



**FACTORS AFFECTING SUSTAINABILITY OF CHRISTIAN BASED  
CHILD CARE NON GOVERNMENT ORGANISATION IN ENTEBBE  
MUNICIPALITY, UGANDA**

**BY**

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## DECLARATION

I J.M.Lubega, hereby declare that I am the sole author of this dissertation. The work presented in this dissertation has never been submitted to any institution of higher learning for any academic award. Where other people's works were used, the authors were duly acknowledged.

Date.....

Sign.....

## **APPROVAL**

This is to certify that this dissertation has been submitted for examination with our approval as the authorized and nominated supervisors.

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Sign.....

Date.....

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Sign.....

Date.....

## **DEDICATION**

This research work is dedicated to my dear family Phenehas and Edith Lubega, Dan, Samson, Nalubega ,Kuteesa, Mwesigwa and Peter mugabi.

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## **LIST OF ABBREVIATIONS**

CSOs -	Civil Society Organisations
CV I-	Content Validity Index
CWF -	Citizenship Washington Focus
DFID -	Department for International Development
EHP -	Education People's House
IBRID -	International Bank for Reconstruction and Development
IMF -	International Monetary Fund
NGOs -	Non Governmental Organisations
NIV -	National Institute of Virology (NIV)
SALs -	Structural Adjustment Loans
SPSS -	Statistical Package for Social Scientist

## ABSTRACT

The study focused on examining the factors affecting the sustainability of Christian Based Child Care Non Government Organisations in Entebbe Municipality. The study was based on the following research objectives: to assess the relationship between financial factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality; to establish the influence of management factors on the sustainability of Christian Based Child Care NGOs in Entebbe Municipality; and to examine the relationship between human resource and sustainability of Christian Based Child Care NGOs in Entebbe Municipality. The study employed a cross sectional survey design and both quantitative and qualitative approaches were used. In total, a sample of 142 respondents were chosen who included 30 top administrators and 112 staff members. Questionnaires and interviews were used. Quantitative data was analyzed using Pearson correlation coefficient and qualitative data was analysed using content and thematic analysis. The study findings revealed that there was a strong positive significant relationship between financial factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality; there was a strong positive significant relationship between management factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality and lastly human resource management factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality were significantly positively related. (i) Good internal controls enables NGOs to manage the funds very well for example the accounting systems adequately function. It was observed that NGOs have strong fund management framework, once the controls are in place, then the organisation needs to monitor its effectiveness. Monitoring tools consist primarily of performance ratios that managers and directors need to track to ensure that funds are being managed properly. Findings further revealed that NGOs in Entebbe have well-functioning internal audit system. (ii) It was observed that planning in most NGOs is done by the top level management and sometimes by the technical committee. The planning exercise has helped to create room for sustainability. Findings revealed that some of the NGOs do carry out supervision control of the activities, control is provided by comparisons of actual results against the planned. It was observed that some NGOs have put in place a monitoring and supervision mechanisms although in some NGOs, these are not efficient. It was recommended that: (i) the audit process in CBCC NGOs need to be governed in a more effective manner so that risks of substandard audits can be minimized and/or their effectiveness enhanced so as to ensure NGO sustainability. (ii) There is need for NGOs to stick to a management style that will ensure sustainability. (iii) There is need to empower employees by explaining tasks and allowing them to manage their duties, checking in with them for clarification as needed as an avenue to ensure that they work towards sustainability. There is need to create an environment of open

communication for employees to approach the managers on matters that will help the NGO become self-sustaining.

# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 Introduction**

This study examined the factors affecting the sustainability of Christian Based Child Care Non-Government Organisations (NGOs) in Entebbe Municipality. The study reflected on the issues pertaining the existence of most NGOs in Entebbe Municipality, their status and scope of operation. Factors affecting the sustainability of Christian Based Child Care NGOs was the independent variable while sustainability of the NGOs was the dependent variable. The chapter presents the background of the study, statement of the problem, the purpose of the study, the objectives of the study, the research questions, the hypothesis, the significance, justification, and the scope of the study, and operational definition of terms and concepts.

### **1.2 Background of the Study**

The background of the study is presented in four perspectives namely, the historical, theoretical, conceptual and contextual.

#### **1.2.1 Historical Background**

Globally, the word sustainability has been used to mean “maintain”, “support”, or “endure”. Since the 1980s, sustainability has been used more in the sense of human sustainability on planet Earth and this has resulted in the most widely quoted definition of sustainability as a part of the concept sustainable development, that of the Brundtland Commission of the United Nations on March 20, 1987: “sustainable development is development that meets the needs of the present

without compromising the ability of future generations to meet their own needs (Muwanga, 2002).

While the United Nations Millennium Declaration identified principles and treaties on sustainable development, including economic development, social development and environmental protection, it continued using three domains: economics, environment and social sustainability. More recently, using a systematic domain model that responds to the debates over the last decade, the circles of sustainability approach distinguished four domains of economic, ecological, political and cultural sustainability. This is in accordance with the United Nations Agenda 21, which specifies NGOs as the fourth domain of sustainable development. The Circles of Sustainability model is now being used by organizations such as the United Nations Cities Programme and Metropolis(Lugwire, 2013)

The concept of NGOs, as clearly articulated by Thomas (2000), in international development was born after the Second World War in the United States. In July 1944, at the Bretton Woods Conference, 44 nations, including the United States, Great Britain, and the Soviet Union, agreed to establish the Bretton Woods institutions the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD/World Bank) to provide loans to governments for post war economic reconstruction.

Funding through NGOs to developing countries came about towards the end of the 1940s and the beginning of the 1950s, in the form of technical assistance, with the main purpose of availing scientific and industrial progress made in rich countries to developing countries (Thomas, 2000).

Development funding was provided through bi-laterally and multilaterally avenues.

Subsequently, other developed countries expanded their assistance as well, while the World Bank remained one of the major donors and played a central role as an international funding organization (Thomas, 2000).

As a result of changing world economic systems, by the 1970s and 1980s, multi-lateral and bi-lateral donors became more development oriented in their lending focusing on various social programmes including health and education (Thomas, 2000). Due to unstable macroeconomic conditions in most African countries at the time, coupled with corruption and misuse of aid money, donors were not satisfied with the impact of earlier development assistance programmes and loans. Thus, multi-lateral and bi-lateral donors became more assertive in insisting on fundamental changes in the way in which recipient governments functioned. This resulted after the 1980s in international assistance and loans based on certain norms and rules as represented by the Structural Adjustment Loans (SALs) that were provided by the World Bank and the IMF (Thomas, 2000).

The explosion of NGOs has been happening in the context of a world which has been over the past few decades, characterized by rapid, complex and often unpredictable political, institutional, environmental, demographic, social and economic changes, which show no sign of ending. Within the past decade in particular, we have seen dramatic changes at global level that have been a fundamental impact on societies everywhere (CWF, 1994: 10). Over the years, local and international news has been dominated by information and analysis on the scope and implication of the global financial crisis, as with all sectors of society. And the local NGOs sector has not escaped the fall out of the crisis either. Their sources of funding are under increasing pressure as



individual donors have less disposable income, corporate bottom lines have shrunk and international grant flows have slowed (Muwanga, 2002).

In 2012, some of the biggest development and humanitarian NGOs were laying off staff or revising programmes for 2012 as their income streams flattened because of the global financial crisis. Fundraising experts of three among the world's top NGOs – Oxfam GB, Save the Children UK and World Vision, all expressed worries about the crisis. The three agencies have an annual income of US\$1.8 billion. USA expressed a slow growth of programmes as a result of the squeeze. Some of the biggest reductions came from corporate donors in the financial sector. As a result, NGOs such as Save the Children were not able to make substantial investments in existing or new programmes as they had hoped. World Vision feared in 2012 that recipients of micro-credit programmes, such as poor farmers who receive loans to buy tools, seeds and fertilisers, could be particularly hard hit. World Vision is the world's biggest international humanitarian non-profit, with US\$2.4 billion in annual funds across all its branches (Kabumba, 2013).

The explosion in NGOs movement is caused and affected by challenges that have occurred in the theory and practice of what is broadly termed 'development'; the process improving the conditions and prospects of people and nations. The growing importance of NGOs in the modern world has also been seen as a problem in many developing countries. It is seen that as new global issues and trends have catapulted NGOs onto centre stage, their main role has become 'dealing with new social, economic, political and environmental concerns', which means becoming active in 'awareness raising', social organization, and in advocating change to the status quo has its own understandings of social improvement and works for the public good.

In Uganda, many district local governments cannot afford to provide sufficient allocation for all the sectors without support from donors. The international community has been seeking ways to use and distribute aid more effectively in order to better reach the poor. Civil Society Organisations are seen as important emissaries in this area. Lugwire (2013) argues that since ‘the state has been unable to fulfill its role in extending access of appropriate quality to all children in the context of the Education For All (EFA)’, the role of non-state providers which deliver services to the ‘under-served’ is being considered.

Lugwire (2013) also argues that NGOs are not motivated by personal profit. He also asserts that NGOs as to those in Entebbe Municipality are involved in a vast array of development areas such as improvements in health, education, agriculture, industrial sectors, human rights and gender and environmental issues. He furthermore points to their roles in development as follows although he uses the word ‘expectations’ rather than ‘roles’: (1) cost effectively helping expand access to, and effectively delivering, tangible services such as health and education to the vulnerable; (2) having a positive influence within society; (3) engendering people-centred social development processes and building local capacity;(4) gaining leverage on national and international policies that condition progress towards social development goals; (5) acting as watchdogs of the public good and safeguarding the interests of the disadvantaged and marginalised ;(6)having a positive influence on the quality of aid practices, through interactions with donors. However, above all, the question today remains “sustainability”.

It is against this background that the researcher examined the factors affecting the sustainability of Faith Based Child Care NGOs in Entebbe Municipality.

### **1.2.2 Theoretical Background**

Various theories have been advanced to explain the concept of institutional sustainability and performance. The most outstanding one is the institutional theory which was developed by Scott W Richard in 1953. Scott considers the processes by which structures, including schemes; rules, norms, and routines, become established as authoritative guidelines for social behavior. The theory inquires into how these elements are created, diffused, adopted and adapted over space and time; and how they fall into decline and disuse. Although the ostensible subject is stability and order in social life, scholars of institutional mechanisms must ensure to attend not just to consensus and conformity but to conflict and change in social structures. Institutional theory draws attention to the fact that, over time, institutions tend to adopt similar organizational structures and behaviors so as to foster performance (Scott, 2001) including similar disclosure patterns (Gibbins, 2000). The institutional theory suggests that the established structures should be very efficient when it comes to management related matters.

The institutional theory also states that some institutions will adopt an organizational structure, not to improve its efficiency and effectiveness, but rather to convey the impression to its stakeholders that the institution is behaving in a responsible and legitimate fashion (Scott, 2001). Scott says that in order for institutions to efficiently play their roles, the structures on which they base should firmly be established. Relatedly, Scott advances the fact that established institutions should play their management roles efficiently. Scott on one hand talks about the structures and on the other, their roles, advancing roles all depend on the established structures. This view is supported by Adams (2008) who asserts that for institutions to be effective, the foundations upon

which they are formed should be strong. The institutions need support from all corners to accurately execute their duties. This theory is what underpinned this study and was further expounded in Chapter 2.

### **1.2.3 Conceptual Background**

This sub section presents the conceptual background of the study. The key concepts under this section are sustainability and factors affecting the sustainability of Christian Based Child Care NGOs.

Sustainability is the capacity to endure in a changing and flexible environment. In ecology the word describes how biological systems remain diverse and productive over time. Long-lived and healthy wetlands and forests are examples of sustainable biological systems. For humans, sustainability is the potential for long-term maintenance of well being, which has ecological, economic, political and cultural dimensions. Sustainability requires the reconciliation of environmental, social equity and economic demands also referred to as the "three pillars" of sustainability (Kaggwa, 2003).

For purposes of this study, sustainability was measured in terms of saving, ability to take care of a planned number of children and fund flow.

The factors affecting sustainability are financial factors, management factors, legal factors, human resource management factors, political factors, policy related factors, regulatory framework related factors and environment related factors. For purposes of this study, the researcher concentrated on financial factors, management factors and human resource management factors as the factors affecting sustainability of NGOs.

#### **1.2.4 Contextual Background**

This section seeks to place the study in its context. The study focused on NGOs in Uganda generally; NGOs supporting child care in Uganda; Christian Based NGOs in Uganda; then Christian Based NGOs offering child care, and finally all of the above in Entebbe Municipality in particular. Entebbe is a major town in Central Uganda. Located on a Lake Victoria peninsula, the town was at one time the seat of government for the Protectorate of Uganda, prior to Independence in 1962. Entebbe is the location of Entebbe International Airport. Entebbe sits on the northern shores of Lake Victoria, Africa's largest lake. It lies at 0.0500N, 32.4600E (Latitude:0° 3' 0.00"; Longitude:32° 27' 36.00"). The town is situated in Wakiso District, approximately 37 kilometres (23 miles), southwest of Kampala. The NGOs in Entebbe Municipality include Kids of Africa, SOS Children's Village Entebbe, Uganda Orphanage Relief Fund, Suubi Children's Home, Zemba Children's Foundation, Wamukisa Youth Center, Bright Kids Uganda, New Dawn Africa Foundation, Child Care World Wide, Purpose Uganda Baby's Home, Huys link Community Initiative, Kyasira Home of Hope, Cherish Uganda, Comprehensive Rehabilitation Services in Uganda(CORSU), Kids in Need, Grace Childrens Home, Sure Prospects, Peterpol Deaf Foundation, Kitubulu Child Rights Initiative and Distance Adoption Uganda. However, the researcher focused on only three of the above NGOs and these were Christian Based Child Care NGOs.

The NGOs in Entebbe Municipality have a challenge of financial factors, management factors, human resource management factors and at the same time sustaining the organisations. According to the National Board for Nongovernmental Organisations Report (2013) a total of 34 NGOs were registered in 2009 by the board but by the end of 2010 about 14 had closed. Further

more in 2012, fifty seven (57) NGOs were registered by the Ministry of Internal Affairs but by the end of the year 2013, twenty three (23) had closed of which 17 attributed their closure to financial sustainability. The question of sustainability has become a major concern in Uganda. On the other hand, some of the laws and policies in place have not favoured the operation of NGOs. For example, there is a long and stringent procedural level followed before registering an NGO. Some of the NGOs are denied licences to operate fairly. It is against this background that the researcher was prompted to carry out an investigation on the factors affecting the sustainability of Christian Based Child Care NGOs in Entebbe Municipality.

## **1.2 Statement of the Problem**

Since the early 1980s, NGOs in Entebbe Municipality have provided Child Care services to thousands of children (Ogwal, 2012). In comparison, almost every Child Care Organisation in Entebbe Municipality has taken care of over 600 children who were orphaned, abandoned, and destitute or abused by the people they were living with before (Omona, 2010). However, the issue of NGOs sustainability has become a major concern in Uganda. For example in 2012, fifty seven (57) NGOs were registered by the Ministry of Internal Affairs but by the end of the year 2013, twenty three (23) had closed of which 17 attributed their closure to financial sustainability (National Board for Nongovernmental Organisations Report, 2013). It is now common for an NGO to open up today and it closes in just a short time. When the donors reduce or cut off aid, most of them eventually collapse (Omona, 2010). From the researcher's observation, the key factors that may affect sustainability in terms of NGOs savings, fund flow and ability to take care of a planned number of children are financial factors, management factors and Human resource factors. However, this had not been ascertained by any empirical study. There is fear that if the

NGOs in Uganda do not find ways of ensuring strong sustainability, many of them are likely to close in the nearby future and this will affect their ability to render services to the community. It is against this background that the researcher was prompted to carry out an investigation on the factors affecting the sustainability of Christian Based Child Care NGOs in Entebbe Municipality.

### **1.3 Purpose of the Study**

The purpose of the study was to examine the factors affecting the sustainability of Christian Based Child Care NGOs in Entebbe Municipality.

### **1.4 Objectives of the Study**

The following objectives guided the study;

- i. To assess the relationship between financial factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality.
- ii. To establish the influence of management factors on the sustainability of Christian Based Child Care NGOs in Entebbe Municipality.
- iii. To examine the relationship between human resource management factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality.

