measured in order to study a particular event. This is because they influence the research design, data collection and data analysis decisions. Patton (2002) said that the key factor for making the decision about the appropriate unit of analysis rests on what unit the researcher wants to discuss and draw conclusions at the end of the research. In view of this fact,

the units of investigation in this study were local NGOs in HIV and AIDS activities working in Ghana as shown in the table below.

**Table 3.6 unit of analysis**

Objective	Question	Sources of Data	Type of Data	Technique of Analysis
Identify limitations of local NGOs in HIV sector in managing resources	What are the limitations of Local NGOs in HIV and AIDS sector in Resource utilization?	Field	Primary	Tables, percentages themes and narration with quotation
Identify contractual and conditionality issues	What criteria should a local NGO meet to qualify for funding?	Field	Primary	Tables, percentages themes and narration with quotation
Technical challenges of local NGOs in HIV and AIDS sector in the effective management of resources	What are the technical challenges facing local NGOs in ensuring effective and efficient resource management?	Field	Primary	Tables, percentages themes and narration with quotation

**Source: Researcher concept, 2013.**

### 3.6. Research Design

Research design is the strategy, the plan, and the structure of conducting a research project. The descriptive design was adopted for this study. This involved the collection of data through the use of questionnaires in order to answer the research questions formulated for the study.

According to Ghauri and Gronhaug (2002) a descriptive survey is concerned with conditions or relationship that exists, properties that prevail, beliefs, points of view or attitudes that are held, processes that are on-going, effects that are being felt or trends that are development and this usually does not involve the manipulation of any viable.

Surveys are excellent means of measuring attitudes and orientations in a large population and offer the opportunity to ask many questions on a given topic, thus giving him enough flexibility in his analysis.

With survey, questions were asked personally through a questionnaire about phenomena which cannot easily be observed as well as attitude behaviour. Survey can provide reliable, valid and theoretically meaningful information. Surveys also make useful contributions to theory and provide up-to-date information on policy-related issues. Lewis and Berg (2001) argue that surveys combine both qualitative and quantitative methods. She said that, any distinction between the two is artificial since surveys take into account how much and how often phenomena happens.

According to Ghauri and Gronhaug (2002) descriptive survey involves the collection and interpretation of data. Descriptive surveys have population validity, that is, survey research uses standardized questionnaires with the aim of making a generalization from a simple to a large population. Lewis and Berg (2001) also support this assertion and stated that, by asking a good number of people with a known background the same questions, it is possible to get a broad and accurate view of responses to certain issues and to test theories on social relationships.

Kumekpor (2002) stated that, survey research is used to influence policy-makers, especially governments on policies relating to social issues. It provides guidelines on policies relating to social issues; it provides guidelines for planning, revising or improving upon existing conditions. It also provides useful suggestions for addressing undesirable social developments.

The descriptive survey helps the researcher to obtain the opinion of the representative sample of the target population, so that he can inform the perception to the entire

population. Based on the above reasons, the researchers opted for the descriptive survey design for the study.

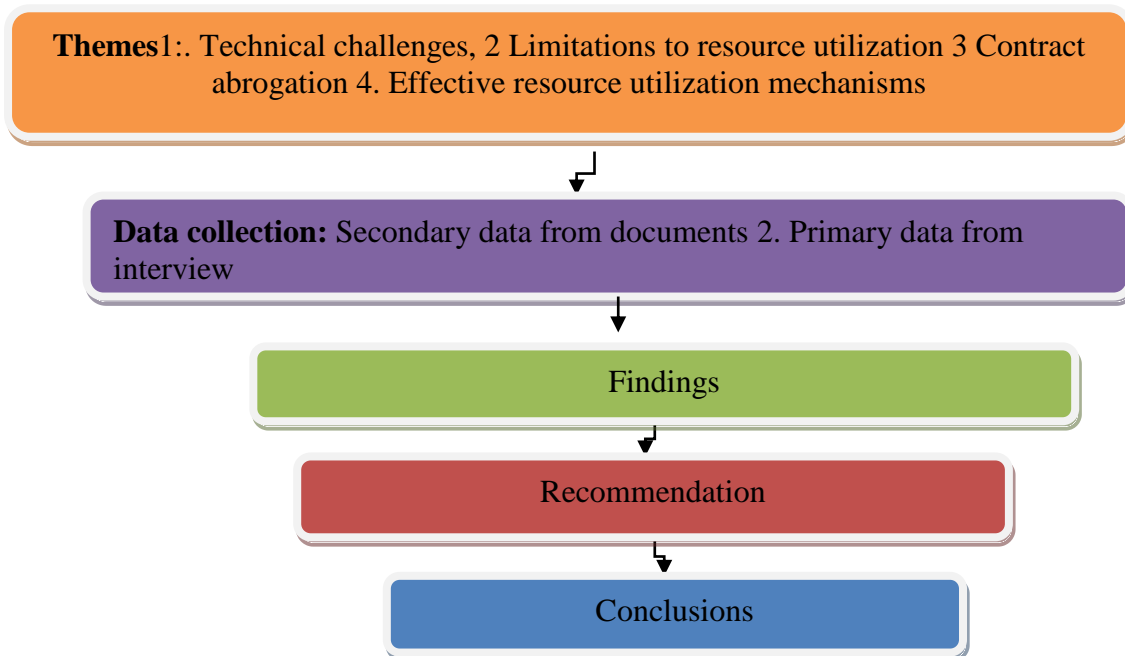
### **3.7. Procedures**

Although the research was basically institutional, it relied on both primary and secondary source of data. The use of secondary data provided a better understanding of the concept of sources of funding, technical and limitations associated with resource utilization, contracts and requirements not forgetting of effective resource utilization mechanism for local NGOs in HIV and AIDS sector. Secondary information (both published and unpublished) relevant to the study were obtained from journals, articles, newsletters and institutional records, thesis and dissertations, books, annual reports as well as from the internet.

Secondary data are information collected by others researchers for purpose which are same or different from mine. These data available are pertinent and the researcher needs to look at several sources for data availability on the topic of study (Ghauri & Gronhaug, 2002).

Primary research data involves collecting data that are not available and require a specific research effort to obtain. Primary research may be qualitative or quantitative in nature, (Ghauri & Gronhaug, 2002). Field work produced primary data for the research with a total of 45 NGOs representing 42.86% of the population. This number consists of 35 local NGOs and 10 International NGOs/ Development Partners as well as GAC. In all these, the researcher administered questionnaires to Directors and or senior staff of local NGOs, Development Partners, International NGOs and GAC staff. The researcher made appointments

to meet with respondents in their offices at the time they deem appropriate while in some instances, some questionnaires were emailed to respondents.



**Figure 3.3 Framework for data analysis Source:** adapted from Waugh (1995 p.403)

### Summary

The methodology used in this research work allowed for the researcher to identify and select people with the know-how on NGO management and challenges confronting them in resource utilization. While the NGOs themselves responded to questionnaires regarding how they use resources and what their challenges were in this regard, Development Partners and GAC also responded to questionnaires as well regarding how.

The use of purposive Sampling made it possible to contact people who are knowledgeable in the subject area of study. Out of 105 NGOs, a total of 45 NGOs were studied. This number consists of 35 local NGOs and 10 INGOs/ Development Partners as well as GAC.

## **CHAPTER FOUR**

### **LOCAL NON-GOVERNMENTAL ORGANISATIONS IN HIV AND AIDS SECTOR RESOURCES UTILIZATION CHALLENGES**

#### **4.1 Introduction**

This chapter is devoted to the analysis of data collected from the field. The research questions such as; technical challenges, limitations to resource utilization, contract abrogation and issues of conditionalities, effective resource utilization and other challenges that plagued local NGOs are covered under this chapter.

There were two common types of analysis used; quantitative and qualitative. According to Creswell (2003), triangulation research methods provide a better understanding of research problems than either approach alone. The quantitative technique employed for this research was based on frequencies and percentages with the use of SPSS and Microsoft Excel soft ware whilst the qualitative used open, axial and selective codes with emphasises put on themes, narrating and providing quotations from respondents on their responses to the research questions (Patton, 2002).

The specific research questions were formulated in chapter one. These are restated:

#### **4.2. The Research questions**

- What are the technical challenges of local NGOs in HIV and AIDS sector in resource utilization

- What are the limitations of local NGOs in HIV and AIDS sector in resource utilization
- What factors contribute to contract abrogation
- What mechanism would influence efficient resource utilization by local NGOs in HIV and AIDS sector

#### 4.3. Local NGOs with requisite and experienced Human resource.

35 local NGOs respondents gave the following response in table 4.1 below; 25.71 percent said they have requisite human resource to manage their resources while 74.29 percent said they do not have the requisite and experienced human resource. The SPSS and the Microsoft excel were the soft ware's used in analysing the data. The Chi-Square test of Goodness of Fit showed that there is a significant departure of the data from an expected position of equality, with 9 respondents indicating 'Yes' and 26 responding 'No' to 'having requisite human resource to manage their resources',  $\chi^2(1, 35) = 8.257$ ,  $p = 0.004$ . The means that a significantly low number of local NGOs have what they call '*core staff*' that are responsible to the day to day administrative and management work. These core staffs are regular personnel whose remuneration according to Directors is usually not linked to one project. Below is the representation of views of respondents.

