FINANCIAL SUSTAINABILITY IN NON GOVERNMENTAL ORGANISATIONS: A CASE STUDY OF CHURCH OF UGANDA

BY AKORAMAZIMA GWENDOLINE 2011/HD06/3259U

SUPERVISOR

DR. GODFREY AKILENG

A RESEARCH REPORT SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTERS OF BUSINESS ADMINISTRATION OF MAKERERE UNIVERSITY.

SEPTEMBER 2013

ABSTRACT

The study assessed the ways in which NGOs have attempted to become financially sustainable This was both timely and important because NGOs activities depend entirely on donor funding for survival, though a few of them have tried to look at alternative funding methods, many have not seen it as an alternative for funding and this has caused some to collapse completely. This study explored the various ways through which NGOs have become financially sustainable. The study described Financial sustainability in an NGO context; How NGOs under church of Uganda have tackled donor dependence and attempted to become financially sustainable; examined success, what the" boundaries" of this success are and the extent to which success stories are replicable and came up with Strategies that can be taken by NGOs to improve financial sustainability. The study used a descriptive; cross sectional design with both qualitative and quantitative methods. Data was collected from 70 respondents using semi structured questionnaire with closed, open ended questions and a likert scale. It was analyzed using SPSS and presented using tables with frequencies, mean and standard deviations. Study findings revealed that NGOs under church of Uganda seek government support and this is extended inform of grants, favourable political environment among others. Management control was cited as one the tools of ensuring financial sustainability. The findings further revealed that many income generating projects like piggery, and cow projects have been started and income is being generated which has empowered people and helped them to develop. It was recommended that Sensitization, government training and funding, involvement of local and political leaders and mobilization of the communities should be emphasized so that communities can come to understand and appreciate the development programs and their associated benefits. Further research should be done on accountability for donor funds in nongovernmental organisations.