### **1.5 Research Questions**

This study hinged on the following research questions:

- i. What is the relationship between financial factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality?

- ii. How do management factors influence the sustainability of Christian Based Child Care NGOs in Entebbe Municipality?
- iii. What is the relationship between human resource management factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality?

### **1.6 Research Hypotheses**

This study attempted to test the following hypotheses;

- i. There is a significant relationship between financial factors and sustainability of Christian Based Child Care NGOs.
- ii. There is a significant relationship between management factors and sustainability of Christian Based Child Care NGOs.
- iii. There is a significant relationship between the human resource management factors and sustainability of Christian Based Child Care NGOs.

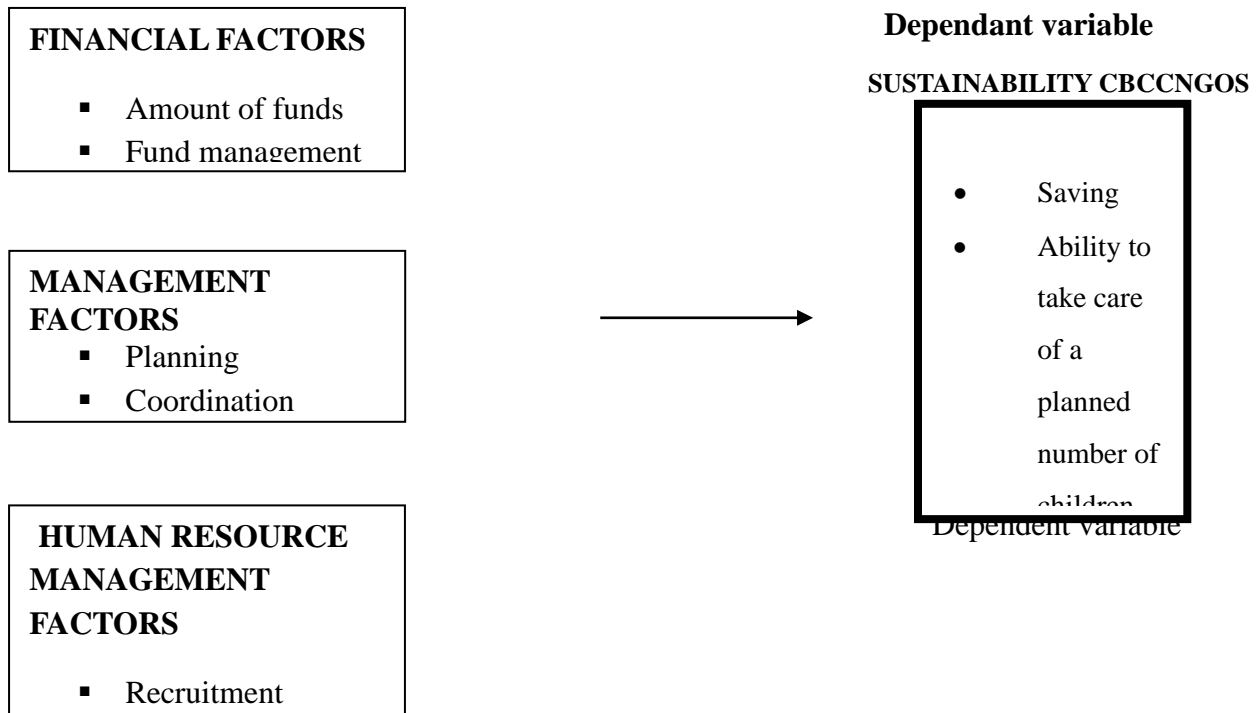


## 1.7 Conceptual Framework

This sub section illustrates the conceptual framework of the study and provides a discussion of the main areas of focus in the conceptual review.

**Independent  
variable**

**FACTORS  
AFFECTING**



**Fig 1.1: Conceptual Framework illustrating the relationship between the factors affecting sustainability of Christian based NGOs and Sustainability of Christian based NGOs.**

The independent variable is factors' affecting sustainability and the dependent variable is sustainability.

*Source: Adopted from Kasem, D (2002) Fund management and Sustainability Programs (modified by the researcher).*

The independent variable comprised factors affecting sustainability and the dependent variable was sustainability. Factors affecting sustainability referred to financial factors, management factors and human resource management factors. Financial factors referred to amount of funds, funds management and accountability. Management factors referred to planning, control, and coordination. Human resource management factors referred to recruitment, rewarding and training. The dependent variable was sustainability which was measured in terms of saving, ability to take care of a planned number of children and fund flow.

### **1.8 Significance of the Study**

The research findings may be of importance to a number of stakeholders. It is hoped that:

The research findings may contribute to the current debate on sustainability in NGOs and donor funded programmes.

It is also hoped that the study may be used to develop a more comprehensive and efficient policy on sustainability in NGOs and donor funded programmes.

The study may give the researcher a more practical analytical insight relating theory of practice.

In this regard, the study may broaden the researcher's knowledge on sustainability.

It is hoped that the study may highlight workable interventions on factors affecting sustainability of NGOs.

The results of the study may be used in policy formulation and implementation by the NGOs when improving on sustainability in NGOs and donor funded programmes.

The findings may bring more insight to policy makers to come up with proper mechanisms that will help foster sustainability in NGOs. It will also inform the ongoing policy debates on sustainability.

The study may act as a reference point for researchers who will pursue further research on sustainability in NGOs.

The study may add value to the body of existing knowledge and perhaps lead to ventures in further research thus it may contribute to the existing literature on sustainability of NGOs.

Through the resultant interaction between the researcher and the respondents, the researcher's knowledge, skills and understanding of research has improved.

## **1.9 Scope of the Study**

**Geographical Scope:** The study was carried out in Entebbe Municipality among three selected Christian Based Child Care NGOs. Entebbe is a major town in Central Uganda. Located on a Lake Victoria peninsula, the town was at one time, the seat of government for the Protectorate of Uganda, prior to Independence in 1962. Entebbe is the location of Entebbe International Airport. Entebbe sits on the northern shores of Lake Victoria, Africa's largest lake. It lies at 0.0500N, 32.4600E (Latitude:0° 3' 0.00"; Longitude:32° 27' 36.00"). The town is situated in Wakiso District, approximately 37 kilometres (23 miles), southwest of Kampala.

**Content Scope:** This study focused on examining the factors affecting the sustainability of Christian Based Child Care NGOs in Entebbe Municipality. Factors affecting the sustainability of Christian Based Child Care NGOs were the independent variable, and these were defined to financial factors, management factors and human resource management factors. Sustainability of

Christian Based Child Care NGOs in Entebbe Municipality was the dependent variable and was measured in terms of saving, ability to take care of planned number of children and fund flow.

**Time Scope:** The study covered the period 2007 to 2012. This is the period when the issue of sustainability became a major factor in most of the NGOs in Uganda (Karungi, 2011).

### **1.10 Operational Definition of Key Terms and Concepts**

**Factors affecting sustainability** referred to financial factors, management factors and human resource management factors affecting Christian Based Child Care NGOs in Entebbe Municipality.

**Financial factors** referred to amount of funds, funds management and accountability of Christian Based Child Care NGOs in Entebbe Municipality.

**Management factors** referred to control, coordination and planning of Christian Based Child Care NGOs in Entebbe Municipality.

**Human resource management factors** referred to rewarding, recruitment and training of staff of Christian Based Child Care NGOs in Entebbe Municipality.

**Sustainability** referred to saving, ability to take care of a planned number of children and fund flow of Christian Based Child Care NGOs in Entebbe Municipality.

**Christian Based Child Care NGOs** referred to Christian organisations that centre their interests in looking after children who are disabled, orphaned, destitute, HIV victims and all sorts of down trodden children in Uganda

## **Conclusion**

This chapter makes a systematic presentation of the background to the study, statement of the problem, purpose of the study, research objectives, research questions, the hypothesis, conceptual framework, significance of the study, the scope of the study, and operational definitions. It is common for NGOs to open up today and close in just a short time. Most NGOs in Uganda rely on funds got from donors without any other sufficient source of funding. When the donors reduce or cut off aid most of them collapse. The next chapter provides an overview of literature on factors affecting the sustainability of Christian based child care NGOs as well as expounding on the theories underpinning the study and concepts. Therefore the researcher will turn to chapter two to review the related literature.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter purposely reviews and provides a critique of the available literature on the factors affecting the sustainability of Christian Based Child Care NGOs. The literature has been reviewed in line with the on the study objectives. This chapter further presents the identified research gaps, which the study sought to address. The literature reviewed is from journals, textbooks, working papers, dissertations and internet websites. The presentation of this chapter begins with the theoretical review, followed by review of related literature and then summary of the literature reviewed.

#### **2.1 Theoretical review**

Scott Richard (1953) propounded the institutional theory. Scott considers the processes by which structures, including, schemas, rules, norms, and routines, become established as authoritative guidelines for social behaviour. The theory inquires into how these elements are created, diffused, adopted and adapted over space and time; and how they fall into decline and disuse. Although the ostensible subject is stability and order in social life, scholars of institutional mechanisms must ensure to attend not just to consensus and conformity but to conflict and change in social structures. Institutional theory draws attention to the fact that, over time, institutions tend to adopt similar organizational structures and behaviours so as to foster performance (Scott, 2001),

including similar disclosure patterns (Gibbins, 2000). The institutional theory suggests that the established structures should be very efficient when it comes to management related matters.

The institutional theory also states that for institutions to be effective, the foundations upon which they are formed should be strong. The institutions need support from all corners to accurately execute their functions (Scott, 2001). Scott says that in order for institutions to efficiently play their roles the structures on which they base should firmly be established. Relatedly, he advances the fact that established institutions should play their management roles efficiently. On one hand he talks about the structures and on the other their roles, advancing roles all depends on the established structures. This view is supported by Adams (2008).

In relation to the researcher's study, there have been some changes in NGOs' roles and relationships between international NGOs and local or national NGOs over the last couple of decades. Although until the 1980s it was common for many international NGOs to operate their own development projects and programmes, many of them have moved from such an implementation approach to one in which sustainability drives are taking root. This approach has led to international NGOs working on capacity building as a key objective in areas such as helping capacity building of local partner NGOs.

In this respect, Rose (2003) indicates that in countries that the Department for International Development (DFID) prioritises, international NGOs that are funded do not always value sustainability which is a big danger.

NGOs gain more power and play bigger roles in development than ever before, a general criticism of them is also raised. For example, when NGOs gain much needed funds for operations

and, in return, work on programmes under close supervision of governments or donors, they can be seen as mediators, service deliverers, convenient consultants or inexpensive contractors.

However, these criticisms highlight the fact that NGOs can do what other actors, such as states and donor agencies, cannot do, and fill gaps left by the partial service delivery of governments that have been withdrawing from the provision of public services. Behind this, is the fact that NGOs have to be self-sustaining as institutions engaged in charity work. However, while governments are seen as hierarchical and autocratic, NGOs are seen as having comparative advantages in the areas of cost effectiveness, reaching the poor, popular participation, flexibility, and innovation but this should be based on sustainability. Therefore, NGOs' involvement in development can make a significant contribution to development outcomes only when they are sure of tomorrow as the theory postulates above. The factors affecting sustainability in Uganda are financial factors, legal factors, management factors, human resource management factors, political factors, policy related factors, regulatory framework related factors and environment related factors. For purposes of this study, the researcher concentrated on financial factors, management factors and human resource management factors as the factors affecting sustainability.

## **2.2 Review of Related Literature**

This section presents the literature reviewed on the basis of the study objectives which are in relation to financial factors, management factors and human resource management factors



### **2.3.1 Financial Factors and Sustainability of NGOs**

Moak & Hillhouse (2003) suggest amount of funding and its flow determines the better operations of the NGO. First of all for funds to flow smoothly they should be in force effective leadership. The Chief Executive should achieve appropriate span of control in the administration of financial activities. This should be accompanied with segregation of duties. Second, there should be guidelines for the efficient and effective use of resources, it means monetary and non monetary control system should be developed to monitor the expenditure and revenue. Third, there should be ways for ensuring accountability to the citizens. In addition to the internal controls, the independent auditor should be used.

Fund management is the process of collection and proper use of financial resources to achieve organisational objectives. It is the fuel that gives life and substance to the engine of public administration (Mckinney, 2006). It deals with finances of authorities regarding income and expenditure covering revenue, expenditure and financial administration (Obone, 2003). In this particular study, the researcher used the terms fund management to refer to the ways in which the organisation controls and safeguards the funds at its disposal.

Fund management is important not only because the public sector requires income to pay for its expenditure but because of the impact it has on the economy and lives of the citizens (Sailis, 2004). It is important for economic development as it helps allocate resources efficiently, control their use, ensure availability of funds when needed, signals future impact of current management actions and provides appropriate information for decision making. It particularly

assumes critical significance because developing countries are experiencing financial crisis characterized by deficits, high debt repayments, inflation and declining export earnings (United Nations, 2001). In line with this study, the researcher will be much inclined to emphasizing that fund management measures must pay close attention to cost and risk in order to really capitalize on the cash flow opportunities. An NGO runs on the ability to offer a service to the citizens and ensuring that proper liquidity of the funds is a crucial aspect of fund management.

Sailis (2004) argues that it is important that the funds should be properly managed and monitored, otherwise, their social and economic benefits will remain low. While Helleiner (2006) observe that if there is no proper public finance management donor support will be damaged and hence affecting the organisation existence. The donors expect the funds to be managed without misuse, irregularities and corruption. They assert that this point is vital because a large portion of the Ugandan national budget is funded by foreign donations.

Therefore, the researcher taking into account the preceding paragraphs, it follows that public finance management is important because: it is vital for effective administration, it has implications on the economy and the citizens, it can lead to maximizing of social service delivery

However, this study has limitations of examining how to channel aid to communities efficiently without causing fund management problems. Therefore, it is suggested that further study in this area is required, for which task this research executed.

As indicated earlier, public finance management is key to the proper operation of the public sector. Therefore, a good system of fund management should be established. However, most of the

elements of a good fund management system fall into two categories; financial controls and auditing which directly affect sustainability. The study focused on funds management putting into consideration the existing internal controls in the non-government organisations.

Jones & Pendlebury (1996) observe that proper management of funds requires financial controls and auditing. A number of writers have explained what is meant by a good system of fund management. However, considering these positives regarding the factors affecting the sustainability of NGOs, it is important to pay due regard to proper financial management which factor this research will focus on.

According to Apostolou & Crumbley (2008) an efficient and effective fund management system should have: (a) Set laws, rules and regulations to deal with the public finances; (b) Generally Accepted Accounting Standards, clearly defined accounting systems and procedures; (c) Qualified and honest staff to manage the public sector in general and the finances in particular. However, the accounting systems and procedures can work well when the fund management systems have been established. Sustainability too requires proper accounting systems and procedures.

Moak & Hillhouse (2005) suggest three major guidelines for a good fund management system. First, there should be standards of effective leadership. The Chief Executive should achieve appropriate span of control in the administration of financial activities so as to foster sustainability within the organisation. This should be accompanied with segregation of duties. Second, there should be guidelines for the efficient and effective use of

resources, this means monetary and non-monetary control system should be developed to monitor the expenditure and revenue.

However, the study findings revealed that there should be ways for ensuring accountability to the citizens. In addition to the internal controls, an independent auditor should be used.

According to Ddumba (2007), cash management refers to a broad area of finance involving the collection, handling, and usage of cash. It involves assessing market liquidity, cash flow, and investments. In banking, cash management or treasury management is a marketing term for certain services related to cash flow offered primarily to larger business customers. It may be used to describe all bank accounts (such as checking accounts) provided to businesses of a certain size, but it is more often used to deliver services such as cash concentration, zero balance accounting and automated clearing house facilities. Sometimes, private banking customers are given cash management services.

The study findings revealed that the corporate process of collecting, managing and (short-term) investing cash is vital when it comes to cash management. Cash management is a key component of ensuring a company's financial stability and solvency. Frequently corporate treasurers or a business manager is responsible for overall cash management and these may manifest in the service delivery process.