**Table 4.1 Chi-Square Test Result of local NGOs with or without requisite and experienced human resource**

Do you have Human resource with requisite experience to manage funds for project activities?			Chi-Square	d.f	P
Response	No. of LNGOs	%	8.257	1	0.004
Yes	9	25.71			
No	26	74.29			
Total	35	100			

Source field survey 2013



Reasons given by the 25.71 percent as indicated in table 4.1 above for having requisite staff were many and varied. However, the overarching reason appears to be the training over the period '*Staffs are well trained and have acquired the requisite experience over a period of time*'- with different colouration – employing qualified personnel and having core staff. Other reasons posted were adequate motivation and incentives for staff. This conclusion is consistent with Patton (2002) that key phrases and terms used by respondents should be used in qualitative research. It was revealed that these NGOs are National in character with regional representatives. Because they are 'Big' local NGOs, they can afford to pay staff salary well, they have acquired the skills to negotiate for staff salary. INGOs and other donors cannot really do without them because of their presence in all the regions. This explains why they can afford to pay their staff above one thousand Ghana cedis and provide other allowances as seen in table 3.2.

#### **4.3.1 Local NGOs without requisite and experienced human resource**

Field data from Development partners, GAC and experts in local NGOs in HIV and AIDS sector indicated that local NGOs do not have the requisite human resource to manage funds. According to the 2011-2015 National HIV and AIDS Strategic Plan, Local NGOs do not have adequate human resources and implementers and other stakeholders lack the capacity to properly account for funds disbursed which leads to delays in producing financial reports and subsequent release of additional funds.

74.29 percent of local NGOs respondents as in table 4.1 and 10 experts confirm this challenge. Those who said they do not have the requisite and experienced human resource blamed the inability to recruit and pay qualified staffs as the major reason for which they cannot get human resource with requisite experience to manage resources especially financial resources. Other equally important factors reported were the fact

that staff were recruited and employed based on projects making those who have gained experience to leave after the project has ended.

This is what a consultant with one of the INGOs had to say on this issue *‘capacity to manage huge funding for donors is a major challenge’*.

Many of the local NGOs account officers are part-time and hardly get time to reconcile expenses for on-ward transmission to donors. This is expressed by the Founder and Manager of a local NGO in Accra whose account officer is part-time. *‘We the program staffs always submit our receipts and supporting documents on time; it is left with the account officer to reconcile. Because he is part-time, it often delays. All is because we cannot afford to pay full salary of an account officer’*. This is in line with Bowen (2003b) in which Bowen used open codes to enable him quote the exact words of respondents in his thesis.

The National Association of Network of people living with HIV and AIDS also rely on the services of part-time staff. This has affected the management of their funds as they come and leave at will.

#### **4.4 Technical Challenges faced by local NGOs in HIV and AIDS Sector**

Ghana AIDS Commission has continuously reported that local NGOs have technical challenges in resource utilization. Data from the field confirm this position as all the development partners and experts interviewed as well as managers of local NGOs share the same view. The following are challenges facing local NGOs in HIV and AIDS sector;

1. Lack of Human Resource with requisite experience and qualification,
2. Governance (inactive Board Members and absentee board),

3. Organizational structure
4. Lack of managerial and leadership skills( leadership in the hands of founder and Director and in some cases leadership left in the hands of ‘care takers’)

Both open and axial codes were used as themes related to assumptions formulated and concepts from the data that had some connections between categories and sub-categories used (Bowen 2003b).

The Programs Director for one of the INGOs is of the view that *‘leadership and the management of local NGOs in HIV and AIDS sector should not be the work of founders but rather experts must be employed to do the work’*. He noted that some of the Directors manage their NGOs as if it was a personal business. *‘They withdraw money as and when with no regard to laid down procedure’*.

He gave an example of a local NGO’s Founder and Director who made request, approved and withdrew money without the knowledge of the project officer as well as the account officer. Under this circumstance, it becomes difficult for reconciliation because the money perhaps never went into project implementation.

The causes of the aforementioned technical challenges are explained below.

#### **4.4.1 Low motivation**

Local NGOs studied blamed lack of money to recruit and employ competent personnel as the major reason for which they are confronted with human resource challenges. *‘I want to have a programs manager, accountant, field officers and an active board but there is no way I can pay them’* said by the Founder and Director of a local NGO based in Kumasi. This position is supported by a representative of GAC *‘some of them cannot pay professionals so they end up recruiting people who may not have the skills to do the*

*work. There is high staff turnover including: minimum wage for hired staff and lack of motivation which discourages staff from putting in their best.'*

#### **4.4.2 Pouching and staff turnover**

Pouching and staff turnover according to managers of local NGOs is gradually becoming a norm rather than an exception. It is happening at all levels in the organization from officers to Peer educators. Experienced and trained staffs are pouched by other NGOs who offer better salaries and other incentives. Staffs on their own also resign to seek permanent and more secured jobs because NGO work is not permanent.

*'The major problem relates to attrition. You train a person over a period of time and he is pouched'* by a manager of a local NGO. A Senior Officer with one of the INGO said although their project was paying for a full time project staff on all their projects being implemented by local NGOs, those who do the day-to-day work (Peer Educators) are on allowances. These Peer Educators he noted often resign to seek what he calls '*greener pastures*'. He said their partners were currently witnessing staff turnover which has brought a lot of financial burden on them because they have to always train new people to fill vacant positions.

The above descriptions confirms what Helen (2005) call "brain drain" as trained professionals are hired away from their home communities by INGOs paying higher salaries. As a result, attracting and sustaining fully qualified and trained staff is a challenge facing local NGOs.

There is the need for further research into what the numbers are when it comes to pouching and staff turnover in the NGO sector especially among those into HIV and AIDS programs. This would enable policy makers and managers of local NGOs as well

as development partners make provision for retraining of newly recruited staff who takes the place of those who get pouched or resign from the organizations.

#### **4.4.3 Governance**

Governance structures in most local NGOs are not well defined. Administrative procedures are not properly documented and followed. Similarly, financial policies and procedures are not documented and followed. These findings are consistent with Mukasa (2006) which revealed that the common problem among NGOs was to do with the governance of the organizations and the relations between board members and staff.

#### **4.4.4 Organizational structure**

Most local NGOs do not have relevant and documented policies such as; constitution, strategic plans, policies and procedures hence there are no structure mechanism in place to check resource utilization. These were the reasons given by experts with respect to this challenge. However, on the part of local NGOs, what accounted for this challenge was because they cannot employ competent staff and keep a board that would have oversight responsibilities on the organizations. It is when one has a lot of staffs that one can have structures and assign roles and responsibilities to them. As it stands, some Founders and Directors perform all the functions in the organization. Mukasa (2006), observed that most nonprofits organizations are governed by self-perpetuating, largely self-appointing boards of directors who are relatives and friends of founders of local NGOs.

#### 4.4.5 Lack of managerial and leadership skills

Quite a lot of the staffs are under skilled in terms of what is expected of them. They do not have the technical persons in managerial positions to effect proper resource utilization. Some of them are "care takers and part-time" the owners and management may be too busy to handle the work. Weak and ineffective leadership also account for resource utilization challenges. Leadership does not normally provide strategic direction in resource mobilization and utilization as well as accountability.

#### 4.4.6 How to overcome technical challenges in HIV and AIDS Sector

In order to come out with solutions as to how to overcome technical challenges among local NGOs in HIV and AIDS sector, both managers of local NGOs and experts were asked to provide answers on the five technical challenges identified and any other challenge(s). All the 45 respondents (35 local NGOs and 10 experts) were of the view that when local NGOs are able to pay for full time staffs, provide training and build the capacity of staff for a long period; this challenge would become the thing of the past. The following were listed as ways of overcoming technical challenges. This has been categorised into local NGOs and experts. Higgs & Titchen (2001) argued that qualitative research methods allow for much more detailed investigation of issues with recognition being given to the individual in the process.

**Table 4.2 how to overcome technical challenges in resource utilization**

<b>Issues</b>	<b>Local NGOs</b>	<b>Experts</b>
<b>Leadership Managerial skills</b>	Proper structures and systems to be put in place Leadership and management is not a one man show as a result staff should be empowered to also play leadership and managerial roles when necessary	Leaders/ managers must be provided with training on leadership and managerial skills as well as in strategic thinking and planning to provide effective leadership CEOs should be opened and allow other staff who have the technical know-how to be part of decision making especially regarding financial issues

**Table 4.2 Continued**

<p><b>Governance</b></p>	<p>Board members be trained to understand the nature of work the organization they preside on do and to be able to scrutinize and check the activities of the Directors Have committed board who are ready to work for the organization Board members must be properly remunerated to give quality time for attaining the strategic objectives of the organization Constitute board with divers expertise and knowledge</p>	<p>Governance structures should be clearly defined. There should be administrative and financial procedures clearly laid down and followed Constitution and other organizational policies should contain procedures and mechanisms to ensure proper resource utilization.</p>
<p><b>Human Resources</b></p>	<p>Donors must be prepared to remunerate NGO staff engaged on their projects sufficiently. Build the capacity of staff and also give study leave to staff to further education Pay staff well and Provide other incentives to staff The capacity of existing human resources must be built to prevent one man show by managers/founders</p>	<p>Recruit qualified and competent personnel Provide on the job training to field staff competence More capacity building on resource utilization and management Provide opportunity for retraining and professional development Provide realistic incentives package that is consistent Local manager must be transparent and sincere to their staff</p>
<p><b>Organizational Structure</b></p>	<p>A clear role and responsibilities should be allowed to work. One person must not be made to play other peoples roles</p>	<p>Organizational Structure should be reviewed, documented and followed. Control mechanism should be put in place to check and ensure resource utilization</p>

**Source field survey 2013**

#### **4.4.7 The role of governing body of local NGOs**

Ideally, every board's paramount role is to govern and supervise the operations of the organization; the board is financially, morally and legitimately in charge of the organization. 20 percent of respondents mentioned that their board played key role in the governance of their organizations while 80 said the board plays no role in the

governance of the organization. The Chi-Square test of Goodness of Fit indicated that there is a very significant departure of the data from an expected position of equality, with 7 respondents indicating ‘Yes’ and 28 responding ‘No’ to the item ‘role played by the governing board in managing the organization’,  $\chi^2(1, 35) = 12.600$ ,  $p = .0000$ . Selective codes were used were sub-themes have been identified as opined by (Patton 2002). These roles of the governing body are as follows;

1. Provision of strategic direction and guidance
2. Networking with development partners
3. Assist in proposal development and fund raising
3. Approving budgets and monitoring expenditure

**Table 4.3 Chi-Square Test result of governing body of local NGOs**

Does the governing body in PART 1.4 pay any role in resource utilization?			Chi-Square	d.f	P
Response	No. of LNGOs	%	12.600 <sup>a</sup>	1	.0000
Yes	7	20			
No	28	80			
Total	35	100			

**Source field survey 2013**

Some of the local NGOs are ‘non-governmental individuals’ managed by founders thereby making it difficult if not impossible for board members to effectively play their aforementioned roles. This has often resulted in board members not playing their oversight responsibilities over the organisations.

