

**AN ASSESMENT OF CORPORATE GOVERNANCE
AND FINANCIAL ACCOUNTABILITY OF NGOS
IN KENYA. A CASE STUDY OF KISII
CENTRAL DISTRICT.**

A Thesis

Presented to the School of
Postgraduate Studies and Research
Kampala International University
Kampala, Uganda

In Partial Fulfillment of the Requirements for the Degree
Of Masters in Business Administration (MBA) NGO Management

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AUGUST, 2010

DECLARATION A

I Thomas Abuga Ongera Declare that this thesis is my original work and has never been submitted in any academic Institution for any academic requirement or even published as a normal publication.

Date...29-09-2010.....

Signed..........

Thomas Abuga Ong'era.



DECLARATION B

I confirm that the work in this thesis was carried out by the candidate under my supervision.

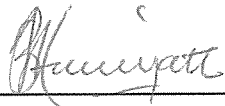
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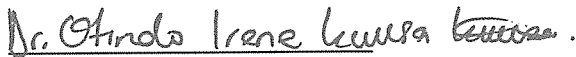
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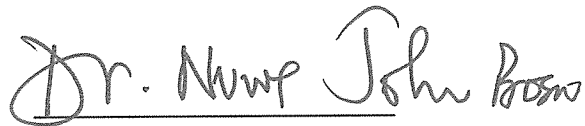
This thesis entitled "AN ASSESMENT OF CORPORATE GOVERNANCE AND FINANCIAL ACCOUNTABILITY OF NGOs IN KENYA - A CASE STUDY OF KISII CENTRAL DISTRICT" prepared and submitted by Thomas Abuga Ong'era in partial fulfillment of the requirements for the degree of Masters in Business Administration (NGO) has been examined and approved by the panel on oral examination with a grade of PASSED.



Name and Sig. of Chairman

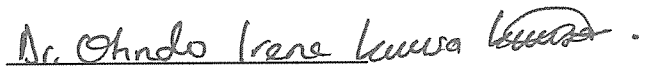


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Grade: _____

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DEDICATION

The work has been dedicated to my dear wife Eunice for her material and financial support during the course, my supervisor, Dr. Otindo for her support.

ABSTRACT

The study has assessed corporate governance and financial accountability of NGOs in Kisii central district in Kenya based on primary data collected. The general objective of the research was to assess the relationship between governance and financial accountability of NGOs in Kisii Central District in Kenya, while the specific objectives were; i) to assess the financial accountability structures of NGO funds; ii) to identify forms of mismanagement, management weaknesses of NGOs;

3. To assess the governance structures of NGOs within Kisii Central District;

4. To investigate recruitment and training of personnel within the NGOs.

The scope of the study focused on issues concerning employees, employers, governors of the NGO sector, funds, their source, their accountability and reporting.

The study uses a descriptive case study of NGOs within the District with an aim of generalizing it to the NGOs working in Kenya.

Data collected was analyzed using descriptive statistical tools. The statistical package for social sciences (SPSS) was used and the findings have been presented using frequency tables, histograms, bar charts and pie charts.

The study identifies weaknesses in the governance structures in the NGO sector and recommends steps to rectify the problems and make the NGOs more accountable. The study also identifies future challenges as anticipated in NGO governance and financial accountability.

ACKNOWLEDGEMENT

So many people have contributed directly and indirectly to the success of this work. They are too many to mention in names. However, the Kisii District Social services Officer (DSSO), the many NGO Directors who were consulted and assisted. In the research are worth mention.

I fully acknowledge the patience and understanding of my family members, Mrs. Abuga Eunice Nafula, (Wife), Kevin (son) and Elvin (daughter), who condoned my absence and seeming lack of attention during the duration of my study. I heartily thank them.

Above all, I thank the Almighty God for the gift of life and energy equal to the heavy task.

Thanks to all.

DEFINITIONS OF TERMS AND ABBREVIATIONS

NGO - Non Governmental Organization.

FMS - Founder Member Syndrome.

DSSO – District Social Services Officer.

CEOs – Chief Executive Officers.

SPSS- Statistical package for social sciences

SAAPs – Structural Adjustment Programs.

GAAP – Generally Accepted Accounting Principles

CBOs - Community Based Organizations

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CHAPTER ONE

INTRODUCTION

Background Information

Kenya has made striking progress on a range of social indicators since the advent of multi-party politics in 1982, an achievement widely credited to the country's diverse ethnic composition and the enabling political climate in the country. Civil society organizations have greatly expanded their services during this period and have shown that it is possible to scale up innovative anti poverty experiments on a nationwide basis.

According to the print media (standard newspaper 10th march 2009), the post-election violence resulting from the controversial presidential election results of 2007, NGOs expanded their scope of operation to include areas such as developing non-formal education programs to cater for the poor children in the internally displaced persons camps, using of the hundreds of village based community health workers to provide door step services, providing seed and fertilizers to the internally displaced persons to plant to enhance their food security are among the many services that the NGOs have engaged themselves in. NGOs have developed commercial ventures in order to link poor producers with input and output markets as well as to develop a source of internally generated revenue for the organizations.

However, the rapid growth and diversification of the NGO sector has given rise to questions and concerns. These include, the viability of a regulatory framework developed when the size and scope of NGOs was far more limited, the appropriate political and commercial spaces for NGO activities, trade-offs between NGO sustainability and pro-poor orientation, the impact and quality of NGO services as they have scaled up, NGO corporate governance, financial accountability and the implications of different government NGO partnerships.

There has been little systematic review of the public policy implications of the changing character of NGOs in Kenya.

Due to the growth of the Kenyan population without an equal growth in the economy, it has become increasingly difficult for the government to finance and oversee all activities to improve the welfare of the citizens. Thus, the government has sought partnerships with other governments and civil society organizations to assist in the provision or distribution of goods and services to people with a lot of emphasis on the rural poor.

Government agencies have not been trusted by donors in the distribution of goods and services owing to its poor track of record on transparency and management of funds. Corruption and mismanagement is common-place in government funded projects as seen in the media on a daily basis. This has given fresh impetus to NGOs and civil society organizations.

Statement of the Problem

Non- governmental organizations have spent millions of shillings over the last decade but there have not been any persuasive conclusions about their work. Work done by many NGOs is either shoddy, incomplete and if completed, very much behind schedule.

Given the money availed to NGOs from the many donors, the government and community, issues arise as to how those projects are managed, how the resources are sourced are managed and accounted for, and the training and accountability of the project managers. These among others are the questions this study will Endeavour to answer.

Purpose of the Study

The purpose of this study is to show why the NGO's must have a better focus if results are to be achieved.

Research Objectives

This study will Endeavour,

1. To assess the financial accountability structures of NGO funds.
2. To identify forms of mismanagement, management weaknesses of NGOs.
3. To assess the governance structures of NGOs within Kisii Central District
4. To investigate recruitment and training of personnel within the NGOs.

Research Questions

1. What are the main sources of funds for NGOs in Kenya?
2. How are the funds to NGOs used?
3. What accounting procedures are used for NGO funded projects?
4. To whom are the NGOs accountable?
5. How are NGO workers recruited?
6. Are qualified staffs recruited?
7. Are there other skills required after training and recruitment?

Scope

This is a qualitative study combining field work with fact finding in selected NGOs within Kisii central District Kenya. The District is in Nyanza province in the Western part of the country.

Indirect sources of information included review of research reports, relevant published documents including books, project documents, evaluation reports, audit reports, monitoring reports and website.

Direct sources included checklist based questionnaire by CEOs and/ or senior officials, other employees and other key informants. Such as project officers, officers in the ministry of culture and social services, officials of the local administration and the NGO council.

Significance

The basic questions here concern the relative importance of the various sources of income, changing trends in financing and the implications of these trends for the nature of NGO activity in the medium and long-term. The study assesses the status of the legal and regulatory framework, relating it to the scope of activities and financing trends, financial accountability and corporate governance in the NGO sector in Kenya. The study assesses the extent to which NGOs are following best-practice norms in internal governance and accountability.

The Kisii central community in particular and the Kenyan Nation as a whole stands to benefit from properly managed organizations with proper accountability structures.

The Government of Kenya has the responsibility of safeguarding the welfare of its people. Proper governance and financial accountability of NGOs will enhance that watchdog role of the government thus enhancing the welfare of its people.

CHAPTER TWO

LITERATURE REVIEW

Introduction.

According to Robert Monks and Nell Minow Dess (2002), corporate governance can be defined as "the relationship among various determinants in determining the direction and Performance of corporations. The primary participants being; shareholders, the Management and the board of directors." Consistent with this definition, it is imperative that those three key governance mechanisms for improving corporate governance- shareholder activism, effective management, rewards and incentives, and a committed and involved Board of directors.

The governance of NGOs implies the totality of functions that are required to be carried out in relation to the internal functioning and external relations of organizations. It is not the same as NGO management. The governance of NGOs focuses on issues of policy and identity, rather than the issues of day -to -day implementation of programs. Thus, governance implies addressing the issues of NGO vision, mission and strategy; it focuses on future directions and long term strategic considerations; it addresses the issues of policy in relation to internal programming, staffing and resources; it defines norms and values that are the basis of institutional functioning; it includes obligations entailed in fulfilling statutory requirements applicable to the NGO. Therefore, governance requires the creation of structures and processes which enable the NGO to monitor performance and remain accountable to its stakeholders.

According to Chikati (2009), every NGO has the responsibility to think early and deeply about its governance practices. Good governance established early sets a positive cause for an NGO development for many years to come, by encouraging organizational Stability and balanced decision making. Good governance also testifies to the integrity of the country's NGO sector. Engaged

and responsible governing bodies set the standards for leadership and in their own behavior express the fundamental values that the NGOs stand for.

According to Merlyn Wyatt, governance refers to the system of oversight, exercise of authority or control within an NGO.

Good governance is a transparent decision making process in which the leadership of a non- profit organization, in an effective and accountable way, directs resources and exercises power on the basis of shared values.

According to Edward and Hulme (1994), an active system of governance enables an NGO to formulate, review and reformulate its mission in a changing context. The growing emphasis on NGO performance and accountability must include the challenge of making NGO governance more effective.

While all parties aspire to a comprehensive review of the subject of governance and accountability, in most practical situations NGO accountability boils down to the domain of finance. This narrow operational definition is partly a consequence of the ease of establishing specific and quantifiable criteria for measuring financial accountability. It is also partly due to the fact that donors have been the most vocal commentators on the issue. The regulatory dimensions of accountability have also been emphasized in many contexts being narrowly defined in relation to finance (submitting regular financial reports which are externally certified to ensure legitimacy). The regulatory context in which the NGO operates defines the laws, rules and procedures that prescribe parameters and behaviors relevant to NGO accountability.

Art Kleiner (1996) claimed that to foster a corporate culture that embraces change, you have to hire the right people; heretics, heroes, outlaws and visionaries. The conservative bureaucrat that made such a good middle manager in yesterday's hierarchical organization is of little use today. A decade earlier Peters and Austin (1985) had stressed the importance of nurturing champions and heroes. They said we have a tendency to dismiss new ideas, so

to overcome this, we should support these few people in the organization that have the courage to put their career and reputation on the line for an unproven idea.