According to Jonah (2008) successful cash management involves not only avoiding insolvency (and therefore bankruptcy), but also reducing days in account receivables, increasing collection

rates, selecting appropriate short-term investment vehicles, and increasing days cash on hand all in order to improve an organisation's overall financial profitability. In addition to the above, the researcher will emphasize that effective cash management strategies are essential to managing organisations. The organisation flexibility, convenience of cash management solutions are tailored to meet the needs and give maximum control over the organisation finances so as to have efficient service delivery.

According to Namaganda (2011), successfully managing cash is an essential skill for small business developers because they typically have less access to affordable credit and have a significant amount of upfront costs they need to manage while waiting for receivables. Wisely managing cash enables a company to become self-sustaining in addition to delivering services efficiently.

However, cash management reduces costs, gain greater certainty over the collection of receivables and accelerate the organizations cash flow.

According to Jonan (2009) proper cash management and efficient short-term financing are both important and beneficial to an organisation in order to maintain a competitive market share, which will increase profit potential and shareholder value through rising stock. Cash management can be used to lower or eliminate idle cash balances that do not earn revenue, using the freed up cash as sources for short-term financing through interest building securities. Short-term financing allows an organisation to secure needed funds in order to meet production needs and gain maximum profitability for purposes of ensuring sustainability.

However, cash management techniques in the study included collection/disbursement float, Electronic Funds Transfer, international cash management, and marketable securities. The study focused on fund flow and available funds to a financial manager in CBCC NGOs in Entebbe Municipality.

### **2.3.2 Management Factors and Sustainability**

Management practices refer to the ways of governing employees (Lwanga, 2000). Examples of management practices include planning, coordination and control. Management practices were highlighted as far back as the bible times during King Solomon's reign when he used a lot of wisdom to lead his people.

According to Lubaale (2009), planning is a function of management that influences performance. There is no single definition of planning that has been agreed upon. However, Musenge (2002), defines planning as redefining goals, establishing strategies to achieve set goals and developing plans to integrate and coordinate activities. While Lubaale (2009), supplements by looking at planning as an activity that involves making decisions about ends like setting organizational aims, objectives, means (plans), conduct (policies) and results. He also adds by categorizing planning as either being long term (corporate planning) or short term as in setting annual department budgets.

However the study was took cognizance of the fact that to deal with performance problems, in a bid to improve sustainability, identification and parties concerned in addition to establishing the reasons for the shortfall, deciding on the action to be undertaken and all the aspects of planning need to be taken into consideration for effective sustainability.

Fayol (1925), states that planning is an important stage in management. He argued that because management is all encompassing, it should be taught in organisations. Planning is a skill which can be acquired. Planning as managers therefore would benefit every one of us (Martin, 2010). In order to have a self-sustaining institution, the institution must ensure that the managers used have the necessary and proper planning skills. The research was based on developing countries and it may not be very applicable to Uganda

Kakuru (2006), notes that in a bid to improve sustainability of institutions, line managers and human resource team need to work with individuals to create personalized development plan with their sport and monitoring provided. Okello (2004), agree that the employee investment and participation derive their commitment towards commitment as they also cited Hymans and Madanda (2006), who acknowledge employee participation like in consultative committee as key to optimizing performance. They seem not to come out clearly on the relationship between planning skills and procurement performance.

Much as consultations' involvement and participation can be in planning process selecting mission, objectives and actions to achieve them but don't function independently, they can be supplemented by control and coordination. It is true like any other management functions that planning enhances organizational performance.

Coordination includes not only how we communicate with others, but also our confidence and our ability to listen and understand. Problem solving, decision making and personal stress

management are also considered interpersonal skills. People with strong interpersonal skills are usually more successful in both their professional and personal lives. They are perceived as more calm, confident and charismatic qualities that are often endearing or appealing to others, Baron (2009). The study found out that properly coordinated NGOs are usually more successful and do operate without major obstacles. The study was a qualitative study compared to the researcher's study that was quantitative in nature.

According to Hargie (2004), proper coordination seem to encourage building teams which means moving groups to often desperate people so that they all become committed to the group's goals, participate fully in decision making, learn how to manage inevitable conflicts and feel complete ownership of the tasks at hand. The study found out that coordination is very useful in building teams.

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Hargie (2004), appears to suggest that control is a precondition for management in the presence of conflict while Adair (2000), suggests that positive control to solve human relations problems, build acceptance of co-workers and relate them in a way that their behaviors are consistent with organizational needs. Farrington (2006), describe a long term relationship with customers rather than on one sale at a time approach. The most successful relationships are those where customers and suppliers develop trust and an understanding of their respective requirements and interests accompanied by concern for both learning from and providing assistance to each other. However, the above reviewed literature suggests that control can positively influence NGO sustainability. In this study it was similarly found out that control positively influence NGO sustainability.

### **2.3.3 Human Resource Management and Sustainability**

#### **2.3.3.1 Recruitment**

The practice of attraction, recruitment, and retention of people (selective hiring) ensures that the right people with desirable characteristics and knowledge are in the right place, so that they fit in the culture and the climate of the organization. Paul & Anantharaman (2003) pointed out that an effective hiring process ensures the presence of employees with the right qualification, leading to production of quality products and consequences in increase of economic performance. Pinpointing at the right employee would decrease the cost of employees' education and development in order to meet the standard of the organization. Schuster (1986) argued that selective hiring is a key practice that creates profits. Huselid (1995) examined human resource practices of high performance companies and found that attracting and selecting the right

employees increase the employee productivity, boost organizational performance and contributes in reducing turnover.

Hiring standards reflect not only organizations' skill requirements but also influence the performance of employees. Attracting and selecting the right employees increase the employee productivity, boost organizational performance and contributes in reducing turnover but overall, the workers should work towards having a self-sustaining organisation.

Michie & Quinn (2001) proposed that a possible indirect link between selective hiring and organizational performance can be the forging of internal bonds between managers and employees that creates the right culture for productivity growth. Collins & Clark (2003) argued that the practice of selective hiring results in effectiveness of employees' performance and the growth of the organization.

Globally, the NGO sector continues to face challenges in attraction, recruitment and retention of workers. Zurn (2005) observed different strategies developed to attract, recruit and retain work force. These include: working conditions, low incentives, and lack of opportunity for professional development (Zurn, 2005). Countries have put policies which target qualified worker and monetary incentives in order to recruit and retain workers.

There is a strategy of non-monetary incentive where managers promote work autonomy, encourages career development, adapting to work time schedules and reducing the violence at work.

Sub-Saharan countries face similar challenges of limited knowledge on recruitment and retention of workers in health facilities. Strategies to address this problem, United States of America for

International Development has supported “Capacity project” in collaboration with health sector heads to develop the emergency hiring plan (EHP, 2012).

The above is a rapid response on staffing and training desired to increase number of qualified NGO professionals available to work in organisation facilities. This has helped developing countries to access and strengthen attraction, recruitment and retention processes. Although workers identify salary as an important factor, there are several factors which influence retention of NGO workers. Good accommodation, quality health care facilities and provision of welfare. By attending to those factors, there has been an improvement in recruitment and retention of NGO workers.

According to Matsiko (2010), inability of public sector in Uganda to attract and retain skilled workers is due to a number of factors such as lack of sufficient incentives and poor working environment leading to worker’s sector to migrate and brain drain. He further argues that different alternatives have been fronted to improve working environment, continuous professional development, performance measurement system and welfare of the workers.

However, for Christian Based Child Care NGOs the story would be different, the professional labour to be recruited is that, that would drive the NGO towards sustainability.

Banwell (2003) observes that recruitment and retention of right workers for the job reduces the turnover and increases the productivity and success of employees whereby the skills and ability is conforming to the job required for.

Hongoro & Normad (2006) observed the quality of basic training varies widely, the provision of continuing education and development is almost universally inadequate hence, skill levels of staff members fall overtime. Evidence indicates that good quality continued professional development is a positive incentive and helps to retain staff members. Requirement to undertake continued education can be made a command of continued profession requirement and can thereby provide some quality of competences. However, for better improvement on the sustainability, managers have to play a lead role in empowering workers to attain more skills for better improvement in their competences.

Human resource practices also relate to work flow/labour relations in the organization (Ulrich & Ulrich, 2008). These practices concern the designing of delivery of administration policies; how they improve on management and conditions of work. These practices also affect both talent and organization's productivity, employee job security and need to be both aligned (deliver strategic goals) and integrated (work together) to suit organizational goals. Human resource practices are involved to deliver value including more practices and bring good people into the organization (Ulrich & Merrit, 2008).

### **2.3.3.2 Rewarding of Employees**

Muguluma (2004) looks at rewards in form of terminal benefits, savings schemes, insurance and other allowances as well as gifts and bonuses and get together as good incentives. Basalirwa (2007) gave the following as examples of incentives; services related to the type of work performed. provision of work clothes, uniforms, tools, eating facilities such as restaurants, cafeterias etc. transport and child care facilities, e.g. free institutional transport, day care centers

for pre-school employees' children, housing services such as institutional houses or houses rented by the institution for its employees. They also cited recreational, social and cultural programs such as promotion of sports. Lastly, they advocated for services such as sponsorship of employees for courses both short and long term, locally and abroad as well as provision of education for both employees and their children. The above authors never relate fringe benefits to the levels of performance of workers such as NGO staff.

Muguluma (2004) emphasize the importance of benefits to performance of staff. They observed that absence of adequate rewards is one of the main factors contributing to the poor performance of employees. Bob (1994) affirms that employee benefit packages increase work commitment to the organization and reduce the tendency to think about other job opportunities. Kathy (2001), notes that money is a weak form of incentive. When it comes to encouraging employees to think creatively, it should always be accompanied by benefits/incentives.

However, the researcher argues that if an organization is to gain from the productivity of its employees, there must be a fair deal concerning pay and benefits.

Dungu (2000) asserts that a reward in form of pay has a strong impact on the employees' performance. Okello (2003), agrees with Dungu (2000) when they both state that pay is one of the most powerful motivating tools. Similarly, Dungu (2000) emphasizes the value of extrinsic motivation when he asserts that money provides the means to achieve a number of different ends. Above all, he asserts that money in form of pay is the most obvious extrinsic reward. Muguluma (2004), in his study about job satisfaction of workers recommends that salaries of workers should be paid promptly and that promotion of workers should be accompanied by a corresponding increase in the salary they earn. He observes that salary was a strong force that kept workers at

their jobs. The researcher felt that this is recognition of the fact that salary is vital in causing satisfaction among workers and hence likely to influence performance. Performance-based compensation is the dominant human resource practice that organizations use to evaluate and reward employees' efforts. Performance-based compensation has a positive effect upon employee and organizational performance.

Empirical studies on the relationship between performance-related pay and NGO performance have generally found a positive relationship, but a growing body of empirical evidence suggests that it is not just pay level that matters, but pay structure as well (Weller, 2012).

Rewarding incentives play a role in providing a means of attracting, recruiting, retaining and improvement in the performance of workers. Effective rewarding builds a better motivated, satisfied and a better performing workforce.

According to Basalirwa (2007), the most important motivator to NGO employees is money which can be in form of salaries, allowances, wages, bonuses, duty allowances and other monetary rewards. However, other factors such as actual working conditions, job security and level of commitment to the organization's objectives are all crucial to the level of motivation.

Similarly, Okello (2001) emphasizes the value of financial rewards when he says that money provides the means to achieve a number of different ends. Basalirwa (2005) in his study about job satisfaction of workers recommends that salaries of the workers should be paid promptly and that promotion of workers should have a corresponding increase on the salary they earn. Therefore, from the above expression, the researcher was critical of the view and noted that

financial rewards have greater effects than non-financial rewards on the performance of NGO staff.

Kabalega (2004) noted that while workers are interested in advancing their financial position, there are many other considerations such as opinions of their fellow workers, their comfort and enjoyment on the job and their long range security that prevents them from making a direct automatic positive response to an incentive plan. This implies that for employees to perform and have better results, they must be motivated by a token of appreciation. Helmrich (2008) further noted that most employees want to be posted to urban areas. He indicated that workers want to remain in urban areas for a variety of reasons, most notably the availability of good schooling for their own children, employment opportunities for spouses and other household members, the desire to maintain often close knit family and friendship networks, opportunities for further study and poor working and living conditions in rural places.

From the above, the researcher notes that much greater opportunities for earning higher incomes in urban locations is also a major factor. Being transferred to a rural area can, therefore, severely affect the ability to undertake further studies as well as earn additional income.

According to Jjjuko (1998), salaries and wages which are forms of monetary rewards, from the employer's point of view, have the overriding aim of attracting and motivating the employees and of ensuring equity in a bid to increase productivity. He further argues that from the employees' point of view, salaries and wages are for fulfillment of wants, drives and needs which can be social, economic, political, psychological or otherwise. However, Jjuko (1998) never related the aspect of salaries and wages to employee performance. The study established that

wages and salaries are prime in boosting the efforts of employees to execute the tasks assigned to them by the management of NGOs in Entebbe Municipality.

Lubulwa (2000) cited Adams as having advanced the theory of equity. This theory concerns an individual worker's subjective judgment on whether or not the reward he gets relative to his input is fair as compared to rewards of others. President of the Japanese company called Pharmacy Biotech, Hiromichi Kimura (1989 – 1993) preferred to use performance-reward method of motivating their employees. When he assumed office, he found that the company was rewarding seniority of staff instead. But he changed the motivation technique and arranged to reward output instead of seniority. He put his employees on performance related compensation. Employees started to be rewarded for their performance, and the technique worked, employees performed. The notion behind this motivation method was to emphasize accountability for high productivity of the company. It was not clear whether the compensation was monetary in nature. Also, no mention was made of how the compensation exactly influences the performance of employees. Although compensation of workers may be done once in a while, somehow increases morale and may boost performance if done on a regular basis and should be used as a soft target to induce them to improve performance.

### **2.3.3.3 Training**

According to Anon (2003) the term training refers to the acquisition of knowledge, skills, and competencies as a result of the teaching of vocational or practical skills and knowledge that relate to specific useful competencies. It forms the core of apprenticeships and provides the backbone of content at institutes of technology (also known as technical colleges or polytechnics). In his study Weiss (2004) revealed that today the literature on business management highlights the role



of intangible assets as the basis for creating competitive advantages, due to the fact that these resources can more easily differentiate a firm in a way which is not easily available on the market. The study looked training as “the acquisition of skills, concepts or attitudes that result in improved NGO sustainability.

Maintaining workers' skills and improving their performance are critical for companies looking to retain a competitive advantage. According to Appelbaum (2002) the level or quality of the employee training is either supporting or stifling the company's growth. Simply stated, it's huge. The more one organization invest in training employees, the more the company gains in sales and profit and the better the employees become true team members. According to Burden and Proctor (2007) well-trained employees are the foundation for business success. It makes common sense that the most productive and successful employees are the ones who have received the best training. It's from this group that the future leaders of the company are born.

According to MacDonald and Gabriel (2000) determining training needs starts with a gap analysis – the gap between what skills your employees have and what they need to move the business forward. Gaps can include; what the organization expects to happen and what actually happens, current and desired job performances, existing and desired competences and skills. The results of the training needs assessment allows the training manager to set the training objectives by answering two very basic questions; who, if anyone, needs training and what training is needed.

The purpose of a training needs assessment is to identify performance requirements or needs within the organization in order to help direct resources to the area of greatest need, those that closely relate to fulfilling the organizational goals and objectives, improving productivity and

providing quality products and services (krivanek, 1999). However, this will only be achieved by selecting the right training method necessary to deliver expected outcome.

When designing and planning training, one needs to consider a number of factors, Desimone ,Warner and Harris (2009), argue that trainers need to understand the pros and cons of each method and also its impact on trainees keeping their backgrounds and skills in mind before giving training. Some of the other critical factors to think about include; objectives to method compatibility, expectations of the organization and the trainees, trainer skills, time and resources availability. Choosing the right instructional methods is really a balancing act, where different factors need to be considered and weighed. However the researcher was cognisant of the fact that training designer or trainer has to exercise judgment, both in the designing process and in the delivery.