As noted earlier, 80 percent are of the view that their board members do not play any key role in the management of the organization. The founder and director of a local NGO based in Cape Coast had this to say ‘*the issue of a governing body is not something we can sustain as a local NGO. We just keep names on files to fulfil*



*development partners' requirements and to meet requirements for funding'. This he noted was as a result of their inability to motivate board members. 'You know nobody wants to work for nothing in this country especially when it comes to NGO work. People outside are of the view that there is a lot of cash in NGO work. So if you bring someone as a board member, the person is expecting something for sitting allowance'.*

His claim that names were just kept on files to fulfil requirement was confirmed by the Capacity Coordinator for an INGO *'I was made a board member for a local NGO without my knowledge. It was only when they were sourcing for funding from an INGO that I was informed. This they did so that when I am contacted, I would say they have a governing structure'.*

Executive Directors and Founders interviewed have been managing their organizations since the establishment of the NGO. For some of them, it was their 'business' therefore, they were responsible for the success or failure of their organizations. This is what has made it difficult for directors to let the board play key roles towards the development of the organizations.

This means that the *governance* of the organizations is the sole responsibility of the Executive Directors/ Founders making it difficult for the Board to make any meaningful decision in *relations to how projects should be executed*. It was also noted that some Board members often lacked the time or the expertise to be able to carry out these responsibilities effectively because the founders in an attempt to meet requirements just selected friends and family members. Many a times these board members are never changed because of the manner in which they were appointed.

#### **4.5. How Local NGOs in HIV and AIDS sector Utilize Resource**

Development Partners are the major source of funding for HIV and AIDS activities. All the 35 respondents interviewed indicated that they got majority of their funding from donor agencies. The follow discussions are centred on how resources especially funds are used in line with open and axial codes Patton (2002).

##### **4.5.1 Project Activities**

Activities of local NGOs in HIV and AIDS sector include but not limited to the following; organizing outreach activities among their target population, supporting PLHIV with transportation allowance when they organize meeting and IGA, organize Testing and Counselling sections for the public, advocacy, stigma and discrimination campaigns, education on prevention of mother to child transmission, assessment/research and developing and printing Information Education Communication and Behaviour Change Communication materials.

More than half of the respondents 68.57 percent reportedly spend 80% of funds receive on project activities. Quarter of the respondent 25.71 percent spend 70% on project activities. 2.85 percent said they spend 60% on project activities another 2.85 percent also said they spend 90% percent on project activities. Further analysis showed that the NGO that spend 90% of donor funding on project activities was an NGO working with People Living with HIV and AIDS (Mathew 25) a local NGO based in Koforidua in the eastern region whose major source of funding is based on voluntary individuals and donors who prefer that their funding went direct into supporting the infected and affected families.

**Table 4.4 Local NGOs Expenses on program activities**

<b>Expenses on Program Activities</b>	
No. Of local NGOs	% of Amount
24	80
9	70
1	60
1	90
Total 35	

**Source field survey 2013**

#### **4.5.2 Salaries and Administrative Cost**

The issue of salaries and administrative cost is paramount as it determines how local NGOs remunerate their staff and are able to provide basic equipment's for the day to day administrative work. From the study, as shown in table 4.4, the 68.57 percent who said they spend 80% of funds receive from donors on project activities spend the remaining 20 percent on salaries and administrative cost. The 25.74 percent who spend 70% of fund on activities spend 30% on salaries and administrative cost. A local NGO based in Accra spend 40% on salaries and administration while another local NGO in Koforidua spend 5% on salaries and another 5% on administrative cost.

As indicated earlier on table 3.2 regarding staff remuneration, if staff are paid or remunerated based on this 5 to 40 percent clearly explains why majority of local NGOs pay staff between 300 to 500 Ghana Cedis. This also explains why local NGOs cannot employ and retain qualified personnel.

#### **4.5.3. Limitations Associated with Resource Utilization.**

Knowledge about the limitations associated with resource utilization was noted to be appreciably high as all the 35 respondents and the 10 experts gave some reasons culminating to contract abrogation. The discussions confirms (Patton 2002) where Patton argues that qualitative research findings must make the obvious, obvious, or

confirm what is already known and making the hidden obvious, or discovering important things that have not yet been identified by others. The following discussion represents the views of local NGOs and experts on limitations associated with resource utilization some of which are obvious whilst others have been made obvious.

Poor planning is due in part to the fact that local NGOs are unable to plan in terms of what goes into programmatic areas, salaries and administrative cost. As a result of their inability to plan well, the budget is usually thrown of board when they finally win the contract to execute their projects.

Poor attitude to NGO activities has been stated earlier that local NGOs consider and sees the charity organization as a business or avenue to make money as a result, their entire life depended on it. They therefore do not commit the needed attention especially concerning the management of the organization especially financial resources and project equipment's. Some have converted official vehicles to family property and use it for family work rather than office work. In the same way they see the project accounts as their personnel account and make withdrawals and when without regard to what the budget lines are. Lack of transparency and accountability in financial administration is hampered by deficiencies that local NGOs do not adhere to laid down financial policies, has limited documentation, and poor data gathering and record keeping.

It was also observed that donor control and dictates with requirements such as allowable and unallowable costs, project sites, beneficiaries were opposed to what the felt needs were on the ground and what local NGOs actually need. This calls for further research as to why development partners continue to determine who the target population should be and what cost is more important. This will help local managers identify local solutions to the local challenges.

One thing that the researcher noticed during his interactions with managers of local NGOs was that because NGOs receive different funding for different project activities be it on HIV and AIDS or on other sectors. The tendency to use different project money to implement other project activities was high.

#### 4.5.4. Addressing limitations associated with resource utilization

Overall, quarter of local NGOs respondents 25 percent indicated they were able to address limitations associated with resource utilization while 75 percent over half of local NGOs respondents disclosed that they cannot address this limitation. The Chi-Square test of Goodness of Fit revealed that the observed data departed significantly from the expected frequency across the response category,  $\chi^2(1, 35) = 8.257, p = 0.0004$  with 9 respondents indicating ‘Yes’ and 26 responding ‘No’ to the question of ‘how to address limitations associated with resource utilization’.

**Table 4.5 Chi-Square Test Result of local NGOs able to address limitation**

Is your organization able to address these identified limitations in 3.2?			Chi-Square	d.f	P
Response	No. of LNGOs	%	8.257	1	0.004
Yes	9	25.71			
No	26	74.29			
Total	35	100			

Source field survey 2013

#### 4.5.5. How local NGO address limitations in resource utilization

The main reasons as noticed from the study as in table 4.1 revealed that the 25.71 percent of local NGOs who claim they are able to address resource utilization challenges mentioned the use of regular review meetings on projects activities and providing progress report with donors as well as employing permanent staff whose duty it is to ensure that financial reports are prepared to give an update of how much funds

have been used and on what activities. Laid down financial procedures are followed for example all request must emanate from the project officer who is going to undertake an activity. This must be vetted in line with project activities by the Programmes Manager and confirmed by the finance officer that there is allocation for such an activity and that it was within Budget Ali (2005). A cheque is then raised and approved by the director. This is an example from one local NGOs Coordinator that they had to embrace this format following the challenges they had with one of their donors.

#### **4.5.6 Why local NGO are not able to address limitations in resource utilization**

As noted earlier in table 4.4, close to half of local NGOs respondents 47 percent and 100 percent of experts said local NGOs were not able to address technical challenges in relation to poor planning and financial management largely due to the fact that they heavily rely on donor funds. Other reasons advanced were the fact that local NGO managers lack transparency and accountability in resource management and utilization. They also lack training and exposure coupled with lack of strategic thinking and planning. Lack of competent (technical) personnel and financial difficulties were also mentioned. Higgs & Titchen (2001) maintain that qualitative research must answer questions of meaning such as who is affected and what factors are involved as the in case of why local NGOs are not able to address their challenges.