According to Mittullah et al, (2007) the last four decades have witnessed significant changes in the development space in Kenya. The developmental state occupied much of the development space in the 1960's and 1970's; the state was the main engine of development. This changed from early 1980 in tandem with declining capacity of the state to support social development. The introduction of the Structural Adjustment Programs (SAPS) further weakened the development state. Subsequent rolling back of the state under the neo-liberal policies occasioned a proliferation of organized voluntary non-profit organizations. Private non-profit organizations such as NGOs and self help community based groups among others evolved to assist in the delivery of social services.

The Kenyan NGO sector and individual organizations within stand out by virtue of their services, relationships of accountability between the main actors-poor users of services, policy makers and services providers ultimately determine the quality of services provided by the NGOs. Service users can influence public service quality through their political power over policy makers and NGOs can help by amplifying the voices of the Poor users through advocacy activities. However, when donors fund NGOs to provide services directly, this may weaken mechanisms of accountability between policy makers and providers. The merits and drawbacks of different donor financing methods are assessed in this light. The increasing prominence of NGO services reflects NGOs comparative advantage in bringing services directly to poor users. However, it also highlights the need for a closer look at the conditions for accountability by NGOs to beneficiaries.

The overall national context for pro-poor service provision is mixed. There are many examples of successful service delivery outcomes in Kenya. These have resulted from the pluralist service provision system comprising of government, NGOs and the private sector. At the same time, there are certain clear areas for improvement in both the private and the public sectors. The private sector in services such as education, health and banking have rudimentary corporate governance structures, is overseen by an overstretched regulatory framework and in many cases is intertwined with politics of the public spending allocations in Kenya has been diluted by weaknesses in the public sector service delivery.

A number of issues are currently at the forefront of the public policy debate on NGOs in Kenya. They include;

- Perceived weaknesses in the regulatory framework and in the financial accountability of NGOs
- The scope, impact and cost effectiveness of NGO activities including tradeoffs between service delivery and advocacy
- The implications of shifts in NGO financing that has resulted into a higher reliance on commercial activities and microfinance revenues and
- The nature of government-NGO partnerships and contracting arrangements.

Review of related literature.

There is consensus that gaps and weaknesses in the regulation of NGOs need to be addressed as a priority. The organizational norms of NGOs in 2010 are very different from those for which the existing legislation was designed. The need for better external regulation and supervision is particularly apparent for all sectors in which NGOs operate.

In vision 2030-an economic recovery strategy by the Kenyan Government includes NGOs along with other implementing agencies in the following areas: improving agriculture extension, promoting quality seed development, improving livestock productivity, disaster preparedness and management, reaching the ultra poor, access to pre-primary and technical education, improving child, maternal and reproductive health, controlling communicable and non-communicable diseases, improving maternal and child nutrition, promoting local government, tackling corruption and improving accountability and access to justice.

Financial accountability in NGOs;

Potential for financial irregularity within NGOs has also directed attention to the current state of NGO corporate governance. The need for improved external regulation was underlined by the NGO council of Kenya which also plays some role in self-regulation of the sector.

The Kenyan NGO forum (NGO code 2000), the GAAP principle provides that all NGOs Shall account for all funds received and shall cause to be audited all financial receipts and expenditures by a reputable and fully registered Audit firm every end of financial Year. It is expected that such audited accounts shall be presented for review by Beneficiaries who are the core stakeholders of the organization. Failure to prepare and audit accounts for a consistent two year period shall be construed as lack of honesty and a misfit in public trust and hence a contravention of the provisions and spirit of the code.

The Institute of internal auditors defines auditing as "an independent, objective assurance and consulting activity designed to add value and improve an organizations operation. It helps an organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance process" Whittington, Kurt 2001.

According to Manas'sseh (1990), Auditing can be defined as an independent examination of the books of account and vouchers of a business, with a view of forming an opinion as to whether these have been kept properly and in accordance to the company's Act, and as to whether the statements drawn thereof portray a true and fair view of the company's state of affairs as at a given date. Auditing is therefore an integral part of an organization's management structure.

The objective of the internal auditors is to assist members of an organization in the effective discharge of their responsibilities by furnishing them with analysis, appraisals, recommendations and counsel. They represent high-level control that functions by measuring and evaluating the effectiveness of other controls.

Concern with the government about alleged partisan political activity and financial irregularities has placed the need for improved regulation of NGOs on the public policy agenda. The renewed emphasis since 2000 on NGO advocacy and in some cases on social mobilization has produced its own controversies, highlighting the fine line between civil society activism and partisan politics in Kenya. Proposed amendments to regulations governing foreign-funded NGOs have been viewed with mixed reactions by the NGOs and the funding agencies. The increasing dominance of NGO advocacy work has stimulated debate about the political space for and limits to NGO activism.

Accounting capacity in most NGOs appears reasonable though the use of technology is sporadic. The demand for accounts related information can be very large due to the multiplicity of funding sources, projects and areas of operation. Most organizations hire qualified personnel to head organizational departments, for larger organizations, trained accountants are recruited at the regional or area offices to oversee the accounts of multiple offices or branches. Other large NGOs have to a large extent computerized their operations down to

the branch level. Smaller organizations are likely to have full manual systems due to resource constraints.

Donor financial reporting requirements are questionable. Smaller NGOs with different donors supporting separate projects have to devote more time and resources to meeting multiple reporting requirements. Another common practice of donors that raises transaction costs is their insistence that NGOs open separate accounts to their different funded projects. The perception of a sample of NGO accountant is that donors use a range of lax accounting principles for the reporting requirements. These include dependence on cash basis accounting, disregarding trial balance as a tool for verifying the double entry system of accounting and propensity to focus only on their funded projects as opposed to consolidated accounts and audits.

In short, financial management practices has been shaped by donor requirements, by absence of a coherent and uniform accounting standard within the regulation, and by lack of awareness of benefits of adopting sound accounting practices based on international accounting standards. As a result, there is no standard basis of accounting and NGOs follow a range of systems – cash, accrual, modified accrual, hybrid and so forth.

Internal audit practices vary significantly by size of the NGO. Some of the smaller organizations do not have internal audit teams or an internal auditor while large organizations with multiple branches do.

While annual external audits are common, their quality varies significantly. Analysis of a range of audit reports shows that the quality and comprehensiveness are mixed at best. Many NGOs have separate audit reports for different projects without a consolidated one for the entire organization. Donors are partly responsible as a result of their focus on the specific projects

that they finance. The auditor to be appointed and the audit fee approved in the annual general meeting. However, fees are such that the audits firms often cannot afford to spend quality staff time on NGO audits.

Public access to audit reports is limited, which undermine accountability. An extensive web research failed to find any NGO that posted its audit report on the organization's website. While the laws under which the NGOs are registered do not require public disclosure of audit reports, voluntary disclosures could improve public accountability and transparency.

Corporate Governance in NGOs;

Ivancevich, (2000) asserts that before an organization can fill a job vacancy, it must find people who not only are qualified but also need the job. Recruitment refers to the organizational activities that influence the number and types of applicants who apply for a job and whether the applicants accept the jobs that are offered. Thus, recruitment is directly to both human resource planning and selection.

According to Senge, (1990), the effectiveness of a worker is influenced by both his level of training and recruitment procedures employed to include induction and orientation. Through orientation, employees learn the norms, values, work procedures and patterns of behavior that is expected in an organization.

Training and development focuses on improving the employee's abilities and skills. He therefore urges that line managers and even non-mangers should function in order for any lasting organizational change to occur. The following are Senge's viewpoints regarding the five principles.

- I. Systems thinking: This is a learnable, habitual thinking process that allows one to look at events in an organization or life and see complex

patterns of relationships. All working towards the attainment of objectives. Managers should be trained to see that.

- II. Personal Mastery: This is a discipline of continually clarifying and deepening ones personal vision of what could or should be, and remaining clear as to how that vision differs from reality. The disparity should cause a creative tension that motivates us to change.
- III. Mental Models: They are deeply ingrained assumptions, generalizations or images that influence how we understand the world and how we choose to respond to the various situations we face. They guide our actions, our theories and our practice.
- IV. Shared vision: Better understood as group competence than an individual skill, this is the practice of developing a vision for a team or as an organization. It has to do with discovering a shared picture of the future that will foster genuine commitment and enrolment rather than just compliance.
- V. Team learning: The key to this discipline is a dialogue in which members of a team suspend their assumption and take up a "think together" mode that embraces the collective good and eschews individuals self interest.

Rick, W Griffin (2002) views management as the function of carrying out four basic managerial functions: namely, planning and decision making, organizing, leading and controlling. Management can then be defined as a set of activities directed at an organization resources (human, financial, physical and information) with the aim of achieving organizational goals, in an efficient and effective manner.

Managers must blend an element of intuition and personal insight with hard data and objective facts. A good manager therefore should combine education and experience in leadership.

The primary advantage of education as a source of management skills is that as a student, a person can follow a well developed program of study becoming familiar with current research and thinking on management. Experience provides a solid foundation for enhancing management skills. A good manager will combine both education and experience.

Human resource development, computerization and improvement in procedures need to under guard any regulatory reform in the NGO sector. Training efforts have so far concentrated on building the capacity of NGOs and there has been less focus on training regulatory agencies. This needs to be rectified. An appropriate data collection mechanism should be developed to help in devising plans for the oversight and development of the sector. The use of complaints from the public or deviation in use of funds from approved purposes, as the triggers for investigation by the regulatory bodies also needs to be revisited.

In the last two decades, the number of NGOs has grown significantly as has the resources they control. The growth of the NGO sector has been phenomenal elsewhere in the world. One of the reasons in the off-quoted comparative advantage on the ability of NGOs to deliver emergency relief or development services cost-effectively to those most in need.

NGOs can reach groups that government and other agencies cannot, and past development strategies have given NGOs the legitimacy to act on behalf of the poor.

According to World Bank estimates, NGOs contribute \$180 million annually to rural water supply scheme alone. This is three times the value of loans advanced by the World Bank itself on those schemes.

Although the figures are hard to obtain, it is estimated that NGOs in Kenya have an annual expenditure budget of between \$150 and \$ 200 million. These figures showing the volume of funds in the hands of NGOs at a time of global

financial crisis and dwindling aid levels illustrate their growing importance in development.

Several reasons have been given to explain this trend. Many aid agencies see NGOs as playing a significant role in the design, preparation and implementation of aid initiatives in addition or as alternative to the efforts of government or other international organizations.

NGOs have also effectively taken advantage of the increasing inability of government to fulfill its obligations in a number of areas. Being in contrast to government efforts, which are often large in scale but limited in impact, NGO activities tend to be good but limited in scope. The goal of sustainable development on a comprehensive scale is one that has eluded both government and NGOs. It must be stressed that NGOs vary greatly and while some of their projects are good and serve the intended purpose, some are certainly mediocre and even bad projects, lacking in innovation and purpose.

Coordination between NGO activities is also very poor. Institutional preferences and jealousies have prevented collaboration between NGOs that could greatly reduce collaborations, even at the national level.