According to James, & Roffe (2000) not only does job training prepare the employees with additional professional and job-related skills, it also shows those employees (and others inside and outside the company) that the company is willing to invest time; money and energy into their success, but also that you consider them to be a big part of the company's future plans. This is potent and motivational. When employees know they care enough to train them, support them, and have faith in them, this is the sunshine, water, and nourishment that grow the seed of company loyalty. Training and development is the life-line of any successful company; it's vital to the health of the organization . Without it the organization risks the probability of becoming stagnant, and the competition can run by so fast that it will leave dust in the eyes.

However, the researcher was cognisant of the fact that to be effective, all training programs must start with a “needs assessment”. Long before any actual training occurs, the training manager must analyze as much information as possible about the following; the organization and its goals and objectives, job and related tasks that need to be learned, competencies and skills that are needed to perform the job.

Need for continuously educating and training employees about how to improve their individual as well as group performance is very crucial. Training has been the main factor for influencing the employees’ skills, abilities and attitude. People working in any organisation either individually or in groups or in the shape of teams have never been able to handle their tasks by their own until and unless they provide healthy support to each other while working on their targets. So, team members should develop the environment where they can bring down the short comings of weak members by consistently contributing to their weak performance (Farooq& Khan, 2011). The gap that arises in this literature is that it does not show how members can train one another in their work environment for better sustainability. Therefore this study will investigate how employees train one another for better work performance.

Training has become an integral part of organisational life as organisations devote a great deal of effort, manpower, and money in the development and utilisation of training programs. Training improves skills and inculcates good personal values among public service employees. Skills instil attitudinal and mindset changes of the workforce ensuring effective and efficient delivery of quality outputs. There is need for transformation and upgrading of skills for those who are already in the work for the development of the organisation. Training and development under human resource development is a vital part in an organisation which is needed to maintain and

improve the capability and capacity in delivering services under public sector workforce (Salleh, 2011). However, the missing link is whether NGOs have devoted a great deal of effort, manpower and money to training programmes and how this has improved sustainability which this study investigated.

## **2.4 Sustainability**

NGOs rely on money from a variety of sources, including individual donors, foundations, corporations and governments. Often what an NGO can and cannot do is tied to where the money comes from, dramatically affecting the effectiveness and neutrality of NGOs. While some NGOs refuse to accept government or corporate funding to stay independent in their decision making, many NGOs need to depend on these funding sources in order to operate. Funding issues have become particularly challenging, following the economic crisis of 2009-2012 (Kabumba, 2013).

This study examined how NGOs are funded and how funding sources affect NGO operations. The researcher was cognizant of the fact that in the competitive world of NGO fundraising, conventional wisdom holds that disclosing your failures is not a smart move, as donors demand results and punish failure. Sustainability issues set NGOs apart from other groups, potentially a clever tactic to attract the allusive donor dollar.

According to Basalirwa (2007), in the UK, many charities and NGOs may find themselves in breach of the law when the new Equality Act comes into operation in October. The new legislation which consolidates and replaces the Race Relations Act, the Sex Discrimination Act and the Disability Discrimination Act will impose higher legal thresholds on organizations which rely on "charitable instrument exemptions" to "positively discriminate" by providing benefits and

services only to specific members of the public. This could also lead to a drop in funding for those are unable to fulfill the wishes of donors who insist on the specific use of their gifts.

However, the researcher deviating from above noted that international funding agencies and foreign governments are hesitant to fund Ugandan NGOs. The passing of the Homosexuality Act is seriously impacting on the sustainability of most donor funded NGOs in Uganda. Decreased government spending on NGOs due to the global financial crisis further complicates the situation.

Foundations saw their assets decline by almost 22 percent in 2008, which translated into substantial drop in their funding to NGOs. Individual donors are also cutting their contributions. The decreased resource is forcing NGOs to reduce programmes and staff, but many NGOs are also trying to find and attract new sources of funding. Some NGOs ask corporations for support and the NGOs that accept and rely on government funding currently have more secure funds, but at what costs? If major NGOs let governments and corporations dominate their funding, the sector could face problems of independence and credibility more serious even than financial problems (Muguluma, 2004).

In contrast, in the wake of the economic crisis, many private contributors are reducing their donations. This volatility in funding could affect 19 of the largest humanitarian non-profit networks that together spend 60 percent of global humanitarian funding. If so, the best case scenario would be more careful spending by all actors in society leading to a reduction in the number of illegitimate non-profits and more effective work by those that survive the crisis. In the worst case, important humanitarian work would be lost, which would directly affect the most vulnerable in society.

## **2.5 Summary of Literature Review**

Managers and other policy makers have turned their attention to sustainability of organisation so as to improve the performance of NGOs in Uganda. The major factors that affect sustainability that are identified in the major works cited above are financial, management and human resource management factors. The literature reviewed posits that managers occasionally assume that NGOs are doing well yet some after a year or two closes. Employees always prefer working in places where there is better management, proper human resource and effective and accountable financial management. This can foster commitment to the organization and also increase morale when it comes to task accomplishment. However, most of the above studies do not link, financial, management and human resource management factors to sustainability of CBCC in Entebbe Municipality which was the centre of the researcher's study. The researcher therefore conducted this study for this purpose, and the next chapter explains the methodology used to arrive at reliable and valid empirical results.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.0 Introduction**

This Chapter presents and describes the approaches and techniques the researcher used to collect data and investigate the research problem. They include the research design, study population, sample size and selection, sampling techniques and procedure, data collection methods, data collection instruments, data quality control (validity and reliability), procedure of data collection, data analysis and measurement of variables.

#### **3.1 Research Design**

A cross sectional survey design was adopted for this study because it provided a systematic description that is as factual and as accurate as possible (Amin, 2005). Using a cross sectional

survey, data is collected from a cross section of respondents at a single point in time. The study applied both quantitative and qualitative approaches.

Amin (2005) states that quantitative designs are plans for carrying out research oriented towards quantification and are applied in order to describe current conditions or to investigate relationships, including cause and effect relationships. Quantitative approaches were employed when sampling, collection of data, data quality control and in data analysis.

The qualitative approaches involved an indepth probe and application of subjectively interpreted data (Sekaran, 2003). Qualitative researchers aim to gather an in-depth understanding of human behavior and the reasons that govern such behavior. The qualitative method investigates the why and how of decision making, not just what, where, when. Qualitative approaches were applied when sampling, collecting data, data quality control and in data analysis. Hence, smaller but focused samples are more often needed than large samples. This study integrated these two approaches since the researcher believes what Neuman (2003) asserts that researchers who use one style alone do not always communicate well with those using the other.

### **3.2 Study Population**

The study population consisted of 15 Child based NGOs in Entebbe Municipality namely, Kids of Africa, SOS Children's Village Entebbe, Uganda Orphanage Relief Fund, Suubi Children's Home, Zemba Children's Foundation, Wamukisa Youth Center, Bright Kids Uganda, New Dawn Africa Foundation, Child Care World Wide, Purpose Uganda Baby's Home, Huyslink Community Initiative, Kyasira Home of Hope, Cherish Uganda, Comprehensive Rehabilitation



Services in Uganda(CORSU), Kids in Need, Grace Children’s Home, Sure Prospects, Peterpol Deaf Foundation, Kitubulu Child Rights Initiative and Distance Adoption Uganda. However, the researcher focused on only three of the above mentioned NGOs and these were mainly Christian Based Child Care NGOs.

The total study population comprised of 407 respondents from the 03 NGOs. The study population was broken down as follows 350 staff members and 57 top administrators (chosen because are key stakeholders and do influence the decision making process in the NGOs. This population enabled the researcher to obtain the necessary data for his research that he required.

### 3.3 Sample Size and Selection

The study sample was drawn based on a sample size of 142. The sample size was selected based on the sample size table by Krejcie and Morgan (1970 pp. 607-610). Krejcie and Morgan (1970) assert that where a total population is 407, a sample size 142 is sufficient. After obtaining the total sample, the break down for the different categories of respondents were obtained using the formula below.

$$r = \frac{c \times s}{p}$$

Where r = respondents desired from a stratum

c = category (stratum) of population

s = desired sample

p = population of all staff

For instance, the number of respondents from each category was determined as follows:

$$r = \frac{350 \times 142}{407}$$

r = 122 (respondents)

The same formula was applied to other categories of respondents.

Furthermore, Krejcie and Morgan (1970) advises treating each sub-group as a population and then use the table to determine the recommended sample size for each sub-group (see Appendix iv).

**Table 3.2 : Population, Sample Size and Sampling Techniques**

<b>Category</b>	<b>Target population</b>	<b>Sample Size</b>	<b>Sampling Technique</b>
Top administrators	57	20	Stratified random
Staff members	350	122	Stratified random
<b>Total</b>	<b>407</b>	<b>142</b>	

*Source: Primary data (2014) & Krejcie & Morgan (1970) table*

### **3.3.1 Sampling Techniques and Procedure**

#### **3.4.1 Probability Sampling**

Probability sampling or random sampling, is a sampling technique in which the probability of getting any particular sample may be calculated (Katebire, 2007). The advantage of non probability sampling is its lower cost compared to probability sampling. However, one can say

much less on the basis of a non probability sample than on the basis of a probability sample (Mugenda & Mugenda 1999). The study used stratified sampling techniques. Stratified random sampling technique was used to sample both the top administrators and staff members of the selected NGOs. According to Amin (2005), stratified random sampling ensures that every member has an equal chance of being recruited into the sample. They were two strata's drawn, one for top administrators and the other for staff members. A sample frame was constructed for each stratum and then the members were randomly sampled.

### **3.4 Data Collection Methods**

Both primary and secondary data methods which were qualitative and quantitative in nature were used.

#### **3.4.1 Primary Data**

Primary data was obtained through self-administered questionnaires and an interview guide to respondents following systematic and established academic procedures as proposed by Ezeani (2005). The researcher collected the primary data through the interview method and questionnaires.

##### **3.4.1.1 Questionnaire Survey**

A questionnaire was used because it allows in-depth research, to gain first-hand information and more experience over a short period of time (Creswell, 2003). It also increases the degree of reliability due to the many items in it and it as well enhances the chances of getting valid data

(Amin, 2005). The questionnaire is cheap and fast to administer. A large group of respondents can be covered within a short time.

### **3.4.1.2 Interviews**

Interviews are person to person verbal communication in which one person or a group of people are interviewed at a time. Interviews were used because they have the advantage of ensuring probing for more information, clarification and capturing facial expression of the interviewees (Amin, 2005). In addition, they also gave an opportunity to the researcher to revisit some of the issues that had been an over-sight in other instruments and yet, they were deemed vital for the study. Interviews were personal interviews and were conducted with top administrators and members of staff.

### **3.4.2 Secondary data**

In the secondary analysis of qualitative data, good documentation cannot be underestimated as it provides necessary background and much needed context both of which make re-use a more worthwhile and systematic endeavour. Secondary data was obtained through the use of published and unpublished documents. Various publications, magazines and newspapers reports, historical documents and other sources of published information were reviewed by the researcher. According to Amin (2005), secondary data can be helpful in the research design of subsequent primary research and can provide a baseline with which the collected primary data results can be compared to other methods.

### **3.4.2.1. Documentary Review**

Documents were reviewed in this study because they are helpful in the research design of subsequent primary research and provide a baseline with which the collected primary data result is compared to other methods. According to Amin (2005) documents can be helpful in the research design of subsequent primary research and can provide a baseline with which the collected primary data results can be compared to other methods.

## **3.5 Data collection instruments**

The key data collection instruments used were questionnaires, interview guide and documentary review checklist.

### **3.5.1 Questionnaire**

The questionnaires used in this study were self-administered to 30 top administrators and 112 members of staff. A copy of the questionnaire is attached in Appendix i.

### **3.5.2 Interview Guide**

The interview guides were personal interviews used to collect the data from the 5 top administrators and 15 members of staff in a period of 2 weeks. A copy of the interview guide is attached marked Appendix ii

### **3.5.3 Documentary Review Check list**

The documentary review list was used for purposes of reviewing documentary data. Documentary data was obtained through the use of published and unpublished documents.

Various publications, magazines and newspapers reports, historical documents and other sources of published information were reviewed by the researcher. A copy of the documentary review checklist is appended marked appendix iii

### **3.6 Quality Control of Data Collection**

Data quality control techniques ensured that data collected was valid and reliable; the instruments were first tested to ensure validity and reliability.

#### **3.6.1 Validity**

To establish validity qualitatively the instruments were given to two experts to evaluate the relevance of each item in the instrument to the objectives and rate each item on the scale of very relevant (4), quite relevant (3), somewhat relevant (2), and not relevant (1). The purpose of qualitative research is to describe or understand the phenomena of interest from the participant's eyes, therefore the researcher allowed the participants to legitimately judge the credibility of the results. They were eight (8) items in total and five (3) were eliminated hence the researcher remained with five items for the final questionnaire that was administered to the respondents during data collection (see validity results below).

The researcher documented the procedures for checking and rechecking the data throughout the study. The researcher took a "devil's advocate" role with respect to the results, and this process was documented. The researcher was actively searched for and describes the negative instances that contradict prior observations. After the study, the researcher conducted a data audit that examined the data collection and analysis procedures and made judgments about the potential for bias or distortion. Since the idea of dependability, on the other hand, emphasizes the need for the researcher to account for the ever-changing context within which research occurs, the researcher

described the changes that occur in the setting and how these changes affect the way the researcher approached the study.

For quantitative data, the researcher endeavoured to attain validity of coefficients of at least 0.70 or 70%. Mugenda & Mugenda (1999) argues that items with validity coefficients to at least 0.70 are accepted as valid and reliable in research. Validity was determined by using Content Validity Index (C.V.I).  $C.V.I = \frac{\text{items rated 3 or 4 by both judges}}{\text{total number of items in the questionnaire}}$ . After calculating the C.V.I, if the results were all above 0.7, indicating that the instruments were regarded valid.

**Table 3.2: Content Validity Index results**

<b>Variables</b>	<b>Content validity index results</b>
Financial factors	0.822
Management factors	0.799
Human resource management factors	0.775
Sustainability	0.838

**Source:** *Primary Data (2014)*

The content validity index results revealed that financial factors had a validity test of 0.822. Management factors had a validity test of .799, human resource management factors had a validity test of .775 and sustainability had a validity result of .838

### **3.6.2 Reliability**

For qualitative data, the researcher during data collection exercise ensured that the data recorded from interviews reflect the actual facts, responses, observations and events. The researcher took multiple measurements, observations or samples and also checked the truth of the record with an expert to verify response consistency and customize questions so that only appropriate questions are asked. The experts also helped to confirm responses against previous answers where appropriate and detect questions likely to elicit inadmissible responses. He also used standardized methods and protocols for capturing observations, alongside recording forms with clear instructions. They were eight (8) items in total and five (3) were eliminated hence the researcher remained with five items for the final questionnaire that was administered to the respondents during data collection (see reliability results below).

The researcher also employed triangulation to ensure reliability of the data collected; triangulation indicates that more than two methods are used in a study with a view to double (or triple) check results. This is also called "cross examination" according to Denzin (1978). According to Amin (2005), the idea is that one can be more confident with a result if different methods lead to the same result. If an investigator uses only one method, the temptation is strong to believe in the findings. If an investigator uses two methods, the results may well clash. By using three methods to get at the answer to one question, the hope is that two of the three will produce similar answers, or if three clashing answers are produced, the investigator knows that the question needs to be amended.

And lastly a pretest of the instrument in a time lapse of 4 weeks was carried out to establish consistence in responses. The instrument was pretested on participants who were not going to be



part of the sample. According to Amin (2005), test-retest reliability can be used to measure the extent to which the instrument can produce consistent scores when the same group of individuals is repeatedly measured under same conditions. The results from the pretest were used to modify the items in the instruments.

To ensure reliability of quantitative data, the Cronbach’s Alpha Reliability Coefficient for Likert-Type Scales test was performed. The Cronbach's Alpha Reliability Coefficient for Likert-Type Scales was done. Upon performing the test, the results that were 0.7 and above were considered reliable. The results of the Cronbach test were provided in the appendices of the final report.