This as noted by the Coordinator for one of the INGOs, *'local NGOs do not mostly have the bargaining power or the negotiation skills to even recognise the limitations let-alone addressing it. Their financial dependency cripples them to address the issues. Most of their staffs are not technical persons so they are unable to technically and confidently tackle or address their limitation in resource utilization'*

It was also clear that donor agencies also contribute to why local NGOs are not able to address this limitation. Respondents of local NGOs indicated there were delays of payment after service delivery. This is mostly in the area of pre-financing of projects by local NGOs. According to the Founder and Director of a local NGO '*limitations to resource utilizations relates to the timeliness of fund releases by donors*'. He noted that many donor funds are not released on time making it difficult for local NGOs to make good use of resources due to the short period they have to accomplish the deliverables.

Currently, according to one INGO they were implementing a project dubbed FOG (fixed Obligated Grant Agreement) which require that local NGOs pre-finance activities and are reimbursed based on the contract terms. This as noted by the study is affecting many local NGOs who cannot afford to raise the needed money for their activities. This confirms Higgs & Titchen (2002) position that narrative in qualitative studies can ultimately reveal more about the effectiveness or otherwise of a situation.

#### **4.5.7. What local NGOs should do to address these limitations.**

Local NGOs in HIV and AIDS sector are vital to all communities in Ghana. It is therefore important to ensure that they are successful in the area of resource utilization so that they can continue to get funding for their activities. The study revealed that the following solutions will remedy organisations from this challenge as described by (Helen, 2005) which argued that the lack of some of the under listed creates problems for local NGOs.

1. Hire the right and technical staff or train the existing ones
2. upgrade themselves in the areas of research, financial management, proposal development
3. widen their source of resources so as to avoid over reliance on one or few donors

4. advocate for some of the conditionalities to be realistic
5. go on attachment to INGOs to learn how to effectively utilize resources
6. local NGOs manager must be transparent and accountable

#### 4.6 Conditionalities Attached to Resource Utilization

From the study, development partners' funds were the sustenance of NGOs in HIV and AIDS sector. It can therefore be said that without funding coming from development partners, many local NGOs would not have survived and many HIV and AIDS activities would have come to a standstill as noted by Turary, (2002) who argued that the continuity of NGOs is the continuity in raising money, but if the organization is not doing that it will wither and die. A classic example with the case of Ghana is the withdrawal of Global Fund because Ghana has attained a middle income status. This has affected the supply of ART which consequent effect would be increase in AIDS related death.

**Table 4.6 Conditions attached to resources**

<b>Are there conditions attached to resources you receive for your project activities?</b>		
<b>Response</b>	<b>No. of LNGOs</b>	<b>Percentage</b>
Yes	35	100
No	0	0
Total	35	100

**Source field survey 2013**

All the local NGOs interviewed as shown in the above table indicated that there were conditions attached to the fund they receive. Such conditionalities are discussed below:

##### 4.6.1 Project based Funds

Local NGOs implement projects based activities which usually have a life span of 1 to 3 years on certain conditions imposed by the donors. Many a times, these conditions have



adverse effects to the thoughtful activities that local NGOs truly want to implement for their target population. Mechai and Hayssen (2001) believe strongly that conditionality inhibits the autonomy of NGOs to choose which program activities to undertake and to select the most effective intervention strategies to achieve program goals. All donor agencies including GAC funding HIV and AIDS activities carry conditionalities on the types of expenses that they may cover. The most common restriction is allowable and non-allowable to cover only direct programme costs, but not the cost of support services or other overhead costs incurred by the local NGO. Because of limited choices available or inability of local NGOs to explore other sources of funding they accept this knowing full well of the difficulties. Among this conditionality is the restriction by NGOs not to pay staff salaries but allowances because they hold the view that such staffs are not fully on the project. As noted from the study on table 3.2 on remunerations of local NGOs staffs of which majority receives between three to five hundred Ghana cedis. This amount obviously is not enough to attract adequate, qualified, competent and experienced personnel. A representative of GAC had this to say *'most of the project resources are tired to so many conditions, which make it difficult for NGO's to utilize the resources effectively. Adding that 'some do not have the capacity to utilize the quantum of resources they receive'*

#### **4.6.2 Donors Agenda**

To say that all development partners in HIV and AIDS sector have their own agenda is to say the least. They are those who determine which target population is more important than the other and what are the suitable and important best intervention strategies to address these problems. In their pursuit to get funds to support community interventions, Local NGOs accept funds from development partners without considering

their mission, values and capacity. For example, many local NGO managers are compelled to work with key populations (Female Sex workers, men who have sex with men-MSM and People who inject drugs-PWID-) just because of the money that comes along with it not because it is in line with their mission and values. As noted by the Executive Director of PEYORG *'my intention was to report them to the police after I had collected the money for project activities. That is why I did not use the money for any activity for them. These men who have sex with men are evil I feel am promoting their activities'*.

As noted by a representative of GAC representative, local NGOs in the central region were interested in the money and not the work. They present all the relevant documents to enable them get funding but would never execute the work.

#### **4.6.3 Counterpart Funding (10 to 20 percent)**

Respondents indicated that all funding agencies require local NGOs to demonstrate their capacity to contribute part of the project cost either in-cash or in-kind. The survey revealed that the minimum counterpart funding requirement was usually between 10 to 20 percent of the project sum depending on who the funding agency is. This includes cash or in-kind contribution from the local NGOs. The in-kind usually include using existing office, utilities and equipment as well as staff time allocated to the project. The survey revealed that all local NGOs were able to meet the office space provided they had an on-going project that had paid for the office space the opposite is the case if they do not have on-going projects. All local NGOs were also able to meet the staff allocation time but do not pay staff for such time spent due to lack of money thereby paying staff only what the funding agency has made available to the NGO.

#### **4.6.4. The extent to which conditionality affect resource utilization**

All local NGOs are implementing projects-based activities as such; certain conditions are obligatory and imposed by the funders. Many a times, some of these conditions are not really the kind of activities that local NGOs truly need for the communities they work for and/or with. All HIV and AIDS funding carry restrictions spelling out what types of expenses to be covered; with the commonest restriction being cover only direct programme costs. Local NGOs would have to look for funding to take care of the cost of support services or other overhead costs incurred. Local NGOs are left with no choice but to accept this offer hoping against hope to secure funding from other agencies to take care of payment of staff salaries. It is significant to note that some development partners make provision for some allowance for project staff and other overhead cost. The amount, according to Directors of local NGOs studied, are not adequate to employ competent and experienced staff; a situation which according to Directors, has often resulted in pouching and staff turnover.

As a result, Directors try to 'cut corners' to ensure that they are able to meet other cost rather than programmatic cost. They do this by deliberately reporting on either what they have not purchased or an activity they have not implemented. This is what was said by an expert concerning the founder and Manager of a local NGO. *He said he purchased a printer yet when asked for receipt he could not produce one. A follow up to the office showed that there was no printer purchased in the first place when we interacted with the account officer as well as the project officer, they appeared to be oblivious of what was happening.*

#### **4.6.5 Impact of conditionality on local NGOs activities**

The effects of conditionality is on everybody from the employees who will lose their jobs, beneficiaries of the project in the case of NGOs in HIV and AIDS sector the entire population would be affected and the NGOs loses credibility. Respondents identified the following as effects of conditionality;

1. Project targets are not meet and beneficiaries suffer, 2. Donors lose confidence in local NGOs and this could lead to decline in donor funding and 3. It also impact negatively on care and support activities.

Conditionalities at the national level have brought to a standstill of some very viable projects in this country. Same can be said about HIV and AIDS projects. For example the conditionality that when a country attain middle income status donors focus will no longer be on that country is affecting the health sector in Ghana. Donors such as DFID, DANIDA and USAID are withdrawing their support to the country.

According to a GNA report on 18 December 2012, the country was facing a looming funding problem for the Ghana Health Service beginning next year as donor agencies that provide funding for the service are withdrawing because Ghana is now a middle income country .The health service has therefore begun revising its strategies in order to be able to continue providing quality health care, and also raise funds for its activities such as immunization, training and research.

#### **4.7 Contractual issues**

77.14 percent of respondents said they knew of other NGOs whose contract have ever been abrogated. Experts agreed that a lot of local NGOs have over the years had their contracts abrogated. From table 4.7 below, the Chi-Square test of Goodness of Fit

disclosed that there is a very significant departure of the data from an expected position of equality, with 27 respondents indicating ‘Yes’ and 8 responding ‘No’ to the item ‘organizations which contract has ever been abrogated,  $\chi^2(1, 35) = 10.314, p = .001$ . Participants revealed that contracts were often abrogated due to the following reasons;

- 1 Misapplication and misappropriation of funds
2. Deviation from contractual agreement as stipulated in the grants proposal,
3. Delay in implementation of project,
4. Inadequate and inconsistency in who is in-charge of the project,
5. Improper financial reporting and
6. General poor performance

According to the GAC coordinator for Eastern region, within six months, five local NGOs have had their contracts abrogated. FHI-360, World Education and UNICEF also abrogated many local NGOs contract. 12 local NGOs contracts were abrogated by these INGOs as at August 2012.

**Table 4.7 Chi Square Test Results of local NGOs whose contract has ever been abrogated**

Do you know of any organization which contract has ever been abrogated?			Chi-Square	d.f	P
Response	No. of LNGO	%	10.314 <sup>a</sup>	1	.001
Yes	27	77.14			
No	8	22.86			
Total	35	100			

**Source field survey 2013**

It was also clear that local NGO managers played a key role leading to contract abrogation. They use donor funds for different projects in anticipation of getting refund and also depend solely on donor funding for everything in their lives. They are those who keep the cheques and are the main signatories and petty cash hence the temptation to withdraw money for personal things is very high. This is what has created the impression by outsiders that there is a lot of money in the NGO world.