Many NGOs have similar intentions but that the differences arising from their political, ideological, economic and sometimes personal issues prevent them from taking advantage of each other's strengths. This greatly reduces the level of collaboration that could be achieved among NGOs.

Conceptual Hypothesis

According to Kimmel D. et.al (2003) the year 2002 was a year of scandals with the financial media full of articles about financial scandals and accounting

misdeeds. It started with Enron, but then spread to Xerox, Qwest, Global Crossing, and WorldCom among others. In the Kenyan media, (standard, Nation newspapers) there has been regular reports of misappropriation of public funds, some even meant to assist the most vulnerable members of society like orphans and widows. Many of the articles expressed concern that as an increasing number of misdeeds come to public attention; a mistrust of financial reporting in general was developing. These articles made clear just how important accounting and financial accountability was to those holding public office.

NGOs in Kenya have come under heavy criticism over utilization, management and accountability of resources. While NGOs have often criticized management in government, some of them may just be guilty of the same vice as the government.

NGOs provide 45-50% of all health care services and over 50% of all family planning services. Within the education sector, NGOs are particularly active in the arid and semi-arid areas, whereas their NGOs make it difficult to generalize despite claims that NGOs are cost effective. The extent to which beneficiaries 'participate' or are involved and the utilization of this participation is in itself an issue at the heart of the debate concerning the evaluation of social development and the debate surrounding issues such as empowerment. Lately, claims of mismanagement and lack of transparency and accountability have dogged the sector. Some of these claims may be justified and may arise from the fact that many NGOs may not have proper institutional structures and therefore cannot function properly.

This could be attributed to the way in which NGOs are constituted. Many of these organizations were formed to respond to a certain perceived need. Institutional development is usually not a priority to many NGOs. Many donors

do not also support institutional capacity building which include the development of structures and accountability systems.

Operational hypothesis

Too many NGOs accountability and transparency have been narrowly interpreted to mean periodically furnishing donors with narrative and financial statements. However, the question is whether NGOs should seek to satisfy the requirements of those who fund them and not those on whose behalf they accept funds.

The lack of institutional structures has contributed to management and irregularities. It is not uncommon to find NGOs that are run like private businesses or family enterprises or that are plagued by what has become known as the founder member syndrome (FMS). This refers to a situation where people who formed organizations are unwilling to let go though the NGOs may have expanded. FMS often leads to mismanagement of funds, nepotism and cronyism and can disrupt the normal functioning of the organization.

But there is a way of monitoring NGO activity. Do these organizations have rules and regulations to guide their operations? Yes indeed, under the NGO co-ordination Act 1990, there is a code of conduct that clearly sets the rules and regulations for registered NGOs but it is supposed to be enforced by the regulatory committee of the NGO council.

The enforcement of this code has been hampered by several reasons, one of them being lack of provision for punitive measures which makes the NGO council a toothless dog. So while the regulatory committee may find an NGO guilty of an offence, it does not have real powers to punish the said NGO. Secondly, the size and diversity of the sector brings into question the capacity

of the council to police this fast growing sector. Also, the council's own problems cast serious doubt on its moral authority to question members over their misconduct.

It is critical that the capacity of the council be enhanced to enable it play its role better. Unless this happens, NGOs will continue to preach water and drink wine while taking the public for a ride. It should be possible to shine the spotlight on NGOs and keep the light on to ensure that NGOs are not just efficient but effective. Otherwise, the myth about comparative advantage and the ability of NGOs to cost effectively deliver services may remain just but, a myth.

Theoretical and Conceptual Framework

In Kenya, the major yardstick for measuring NGO performance is the number of projects successfully executed. This success is however achieved when the resources sourced for project work are effectively managed and transparently accounted for. Effective management may be enhanced by recruiting qualified managers and embracing internationally accepted accounting practices. NGO success is influenced by the interaction of governance and financial accountability in the respective NGOs.

CHAPTER THREE

RESEARCH METHODOLOGY

Introduction

This chapter focuses on the research design and methodology that will be used in this study. It will specifically focus the design of the study, study population, sampling procedures and research instruments to be used, data collection instruments, data management and data quality control.

Research Design

The research design to be used in this study is descriptive survey of a case study based on structured questionnaires. The nature of the study prompted the researcher to use a case study which is intensive, descriptive and holistic on the analysis of NGOs in one district in order to gain insight on to the country's NGOs.

The aim of this design is to collect data from respondents regarding the strategies of governance and financial accountability employed by each NGO. It will study parameters of governance and accounting.

Study Population

Kisii Central District is located in South Western Kenya. It is home to the main urban and commercial centre of Kisii. (Google2007). It is about 360km SW of Nairobi City. Kisii Municipality has a population of over 70,000 according to 2002 population estimates and it is the capital of Kisii District.

The Town was formerly the headquarters of the larger Kisii District before it was split into other Districts like Nyamira, Gucha and others. This town continues to serve these Districts and the larger South Nyanza and Transmara Districts in terms of commerce.

Currently there are 36 NGOs operating in Kisii Central District (DSO). Of the 36 NGOs, only 30 have been active within the last two years. The population of the study will therefore involve all the 30 active NGOs in this district. The respondents will include the project managers of the NGOs and the stakeholders.

There are currently 30 NGOs located within the central business District. Most of them are located at Uhuru Plaza building which houses several business units off the Moi Avenue road on Kisii Kisumu Highway.

Sample and Sampling Procedure

The term "sampling procedure" refers to that part of the research plan that indicates how cases are to be selected for observation. Sampling procedures are divided into two broad areas:

- Probability procedures
- Non-probability procedures

I have used non probability sampling procedures in carrying out the research.

According to Anderson et al (1991), one non probability sampling technique is judgment sampling. In this situation, a person knowledgeable on the subject of the study selects individuals or other elements of the population that he or she feels are most representative of the population.

Validity and Reliability

To enhance validity and reliability, the research questions used have been tested and refined to avoid any kind of bias. Personal questions have been minimized or avoided to enhance honesty of the respondents. The questions have been framed precisely to clear any doubt from the respondents. The

answers or responses given have been verified tactfully however, care has been taken against certain psychological factors which may induce incorrect answers.

Data collection

Data was collected using a research questionnaire prepared by the researcher. The research questions were formulated to elicit required responses on some issues of concern. However, some questions were open ended seeking balanced opinions from the respondents on non specific issues of governance and accounting.

Data Analysis

After data collection, the various responses per question were coded using numbers such as 1, 2, 3 and 4 depending on the number of responses per question in preparation for analysis. The coded responses were then entered in a spreadsheet and then transferred to an SPSS spreadsheet in the computer for analysis.

The collected data has been analyzed using the statistical package for social sciences (SPSS). The findings have been presented by frequency tables, bar graphs and pie charts.

Ethical Consideration

Since the research subjects are people, the conduct of the research has given attention to ethical issues associated with carrying out the research. The researcher justifies the research via an analysis of the balance of costs, maintaining confidentiality during the study and has taken measures to protect subjects physically and psychologically.

Limitations of the Study

Data collection and analysis entails scores of activities each of which requires careful planning and control. Some of the challenges faced the researcher include the following;

Financial resources to conduct an in-depth research are one of the key challenges. Financial resources are limited and greatly influence the quality of resource acquisition and general speed with which data is collected.

Time requirement was higher than time available. This influenced sample size in terms of how many officers were interviewed and hence influences the results of the study.

Some members of the research target group failed to respond or fill the questionnaires or delay the responses. There was constant follow-up to ascertain reasons for that failure.

CHAPTER FOUR

DATA REPRESENTATION, ANALYSIS AND INTERPRETATION.

The chapter discusses the analysis and presentation of findings to achieve the overall objectives of the study.

Each of the key items in the questionnaire on the research document has been analyzed and findings presented. From the analysis conclusions have been drawn.

Among the key parameters of governance that have been considered in this research include; education level of the NGO workers, recruitment, post recruitment training, NGO code of ethics, the NGO board of management and their commitment to the NGO activities and operations.

Among the parameters of financial accountability include; sources of funds, financial decision makers of the NGOs, whether the funds are audited or not, and if yes, by whom? Whether there are conscious efforts to fundraise for the organization.

Table 4.10 Ages

Age		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25	2	6.7	6.7	6.7
	26-30	9	30.0	30.0	36.7
	31-40	13	43.3	43.3	80.0
	above40	6	20.0	20.0	100.0
	Total	30	100.0	100.0	

Source: from primary data collected.

The study results show that 6.7% of the workers were of age 18-25 years, 30% were aged between 26-30 years, 43.3% were aged between 31- 40 years while those aged above 40 years constituted 40% (Table 4.10). The data shows that majority of workers at management level were in the age category of 31-40 years. The same managers have grown and matured within the organization.

Table 4.11 – gender

		Gender			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	17	56.7	56.7	56.7
	Female	13	43.3	43.3	100.0
	Total	30	100.0	100.0	

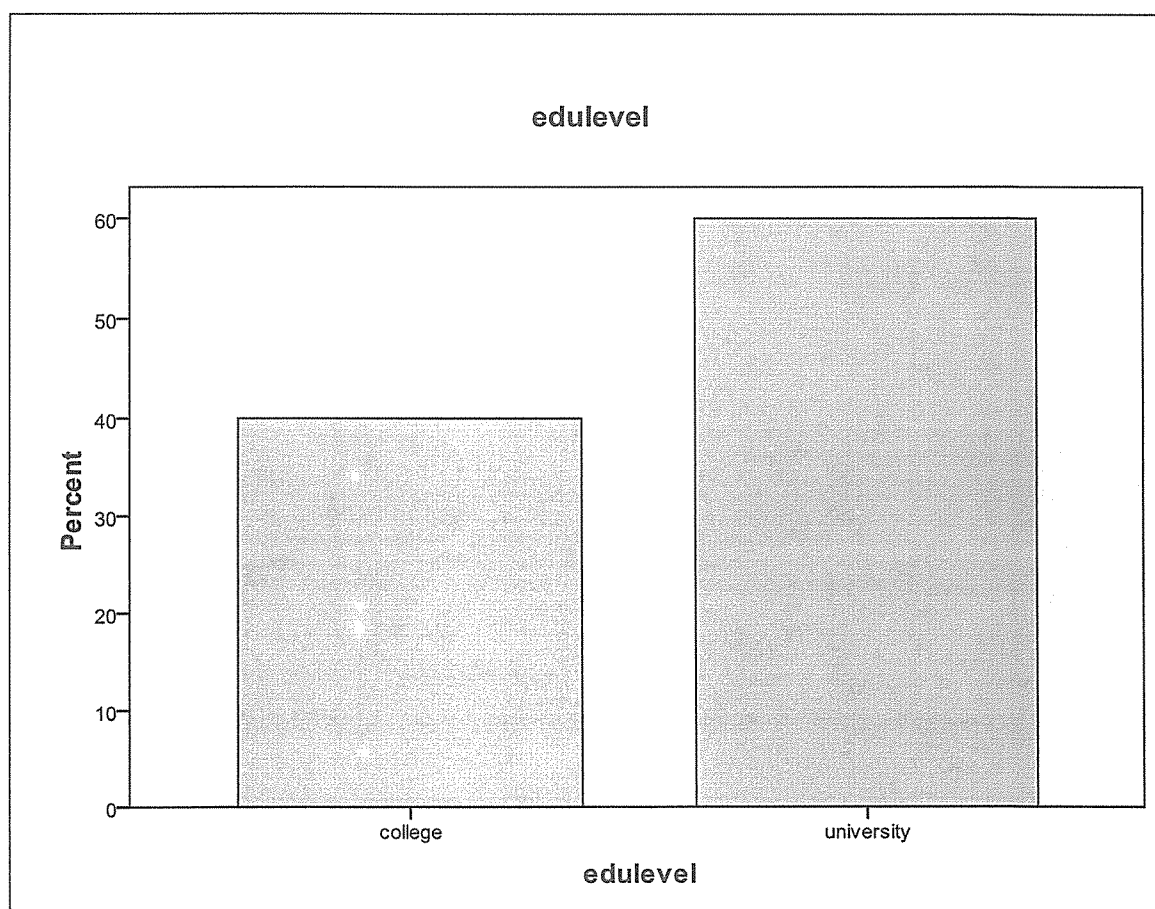
Source: From primary data collected.