**Table 3.3: Cronbach’s Alpha Coefficient Test Results**

<b>Variables</b>	<b>Cronbach’s Alpha Coefficient results</b>
Financial factors	0.766
Management factors	0.785
Human resource management	0.758
Sustainability	0.780

**Source:** *Interview and Questionnaires*

The content validity index results revealed that financial factors had a validity test of 0.766. Management factors had a validity test of .785, human resource management factors had a validity test of .758 and sustainability had a validity result of .780

### **3.7 Data Analysis Techniques**

Data was analyzed both qualitatively and quantitatively.

#### **3.7.1 Qualitative data analysis**

Qualitative data was analyzed using both thematic analysis and content analysis. Content analysis involved coding the data and later processing it. This is because the two approaches complement each other since the theme emerges from the researcher and the description summaries from the responses.

#### **3.7.1 Quantitative Data Analysis**

Data was sorted using the Statistical Package for Social Scientists (SPSS) method. The analysis relied on both descriptive and inferential statistics. The descriptive statistics included use of frequency tables, mean, and standard deviation. The descriptive statistics entailed the application of the Pearson correlation coefficient to analyse quantitative data. According to Sekaran (2005) a correlation study is most appropriate to conduct the study in the natural environment of an organization with minimum interference by the researcher and no manipulation.

### **3.8 Measurement of Variables**

The independent variable (financial factors, management factors and human resource management factors) and the dependent variable (sustainability) was measured on a five point Likert type scale (1- strongly disagree, 2-Disagree, 3-Not sure, 4- Agree and 5-Strongly agree). The choice of this measurement is that each point on the scale carries a numerical score which is used to measure the respondents' attitude and it is the most frequently used summated scale in

the study of social attitude. According to Mugenda (1999), and Amin (2005), the Likert scale is able to measure perception, attitudes, values and behaviours of individuals towards a given phenomenon.

### **3.9 Ethical Considerations**

In conformity to the ethical considerations prescribed for research, the respondents' names were withheld to ensure anonymity and confidentiality in terms of any future prospects. In order not to bias the researcher, he avoided treatments which are suboptimal or potentially harmful. The researcher endeavoured to be as objective as possible during the data collection and data analysis exercise. Interviewer bias was minimized or eliminated by the interviewer blinding himself to the outcome of interest. This minimized performance variability within groups and decreased performance bias.

### **3.10 Limitations to the Study**

The researcher studied one case; therefore the results cannot be generalized to other cases. However, the researcher encountered some limitations during the study especially when it came to interviewing some respondents. Some were not willing to give information until they were paid and in some instances, the researcher had to wait till late in the evening when the respondents were through with their work so as to interview them. For the key informants, given their busy schedules, some interviews were rescheduled to fit their timetables, but these also sometimes failed. The research took slightly long to conduct particular interviews which delayed the study. Costs to and fro movements were costly. There was a problem of absenteeism of some respondents since some managers were not around. Therefore, collecting data from them through

the questionnaires proved to be a big challenge. Some respondents simply failed to complete the questionnaires because of sheer laziness or disinterest. The researcher overcame these problems by making a thorough sensitization of respondents on the importance and significance of the study. The Uganda Management Institute introductory letter helped to allay any fears and doubts among some respondents. Confidentiality of the responses will be guaranteed and maintained.

## **Conclusion**

This chapter describes techniques the researcher used to collect data and investigate the research problem. The researcher used a cross sectional survey design for the study. A sample of 142 respondents randomly selected was used. The main data collection methods were questionnaire and interviews. The key data collection tools were questionnaire, interview guide and documentary review checklist. Data quality was ensured through validity and reliability. The content validity index and Cronbach alpha reliability test was calculated. Data was analysed using SPSS (Statistical Package for Social Scientists). The next chapter therefore presents the findings of the study, interpretation and data analysis.

## **CHAPTER FOUR**

### **DATA PRESENTATION, ANALYSIS AND INTERPRETATION**

#### **4.0 Introduction**

This Chapter gives the description of the background variables, data analysis, presentation and interpretation of the findings. The findings were meant to respond to three research question that sought to investigate the relationship between the factors affecting the sustainability of Christian Based Child Care NGOs in Entebbe Municipality. This chapter presents the study findings on the basis of the study objectives which were: to assess the relationship between financial factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality; to establish the influence of management factors on the sustainability of Christian Based Child Care NGOs in Entebbe Municipality, and to examine the relationship between human resource factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality.

#### **4.1 Response Rate**

Presentation of tabulated data according to respondents' response rate

#### **Table 4.1: Response Rate**

<b>Instruments</b>	<b>Frequency</b>	<b>Percent</b>
Number of questionnaires distributed	149	100
Number of questionnaires returned	142	95.3
<b>Interviews Carried out with the Respondents</b>		
Number of interviews carried out	16	11.2

n=142

*Source: Primary data 2014*

Face to face interviews were carried out with the respondents; in total 16 respondents were interviewed making a total percentage of 11.2%. These included members of the staff and top administrators of Christian Based Child Care NGOs in Entebbe Municipality. The researcher used questionnaires to collect data from the respondents. Out of the 149 questionnaires that were distributed, 142 were returned making 95.3% return rate. The response rate was high enough and sufficient, according to Sekeran (2003), a study will generate reliable findings if the response rate is 85% and above.

**Table 4.2: Age of the Respondents**

<b>Age of the Respondents</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20-30 years	43	30.3	30.3	30.3
	30-40 years	71	50.0	50.0	50.2
	Above 40 years	28	19.7	19.7	19..7
	Total	142	100.0	100.0	100.0

*Source: Primary data (2014)*

Basing on the data in table 4.2, all the respondents that took part in the study were above the age of 20. 30.2% were between the age of 20-30 years, 50.0% were between the age of 30-40 years, above 40 years 19.7%. This could have been attributed to having more skilled and experienced work force in Uganda and in Christian based NGOs in particular above the age of 25. The

respondents adequately responded to the questions put forward and by virtue of their experience; their responses were sound and the researcher was able to generate adequate and reliable data from them for his study.

**Table 4.3: Sex of the Respondents**

<b>Sex of the Respondents</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	59	41.5	41.5	41.5
	Male	83	58.5	58.5	58.5
	Total	142	100.0	100.0	100.0

*Source: Primary data (2014)*

Table 4.3 shows that the majority of the respondents were male (58.5%) and female (31.2%). These results show that gender representation indicated much variation between the males and females with a difference of 17%. This meant that both males and females provided their views representative of gender groups. It further shows that Christian based NGOs in Entebbe Municipality are not keen on matters of gender balance, which can translate into better performance.

**Table 4.4: Marital status of the Respondents**

<b>Marital Status of the Respondents</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Married	82	57.8	57.8	57.8
	Single	52	36.6	36.6	36.6
	Widow/Widower	08	5.6	5.6	5.6
	Total	142	100.0	100.0	100.0

*Source: Primary data (2014)*

According to table 4.4, the majority of the respondents were married (57.8%), 36% were single and 5.6% widowed. In relation to the study, the married category of respondents raised a lot of issues on sustainability compared to the singles.

**Table 4.5: Highest level of education of the respondents**

Highest Level of Education					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Certificate	21	14.7	14.7	14.7
	Diploma	39	27.7	27.7	27.7
	Bachelors degree	67	47.1	47.1	47.1
	Masters degree	15	10.5	10.5	10.5
	Total	86	100.0	100.0	100

*Source: Primary data (2014)*

According to table 4.5, the majority of the respondents were first Bachelors degree holders (47.1%) compared to 10.5% Masters Degree, 27.7% diploma holders and 14.7% certificate holders. This showed a gap in qualification since the minimum requirement for a position in a reputable organization these days is a first degree. These results indicate that the respondents had reasonably good education qualifications and the desired skills and knowledge to deliver. Besides, on the basis of the education levels, the respondents were able to read, understand the questionnaire and gave appropriate responses.



## 4.2 Presentation of Findings and Interpretation

The findings were presented on the basis of the study objectives which were financial factors and sustainability, management factors and sustainability and human resource management factors and sustainability.

### **Objective One (1): To establish the relationship between financial factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality**

The objective was discussed as per the questions laid down in the questionnaire. A total of five (5) questions were asked and the responses to the questions are tabulated in table 4.6

**Table 4.6: Summary statistics on financial factors and sustainability of Christian Based Child Care NGOs**

Question	Code	Frequency	Percentage	Mean	Standard deviation
There is proper management of funds in the organization	SD	22	15.9%	4.5554	.5675
	D	22	15.9%		
	N	00	00%		

	A	24	16.8%		
	SA	74	51.2%		
The organization focuses its financial activities on proper fund management	SD	24	16.8%	5.354	.4223
	D	24	16.8%		
	N	00	00%		
	A	59	41.1%		
	SA	35	25.2%		
The organization has strengthened its internal controls	SD	12	8.4%	3.334	.677
	D	11	7.5%		
	N	00	00%		
	A	30	21%		
	SA	89	63%		
The organization has a well-functioning audit section	SD	12	8.4%	6.222	.772
	D	12	8.4%		
	N	00	00%		
	A	23	15.9%		
	SA	95	67.2%		
There is transparency in the way funds are spent by the organization	SD	24	16.8%	5.354	.4223
	D	24	16.8%		
	N	00	00%		
	A	59	41.1%		
	SA	35	25.2%		

<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Not Sure</b>	<b>Agree</b>	<b>Strongly Agree</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

SD= Strongly Disagree, D=Disagree, N=Not sure, A=Agree, SA=Strongly Agree

*Source Primary data (2014)*

Item one required the respondents to state whether there is proper management of funds in the organization. Item means of 4.5554 and standard deviations of .5675 measuring a level of agreement were computed from the respondents' responses. The number of respondents who strongly disagreed were 15.9%, 15.9% disagreed, 16.8% agreed and 51.2% strongly agreed with the statement.

A director of one CBCC NGOs said,

*We have good internal controls that enable us to manage the funds very well for example our accounting systems adequately function.*

This means that internal control systems like internal auditing gives an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes."

In support of the above another respondent said

*We have a finance section and the internal audit section; together these two departments have helped us greatly in the management of funds*

The finance and auditor departments deal with issues that are fundamentally important to the survival and prosperity of any organization.

The internal auditor said that:

*Various departments play different roles for example the internal audit department tries to maintain the system of internal control strong.*

This signified that the internal audit department is instrumental in maintaining internal controls strong and intact as regards both financial and operational matters.

Consistent with above findings, one respondent said

*We emphasize the need for deeper understanding of the links between fund control and fund management fundamentals, focusing primarily on links among equity return volatilities, real growth, and real growth volatilities. Throughout, we strive not only to deepen our scientific understanding of fund management, but also to improve fund measurement technologies that draw on the best of both.*

This implied that in some NGOs there is a deeper understanding of the links between fund management focusing primarily on links among equity return volatilities, real growth, and real growth volatilities.

Item two required the respondents to state whether the organization focuses its financial activities on proper fund management. Item means of 5.354 and standard deviations of 5.354 measuring a level of agreement were computed from the respondents' responses. The total number of respondents was 142, a total of 16.8% strongly disagreed, 16.8% disagreed, 41.1% agreed and 25.2% strongly agreed.

Indeed a key informant stated

*We do have a strong fund management framework, once the controls are in place, then the organisation needs to monitor its effectiveness. Monitoring tools consist primarily of performance ratios that managers and directors need to track to ensure that funds are being managed properly.*

This implied that particular NGOs have a strong fund management frame work that has served as a basis effective control of the key sections of the organization.

Item three required the respondents to state whether the organization has strengthened its internal controls. Item means of 3.334 and standard deviations of .677 measuring a level of agreement were computed from the respondents' responses. The total number of respondents was 142, a total of 8.4% strongly disagreed, 7.5% disagreed, 21 % agreed and 63% strongly agreed.

One of the respondents stated

*Accountability is both an instrument and a goal in many organisation. What started as an instrument to enhance the effectiveness and efficiency of fund control mechanisms, has gradually become a goal in itself. Nowadays, accountability has become a good thing of which it seems we cannot have enough. As a concept in this NGO, accountability is rather elusive. It has become a hurrah-word like "learning", "irresponsibility" or "solidarity" to which no one can object. In this NGO, it is one of those evocative political words that can be used to patch up a rambling argument, to evoke an image of trustworthiness, fidelity and justice or to hold critics at bay"*

This implied that accountability is now a mechanism that NGOs are using to strengthen their internal control systems

Item four required the respondents to state whether the organization has a well-functioning audit section. Item means of 6.222 and standard deviations of .772 measuring a level of agreement were computed from the respondents' responses. The total number of respondents was 142, a total of 8.4% strongly disagreed, 8.4% disagreed, 15.9% agreed and 67.2% strongly agreed.

A respondent in one of the organisations said:

*Yes our internal audit system is well functioning and it plays the role it is supposed to play. The internal audit unit has the responsibility to establish internal control and overall arrangements for good governance so that its activities are conducted in an efficient and orderly manner. Internal control in our municipality comprises of the whole system of controls and methods, both financial and otherwise, which are established by management to safeguard its assets, ensure reliability of records, promoting operational efficiency and monitoring adherence to policies and directives*

This pointed to the fact that the internal audit unit has an efficient and effective team that is performing the functions as laid down.

Furthermore, in connection to the above, a respondent at senior administrative level said:

*“In dealing with the public, ethical and professional considerations are of prime importance. The general rule is always that the auditors have to refer any approach by the public with much interest and attention. The auditors are always careful with the guidelines, particularly as regards the need to keep the authorities informed and the limitations on the type of information which may be disclosed.”*

This implied that in auditing, the international auditing standards are followed in order to avoid inconsistencies

The respondents were further asked about the effectiveness of the internal audit section in handling audit matters. A key informant said

*“Internal Auditors work closely with senior administrators to review operations then report their findings. The internal auditors are well versed with the strategic objectives of the institution, so they have a clear understanding of how the operations of any given part of the institution fit into the bigger picture. Internal Auditors always identify key activities and relevant risk factors and assess their significance. Changing trends and economic conditions sometimes impact on the way the internal auditor assesses risk. The techniques of internal auditing have changed from a reactive and control based form to a more proactive and risk based approach. This has enabled the internal auditor to anticipate possible future concerns and opportunities as well as identifying current issues”.*

Internal audit units do provide an independent view on the NGOs governance, risk management and control processes. Internal audit units, the adequacy of control design to ensure that risks are effectively managed, and then test operation of key controls to ensure they are operating as intended and therefore are effective in managing the NGOs risk.

Item five required the respondents to state whether there is transparency in the way funds are spent by the organisation. Item means of 5.354 and standard deviations of 5.354 measuring a

level of agreement were computed from the respondents' responses. The total number of respondents was 142, a total of 16.8% strongly disagreed, 16.8% disagreed, 41.1% agreed and 25.2% strongly agreed.

A Chief Executive Officer on this note said

*Yes we do try to be as transparent as possible in the way funds are spent. However, in the past we have had issues with accountability for example the officials who were in charge of the one of the children and orphanage projects in 2011 forged documents and opened bank accounts where they diverted money meant for the projects. The officials created fictitious community projects with names similar to those that were meant to benefit from the funds. However, since the fraud was discovered, we have now tightened on matters of transparency*

However the researcher confirmed this response with the undersecretary who insisted that it was due to laxity that the funds were embezzled but added that that would not happen in the NGO again as long as still in control.

### Verification of Research Hypothesis One (1)

There is a significant relationship between financial factors and sustainability of Christian Based Child Care NGOs

The hypothesis was verified using Pearson correlation coefficient (financial risk management and investment portfolio)

**Table 4.7: Correlation using Pearson correlation coefficient for financial factors and sustainability**

		Financial factors	Sustainability
Financial factors	Pearson Correlation	1	.601(**)
	Sig. (2-tailed)	.	.009
	N	142	142

Sustainability	Pearson Correlation	.601(**)	1
	Sig. (2-tailed)	.009	.
	N	142	142

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

*Source: Primary data (2014)*

Table 4.7 shows that Pearson's Correlation Coefficient for financial factors and sustainability is  $r = 0.601^*$ , with probability value ( $p = 0.000$ ) that is less than  $\alpha = 0.01$  level of significance showing a strong positive significant relationship between financial factors and sustainability at the one percent level of significance. Therefore, sustainability of Christian Based Child Care NGOs in Entebbe Municipality is significantly influenced by management factors. The alternative hypothesis that stated there is a significant relationship between management factors and sustainability of Christian Based Child Care NGOs is therefore upheld.