As stated in chapter three, below is the calculation of the margin of error to ascertain the level of confidence stated in chapter 3.

$$e = Z \sqrt{\frac{\Pi(1-\Pi)}{n}}$$

Where;

e = the level margin of error within which the data can be validated or rejected

Z = the Z-score for a 95% confidence level = 1.96

$\Pi$  = the proposition of respondents who knew of other NGOs whose contract have been abrogated = 0.7714

$1-\Pi$  = the proposition of respondents who did not know that contracts of their colleague have been abrogated = 0.2286

n is the sample size of respondents = 45

$$e = 1.96 \sqrt{\frac{(0.7714)(0.2286)}{45}} = 0.1227$$

Therefore, at 95 percent confidence level the margin of error is 12.27 percent. On this basis the proportion of people who affirm that NGOs in Ghana have their contracts abrogated as a result of misappropriation of funds and other reasons lies in the range of 64.87% to 89.41%. This represents a wider coverage of the population and hence the information gathered can be considered reliable.

#### **4.7.1 Avoiding Contract Abrogation**

It is important to provide solutions to reasons for which a lot of local NGOs have had their contracts abrogated. To this extent, respondents were asked as to what local NGOs

can do to avoid contract abrogation. The study revealed that if local NGOs adhere to the following, issues of contract abrogation can be dealt with.

1. Be transparent in their operations and resource management,
2. Motivate staff to perform assignment with dedication, commitment and diligence,
3. Build capacity of staff in resource management and utilization,
4. Use resources judiciously and
5. Respect and follow project timelines

It came out clearly that local managers do not study the contract terms to understand what they are expected to do. They do not also go back to donors for clarification on issues that they do not understand.

The Project Manager for an INGO had this to say *‘local NGOs managers should learn to utilize resources as stipulated in contract budget. They should endeavour to account for all resources allocated them for the implementation of the project’*.

#### **4.8 Effective Resource Utilization mechanisms or systems**

Effective resource utilization can only come about when there is well structured administrative and accounts systems to serve as checks and balances on the managers of local NGOs. The 10 respondents of experts said local NGOs do not have systems in place to ensure effective resource utilization. According to them local NGOs can achieve effective resource utilization provided they are ready to establish or strengthen financial controls in terms of policies and procedures and engage technical or professionals to be responsible for such areas which they do not have the expertise.

*Define their project team and ensure their Monitoring and Evaluation officers work in line with the agreed deliverables by GAC representative*

*Provision of accounting software to check fraud and management as well as building the capacity of staff by C4D consultant at UNICEF*

Local NGOs need more education to get them appreciate the full benefits of effective resource utilization. The following are systems to ensure effective resource utilization

#### **4.8.1 Vision and mission**

The current direction for GAC and development partners is to work with Key populations; that is to say Female Sex workers, Men who have sex with Men and People who inject Drugs. It is the position of GAC and other funding agencies that with a high percentage of HIV infections among these groups about 25 percent it was prudent to target them because the general population interrelates with them. As a result, many local NGOs in their desire to continue sourcing for funding have moved from their vision and mission most especially the target population. Because they have no desire to work with these groups, they have often ended misappropriating the funds. From table 4.8 below, the Chi-Square test of Goodness of Fit for participants' response on the item 'current project in line with organizational vision and mission' revealed that the observed data departed slightly from an expected position of equality, with 14 respondents indicating 'Yes' and 21 responding 'No',  $\chi^2(1, 35) = 1.400$ ,  $p = .237$ . Participants have moved away from their core areas because they can get funding for their HIV intervention even though they do not have the zeal to work with such target populations.



**Table 4.8 Chi Square Test Results on NGOs working in line with their vision and mission**

Is current project in line with your organizational Vision and Mission?			Chi-Square	d.f	P
Response	No. of LNGO	%	1.400 <sup>a</sup>	1	.237
Yes	14	40			
No	21	60			
Total	35	100			

Source field survey 2013

#### 4.8.2 Financial Audit

Financial audit is one sure way of ascertaining whether expenditure is done in-line with planned and approved budgetary lines. To this extent, local NGOs were asked whether there were any financial audit conducted. One thing that came clear was that there were two forms of auditing done; Internal and external auditing. However, while all of the respondents said they did internal auditing, not all local NGOs conduct external auditing. It was revealed that a little over half of respondent thus 57.14 percent conduct external auditing as showed in the table below.

**Table 4.9 Local NGO who conduct auditing**

Do you conduct auditing?			
Response	No. of LNGO	%	
Yes	35	100	
No	0	0	
Total	35	100	

Source field survey 2013

#### 4.8.2 Internal Auditing

All the 35 respondents mentioned that they undertake internal auditing. This they said were done by their own account officers to provide a fair idea as to how they have spent during the year under review. To some of them, it was an organizational policy while other local NGOs said it was a requirement by donors in the approval of funds or grants.

INGOs implementing USAID project must follow this procedure to ascertain local NGOs eligible for external audits. *Determine if subs will need to have an outside audit conducted. The threshold for foreign NGOs funded primarily with USAID funding is if they receive US\$300,000 or more in a given year* according to the Finance and Administrative Manager at one of the INGOs. This therefore implies that USAID funded projects below three hundred thousand United States Dollars (\$300,000.00) yearly are not obliged to provide an audited account. This does not encourage accountability and transparency by local NGOs. There is the need for a second look by the USAID if they want to build capacity of local NGOs and enhance effective resource utilization.

#### **4.8.3 External Auditing**

External auditing is donor requirement and among local NGOs who receive huge sums of money. In fact there is actual funding for hiring external auditors to audit the accounts. This involves independent audits firms which give the true state of the organizations financial stand. Reports according to managers are usually produced to enable them secure further funding when they are submitting proposals to other donors. Local NGOs who have over the years hired independent audit firms to audit their accounts include; WAPCAS, 4-H Ghana, Pro-link, Rural Watch Ghana, CEPEHRG, MARITIME, help Age Ghana. Managers gave the following reasons for conducting external auditing;

1. A major contractual requirement by donors,
2. For purposes of filing taxes and
3. To establish credibility

#### **4.8.4 Petty Cash system.**

It was revealed by experts that some local NGOs implementing HIV and AIDS activities do not keep petty cash. A system of policies, procedures, controls, and forms that a company uses to dispense cash for various miscellaneous needs, such as office supplies and services. They therefore entreated local NGOs to follow the following basic process to ensure effective resource utilization; Decide upon the size of the petty cash fund at each time if possible in the range of two hundred to six hundred Ghana Cedis depending on the size of the NGO. They caution that to prevent temptation of managers and staff misusing the fund and the risk of petty cash theft, it is usually better not to generate extremely large petty cash funds. This they noted should be replenished more frequently. Managers must not be in-charge of keeping petty cash. Local Managers have the tendency to keep financial issues to themselves something experts noted was affecting how financial issues are handled and dealt with. Experts have advocated for administrative staff usually accounts officers with sufficient clerical skills to maintain the necessary amount of record keeping with a high degree of accuracy.

#### **4.8.5 Vouchers**

It was revealing to note from experts that some local NGO do not keep vouchers. This makes it difficult for them to link expenditure to particular issues. Vouchers are important because it proofs that a service has been performed for which payment should be made. Many local NGOs have had to refund money because they were unable to proof of vouchers.

#### **4.8.6 Training**

Local managers need training on how to handle cheques and petty cash. It was revealed by experts that some local managers who have had their contracts abrogated were the

custodians of cheques and all other financial issues. They made the request, approved and cashed the money. This they noted does not enhance accountability and transparency. It often leads to misappropriation and misuse of fund. Therefore, local NGOs must appreciate the need to train officers in how to evaluate requests for money be it cheque or petty cash, how to fill out vouchers in exchange for cash payments, and when to request replacement cash when cash levels are low or out.

#### **4.8.7 Reconciliation**

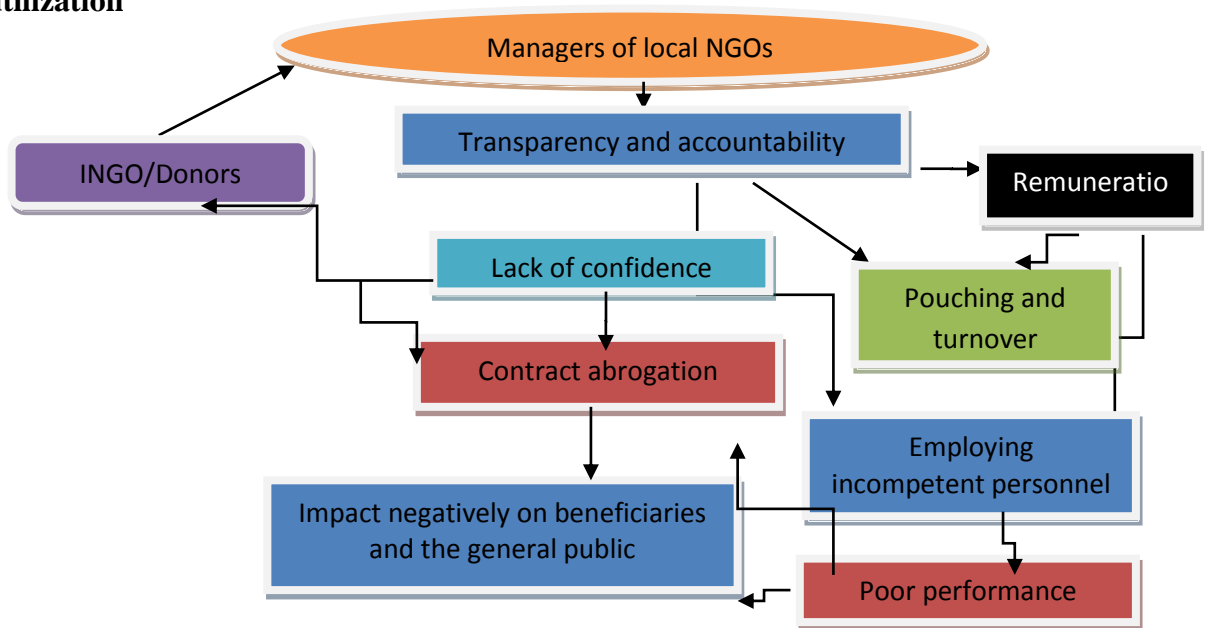
Experts revealed that local NGOs do not have a reconciliation habit. Any money withdrawn for activities whether all money was spent or not, there are no supporting documents to ascertain the exact amount that was spent. For managers of local NGOs in so far as the request was in line with budgetary allocation, they do not see the need to reconcile. Experience from local NGOs on World Education sub-grants shows that managers have difficulty reconciling what they spent. Some signatures and receipts forged.