Table 4.11 shows that the NGO work force comprises of 56.7% were males while 43.3% were female. The data shows a bias in employment towards the male gender. Many of the NGOs surveyed on do not have an employment policy to enhance gender parity in the recruitment process.

The structure of the work place discrimination is sustained by stereotyped attitudes towards women's abilities. Once a job or occupation becomes either 'men's or women's' work, the myths and prejudices about the relative abilities of the sexes become powerful justifications for retaining the status quo. For example, the supposed inferiority of women as regards to physical strength and mechanical aptitude has long justified their exclusion from skilled manual work. The sex stereotyping of jobs reveals that these are socially constructed images.

The other problem leading to the large disparities of employment of employment in NGOs is the problem of combining domestic with the notion of full-time career. Traditionally, women are inclined towards child care and home-keeping hence disadvantaging them in the work place.

Figure 4.12 – Education level



Source: from primary data collected.

From 4.12, 12 of those interviewed (40%) had college level education, and 18 (60%) had university education. This shows that majority of the NGO workers have training and skills to run those organizations.

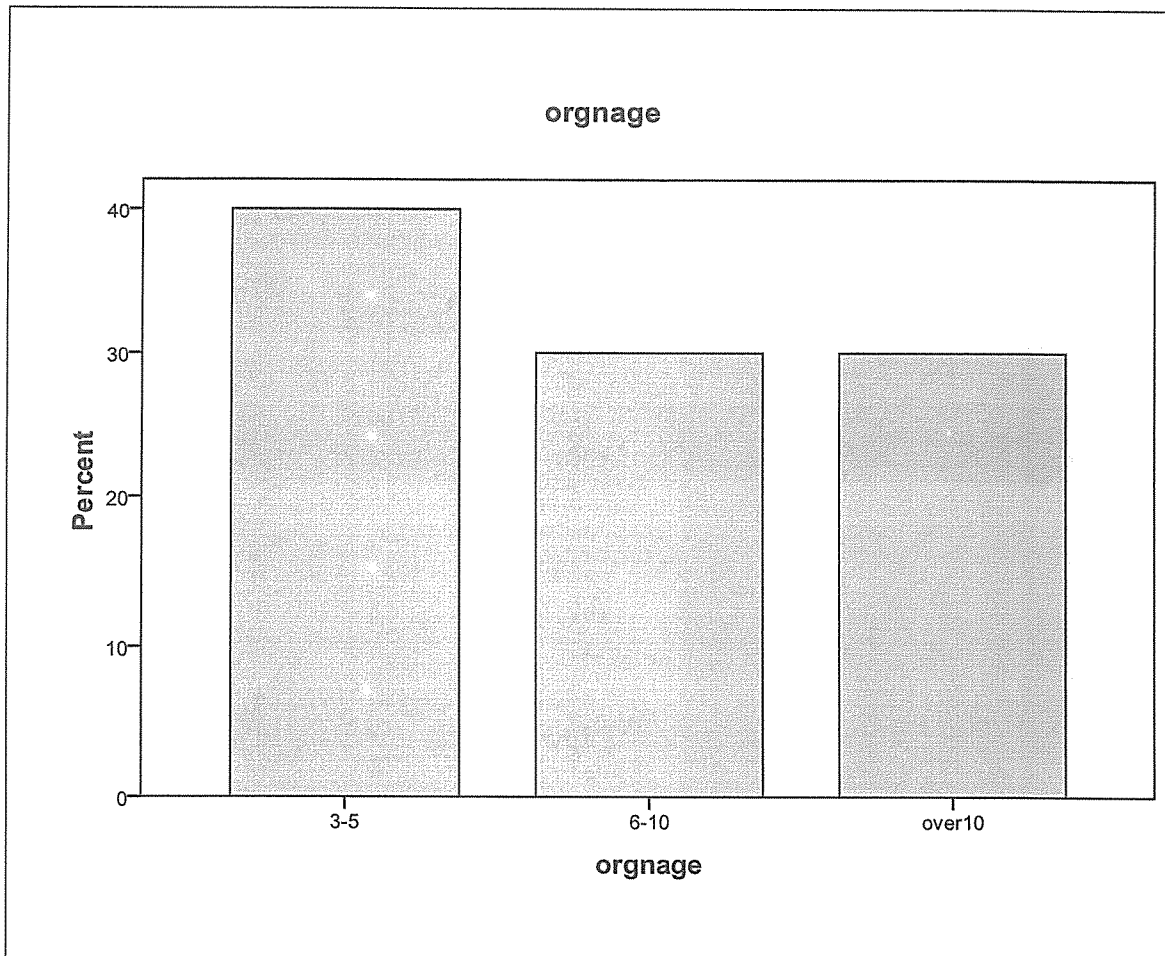
Professor Boyatzis (1982) carried out intensive research aimed at determining which characteristics of managers enables them to be effective in various management jobs. His study involving 2000 managers holding 41 different jobs in 12 organizations discovered a range of factors which differentiated successful from less successful managers. Among those factors include; the desire to succeed and confidence at the work place which is greatly influenced by education and training.

Professor Boyatzis came up with the word competency to represent those factors of performance. Competency is therefore primarily about personal attributes and their characteristics with regard to how they relate to their job performance.

Boyatzis defines competence as a capacity which exists in a person that leads to a behavior that meets the demands of the job within the parameters of organizational environment and that in turn brings about the desired results.

Research has since shown that the better the fit between the requirements of a job and competencies of a person, the higher will be the person job performance and job satisfaction.

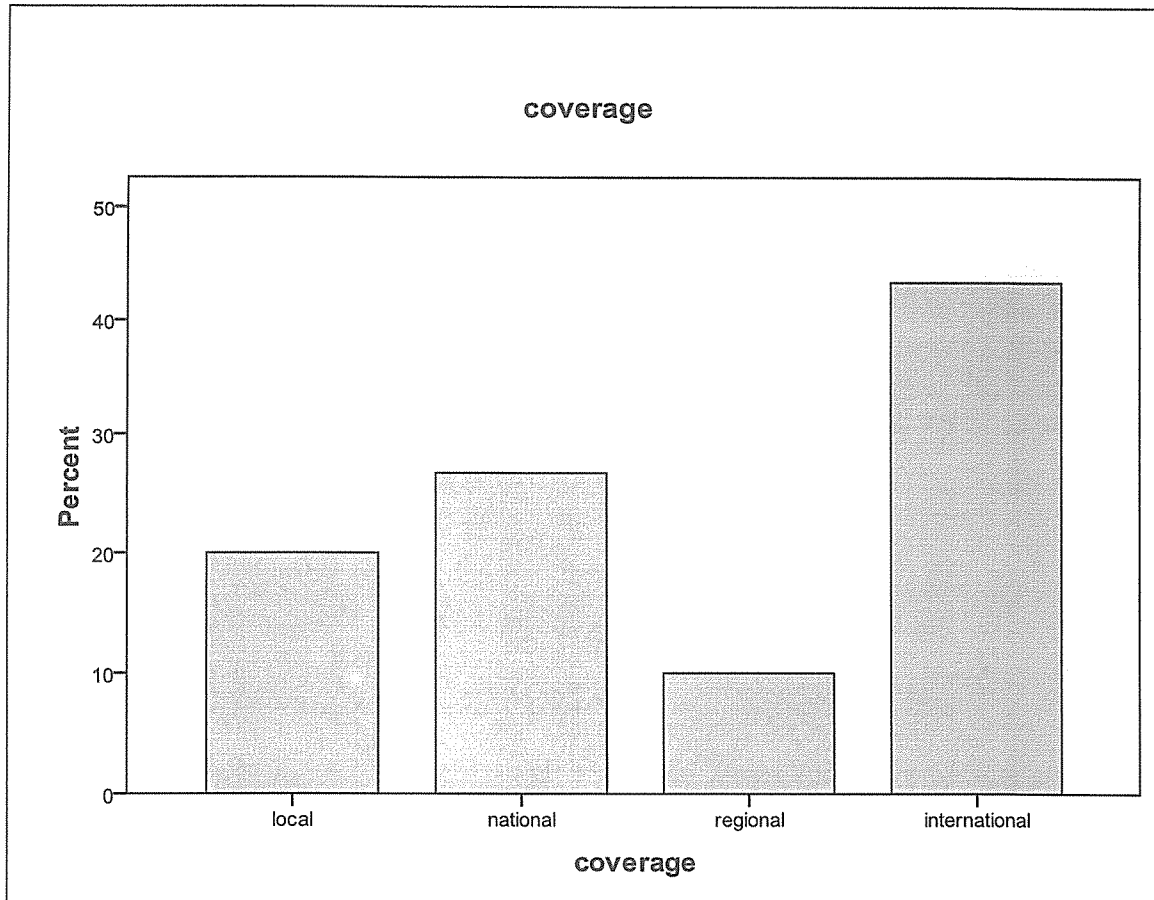
Figure 4.13 – Organizational age



Source: From primary data collected.

Figure 4.13 shows that 40% of the NGOs were 3-5 years old, 30% were 6 -10 years old while 30% were over 10 years old. The data shows that the greatest numbers of NGOs are less 5 years old and therefore young and inexperienced. Their governance and operation structures are still evolving.