In conclusion, findings revealed that there is a strong positive significant relationship between financial factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality. Qualitative and quantitative findings concur.

**Objective two 2: To examine the relationship between management factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality**

The above objective was discussed as per the questions laid down in the questionnaire. A total of five (5) questions were asked and the responses to the questions are tabulated below in table 4.8



**Table 4.8: Summary statistics on management factors and sustainability**

	<b>Question</b>	<b>Code</b>	<b>Frequency</b>	<b>Percentage</b>	<b>Mean</b>	<b>Standard deviation</b>
	There is proper planning by the management of the organization	SD	21	15.1%	8.77	.4675
		D	21	15.1%		
		N	00	00%		
		A	48	33.6%		
		SA	52	36.2%		
	Management exercises proper coordination of the activities of the organization	SD	10	7.5%	8.334	.3333
		D	12	08%		
		N	00	00%		
		A	60	42%		
		SA	60	42%		
	Management exercises proper control of the finances of the organization	SD	20	14.2%	5.454	.890
		D	28	18.4%		
		N	00	00%		
		A	48	33.6%		
		SA	48	33.6%		

	There is proper leadership within the organisation that is helping to drive the organisation to self-sustenance	SD	34	23.5%	4.892	.567
		D	14	9.2%		
		N	00	00%		
		A	48	33.6%		
		SA	48	33.6%		
	There is proper direction of the activities of the organization	SD	47	32.7%	.445	.7113
		D	12	08%		
		N	00	00%		
		A	40	27.7%		
		SA	43	39.4%		
	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Not Sure</b>	<b>Agree</b>	<b>Strongly Agree</b>	
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	

**SD= Strongly Disagree, D=Disagree, N=Not sure, A=Agree, SA=Strongly Agree**

Item 1 required the respondents to state whether there is proper planning by the management of the organisation. Item means of 8.77 and standard deviations of .4675 measuring a level of agreement were computed from the respondents' responses. The number of respondents who strongly disagreed were 15.1%, 15.1% disagreed, 33.6% agreed and 36.2% strongly agreed with the statement.

In relation to the above a respondent said:

*Planning is done by the top level management and sometimes the technical committee. We follow procedure that makes the planning efficient in this NGO. Regardless of what it is you are doing, there is a proper way to approach and execute the task. There are steps to follow and specific tools you will need in order to complete any project efficiently and skilfully.*

It implies that requires establishing priorities systematically, differentiating between urgent, important, and unimportant tasks.

In relation to the above another respondent said:

*Thoughtful, detailed planning is so important when starting a project and it is what we try to do here. Start by making lists that detail what you want to accomplish (scope of work), who will be involved (the design team and trades), and what will you need to make it all happen.*

Therefore in planning, there is need for monitoring and adjusting priorities and/or eliminate tasks on an on-going basis. It also requires accurate estimation of time and effort required to complete a task

Item 2 required the respondents to state whether management exercises proper coordination of the activities of the organisation. Item means of 8.334 and standard deviations of 3.333 measuring a level of agreement were computed from the respondents' responses. The total number of respondents was 142 a total of 7.5% strongly disagreed, 08% disagreed, 42% agreed and 42 % strongly agreed.

One of the respondents lamented:

*yes we do supervision control of the activities, control is provided by comparisons of actual results against the planned.*

Findings revealed that some NGOs have put in place a monitoring and supervision mechanisms. Of all budgetary functional areas, control is the most important and, therefore, requires detailed attention. In order to have detailed attention, a feedback mechanism is being put in place.

Item 3 required the respondents to state whether management exercises proper control of the finances of the organisation. Item means of 7.12 and standard deviations of .890 measuring a level of agreement were computed from the respondents' responses. The total number of

respondents was 142, a total of 14.2% strongly disagreed, 18.4% disagreed, 33.6% agreed and 33.6% strongly agreed.

In connection to the above a key informant said:

*Yes the NGO is trying its best to manage funds properly, however due to unavoidable circumstances certain factors do intervene leading to poor fund control at times*

Item 4 required the respondents to state whether there is proper leadership within the organisation that is helping to drive the organisation to self-sustenance. Item means of 4.892 and standard deviations of .567 measuring a level of agreement were computed from the respondents' responses. The total number of respondents was 142, a total of 23.5% strongly disagreed, 9.2% disagreed, 33.6% agreed and 33.6% strongly agreed.

A key informant said:

*By prioritizing, organized people get their most important tasks completed first to optimize their production.*

This is quite different from people who lack organizational skills and operate without specific plans, acting more spontaneously. Being a good planner, then, is important to having strong organizational skills.

Item 5 required the respondents to state whether there is proper direction of the activities of the organisation. Item means of 6.789 and standard deviations of .4005 measuring a level of agreement were computed from the respondents' responses. The total number of respondents was 142, a total of 32.7% strongly disagreed, 8% disagreed, 27.7% agreed and 39.4% strongly agreed.

Relatedly a senior human resource officer said:

*In fact, organization is generally intended to help you get as much accomplished as possible during a particular time frame. Therefore the management directs the activities of the organisation in the best possible way.*

This meant that proper direction of the activities of the organisation exists in most of the organisations

### **Verification of Research Hypothesis two (2)**

There is a significant relationship between management factors and sustainability of Christian Based Child Care NGOs

The hypothesis was verified using Pearson correlation coefficient for the two variables (management factors and sustainability of Christian Based Child Care NGOs).

**Table 4.9: Correlation using Pearson correlation coefficient for management factors and sustainability**

		Management factors	Sustainability
Management factors	Pearson Correlation	1	.340(**)
	Sig. (2-tailed)	.	.009
	N	142	142
Sustainability	Pearson Correlation	.340(**)	1
	Sig. (2-tailed)	.009	.
	N	142	142

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

*Source: Primary data (2014)*

Table 4.9 shows that Pearson's Correlation Coefficient for management factors and sustainability is  $r = 0.340^*$ , with probability value ( $p = 0.000$ ) that is less than  $\alpha = 0.01$  level of significance

showing a positive significant relationship between management factors and sustainability at the one percent level of significance. Therefore, sustainability of Christian Based Child Care NGOs in Entebbe Municipality is significantly influence by management factors. The alternative hypothesis that stated that there is a significant relationship between management factors and sustainability of Christian Based Child Care NGOs is therefore upheld.

In conclusion, findings revealed that there is a positive significant relationship between financial factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality. Qualitative and quantitative findings concur.

**Research objective three (3): the relationship between management factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality**

The above objective was discussed as per the questions laid down in the questionnaire. A total of five (5) questions were asked and the responses to the questions are tabulated below

**Table 4.10: Summary statistics on stress on management factors and sustainability**

Question	Code	Frequency	Percentage	Mean	Standard deviation
The employees are properly rewarded so that the output level increases	SD	23	15.9%	8.777	.4675
	D	23	15.9%		
	N	00	00%		
	A	24	16.8%		
	SA	72	51.2%		
				8.334	.3333
There is thorough screening and selection of employees	SD	10	7.5%		
	D	12	08%		
	N	00	00%		
	A	60	42%		
	SA	60	42%		
The organisation recruits the best employees who work towards its sustainability	SD	23	15.9%	5.454	.890
	D	23	15.9%		
	N	00	00%		
	A	24	16.8%		
	SA	72	51.2%		
The organisation trains its employees in the area of resource mobilization	SD	24	16.8%	4.892	.567
	D	24	16.8%		
	N	00	00%		
	A	58	41.1%		

	SA	36	25.3%		
				.445	.7113
The employees are committed to helping the organisation become self-sustaining	SD	23	15.9%		
	D	23	15.9%		
	N	00	00%		
	A	24	16.8%		
	SA	72	51.2%		
	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Not Sure</b>	<b>Agree</b>	<b>Strongly Agree</b>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

**SD= Strongly Disagree, D=Disagree, N=Not sure, A=Agree, SA=Strongly Agree**

Item 1 required the respondents to state whether the employees are properly rewarded so that the output level increases. Item means of 8.77 and standard deviations of .4675 measuring a level of agreement were computed from the respondents' responses. The number of respondents who strongly agreed were 15.9%, 15.9% disagreed, 16.8% agreed and 51.2% strongly disagreed with the statement.

In one of the organisations a respondent said:

*For us we don't believe in recognition but rewards. A good reward system is the way by which it encourages and discourages certain characteristics of the employees. The most important machinery of the reward system includes salaries, bonuses and privileges. The reward system as a means to support innovation by employees is a fairly mechanical but nevertheless effective management technique. Once the members of an organization understand that they will be rewarded for such activities, they are more likely to work creatively. The initiative to provide financial and non-financial rewards to people and groups who develop innovative ideas is important for organisation.*



Recognition is necessary because it gives preference to service over self-interest. It also means there is need to be an equitable distribution of wealth. One test of equity is how well to affirm the fact that the success of the institution is in the hands of people at each level.

In support of the above, another respondent said:

*Employee recognition is very important in any organization as the process that is in command of human behavior within an organization. It helps to verify not only performance in relation to current goals but also influences the possibility of people joining and remaining in an organization. It also shapes the degree to which effort is directed in the development of the organization future capabilities. If correctly designed or administered, employee recognition systems can lead to attractive behavior for a firm.*

Employee recognition, although not common in the NGO, soon it will be here. Employee recognition is appreciation of performance by the organization of an act done by the team or team member. In common language, it is some time expressed as “I caught you doing something right.” It is an approach of expressing gratitude for the special or extra effort done by an employee within an organization. Recognition has two essential goals: to encourage the employees or team to repeat or continue the behavior and to encourage other employees to do the same. Most team recognition plans fall into celebrating organizational objectives habitually as an event, designed to acknowledge the successful completion of important company goals. This is to create a greater awareness or to remind people of the importance of the goals achieved within the company. For instance, a division of large telecommunications company held an all hands meeting at an off-site facility to celebrate the accomplishment of their goals.

Findings from the interviews further revealed that sometimes recognition in the NGO is in form of feedback. Feedback, in particular, constructive criticisms is necessary for the expansion and

development of the employee. Negative reinforcement such as indicating mistakes and threatening employees with job loss, causes employees to adjust their behavior just enough to avoid punishment. It may get to produce a positive result at the job but it will not generate enthusiasm. Negative reinforcement produces responses like “that’s not my job” or “I don’t know.” On the other hand, periodic positive performance reviews generate extra or discretionary effort on the part of the employees. Positive feedback motivates the employees to function as a team. Employees will produce responses like “I don’t know but I will find out” or “That’s not my job but I will find someone who can help you.” Once a year, discussions with employees will not produce extraordinary endeavors.

From the survey, five respondents felt that promotion is the most important form of recognition if the wages are certain they would like to have position of responsibilities. One respondent accepts profit sharing would be the most important reward system. Ten respondents admitted that recognition would be the most important form of motivation which could be in the form of nominating the most outstanding employee or awarding certificates to outstanding workers during the year. These awards would serve as a reminder to always keep in mind what the company expects from their employees.

With regards to promotion based on performance, thirteen respondents strongly agreed, three respondents agreed while no employee has a fair view nor disagreed or strongly disagreed that promotion should be based on performance. Furthermore, seven respondents strongly agreed, four respondents agreed, four respondents have a fair view one respondent disagreed and none strongly disagreed that their job is beneficial to their career. Two respondents strongly agreed, six

respondents agreed, five respondents have a fair view, three respondents disagreed and none strongly disagreed that their boss utilized their ability to full capacity. In addition, three respondents strongly agreed, seven respondents agreed, six respondents had a fair view and none disagreed nor strongly disagreed it is enjoyable working.

From the survey eleven respondents believe their salary is more important to them than bonuses as this is regular and certain. Also, five employees deem that their bonuses are more important than their salary because they can increase their earnings, and there will be greater competition at work for them to benefit from these bonuses.

Further, the researcher during interviews, asked the respondents whether being given fringe benefits puts them on pressure to deliver. One respondent felt highly motivated when he is working under pressure to perform a particular task within the required time of work. On the other hand, one respondent could see greater motivation based on how she understood the company's policies and goals. One respondent is motivated most when he is faced with different challenges at work. Four respondents had mixed feelings about fringe benefits, they felt that fringe benefits do not stimulate performance that can lead to sustainability but instead create a prison around the staff since the NGO will monitor them from time to time to see whether they are reciprocating.

Furthermore, two respondents strongly agreed, nine respondents agreed, three respondents had a fair view, two respondents disagreed and none strongly disagreed that they have the possibilities to be promoted. With regards to challenging tasks, four respondents strongly agreed, five respondents agreed, four respondents had a fair view, one respondent disagreed and one respondent strongly disagreed that they like challenging task at work.

Looking at the work conditions, none of the respondents strongly agreed nor agreed; six respondents disagreed and three respondents strongly disagreed with the working conditions. Also, three respondents strongly agreed, five respondents agreed, four respondents had a fair view, four respondents disagreed and none strongly disagreed that the boss is good at communicating information.

Item 2 required the respondents to state whether there is thorough screening and selection of employees. Item means of 8.334 and standard deviations of 3.333 measuring a level of agreement were computed from the respondents' responses. The total number of respondents was 142, a total of 7.5% strongly disagreed, 08% disagreed, 42% agreed and 42 % strongly agreed.

In relation to the above, it was observed that organisations can recruit internally from those already employed by the organisation, or source from the external labour market. A policy of internal recruiting is one component of high-performance work systems and organisations that practice internal recruiting are more likely to be successful financially than organisations that rely on external recruiting for top talent. This is because internal recruiting is cost effective compared to external recruitment and is considered to enhance organizational commitment and job satisfaction, which lead to lower employee turnover rates and higher productivity.

In relation to the above a respondent said:

*Yes it is only some vacancies that are internally advertised not all. Those that we cannot easily get persons from within to feel are externally advertised because recruiting qualified and talented candidates is a key to the future success of your company. However I feel happy when jobs are advertised internally because it gives us an opportunity to climb up in terms of position most especially if the job matches your qualification that has been internally advertised.*

Internal recruiting has a way of limiting the flow of new ideas into a company that can help to spur growth, sustainability and development. Internal recruitment can offer incentive for employees to perform well, but it also can create an atmosphere of competition that can be very unproductive. Employees may feel pressured to compete with each other to be considered for a position during an internal recruitment process and this can create conflict. While the potential is there to improve morale with internal recruitment, it could turn the other way and help to lower morale because employees become focused on competing for jobs rather than trying to become proficient at their current positions

Item 3 required the respondents to state whether the organisation recruits the best employees who work towards its sustainability. Item means of 7.12 and standard deviations of .890 measuring a level of agreement were computed from the respondents' responses. The total number of respondents was 142, a total of 15.9% strongly disagreed, 15.9% disagreed, 16.8% agreed and 51.2% strongly agreed.

In relation to the above a respondent said:

*Yes, jobs are advertised in newspapers like New Vision and the daily monitor and this is why we get quality employees. It is only in exceptional circumstances that jobs are not advertised. This helps us get employees who can work towards sustainability as according to the Human relations manager.*

Item 4 required the respondents to state whether the organisation trains its employees in the area of resource mobilization. Item means of 4.892 and standard deviations of .567 measuring a level of agreement were computed from the respondents' responses. The total number of respondents was 142 a total of 16.8% strongly disagreed, 16.8% disagreed, 41.1% agreed and 25.2% strongly agreed.

A respondent in relation to the above said:

*We train all our staff to have the necessary skills and it is out of these skills that they are able to mobilise resources. For example, drawing project plans and writing funding proposals.*

This implies that NGOs in Entebbe Municipality value trainings and through their HR departments, they organise them occasionally.

Item 5 required the respondents to state whether the employees are committed to helping the organisation become self-sustaining. Item means of 6.789 and standard deviations of .4005 measuring a level of agreement were computed from the respondents' responses. The total number of respondents was 142 a total of 15.9% strongly disagreed, 15.9% disagreed, 16.8% agreed and 51.2% strongly agreed.

Relatedly, a respondent said that "It is the task of every employee to see to it that the organisation becomes self-sustaining in this case".

This implied that self-sustenance is within the plan of every NGO that carries out services in any specified jurisdiction.