#### **4.8.8 Transparency and accountability**

Managers of local NGOs in HIV and AIDS according to experts, lacked transparency and accountability and operate in secrecy without the involvement of other staff. Some of the managers are solely responsible for all accounting issues. They are the sole signatory to the accounts contrary to the terms of contract agreement. They make request, vet and approve; which is not in line with financial management procedures. According to one of the Finance Managers of an INGO *‘there are clear cases of lack of transparency, money withdrawn without the knowledge of the account person and the project officer. The same person made the request and approved. Forged signatures of participants during a workshop and payment of Transportation of participants on daily*

*basis yet these same participants slept in a guest house.* It is this dishonesty by some local NGOs in financial management that has led to the delays in release of other trench of money for local NGOs for project activities.

**The relationship between transparency/accountability and effective resource utilization**



**Researcher concept 2013** Figure 4.1

## **CHAPTER FIVE**

### **MAJOR FINDING, RECOMMENDATIONS AND CONCLUSION**

#### **5.1 Introduction**

This chapter summarizes the findings of the research, draws conclusions and makes recommendations based on the findings the researcher made. The challenges associated with resource utilization among local NGOs in HIV and AIDS sector is now clear as day light. Recommendations have been made to address the challenges that were identified from the analysis.

#### **5.2 Major Findings**

This research work has identified reasons why local NGOs are confronted with resource utilization challenges and has provided solutions using experts made up of development partners, INGO as well as GAC staff to get the best strategies to address the challenges. The researcher came out with the following major findings with respect to the objectives:

##### **Human Resource challenges**

There is no doubt that local NGOs in HIV and AIDS sector are confronted with challenges related to human resource. From section 4.1 to 4.5 it was clear as confirmed by 74.29 % of local NGOs who agreed that they do not have the requisite human resource with experienced to manage resources.

Local NGOs therefore rely largely on volunteers/peer educators and part-time technical personnel. This is what has often led to their inability to properly account for resources they receive for project activities. This studies confirms that of Lekorwe (2007), which argued that lack of well trained and experienced human resources limits the extent to which local NGOs are able to manage their daily affairs and their capacity to effectively plan, appraise, implement, and monitor their projects and programmes.

Figure 3.1 describes the staff qualifications of local NGOs which say that only a few staff have master's degree thus 0.37 percent usually founders and Directors who many a times are not full time staff because they either work for government or have another engagements which prevents them from actively overseeing the activities. As described by one expert the 'care takers' are macro managed which makes it difficult for good plans to be implemented because founders see the NGO as their business. 23.35 percent personnel had First Degree mostly project Managers and Coordinators, 12.23 percent had High National Diploma and other Diploma Certificates usually Filed Supervisors/Officers, 20.76 had professional Certificates including NVIT. The majority of the employees 31.14 percent were Senior High School graduates, whilst 12.15 percent had other forms of education. If the people who do the day to day work are unable to appreciate what their task is, then it is obvious that not very much can be achieved.

The study also supports the findings by the World Bank Group 2013 in which they stated categorically that the most common weaknesses of the NGO sector include: limited financial and management expertise, limited institutional capacity, low levels of self-sustainability, isolation/lack of inter-organizational communication and/or coordination, small scale interventions and lack of understanding of the broader social or economic context.

This is how one local Manager put the issue of human resource *the major problem relates to attrition. You train a person over a period of time and he is pouched*'. The study also supported the statement by Zambian President, Levy Mwanawasa, who argued in March 2004 that most civil society groups were composed of family members who got donor funding under the guise of AIDS prevention programmes (16 September 2005 GNA). This is because many of the personnel of local NGOs are either family relations or friends. Recruitment is done solely on networks.

Table 4.2 on how to overcome technical challenges confirms Vilain (2006) finding in which Vilain identified the challenges of NGOs to include; recruitment, assignment and layoff as well as human resources development and administration and finally everyday management of staff. NGOs are found to be weak at staff career development. Often organizations lacked a career structure in which staff could develop. In addition they are not good at budgeting for staff training. In situations where the organizations were expanding rapidly, it creates problems for many who are unable to keep up with the demands of their work.

### **Remuneration**

The study revealed that local NGOs staff were not well remunerated as seen in Table 3.2 and from 4.3 to 4.3.3 which leads to the recruitment and employment of unqualified personnel and pouching as well as staff turnover by the few qualified staff to seek 'greener pastures' as noted by one of the INGOs who said their partners were losing a lot of personnel. Ibrahim and Muhtesem (2006) in their study revealed that not all people working for local NGOs are volunteers. There are paid staffs who typically receive lower pay than in the commercial private sector. As indicated in table 3.2 majorities of staff earn between three hundred and five hundred Ghana cedis monthly



without any other additional allowances. In Ghana today, government personnel are well motivated than local NGO staff hence their inability to retain competent personnel. Many local NGOs suffer from "brain drain" as trained professionals are hired away from their home communities by INGOs paying higher salaries. As a result, attracting and sustaining fully qualified and trained staff is yet another challenge (Helen, 2005).

### **Governance and Management Issues of Local NGOs**

The formation of board of directors is crucial to the survival of local NGOs in HIV and AIDS as they are obliged by law to have board of directors as indicated in the company code. It was revealed during the study that only 20% person of local NGOs board is active while's majority 80% are sluggish. The study also revealed that only 20 percent of board members play key roles while 80 percent board members play no role. Board members are either friends or relatives of founders whose names are merely kept on the file to fulfil donor requirement rather than provide any policy direction. What accounted for this according to local managers was because they did not have means of motivating board members. Some also see the NGO as their business which failure or success depended on them.

This confirms Mukasa (2006) who opined that the common problem among NGOs was to do with the governance of the organizations and the relations between board members and staff. These stemmed largely from the boards' inability or unwillingness to carry out their responsibilities of governing the organizations. Board members often lacked the time or the expertise to be able to carry out these responsibilities effectively. As a result, senior staffs were often left to make policy decisions with little or no support from board members. Mukasa, observed that most nonprofits organizations are governed by self-perpetuating, largely self-appointing boards of directors.

The study supports the findings by Lotsmart (2007) who maintained that majority of local NGOs lack such structures and operating mechanism. This makes it difficult for any local NGO to systematically generate funds locally. The major contributory factor to this is the constraint that limited financial resources places on the ability of NGOs to plan, organize and design clearly defined structures as well as equip their offices with adequate equipment and facilities to enable them work effectively.

Turary (2002) argues that local NGOs are constrained by their limited managerial and technical capacity. Board members are required to provide strategic direction for the management of local NGOs this is lacking. According to Gareth and Jennifer (2011), board members are responsible for the design of organizational structures that facilitate Planning, strategies, control, make positive change and acquire competitive advantage in the organization.

The studies disagree with Lekorwe (2007) which argued that efforts by NGO help to ensure that government goods and services reach the grassroots, the poor, the marginalized, the disadvantaged in society, both fairly and equitably. The disagreement steam from the fact that local NGOs lacked transparency and accountability and that many of the resources meant for the grassroots people either never went to them in full or at all. This confirms what happened in Botswana and reported by Guardian (2006), that some local NGOs dealing with the HIV and AIDS epidemic in Botswana have been accused of maladministration, financial mismanagement, and the misuse of donor and public funds which were channelled through them.

Even in Ghana, 17 defaulting organisations were detected in 2003 to have misapplied funds including those that could not be traced. Some of these organisations have no offices or permanent addresses and have just one man, a non- professional, operating from a briefcase in hand. (16 September 2005 GNA).

### **Poor planning**

Managers of local NGOs lack the capacity to plan regarding programmatic, salaries and administrative cost. As a result of their inability to plan well, the budget is usually thrown of board when they finally win the contract to execute their projects. This is coupled with poor attitude to NGO activities by local managers who see the charity work as a personal business. Some have converted official vehicles to family property and use it for family work rather than office work. In the same way they see the project accounts as their personnel account and make withdrawals as and when without regard to what the budget lines are. This support the work of More (2005) which noted that NGOs in developing countries often lack institutional capacities, ability to plan and develop strategic plans as a result they often manage donor funds poorly.

The findings of this study on poor planning disagrees with that of Holloway (2001) who argued that NGOs are a group of organizations distinct from government institutions and that their distinct feature steam from the fact that they are formed to complement, supplement and offer alternatives to government development efforts. How can someone complement, supplement and provide alternatives when one cannot plan well? We all know that the government sector is bedevilled with poor planning the consequent of which is their inability to meet demands of goods and services.