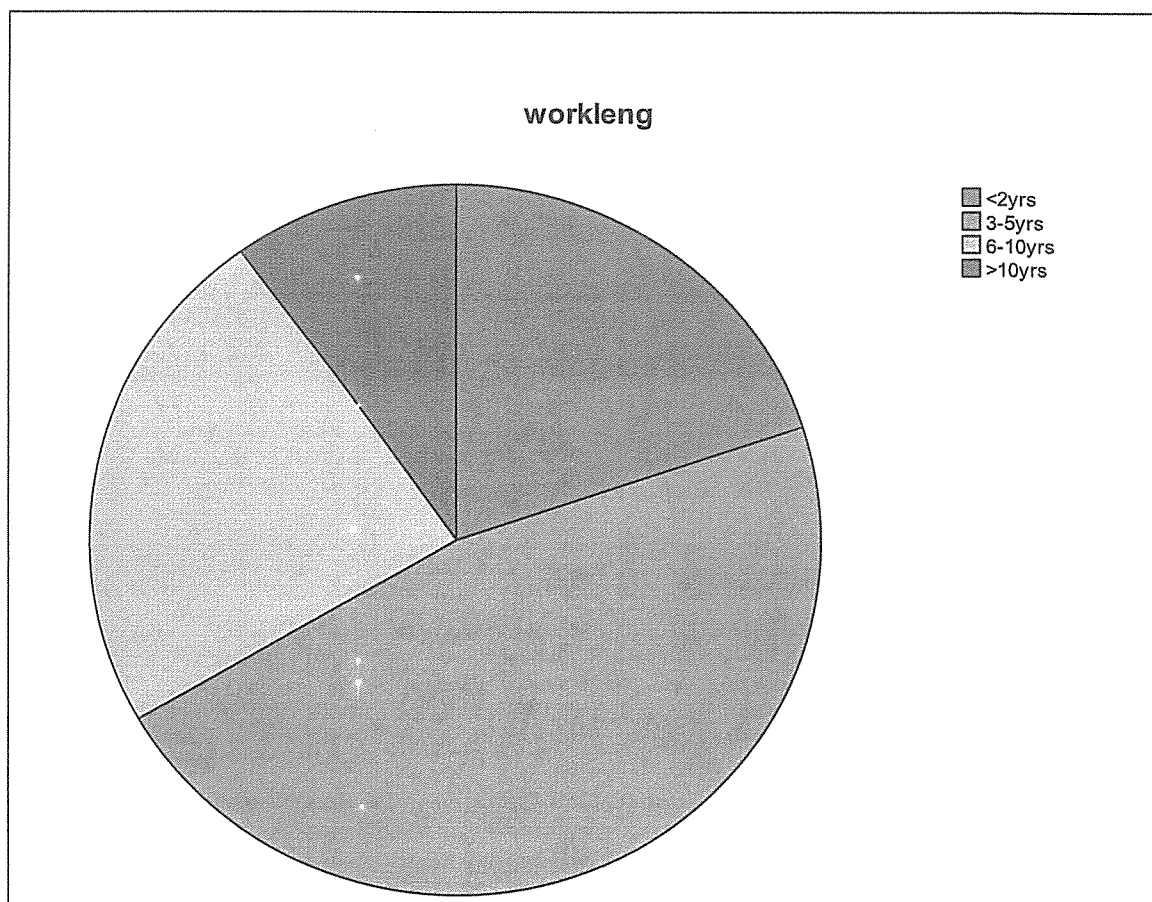
Figure 4.14 Coverage



Source: From primary data collected.

From Figure 4.14, the study shows that 6 organizations (20%) are local NGOs, 8 of them (26.7%) are National, 3 of them (10%) are regional and 13 of them (43.3%) are international. From the study it is clear that most organizations are international with their headquarters in Western countries but having field offices in Kisii town.

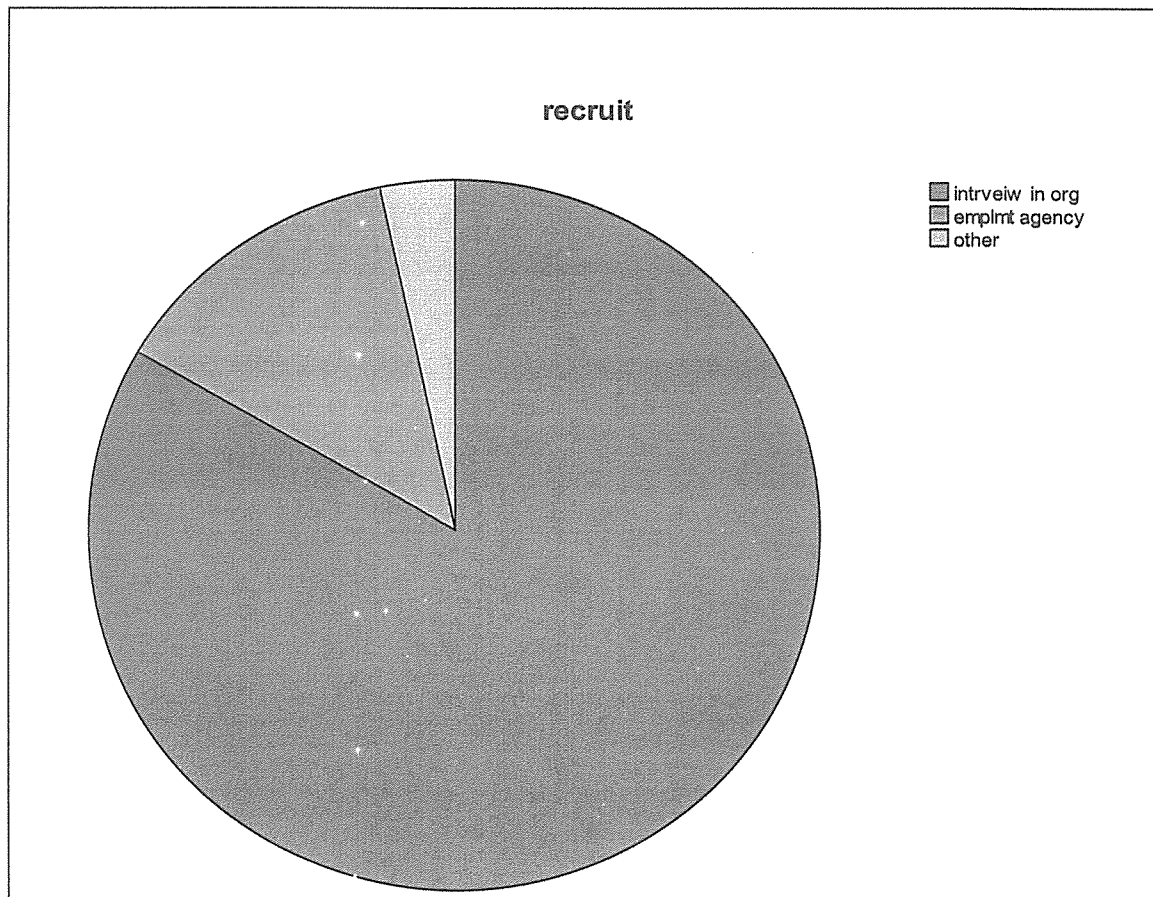
Figure 4.15 – Work length of NGO workers



Source: from primary data collected.

Figure 4.15 shows that 20% of the workers have worked for less than 2 years with the organization, 46.7% have worked between 3-5 years, 23.3% have worked for between 6-10 years, while 10% of the workers have been with the organization for more than 10 years. The study shows that the greatest % (66.7%) have been with the organization for less than 5 years.

Figure 4.16 Recruitment



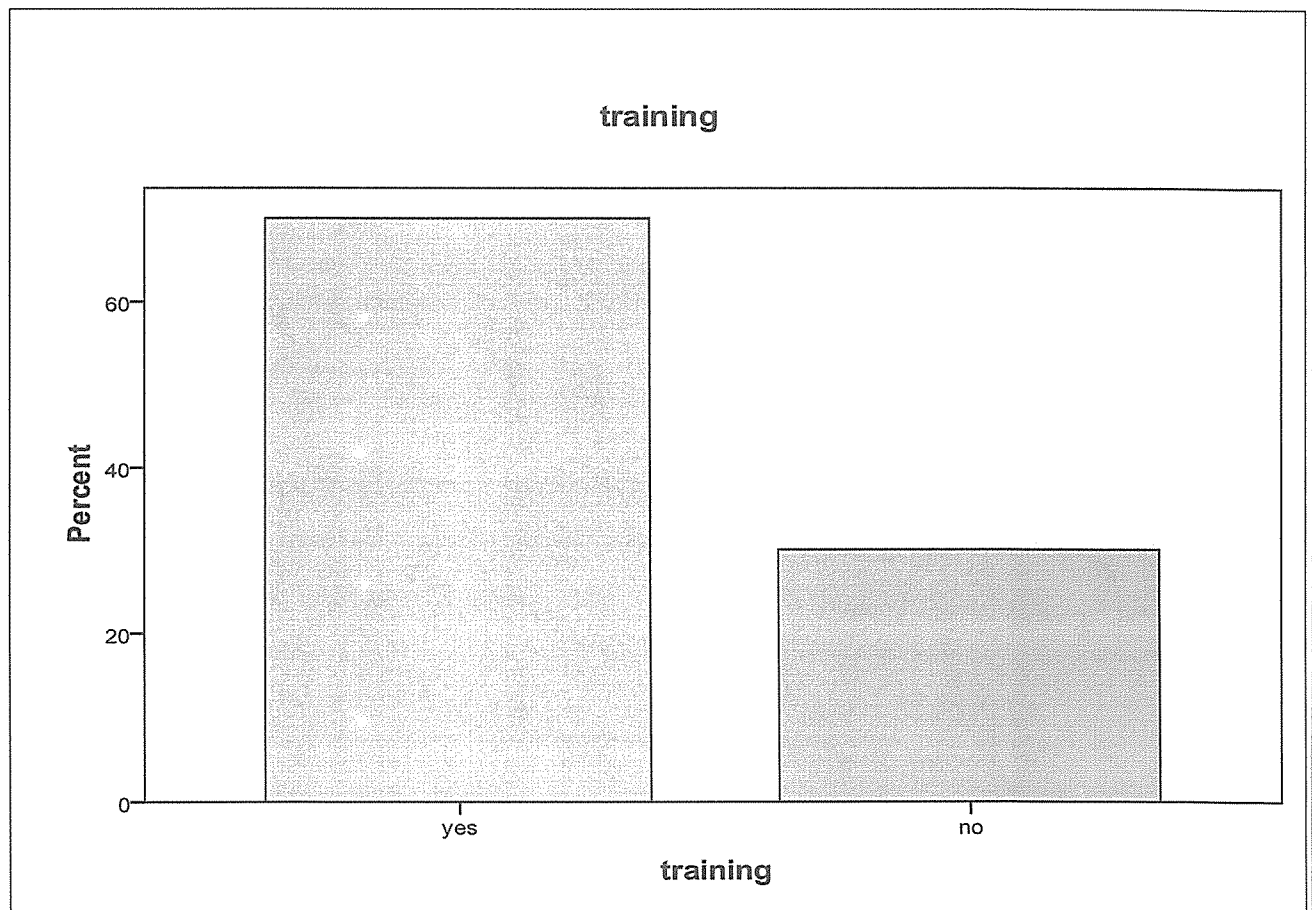
Source: from primary data collected.

The data on figure 4.16 shows that 25 of those interviewed (83.3%) of the NGOs employ through their own interviews in the organization, 4 NGOs, (13.3%) use employment agencies for recruitment of staff, while (3.3%) use other methods of recruitment such as being seconded by other NGOs, or volunteering service.

According to Margret Dale (2006), a managers' success depends entirely on the quality of the people in the team. This is why it is important that new people

have skills and abilities needed to perform the job to the standard required when they are appointed. In order for organizations to keep their valued employees, it is important to ensure that employment contracts are build on firm, well-negotiated foundations. This will enhance mutually satisfying and productive working relationships. Simple but effective recruitment, interviewing and selection are essential firm steps you need to build the team you need for continued success.