## Dependent variable: Presentation of findings on sustainability of Christian Based Child Care NGOs

The table below shows the tabulated data on sustainability of Christian Based Child Care NGOs sustainability

**Table 4.11: Summary statistics on sustainability of Christian Based Child Care NGOs sustainability**

Question	Code	Frequency	Percentage	Mean	Standard deviation
The organisation has put up its own project for purposes of generating extra income to meet its future programmes	SD	11	7.7%	1.550	.1256
	D	75	52.8%		
	N	00	00%		
	A	34	23.9%		
	SA	22	15.4%		
The organisation saves funds in commercial institutions to cater for future shortages	SD	27	19.0%	2.456	.1003
	D	03	2.0%		
	N	00	00%		
	A	80	56.3%		
	SA	42	29.5%		
There will be a continuous flow of funds within the organization in the next five years	SD	37	26%	1.500	.1995
	D	37	26%		
	N	26	18.3%		
	A	21	14.7%		
	SA	21	14.7%		
The organisation will continue running its programmes normally in the next five years	SD	10	7.1%	4.543	.1765
	D	10	7.1%		

	N	19	13.3%		
	A	61	42.9%		
	SA	42	29.5%		
The organisation will continue depending on donor funding in the next five years	SD	12	8.4%	1.900	.2100
	D	28	19.7%		
	N	00	00%		
	A	23	16.1%		
	SA	89	63.2%		

<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Not Sure</b>	<b>Agree</b>	<b>Strongly Agree</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

**SD= Strongly Disagree, D=Disagree, N=Not sure, A=Agree, SA=Strongly Agree**

Item one required the respondents to state whether the organisation has put up its own project for purposes of generating extra income to meet its future programmes. Statements in this question were rated on the 5 point Likert scale ranging from 1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 = agree and 5 = strongly agree. Item means of 1.550 and standard deviations of .1256 measuring a level of agreement were computed from the respondents' responses. The number of respondents who strongly agreed were 7.7%, 52.8% disagreed, 23.9% agreed and 15.4% strongly disagreed with the statement.

A respondent said:

*Yes we are running some projects in Bunamwaya and these are mainly tree planting projects. We hope to sell these trees in future and get some money. The trees are basically eucalyptus.*

This indicated that besides doing social work the NGOs are putting up self-sustaining projects for purposes of self-reliance.

Another in confirming the above said:



*Gone are the days when the NGOs used to look up to donors for funding. We can't because recently we tested what it means by being dependent on donors. The passing of the anti-homosexuality act affected us greatly as donors cut off aid to Uganda on grounds of its human right record. We were affected and now we have started the Bunamwaya tree project as a pilot project*

It was observed that NGOs are finding it hard to secure funding from donors. Therefore, in Entebbe Municipality some NGOs are resorting to other means to generate funds. Relatedly one of the respondents said:

*The trick to secure funding for NGO projects is to demonstrate that their services are affordable. In NGO terms this translates as "budget capacity". There is a strategically motivated perverse incentive to under-estimate costs to secure funding which is compounded by the optimism bias endemic in the NGO sector. Given that projects are seldom cancelled once they are underway the result is that projects are delayed or de-scoped or that progressively more financial pain is felt by other projects as the department tries to juggle its unaffordable portfolio*

Findings further revealed that leaders, whether senior professionals or board chairpersons not only take the key decisions to initiate and commit to projects, but also create the conditions for success or failure. Without certainty of funding provision or clarity about the priority of the project within the overall portfolio, project teams will not have a firm basis to deliver the project. The respondents were asked whether they are mindful of the projects they establish as far as their viability is concerned. One of the respondents said in reply;

*We establish commercial projects which may be agricultural, business oriented, schools, health centres and technical schools depending. For example we have a project in Kampala. The areas of intervention of this project are located in Bwaise, in the outskirts of Kampala city in the suburban residential and characteristically slum areas. People living in these areas are in condition of extreme poverty and consequently they have no possibility to afford the costs of basic needs, such as shelter, education, healthcare and food. Considering, we began a health centre to offer affordable services to such people.*

This implied that NGOs in Uganda are valuing sustainability with the aim of not closing tomorrow.

When the researcher tried to verify the above response, he was told by a chief accountant of one of the NGOs:

*Children Care Development Organization (CCDO) is one of the indigenous organizations in Uganda. The association has legal license and agreement documents. The association was established in organized form in 2009. Improving the standard of living of Kawuku people is the major goal it stood for. Since its establishment CCDO has carried out several activities in ICT agriculture promotion, kindergarten education, education, health, capacity building and other sectors.*

It was observed that CCDO purchased 15 acres of land at Entebbe / Buwaaya for the construction of children school youth sport center, library and youth recreation development and business creative art center, and the construction is still going on and in May, 2011, CCDO managed to raise funds for this project and former Prime Minister Amama Mbabazi was the guest of honour in conducting such events which took place at the office premises. The constructed center and school are offering nursery, primary school, secondary school and vocational training including ICT and teaching certificates and diploma. Currently, CCDO uses rented buildings for CCDO internet and ICT training, kindergarten courses and tailoring. These are some of the income generating activities that these NGO have.

Findings further revealed that currently, CCDO is implementing health care education through ICT training including HIV/AIDS prevention, and it also provides care and support for most vulnerable children living in risky environment in Kawuku. CCDO also raises youth campaigns in reducing poverty through ICT training solutions. 40 home-based care givers were trained in

this project for the sustainability of youth welfare in 2012. 90 peoples living with HIV/AIDS were supported including 70 widows, and 12 anti-AIDS clubs were established.

Item two required the respondents to state whether the organisation saves funds in commercial institutions to cater for future shortages. Statements in this question were rated on the 5 point Likert scale ranging from 1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 = agree and 5 = strongly agree. Item means of 2.456 and standard deviations of .1003 measuring a level of agreement were computed from the respondents' responses. The total number of respondents was 142, a total of 19.0% strongly disagreed, 2.0% disagreed, 56.3% agreed and 29.5% strongly agreed.

In relation to the above a respondent said:

*Yes it's true we save money for many purposes but this money is normally withdrawn whenever there is need.*

This implied that money is saved in commercial institutions for a purpose and only withdrawn whenever there is need.

Item three required the respondents to state whether there will be a continuous flow of funds within the organization in the next five years. Statements in this question were rated on the 5 point Likert scale ranging from 1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 = agree and 5 = strongly agree. Item means of 1.500 and standard deviations of .1995 measuring a level of agreement were computed from the respondents' responses. The total number of respondents was 142, a total of 26% strongly disagreed, 26% disagreed, 18.3% were neutral, 14.7% agreed and 14.7% strongly agreed.

A senior NGOs official said:

*We are not sure whether they will be continuous fund flow in future but we are trying our best to establish projects that we can directly use to generate income in times of crisis.*

In relation to the above it was established that one of the NGOs using ICT (information, communication and technology) to promote information, communication and technology in Entebbe. It has already established computers centres within. 105 computers were received from Computers 4 Africa (UK), 33 computers were received from World Computers Programme (USA) and 15 computers were received from Global Outreach (USA). Most youth and most vulnerable children in Entebbe are deployed in those centers for computers training programs relating to entrepreneurs activities and poverty reduction strategies. The youth pay between 250,000 to 350,000 for a certificate. They also training on computer maintenance and repair, electronics equipment and repair (photocopy machines, printers, fax) and they also carry out training in graphic design.

In relation to the above, a Director of one NGO said:

*We are yet to open up a technical institute that will generate some income and also act as a means of bringing technical education nearer the people. We hope this institute will specialize in vocational skills training for orphans and vulnerable youth (carpentry, metal fabrication, welding, video making / photo making, tailoring and hairdressing).*

Furthermore in support of the above another respondent said:

*In the aim of improving the life quality of disadvantaged persons and to give a professional qualification to the young people, Zemba Children's Foundation will improve the quality of the existing vocational skills training, and increase the number of beneficiaries through acquisition of more training materials and instructors. Because of the problems of insuring a constant supply of electricity (sometimes the distribution is limited to 3 – 12 hours per day) CCDO will purchase a three phase generator. At the end of the professional training the graduates will receive a professional kit (box of tools, sewing machines) that will put them in the position to start quickly working on their own. The total number of beneficiaries is of 250 young people. Also, Zemba Children's Foundation will organize vocational trainings for disadvantaged youth aged from 12 – 30 years, with the aim of offering*

*vocational skills creating jobs in the following skills areas; tailoring, hairdressing, video making / photo making in which the project will be benefiting 60 tailoring, 52 hairdressing, and 30 video-making / photo youths.*

This means that the sustainability of this project will be guaranteed because the project involves the participation and collaboration of all concerned line offices and community. The beneficiaries through training given to them shall handle their business properly.

Relatedly, another Director of one of the Christian based NGOs said:

*To reduce youth poverty in Entebbe we already introduced sewing machines project in which most youth and those most vulnerable children are undertaking embroidery, arts and design skills, and tailoring training including promotion of manufactured clothing products. 8 different sewing machines was purchased. We plan to provide services to poor, low income women especially rural clients lacking access to other financial institution. So, we have a distinct commitment to reaching the poor.*

Within this project, the NGO is involved in capacity building of rural poor women and youth group and extension of revolving fund to them. They help the poor rural communities help themselves with the mission to empower and improve the poor people's opportunities to access skills and revolving fund to eradicate the root causes of poverty on local communities so as to enable them attain self-reliance sustainability through setting up their individual viable/profitable micro business to generate income for their families. Formal credit institutions e.g. commercial bank deem these rural poor women credit risks because they lack collateral consequently they have no access to the business loan to help their self-employed activities grow.

Item four required the respondents to state whether the organisation would continue running its programmes normally in the next five years. Statements in this question were rated on the 5 point Likert scale ranging from 1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 =

agree and 5 = strongly agree. Item means of 4.543 and standard deviations of .1756 measuring a level of agreement were computed from the respondents' responses. The total number of respondents was 142, a total of 7.1% strongly disagreed, 7.1% disagreed, 13.3% were neutral 42.9% agreed and 29.5% strongly agreed.

In relation to the above a respondent said "We have sustenance and we hope to continue running normally in the next five years"

Item five required the respondents to state whether the organisation would continue depending on donor funding in the next five years. Statements in this question were rated on the 5 point Likert scale ranging from 1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 = agree and 5 = strongly agree. Item means of 1.900 and standard deviations of .2100 measuring a level of agreement were computed from the respondents' responses. The total number of respondents was 142, a total of 8.4% strongly disagreed, 19.7% disagreed, 16.1% agreed and 63.2% strongly agreed.

A Chief Executive Officer said:

*We cannot rule out the issue of running on donor funded money because the funds we generate from the small projects we have are not enough.*

This implied dependence on donor funding is a necessity in this case and therefore, continuance of the donor funding is what most people wish for.

### **Verification of research hypothesis three**

There is a significant relationship between human resource management factors and sustainability of Christian Based Child Care NGO's

The hypothesis was verified using Pearson correlation coefficient for the two variable (human resource management factors and sustainability)

**Table 4.12: Correlation using Pearson correlation coefficient for human resource management factors and sustainability**

		Human Resource Management factors	Sustainability
Human Resource Management	Pearson Correlation	1	.133(**)
	Sig. (2-tailed)	.	.009
	N	142	142
Sustainability	Pearson Correlation	.133(**)	1
	Sig. (2-tailed)	.009	.
	N	142	142

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

Table 4.9 shows that, Pearson’s Correlation Coefficient for human resource management factors and sustainability is  $r = 0.133$ , with probability value ( $p = 0.000$ ) that is less than  $\alpha = 0.09$  level of significance showing a positive significant relationship between human resource management factors and sustainability at the one percent level of significance. Therefore, sustainability of Christian Based Child Care NGOs in Entebbe Municipality is significantly influenced by human resource management factors. The alternative hypothesis is therefore upheld

**Table 4.13: Model Summary for financial, management and HRM factors and sustainability**

Model Summary		Unstandardized Coefficients		t	Sig.	Adjusted R <sup>2</sup>
		B	Std. Error			
1	(Constant)	.812	.308	2.635	.010	
	Financial factors	.601	.143	2.664	.000	0.798
	Management factors	.340	.090	5.418	.000	
	HRM factors	.133	.114	5.481	.000	
	Sustainability	.233	.101	5.345	.000	
a. Dependent Variable: Sustainability						

The correlation coefficient for financial factors is .601 indicating a positive significant relationship between financial factors and sustainability. The correlation coefficient for management factors is .340 indicating a positive significant relationship between management factors and sustainability. The correlation coefficient for human resource management factors is .133 indicating a positive significant relationship between human resource management factors and sustainability. In all cases, the earlier postulated hypotheses are accepted. The adjusted R for the variables is .798 indicating a positive relationship between financial factors, management factors, HRM factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality.



## **CHAPTER FIVE**

### **SUMMARY, DISCUSSION, CONCLUSION AND RECOMMENDATIONS**

#### **5.0 Introduction**

This chapter presents the discussion of the study findings as presented in chapter four, conclusions and recommendations plus areas for further research. The study investigated the relationship between the factors affecting the sustainability of Christian Based Child Care NGOs in Entebbe Municipality government measures against corruption. The study was premised on the following research objectives:

To assess the relationship between financial factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality.

To establish the influence of management factors on the sustainability of Christian Based Child Care NGOs in Entebbe Municipality.

To examine the relationship between human resource and sustainability of Christian Based Child Care NGOs in Entebbe Municipality.

#### **5.1 Summary of Findings**

The major findings of the study were that there is a positive significant relationship between financial factors and sustainability in Entebbe Municipality; there is a positive significant relationship between management factors and sustainability in Entebbe Municipality and human resource management factors and sustainability of Christian based NGOs in Entebbe Municipality are positively related.

### **5.1.1 Financial factors and sustainability of Christian Based Child Care NGOs**

Pearson's Correlation Coefficient for financial factors and sustainability of Christian Based Child Care NGOs was  $r = 0.601^{**}$  with probability value ( $p = 0.009$ ) that is less than  $\alpha = 0.01$  level of significance showing a significant positive relationship between financial factors and sustainability of Christian Based Child Care NGOs at the one percent level of significance. Therefore, sustainability of Christian Based Child Care NGOs in Entebbe Municipality is significantly influenced by financial factors

### **5.1.2 Management factors and sustainability of Christian Based Child Care NGO's**

Pearson's Correlation Coefficient for management factors and sustainability of Christian Based Child Care NGOs was  $r = 0.340^{**}$ , with probability value ( $p = 0.009$ ) that is less than  $\alpha = 0.01$  level of significance showing a positive significant relationship between management factors and sustainability of Christian Based Child Care NGOs at the one percent level of significance. Therefore, sustainability of Christian Based Child Care NGOs in Entebbe Municipality is significantly influenced by management factors.

### **5.1.3 Human Resource Management factors and sustainability of Christian Based Child**

#### **Care NGOs**

Pearson's Correlation Coefficient for human resource management factors and sustainability of Christian Based Child Care NGOs was  $r = 0.133^{**}$ , with probability value ( $p = 0.009$ ) that is less than  $\alpha = 0.01$  level of significance showing a positive significant relationship between human resource management factors and sustainability of Christian Based Child Care NGOs at the one percent level of significance. Therefore, sustainability of Christian Based Child Care NGOs is significantly influenced by human resource management factors.

## **5.2 Discussions**

This subsection looks at the discussion of the findings which are discussed according to the respective research objectives as earlier presented in chapter one.

### **5.2.1 Financial factors and sustainability of Christian Based Child Care NGOs**

Findings revealed that there is a positive significant relationship between financial factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality. Findings revealed good internal controls that enable us to manage the funds very well. For example, our accounting systems adequately function. The findings are in line with Basalirwa (2007) who states that good fund management requires strong internal controls in place.

It was further observed that understanding of the links between fund control and fund management fundamentals, were focusing primarily on links among equity return volatilities, real growth, and real growth volatilities. Throughout, Christian based NGOs strive not only to deepen their scientific understanding of fund management but also to improve fund measurement technologies that draw on the best of both. It was similarly observed by Ddungu

(2006) that fund managers should have the necessary skills and further ensure that they deepen their understanding of fund management.