### **Conditionality issues**

All the 35 respondents and the 10 experts said there were conditions attached to every resource that are made available to local NGOs. The most common conditionality or restriction among donor funded projects was identified as allowable and non-allowable which is meant to cover only direct programme costs, but not the cost of support services or other overhead costs incurred by the local NGO. Donor agenda was revealed

to be another condition which makes management of resources difficult. Donors are those who determine which target population is more important than the other and what are the suitable and important best intervention strategies to address these problems. Mechai and Hayssen (2001) believe strongly that conditionality inhibits the autonomy of NGOs to choose which program activities to undertake and to select the most effective intervention strategies to achieve program goals. They add that all donors have their own agenda, i.e., their own views as to which problems are important and the best intervention strategies to address these problems.

Cost share or counter-part funding which is pinged between 10 to 20 percent of the project sum depending on who the funding agency was is also not helping the development and management of funding.

A study conducted by Svensson (2000), argued that conditioned type of aid succeeds when donors are able to keep their promises that they have committed. The researcher shares this view because it was revealed during the study that some donors do not keep their promise. In fact this is how one manager puts it '*limitations to resource utilizations relates to the timeliness of fund releases by donors*'.

As much as conditionality will enhance the proper management of resource, funding agencies must endeavour to limit the dictates and reduce the cost share component. This is because many local NGOs are not able to meet these conditions. It is among the reasons why they are not able to pay staff well as they pretend they will add the remaining percent from their own source of income which they do not have means of generating to pay staff extra time on donor funded projects.

Conditionality is followed by remarkable negative effect on aid utilization. Most of the aid conditions are sort of quick actions, and donors are aware of the negative impacts.

Deborah and Knack (2004) argued that despite what we believe to be generally good intentions, the foreign aid system also poses problems for governance in aid dependent states. Same can be said of local NGOs whose major source of resources for HIV and AIDS activities is donor driven. It is time overdue that local NGOs turned to corporate institutions in Ghana for funding.

### **Contractual issues**

The study revealed that 77.14 percent of respondents knew of other NGOs whose contract have ever been abrogated. In fact some of them once upon a time have had their contracts abrogated for similar reasons they assigned to their colleagues. It was revealed that GAC within six months in a region had to abrogate five local NGOs contracts. Experts from INGO also mentioned that there organizations had to abrogate contracts of local NGOs citing the following reasons as basis;

- Misapplication and misappropriation of funds
- Deviation from contractual agreement as stipulated in the grants proposal
- Delay in implementation of project
- Inadequate and inconsistency in who is in-charge of the project
- Improper financial reporting
- General poor performance

It was also clear that local NGO managers played a key role leading to contract abrogation ranging from lack of transparency and accountability to using other donor funds for different projects in anticipation of getting reimbursement and also depend solely on donor funding for everything in their lives. The aforementioned issues are not only limited to local NGOs even with some INGO like AED was cited for "evidence of

serious corporate misconduct, mismanagement, and a lack of internal controls," as well as "serious concerns of corporate integrity." Christopher (March 31, 2011).

### **Effective Resource Utilization**

Effective resource utilization can only come about when there are well structured and followed policies to serve as checks and balances on the managers of local NGOs. It was revealed that systems to ensure checks and balance on resource utilization were non-existent. All the 35 local managers claimed they conduct internal audit. For those who conduct both internal and external audit said it was an organizational policy 48.57 percent while 51.42 percent said it was a requirement by donors in the approval of funds or grants.

Experts opined that for local managers of local NGOs to enhance effective resource utilization they must be prepared to have an open door policy, make use of petty cash system that is to say following policies, procedures, controls, and forms that a company uses to dispense cash for various miscellaneous needs, such as office supplies and services. It was revealing to note from experts that some local NGO do not keep vouchers making reconciliation difficult. Slim (2002) says the practice of Western charities of reporting on money raised and spent, the number of poor people reached, and the administrative cost of raising and spending the money is over. This is true to the extent that donors are no longer making money available to NGOs who are not accountable.

This means the contracts and letters for money they receive and the receipts and the invoices for things they buy are not recorded. Ali (2005) refers to these as the cornerstones of being accountable. He adds that managers of funds must make sure that all these records are carefully filed and kept safe.

The study again support the position of Ali (2005) outline of what Ali refers to as good control systems which are: Keeping cash in a safe place (ideally in a bank account), making sure that all expenditure is properly authorized, following the budget, monitoring how much money has been spent on what every month, employing qualified finance staff and having an audit every year not forgetting of carrying out bank reconciliation every month. This means checking that the amount of cash you have in the bank is the same as the amount that your cashbook tells you that you ought to have.

### **5.3 Implications of the findings**

An implication of this is the possibility that if staff remuneration or better still level of motivation among local NGOs staff and board members is not given a second look, very soon, local NGOs will not have qualified staff that will willingly be committed to work for the organization. Pouching and staff turnover is going to see an unprecedented increase. This is coupled with the fact that the cooperate world and the government sector is paying better as compared to what staff of local NGOs are currently earning even with same qualifications. Board members of cooperate institutions are well paid while NGOs continue to depend on volunteers this is a dangerous path for mediocrity.

The discussions from the research suggest several courses of action in the areas of organisational structure and systems for effective resource utilization by most of the local NGOs. A situation if not properly handled has the tendency to greatly affect access to funding especially from external donors who are the major source of funding for HIV and AIDS activities. It can also prevent the few internal corporate and individuals who support CBOs to withdraw. It is therefore important that each local NGO begins to realise the importance of organisational structure and work towards the development of one. The aforementioned supports the work of Lotsmart (2007) whose work maintains that majority

of local NGOs lack such structures and operating mechanism. This makes it difficult for any local NGO to systematically generate funds locally. The major contributory factor to this is the constraint that limited financial resources places on the ability of NGOs to plan, organize and design clearly defined structures as well as equip their offices with adequate equipment and facilities to enable them work effectively.

The results of this study support in part donor dictates and conditionality but not to the extents that it will contribute to local NGO managers 'cutting corners' in an attempt to get funding. The issue of cost share which is pinged from 10 to 20 percent is hampering the delivering of HIV and AIDS activities among local NGOs. Making local NGOs to also pre-finance and be reimbursed is not ideal for local NGOs in HIV and AIDS sector. This often delays activities and in many cases activities are left undone.

The evidence from this study suggests that local managers of HIV and AIDS activities lack transparency and accountability. This attitude if not changed can bring the whole HIV and AIDS funding to a standstill as donors may stop funding activities because they do not get proof of how judiciously the funds were used. This is supported by the fact that GAC within six months had to abrogate five local NGOs contract. The local NGO, beneficiary communities and the entire nations suffers from this move.

#### **5.4 Direction for future research**

It is recommended that future research be undertaken in the following areas;

Addressing human resource and management challenges, what are the numbers with regard to attrition, pouching and turnover?

Should development partners/donors continue to dictate the programmatic areas as well as target population for HIV and AIDS intervention in Ghana?



## Conclusion

Local NGOs in HIV and AIDS sector are performing extremely well by providing education on HIV and AIDS, Testing and Counselling, condoms and water based lubricating gel and other services to ensure that the nation achieve its goal of zero new HIV infection, free stigma and discrimination as well as elimination of mother-to-child transmission. However, resource utilization challenges coupled with the fact that Ghana has attained a low middle income status are having a negative impact on inflows of resources especially financial resources. This has led to the shortage of ART in the system, a situation which is affecting PLHIV and can lead to AIDS related death. Giving the unique roles local NGOs in HIV and AIDS sector have to play in achieving the zero new infection, eliminations of mother-to-child transmission and free stigma and discrimination, all other players (INGOs, Development partners, central government and corporate bodies) must collectively re-examine their contributions towards the financing and motivation of local NGOs staffs.

Managers of local NGOs on their part must inculcate transparency and accountability to the management of financial resources while assessing factors that hinder them from enjoying support from corporate bodies. Local NGOs in HIV and AIDS should take advantage of the promotion and sale of commodities such as condoms and water-based lubricating gel to generate additional funds to augment what they receive from INGOs and Development partners so that they can afford to pay staff well. This way, they will be able to generate adequate funds internally to limit the over dependency on external funding. The development partners who have been mentioned as the major source of funding for HIV and AIDS activities must examine their support and allow for the recruitment of technical and competent staff on their projects. Local NGOs must endeavour to improve on their capacity levels so as to gain the confidence of donors.

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## **APPENDIX II**

### **QUESTIONNAIRES FOR EXPERTS IN HIV AND AIDS SECTOR IN GHANA**

#### **OPEN UNIVERSITY OF MALAYSIA AT ACCRA INSTITUTE OF TECHNOLOGY**

##### **THE PROFESSOR FRANCIS ALLOTEY GRADUATE SCHOOL**

The series of questions in this questionnaire are designed to obtain organizational responses on challenges local NGOs in HIV and AIDS sector face in resource utilization: a case of selected local NGOs in HIV and AIDS sector in Ghana.

Please, answer the questions that follow by ticking the appropriate option (if provided) or writing unrestrictedly for open-ended questions. Please answer all questions generously but empirically.

The information is for academic purposes only and will be treated confidentially.

Thank You

**STEPHEN KONDE**

**(MSc. PROJECT MANAGEMENT STUDENT)**

**0203559700**

**CHALLENGES WITH RESOURCE UTILIZATION IN MANAGING HIV AND AIDS: A CASE OF SOME SELECTED LOCAL NGOs IN HIV AND AIDS SECTOR IN GHANA.**

**QUESTIONNAIRE FOR EXPERTS**

**PART ONE – BACKGROUND**

1.0 Name of Organization:

.....