Figure 4.17 – Training



Source: From primary data collected.

From figure 4.17, it can be seen that 21(70%) of the NGOs have a training policy for their workers while 9(30%) of the organizations do not have a training policy for their employees.

'Information by itself is not knowledge; it requires addition of experience and consideration' –Philip Crosby. Due to changing times in NGO operations, there is need for continuous training and re-training to enhance efficiency.

According to Maicibi (2003), all organizations are made up of human resources and other non-human resources. When the right quality and quantity of the human resources is brought together, it can manipulate the other resources towards realizing the organizational goals and objectives.

People are clearly an organizations most valued asset, but just hiring the best is not enough. Managers must find effective ways to support their staff, to remove obstacles which may be holding them back and to help them to find their feet.

It has long been argued that the quality of the human resources has a high correlation with the level and quality of organizational performance and productivity.

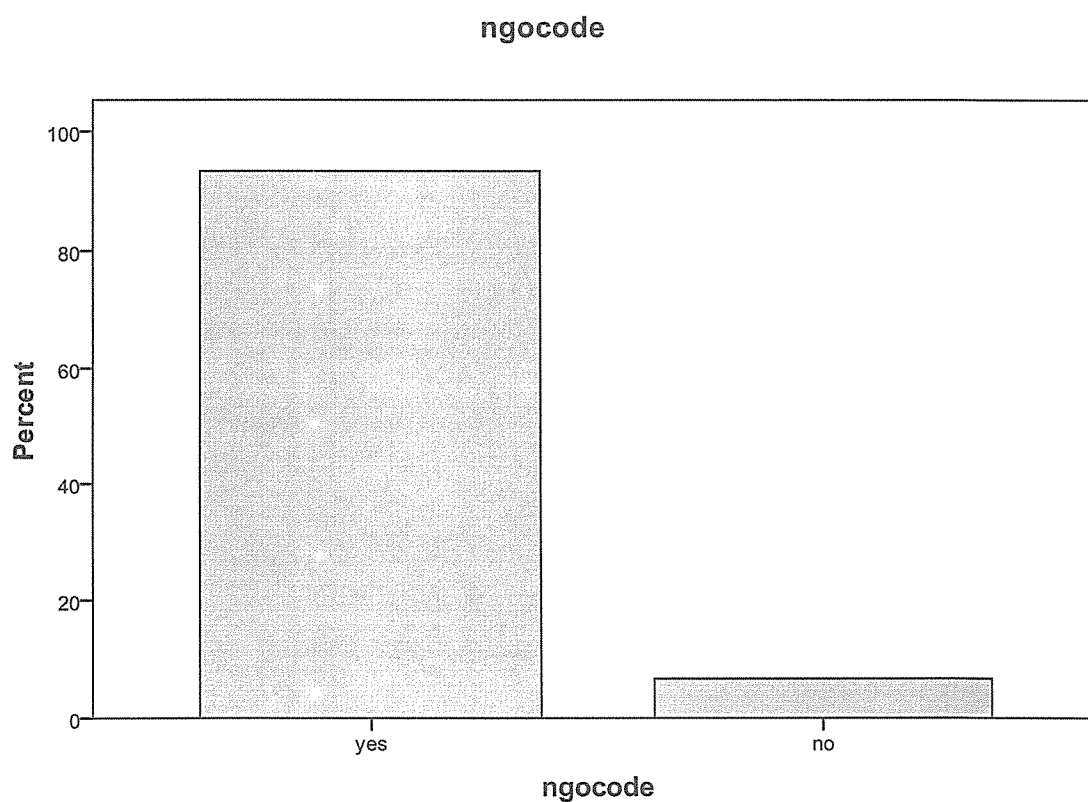
Philip Darling (2003) asserts that the long term success or failure of an organization depends upon the quality of its work force. Providing the right sort of training and development and encouraging people to take advantage of it, will not only foster that quality but also give the organization its most basic and central source of competitive advantage- the skills to do the job well.

According to Darling, to be able to meet organizational needs;

1. Senior management need to recognize and accept the overall responsibility for training.

2. Line managers need to possess awareness and understanding of the training function so as to formulate clear expectations of its role and contribution and fulfill their own direct responsibility for it.
3. Training investment needs to be directed towards, and integrated with the needs of the organization.
4. Trainers need to have the capacity to contribute fully to the development of the organization and its workforce at a strategic level.

Figure 4.18 – NGO Code



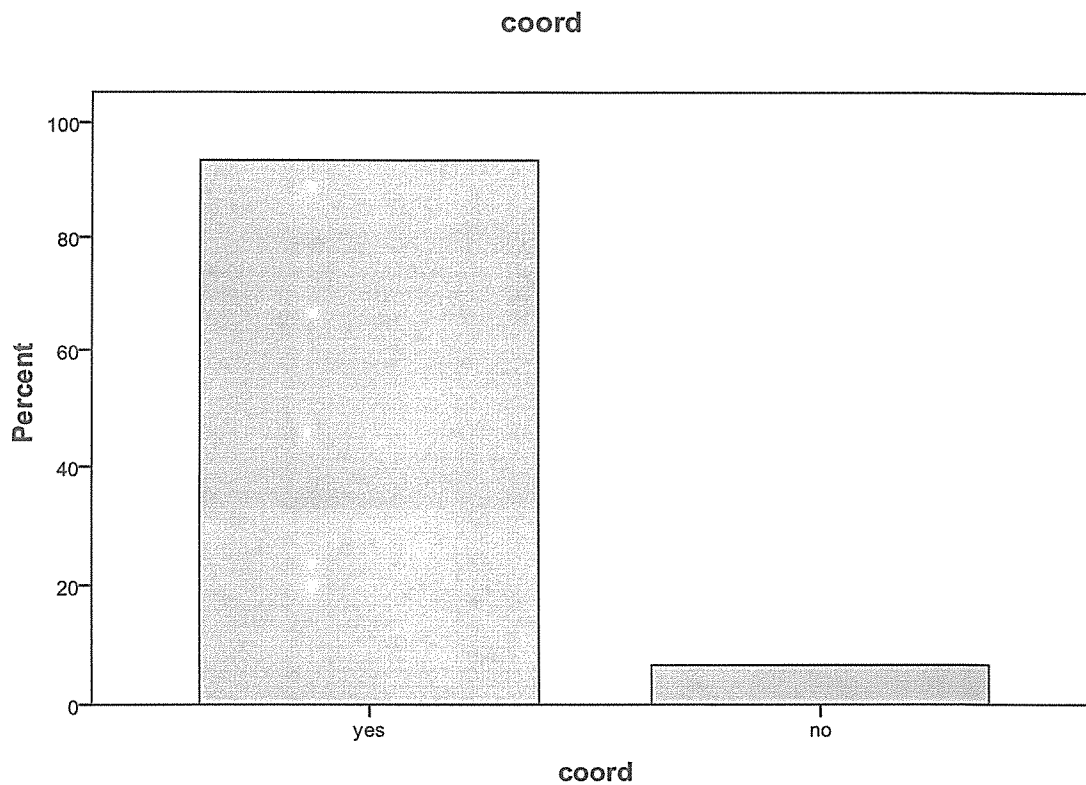
Source: From primary data collected.

From figure 4.18, 28 organizations (93.3%) have an NGO code governing their operations while 2 (6.7%) do not have an organizational code of ethics.

The NGO code contains matters related to integrity, accountability and transparency, independence, antiviolenence, gender equality and financial management, including accountability to external parties such as beneficiaries, government, donors, other NGOs and the general public.

Society needs rules to function effectively, so does to an NGO. The role of the code is to establish rules and guidelines by which everyone in the organization will operate. The code provides a structure for presenting those rules as well as a source of information to employees and managers. It provides consistence so that the employees can be assured of fair treatment, it is also an authoritative source for managers on how they can handle specific situations. It serves as an arbitration device in the event of disputes, it serves as a useful orientation and training tool, it also highlights hiring and promotion policies as well as employee development opportunities. The code therefore not only assists the employees of an organization but also assists the NGO to be consistent in the application of its policies and practices.

Figure 4.19 – Co-ordination meetings

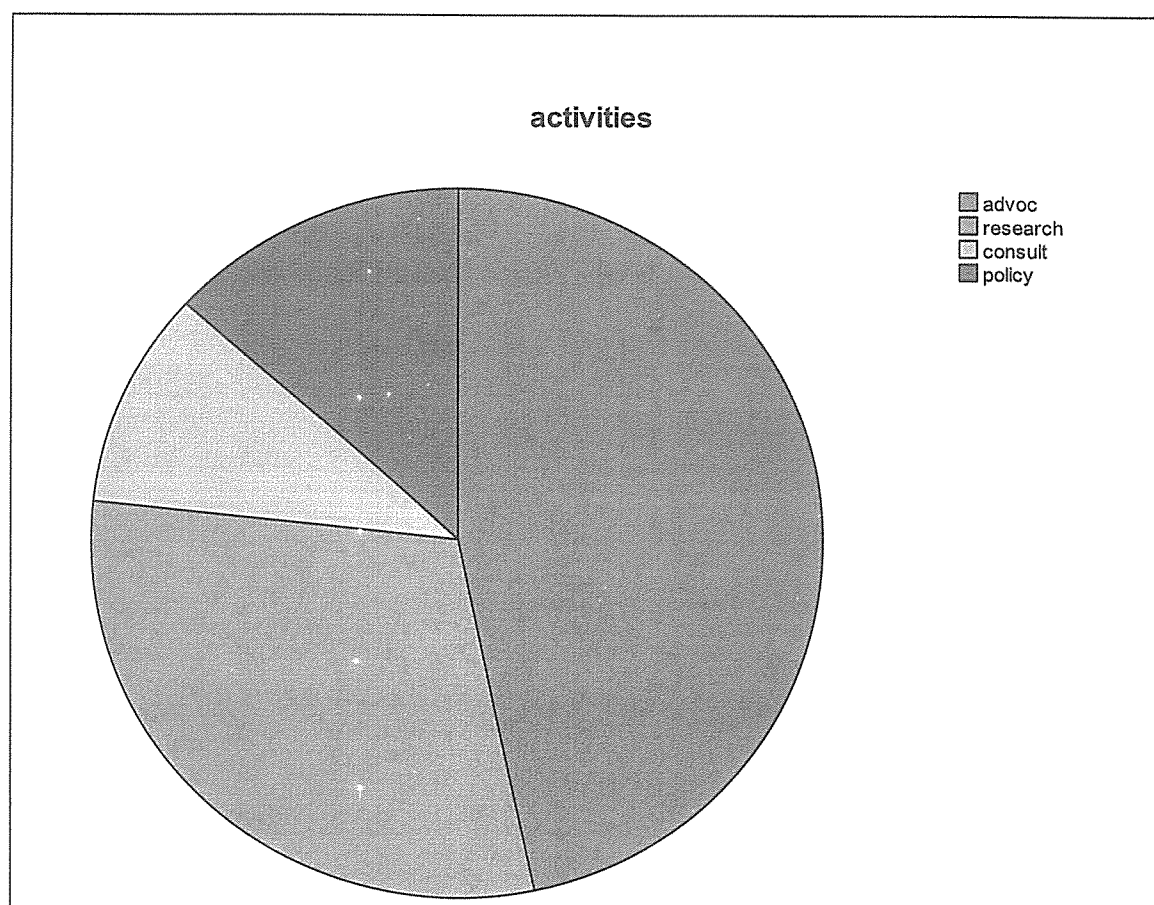


Source: From primary data collected.