It was observed that NGOs have strong fund management framework, once the controls are in place, then the organisation needs to monitor its effectiveness. Monitoring tools consist primarily of performance ratios that managers and directors need to track to ensure that funds are being managed properly. The findings are in line with Kabuye (2001) who noted that strong fund management framework systems are good for proper fund management.

Findings further revealed that NGOs in Entebbe have well-functioning internal audit systems. The internal audit unit has the responsibility to establish internal control and overall arrangements for good governance so that its activities are conducted in an efficient and orderly manner. Internal control comprises of the whole system of controls and methods, both financial and otherwise, which are established by management to safeguard its assets, ensure reliability of records, promoting operational efficiency and monitoring adherence to policies and directives that will stimulate sustainability. The findings are in line with Karungi (2011) who notes that auditors are supposed to be careful with the guidelines, particularly as regards the need to keep the authorities informed and the limitations on the type of information which may be disclosed.

It was observed in most NGOs that for purposes of sustainability, internal auditors work closely with senior administrators to review operations then report their findings. The internal auditors are well versed with the strategic objectives of the institution, so they have a clear understanding of how the operations of any given part of the institution fit into the bigger picture. Internal Auditors always identify key activities and relevant risk factors and assess their significance. Changing trends and economic conditions sometimes impact on the way the internal auditor

assesses risk. The techniques of internal auditing have changed from a reactive and control based form to a more proactive and risk based approach. This has enabled the internal auditor to anticipate possible future concerns and opportunities as well as identifying current issues. The findings are in line with Karungi (2011) who notes similarly to the findings.

### **5.2.2 Management factors and sustainability of Christian Based Child Care NGOs**

Findings revealed that there is a positive significant relationship Management factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality. It was observed that planning in most NGOs is done by the top level management and sometimes by the technical committee. They follow procedure that makes the planning efficient in the NGO. There are steps to follow and specific tools you will need in order to complete any project efficiently and skilfully.

The planning exercise has helped to create room for sustainability. The findings were similarly observed by Jones& Pendlebury (1996) who noted that planning is a matter of top level management because they are directly obligated to carry out planning. Therefore, in planning, there is need for monitoring and adjusting priorities and/or eliminate tasks on an on-going basis. It also requires accurate estimation of time and effort required to complete a task

Findings revealed that some of the NGOs do carry out supervision control of the activities, control is provided by comparisons of actual results against the planned. Findings revealed that some NGOs have put in place a monitoring and supervision mechanisms. Of all budgetary functional areas, control is the most important and, therefore, requires detailed attention. In order to have detailed attention, a feedback mechanism is being put in place. The findings are consistent with Juuko (2010) who noted that good control systems foster efficiency in the way tasks are accomplished within the internal setting of an organisation.

It was observed that Christian based NGOs in Entebbe Municipality are trying their best to manage funds properly. However, due to unavoidable circumstances certain factors do intervene leading to poor fund control at times. This is in line with the institutional theory by Scott (2001) that emphasises good fund management and efficiency in the running of institutions. The findings were similarly observed by Mckinney (2006) who noted that collection and proper use of financial resources to achieve organisational objectives is a major goal. It is the fuel that gives life and substance to the engine of public administration. Fund management is important not only because the NGOs require income to pay for its expenditure but because of the impact it has on the economy and lives of the citizens (Sailis, 2002). Sailis (2002) argues that it is important that the funds should be properly managed and monitored otherwise their social and economic benefits will remain low. While Helleiner (2006) observe that if there is no proper public finance management donor support will be damaged. The donors expect the funds to be managed without misuse, irregularities and corruption. They assert that this point is vital because a large portion of the Ugandan national budget is funded by foreign donations.

### **5.2.3 Human Resource Management factors and sustainability of Christian Based Child**

#### **Care NGOs**

Findings revealed that there is a positive significant relationship between Human Resource Management factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality. It was observed that the most important machinery of the reward system includes salaries, bonuses and privileges. The reward system as a means to support innovation by employees is a fairly mechanical but nevertheless effective management technique. Once the members of an organization understand that they will be rewarded for such activities, they are more likely to work creatively. The initiative to provide financial and non-financial rewards to people and groups who develop innovative ideas is important for organisations and this motivates employees to push the organisation to sustainability. It was similarly observed

by Gibbins (2005) that recognition is necessary because it gives preference to service over self-interest. It also means there is need to have an equitable distributor of wealth. One test of equity is how well to affirm the fact that the success of the institution is in the hands of people at each level. Similarly, Helleieiner (2006) observed that employee recognition is very important in any organization as the process that is in command of human behavior within an organization. It helps to verify not only performance in relation to current goals but also influences the possibility of people joining and remaining in an organization. It also shapes the degree to which effort is directed in the development of the organization future capabilities. If correctly designed or administered, employee recognition systems can foster performance hence leading to sustainability.

Findings from the interviews further revealed that sometimes recognition in the NGO is in form of feedback. Feedback in particular is necessary for the expansion and development of the employee. Negative reinforcement such as indicating mistakes and threatening employees with job loss, causes employees to adjust their behavior just enough to avoid punishment. Positive feedback motivates the employees to function as a team hence leading to sustainability. The findings were similarly observed by Gibbins (2005).

From the survey, some respondents felt that promotion is the most important form of recognition if the wages are certain they would like to have position of responsibilities. One respondent accepts profit sharing would be the most important reward system. The majority admitted that recognition would be the most important form of motivation which could be in the form of nominating the most outstanding employees or awarding certificates to outstanding workers during the year. These awards would serve as a reminder for us to always keep in mind what the company expects from their employees.

One of the respondents felt highly motivated when working under pressure to perform a particular task within the required time work. On the other hand, one respondent sees greater motivation based on how she understands the company's policies and goals. The findings were similarly observed by Hongoro (1999).

It was observed that organisations can recruit internally from those already employed by the organisation or source from the external labour market. A policy of internal recruiting is one component of high-performance work systems and organisations that practice internal recruiting are more likely to be more successful financially than organisations that rely on external recruiting for top talent. This is because internal recruiting is cost effective compared to external recruitment and is considered to enhance organizational commitment and job satisfaction, which leads to higher productivity hence sustainability. The findings are in line with Johan&Shappell (2003) who noted that internal recruitment motivates employees within but external recruitments helps the organisation get quality employees.

Internal recruiting has a way of limiting the flow of new ideas into a company that can help to spur growth and development. Internal recruitment can offer incentive for employees to perform well but it also can create an atmosphere of competition that is very unproductive. Employees may feel pressured to compete with each other to be considered for a position during an internal recruitment process and this creates conflict. While the potential is there to improve morale with internal recruitment, it could turn the other way and help to lower morale because employees become more focused on competing for jobs than trying to become proficient at their current positions.



Findings revealed that most NGO management trains all their staff to have the necessary skills and it is out of these skills that they are able to mobilise resources. The findings are in line with Martins (2005) ideas on training.

### **5.3 Conclusions**

The conclusions are made basing on the research objectives below.

#### **5.3.1 Financial factors and sustainability of Christian Based Child Care NGOs**

Findings revealed that there is a positive significant relationship financial factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality. Findings revealed good internal controls that enable us to manage the funds very well, for example, our accounting systems adequately function. It was observed that NGOs have strong fund management framework, once the controls are in place, then the organisation needs to monitor its effectiveness. Monitoring tools consist primarily of performance ratios that managers and directors need to track to ensure that funds are being managed properly. Findings further revealed that NGOs in Entebbe have well-functioning internal audit system. The internal audit unit has the responsibility to establish internal control and overall arrangements for good governance so that its activities are conducted in an efficient and orderly manner.

#### **5.3.2 Management factors and sustainability of Christian Based Child Care NGOs**

Findings revealed that there is a positive significant relationship Management factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality. It was observed that planning in most NGOs is done by the top level management and sometimes by the technical committee. The planning exercise has helped to create room for sustainability. Findings revealed that some of the NGOs do carry out supervision control of the activities, control is provided by comparisons of actual results against the planned. Findings revealed

that some NGOs have put in place a monitoring and supervision mechanisms although in some NGOs these are not efficient. It was observed that Christian based NGOs in Entebbe Municipality are trying their best to manage funds properly, however due to unavoidable circumstances certain factors do intervene leading to poor fund control at times.

### **5.3.3 Human Resource Management factors and sustainability of Christian Based Child Care NGOs**

Findings revealed that there is a positive significant relationship between Human Resource Management factors and sustainability of Christian Based Child Care NGOs in Entebbe Municipality. It was observed that the most important machinery of the reward system includes salaries, bonuses and privileges. The reward system as a means to support innovation by employees is a fairly mechanical but nevertheless effective management technique. Findings from the interviews further revealed that sometimes recognition in the NGO is in form of feedback. From the survey, some respondents felt promotion is the most important form of recognition if the wages are certain they would like to have a position of responsibilities. It was observed that organisations can recruit internally from those already employed by the organisation or source from the external labour market. Internal recruiting has a way of limiting the flow of new ideas into a company that can help to spur growth and development. Internal recruitment can offer incentive for employees to perform well but it also can create an atmosphere of competition that can be very unproductive.

### **5.4 Recommendations**

The researcher recommended:

#### **5.4.1 Financial factors and sustainability of Christian Based Child Care NGOs**

The audit process needs to be governed in a more effective manner so that risks of substandard audits can be minimized and/or their effectiveness enhanced. The two key measures in this regard are the reporting structure of the internal audit to ensure their performance. New auditing techniques for the local government level governance control needs to be developed to mitigate the risks prevalent at this level. The traditional sample testing of the transaction techniques do not apply here and therefore a better understanding of the influence of these mechanisms has to be well understood. Only then will the internal audit unit be able to make meaningful recommendation on how to strengthen and institutionalize these within the institution so as to ensure sustainability. Employee performance should be encouraged through involvement in teamwork activities which can bring about the sustainability of these NGOs.

#### **5.4.2 Management factors and sustainability of Christian Based Child Care NGOs**

Managing an NGO requires knowledge, dedication, organizational skills and ingenuity. To effectively manage and get informed about hiring and managing employees, budgeting and laws governing NGOs. There is need for NGOs to stick to a management style that will ensure sustainability. There is need to empower employees by explaining tasks and allowing them to manage their duties, checking in with them for clarification as needed as an avenue to ensure that they work towards sustainability. There is need to address employee needs and conflicts and create an environment of open communication for employees to approach the managers on matters that will help the NGO become self-sustaining.

#### **5.4.3 Human Resource Management factors and sustainability of Christian Based Child Care NGOs**

There is need for Christian based NGOs to come up with clear promotion procedures and guidelines that will help its employees to know how they can be promoted to higher levels of

responsibility. The NGOs should work out incentive packages to increase employee motivation to work towards the sustainability of NGOs. Increasing employee's salaries will increase their morale to participate in activities that help to bring about the sustainability of these NGOs. Motivating employee should be the first step to arouse the enthusiasm of workers in taking part in self-income generating projects by the employees. In this case the employees will serve with a lot of commitment and dedication

### **5.5 Areas for further research**

Putting into consideration the study carried out and its variables, the researcher would recommend the following areas for further studies:

The researcher's study focused on financial factors, management factors and human resource factors without due consideration to stakeholder influence on sustainability.

Therefore, there is need to carry out research on stakeholders and sustainability of NGOs in Uganda

There is also need to carry out research on the influence of employee retention on the sustainability of NGOs in Uganda

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## APPENDIX (i)

### QUESTIONNAIRE FOR TOP ADMINISTRATORS AND MEMBERS OF STAFF

Dear respondent,

**Iam Mark Lubega** a Master of Institutional Management and Leadership student of Uganda Management Institute carrying out an academic study **on Factors affecting the sustainability of Christian Based Child Care NGOs in Entebbe Municipality**. In your position, you have useful information to contribute to the success of the study. You can contribute this information by answering the question in this instrument. All information given will be treated confidentially for purely academic purposes and please do not indicate your name anywhere on the questionnaire.

Thank you for your cooperation.

#### SECTION A BIO-DATA

Please tick in the box provided in the table the option that applies to you

<b>Age</b>	18-28	29-35	36-50	Above 50	
<b>Gender</b>	Male	Female			
<b>Marital status</b>	Married	Single	Widowed	Divorced	
<b>Level of Education</b>	Masters	Bachelors	Diploma	Certificate	Others Specify

Instructions from question 6- tick the number that best indicate your opinion on the questions using the following scale.

Scale	1	2	3	4	5
	Strongly Disagree	Disagree	Not sure	Agree	Strongly agree

## SECTION B

### FINANCIAL FACTORS

		1	2	3	4	5
1	There is proper management of funds in the organization					
2	The organization focuses its financial activities on proper fund management					
3	The organization has strengthened its internal controls					
4	The organization has a well-functioning audit section					
5	There is transparency in the way funds are spent by the organization					

### MANAGEMENT FACTORS

		1	2	3	4	5
6	There is proper planning by the management of the organisation					
7	Management exercises proper coordination of the activities of the organization					
10	Management exercises proper control of the finances of the organization					
11	There is proper leadership within the organisation that is helping to drive the organisation to self-sustenance					
12	There is proper direction of the activities of the organisation					

## **HUMAN RESOURCE MANAGEMENT**

		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
13	The employees are properly rewarded so that the output level increases					
14	There is thorough screening and selection of employees					
15	The organisation recruits the best employees who work towards its sustainability					
16	The organisation trains its employees in the area of resource mobilization					
17	The employees are committed to helping the organisation become self-sustaining					

## **SECTION C**

### **SUSTAINABILITY**

		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
18	The organisation has put up its own project for purposes of generating extra income to meet its future programmes					
19	The organisation saves funds in commercial institutions to cater for future shortages					
20	There will be a continuous flow of funds within the organization in the next five years					
21	The organisation will continue running its programmes normally in the next five years					
22	The organisation will continue depending on donor funding in the next five years					

## **APPENDIX (ii)**

### **INTERVIEW GUIDE FOR TOP ADMINISTRATORS AND MEMBERS OF STAFF**

1. What is your current position in the organisation?
2. How does your organisation obtain funding?

#### **Fund Management**

3. How are the fund managed in this organization?
4. Comment on the present internal controls and how they have managed to bring about proper accountability within the organisation
5. To what extent is it right to say that the management of the organisation is transparent when dealing with funds?
6. Comment on the level of accountability in the organisation

#### **Management Factors**

7. How has the leadership in this organisation helped to ensure that there is continuous flow of funds?
8. Comment on the coordination and control of the activities of the organisation in relation to funding?
9. How has the management of the institution helped to ensure that the NGO is self-sustaining?
10. How is the NGO management directing the organisation to self-sustenance?

#### **Human Resource Management**

11. Comment on the view that the organisation recruits people on merit
12. To what extent does the organisation recruit high quality employees?
13. Comment on the view that the employees are helping the organisation towards sustainability
14. How effective has been the employee motivation process towards helping to stimulating self-sustenance within the organisation?

## **APPENDIX (iii)**

### **DOCUMENTARY REVIEW CHECKLIST**

The researcher reviewed the documents below

1. The 2007-2012 budgets of the selected Christian Based Child Care NGOs
2. The Human Resource Manuals of the selected Christian Based Child Care NGOs
3. The current Strategic plans of the selected Christian Based Child Care NGOs
4. The Minutes of the End of year meetings of the selected Christian Based Child Care NGOs
5. Any other relevant documents the researcher came across

## APPENDIX (iv)

### KREJCIE MORGAN TABLES

Sample size(s) required for the given population sizes (N)

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	266	3000	341
20	19	120	92	300	169	900	269	3500	346
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	354
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	170	118	400	196	1300	297	7000	364
50	44	180	123	420	201	1400	302	8000	367
55	48	190	127	440	205	1500	306	9000	368
60	52	200	132	460	210	1600	310	10000	370
65	56	210	136	480	214	1700	313	15000	375
70	59	220	140	500	217	1800	317	20000	377
75	63	230	144	550	226	1900	320	30000	379
80	66	240	148	600	234	2000	322	40000	380
85	70	250	152	650	242	2200	327	50000	381
90	73	260	155	700	248	2400	331	75000	382
95	76	270	159	750	254	2600	335	10000	384

**SOURCE:** Krejcie and Morgan (1970), Determining sample size for research activities, Educational and psychological measurement, 30,608, sage publication