1.1

Name of contact person(s) optional	Position	telephone or email address

**PART TWO – TECHNICAL CHALLENGES**

1. Do local NGOs in HIV and AIDS sector have technical challenges in resource utilization? (Human resource to manage resources, governance, leadership, managerial skills and organizational structure).

Yes ( ) No ( )

1.1 i. If yes, what are the causes of these challenges?

Human resource to manage resources

.....

Governance

.....

Leadership

.....

Managerial skills

.....

Organizational structure

.....

Others specify

.....



1.1.ii. If No, why do they have the requisite Human resources?

.....

1.2 What are the cause(s) of each of the above technical challenges as in 1.1?

Human resource to manage resources

.....

Governance

.....

Leadership

.....

Managerial skills

.....

Organizational structure

.....

Others specify

.....

1.3 How can local NGOs in HIV and AIDS sector overcome technical challenges associated with resource utilization?

Human resource to manage resources

.....

Governance

.....

Leadership

.....

Managerial skills

.....

Organizational Structure

.....

Others specify

.....

**PART THREE – LIMITATIONS**

2. Are there limitations as to how local NGOs can use their resources?

Yes ( ) No ( )

2.1 What are the limitations in resource utilization?

.....

2.2 Why are local NGOs unable to address these limitations?

.....

2.3 What should local NGOs do to address these limitations?

.....

**PART FOUR – CONTRACT**

3. Has your organization ever abrogated contract of local NGOs

Yes ( ), No ( )

3.1 What is the total number of local NGOs which contracts have been abrogated by your organization? indicate number ( )

3.2 What were the reasons assigned to the contract abrogation?

.....

What should local NGOs in HIV and AIDS sector do to avoid contract abrogation?

.....

3.3 What are the effects of contract abrogation on HIV and AIDS activities?

.....

**PART FIVE – EFFECTIVE RESOURCE UTILIZATION**

4. Do local NGOs have mechanisms in place to ensure effective resource utilization?

Yes ( ) No ( )

4.1. If Yes, what are these mechanisms

.....

4.2. If No, what mechanisms should be put in place to ensure effective  
resource utilization?

.....

**PART SIX – OTHER CHALLENGES**

5.0 What other challenges do local NGOs face in resource utilization?

.....

5.1 How can these challenges be addressed?

.....

## **APPENDIX II**

### **QUESTIONNAIRES FOR LOCAL NGOs IN HIV AND AIDS SECTOR IN GHANA**

#### **OPEN UNIVERSITY OF MALAYSIA AT ACCRA INSTITUTE OF TECHNOLOGY**

##### **THE PROFESSOR FRANCIS ALLOTEY GRADUATE SCHOOL**

The series of questions in this questionnaire are designed to obtain organizational responses on challenges local NGOs in HIV and AIDS sector face in resource utilization: a case of selected local NGOs in HIV and AIDS sector in Ghana.

Please, answer the questions that follow by ticking the appropriate option (if provided) or writing unrestrictedly for open-ended questions. Please answer all questions generously but empirically.

The information is for academic purposes only and will be treated confidentially.

Thank You

**STEPHEN KONDE**

**(MSc PROJECT MANAGEMENT STUDENT)**

**0203559700**

**CHALLENGES WITH RESOURCE UTILIZATION IN MANAGING HIV AND AIDS: A CASE OF SOME SELECTED LOCAL NGOs IN HIV AND AIDS SECTOR IN GHANA.**

**QUESTIONNAIRE FOR SENIOR MANAGERS OF LOCAL NGOs**

**PART ONE – NGO BACKGROUND**

1.0 Name of Organization:  
.....

1.1 Formation Date:  
.....

1.2 Operational Area

Number of regions ( ) and Number of sites/towns/communities ( )

1.3

Name of contact person (optional)	Position	telephone or email address

1.4 Board composition (indicate number):

( ) Total ( ) Females ( ) Males

1.5 Board Members (indicate positions currently filled):  
.....

1.5 Organization staff strength {paid staff} (indicate number): Total ( )

Females ( ), Males ( ), Permanent Staff ( ) and part-time ( )volunteers/ Support Staff ( )

1.6 What are the qualifications of your staff

QUALIFICATION	NUMBER OF STAFF
SSSCE	
PROFESSIONAL CERTIFICATE	
DIPLOMA	
FIRST DEGREE	
POST GRADUATE	
OTHERS	

1.7 Which of these represent the minimum Gross Salary of your staff?

300 to 500( ), 500 to 700 ( ), 700 to 900 ( ), 900 to 1100 ( ), 1100 and above ( )

1.8 What other allowances do you give your staff?

Health allowance ( ), Transportation allowance ( ), others specify.....

**PART TWO – TECHNICAL CHALLENGES**

2 Do you have Human resource with requisite experience to manage your funds for project activities? Yes ( ) No ( )

2.1 If Yes how?

.....

a. If No why?

.....

b. What are the technical challenges faced by your organization in resource utilization? Human resource, governance, leadership, managerial skills and organizational structure).

Human resource to manage resources  
.....

Governance  
.....  
.....

Leadership  
.....

Managerial skills  
.....

Organizational structure  
.....

Others specify  
.....

c. What are the cause(s) of each of the above technical challenges?

Human resource to manage resources  
.....

Governance  
.....

Leadership  
.....

Managerial ..... skills

Organizational ..... structure

Others specify

.....

d. How can local NGOs in HIV and AIDS sector overcome technical challenges associated with resource utilization?

Human resource to manage resources

.....

Governance

.....

Leadership

.....

Managerial ..... skills

.....

Organizational Structure

.....

Others specify

.....

e. Does the governing body in PART ONE 1.4 play any role in resource utilization?

Yes ( ), No ( )

1.6.i If Yes what are these roles?

.....

1.6.ii If No why?

.....

**PART THREE – LIMITATIONS**

3. How do you get resources?

.....

3.1 How are resources used? Indicate percentage for project activities ( ) and percentage for administrative ( ) and salaries ( )

3.2 What are the limitations of your organization in resource utilization?

.....

3.3 Is your organization able to address these identified limitations in 3.2? Yes ( ) No ( )

3.3.i If Yes How?

.....

3.3.ii. If No Why?

.....

**PART FOUR – CONTRACT**

4. Are there conditions attached to resources you receive for your project activities?

Yes ( ) No ( ) for instance are you working with a target population/in an area you are not interested

4.1 If Yes, to what extent is conditionality affecting resource utilization

.....

4.2 Do you know of any organization which contract has ever been abrogated? Yes ( ), No ( )

4.3 If yes what were the reason(s)?

.....

3.4 What should your organization or these organizations do to avoid contracts abrogation?

.....

**PART FIVE – EFFECTIVE RESOURCE UTILIZATION**

5.0 Is current project in line with your organizational vision and mission? Yes ( ) No ( )

5.1 Do you conduct auditing? Yes ( ) No ( )

5.2 What type of audit do you conduct?

.....

5.3 Give reason for your answer(s)

.....

5.4 What systems are in place to ensure effective resource utilization?

.....

5.4 What other systems can enhance effective resource utilization?

.....

**PART SIX – OTHER CHALLENGES**

5.0 What other challenges do local NGOs face in resource utilization?

5.1 How can these challenges be addressed?



APPENDIX III

**List of respondents**

No.	Name of organization	Number of respondents	Location of NGOs	Type of respondent
01	Ghana AIDS Commission	3	Accra	Expert
02	World Education	2	Accra	Expert
03	ADRA	1	Accra	Expert
04	FHI-360	2	Accra	Expert
05	UNSELF	1	Accra	Expert
06	UNAIDS	1	Accra	Expert
<b>Subtotal</b>		<b>10</b>		
07	NA+ Ghana	1	Accra	Local NGO
08	WAPCAS	2	Accra	Local NGO
09	Maritime	1	Takoradi	Local NGO
10	Pro-link	1	Accra	Local NGO
11	Light for children	1	Kumasi	Local NGO
12	AGREDS	1	Accra	Local NGO
13	Pride	1	Bloga	Local NGO
14	Amasachina	1	Wa	Local NGO
15	Hope for future generation	1	Accra	Local NGO
16	Obra Foundation	1	Kumasi	Local NGO
17	Tajaf Foundation	1	Suhum	Local NGO
18	Teenage Bible club	1	Koforidua	Local NGO
19	Focus on Rural Mothers	1	Akim Oda	Local NGO
20	Ghana Red Cross	1	Cape Coast	Local NGO
21	One Heart Foundation	1	Cape Coast	Local NGO
22	Hope Alliance	1	Koforidau	Local NGO
23	GHANET	1	Accra	Local NGO
24	Safe Family Foundation	1	Winneba	Local NGO
25	Africana child foundation	1	Agona Swedru	Local NGO
26	Youth Watch-Ghana	1	Akim Swedru	Local NGO

**APPENDIX III continued**

27	United Charities Endowment Fund of Africa	1	Elmina	Local NGO
28	Voluntary Help Organization	1	Somanya	Local NGO
29	Fountain of life Care	1	Suhum	Local NGO
30	Positive Foot print Ghana	1	Prampram	Local NGO
31	Free Foundation Organization	1	Winneba	Local NGO
32	People United against AIDS in Ghana	1	Elmina	Local NGO
33	Alliance for Youth Development	1	Cape Coast	Local NGO
34	4- H Ghana	1	Koforidua	Local NGO
<b>Subtotal</b>		<b>35</b>		
<b>Grand total</b>		<b>45</b>		