From figure 4.19, the study shows that 28 organizations (93.3%) have regular co-ordination meetings while 2 (6.7%) do not conduct co-ordination meeting at a regular basis.

A professional board of governors of an NGO has a formal system of meeting, discussions and decision making and recording (agenda papers, minutes and so on). Members take individual and collective responsibility for the different aspects of governance such as sub-committees.

Figure 4.20 Main activities of NGOs in Kisii

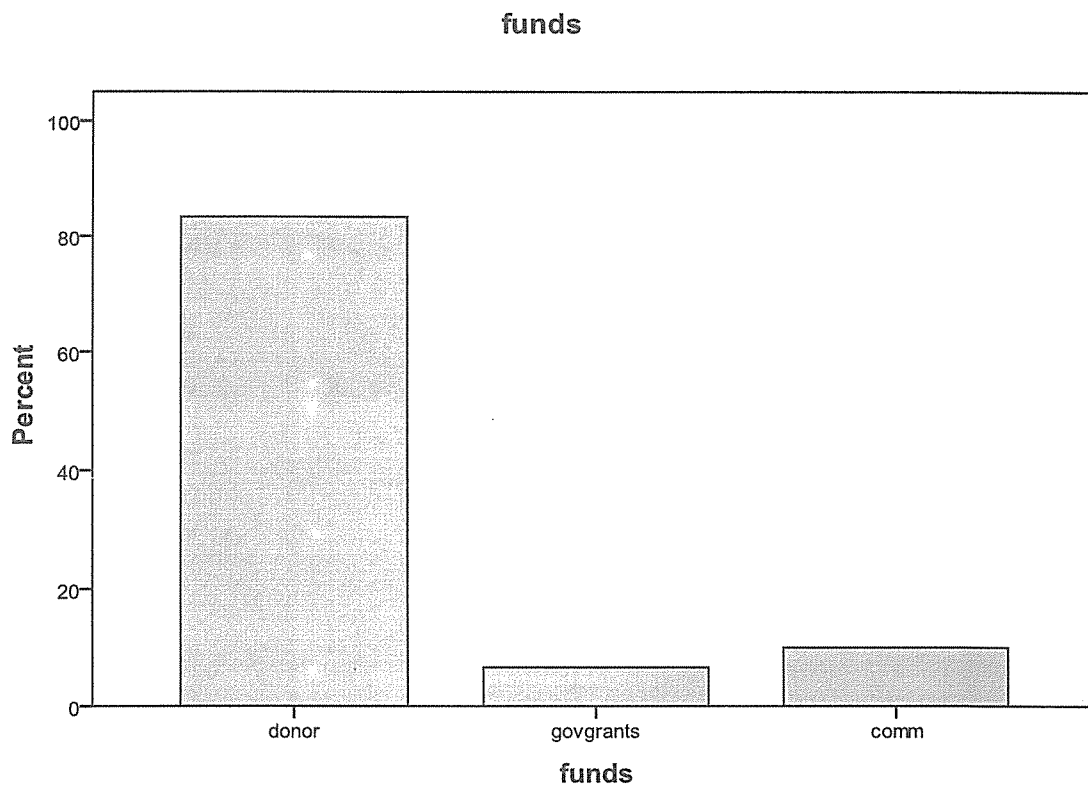


Source: From primary data collected.

From figure 4.20, the data shows that of the 30 organizations researched on, 14 (46.7%) are on advocacy, 9(30%) are on research, 3 (10%) are on consultancy while 4(13.3%) are on policy influence on the local level and the national level.

Those involved in advocacy are on HIV and aids campaigns on behavior change and abstinence of the youth. The impact of those NGOs has not been felt because of insufficient funds and lack of capacity.

Figure 4.21 Sources of NGO Funds



Source: From primary data collected.

From figure 4.21, it can be seen that 83.3% of the NGOs depend on donor funding, 6.7% depend on government funding, and 10% depend on community mobilized funds in their operations.

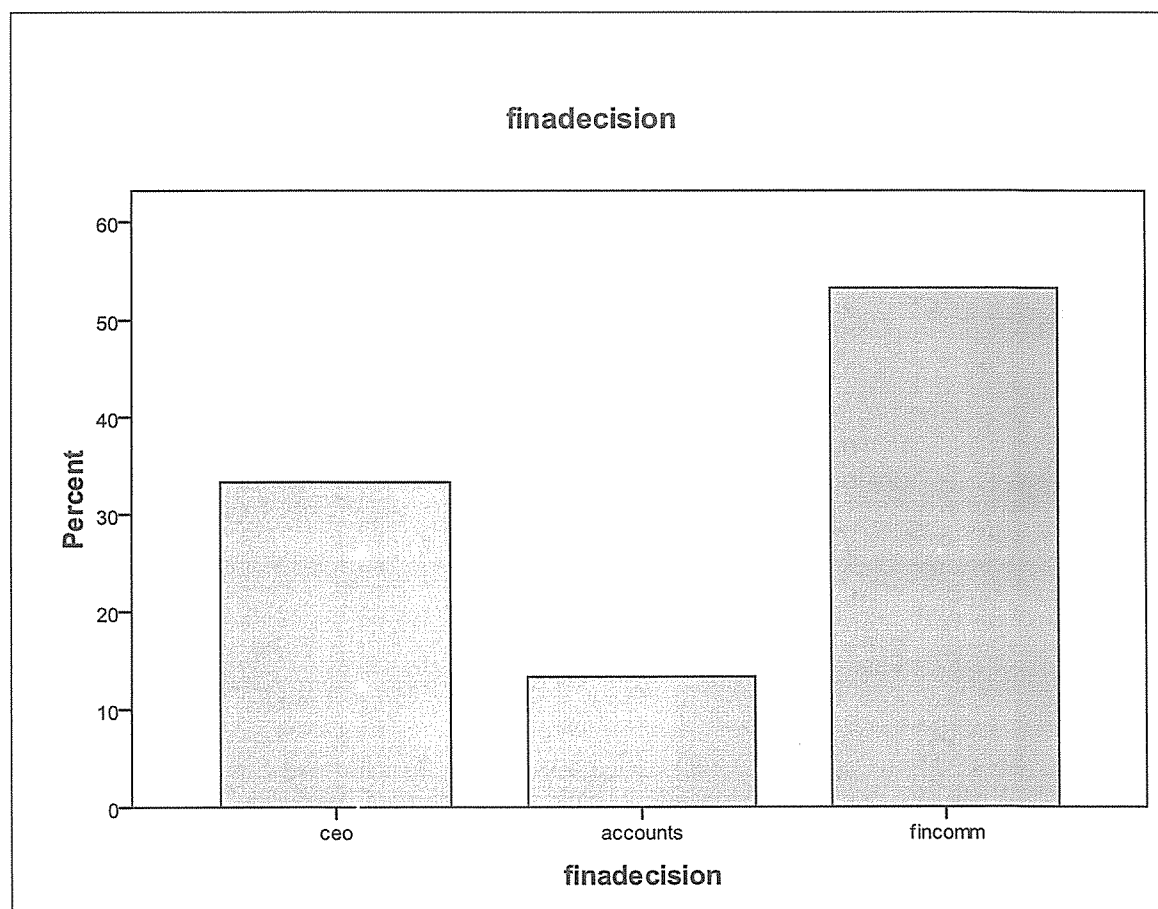
There are no specified rules controlling receipt of funds from overseas. Many NGOs relies on overseas donors and base their programs on availability of donor funds. Local initiatives are encouraging NGOs to be more self-reliant, to look for funding locally and creatively diversify funding streams. The collections

must be conducted in compliance with the provisions of the public collections Act 2000.

Donor funds comes with conditionality's making them not readily available for projects. This has negatively impacted on sustainability of NGO projects.

Project and donor-driven NGO development should be diversified to involve other sources of funds to enhance sustainability. This calls for more aggressive fundraising activities. It is also important that the NGO sector starts to relate more directly to the Kenyan stakeholders, being more responsive to local needs.

Figure 4.22 Financial Decision making in NGO's



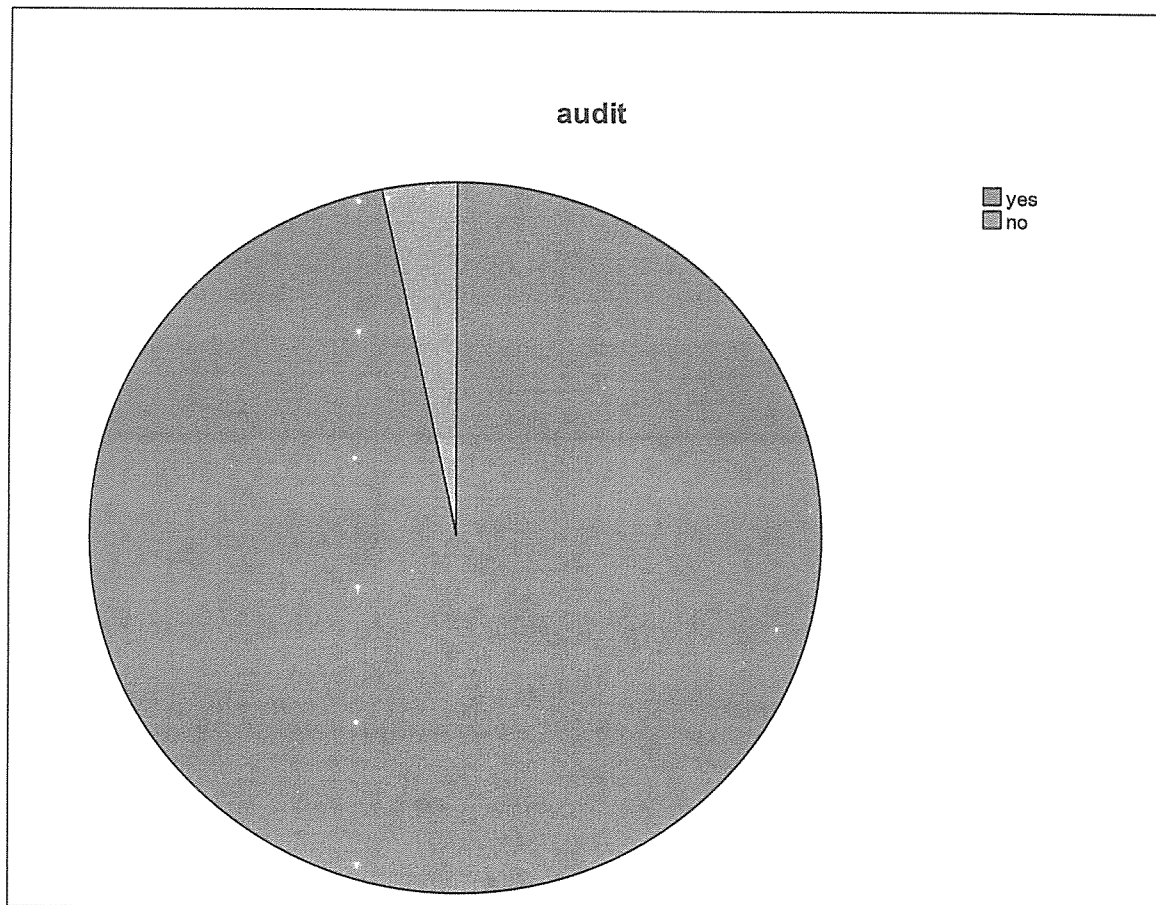
Source: From primary data collected

From figure 4.22, 10 NGOs (33.3%) have their decisions made by the CEO, 4 (13.3%) of them have the accounts department as the main decision makers while 16(53.3%) of the decisions made by the finance committees.

Properly managed Non Governmental Organizations, needs to have structures that enhance more ownership in decision making where many members of the NGO are involved. This is best done through committees.

Financial accountability requires an active and functioning board which feels both a legal and moral obligation this regards. Such a board provides a set of measures needed in the organization to ensure the necessary checks and balances for proper recording and reporting according to agreed targets and goals.

Figure 4.23 Audit of NGO funds



Source: From primary data collected.

The Figure shows that 29 NGOs (96.7%) have their funds audited while 1 NGO (3.3%) do not have their funds audited

The state of affairs here has been greatly influenced by the provisions in the law governing the operation of NGOs in Kenya.

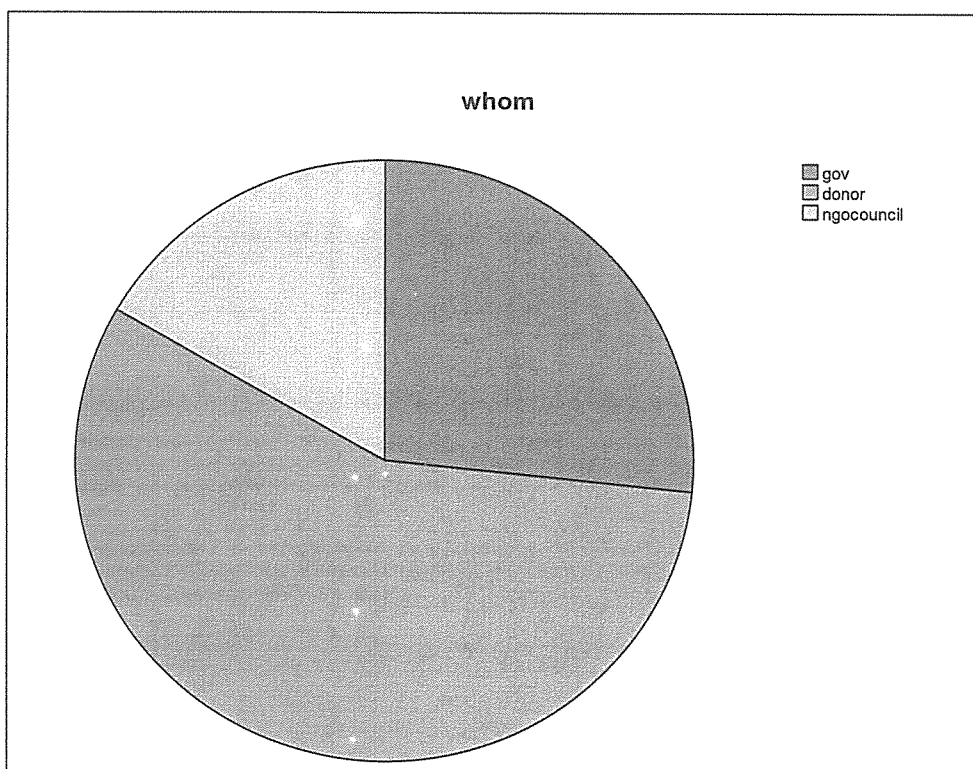
In pursuant to section 7(c) of the Non Governmental Organization coordination Act, 1990, all registered nongovernmental organizations and operating in

Kenya are required to submit their annual returns to the NGOs coordination board within three months after completion of their financial year. Organizations with annual incomes of Kenya shillings one million and above re further required to submit audited accounts. Failure to submit the returns attracts penalties.

Audits are conducted so as to obtain all information and explanations which are considered necessary in order to provide the auditor significant evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or error.

In forming an opinion, it is important to evaluate the overall adequacy of the presentation of information in the financial statements.

Figure 4.24 – Who audit the NGO funds



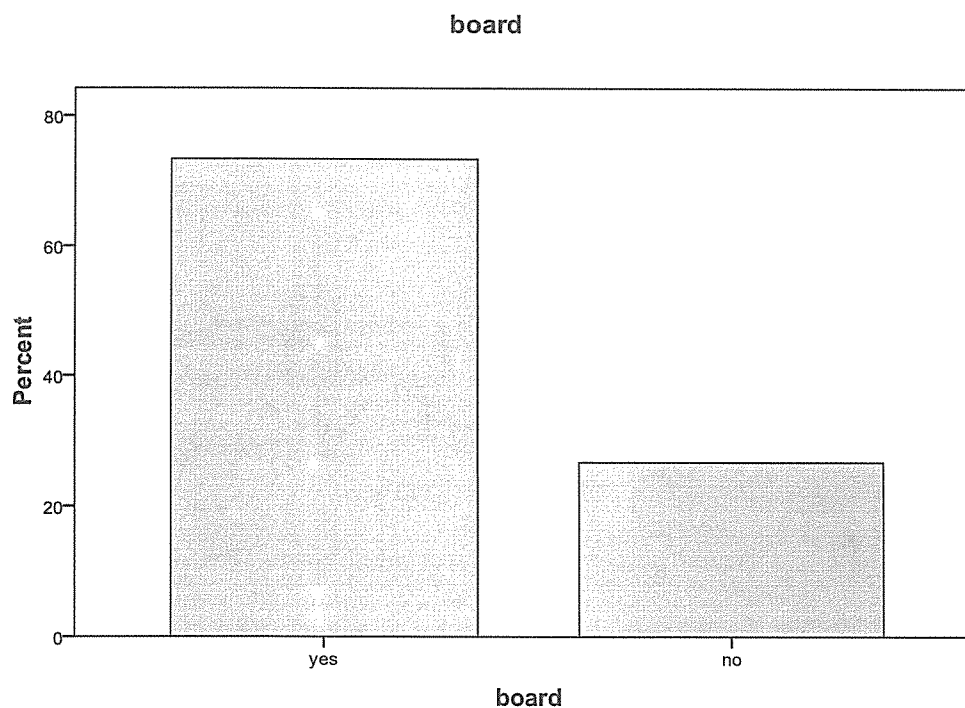
Source: From primary data collected.

From figure 4.24, the research shows that 26.7% of the NGOs are audited by the government while 56.7% are audited by the donors. 16.7% are audited by the NGO council

The regulatory framework of NGOs requires that NGOs declare bank account details in their annual reports and to report any changes in address or changes in officers to the NGO board. NGO's must also submit an annual return to the NGO board by 31st march every year.

The national NGO council has produced a code of conduct for all NGOs to promote compliance with the minimum ethical and governance standards.

Figure 4.25 – Does the NGO have a functional board of governors?



Source: From primary data collected.

Figure 4.25 show that 22 NGOs (76.7%) have a board of governors while 8 NGOs (23.3%) do not have NGO boards.

The NGO board's major responsibilities are:

- To acquire and protect the organization's assets
- To make certain that the organization is working to fulfill its mission.

At their best, boards reflect the collective efforts of accomplished individuals, who advance the institutions mission and long- term welfare. The board's contribution is meant to be strategic and the joint product of talented people. People on the board are brought together to apply their knowledge, experience and expertise to the major challenges facing the institution.

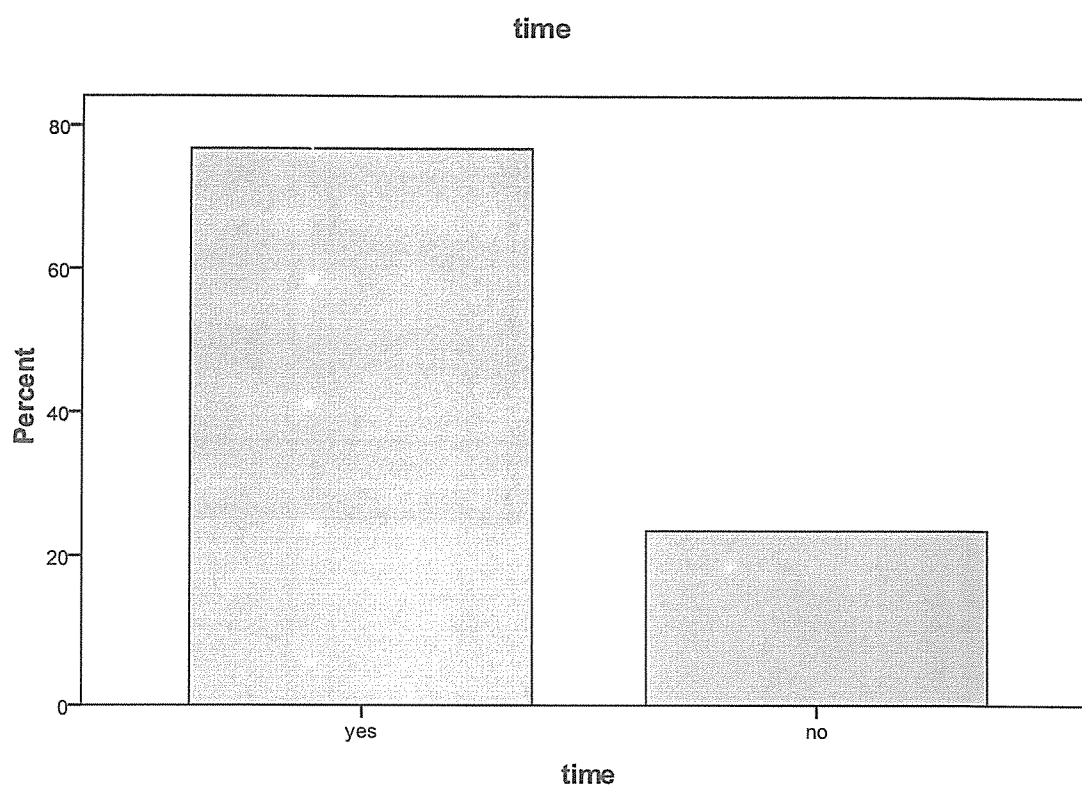
According to Edwards and Hulme (1994), most NGOs especially local ones have poorly constituted boards comprising of family members, close friends and current employees of the organization.

Such boards have conflict of interest between service and governance decisions. In situations where serious ideological, programmatic and perceptual disagreements emerge among senior staff in the organization, the governing mechanism is unable to deal with those disagreements rationally, since the argument is brought forward and replays in the board itself.

Such boards are also unable to provide a fresh, objective and balanced perspective on the strategies, programs and functioning of the organization. The staff develops perceptual blocks and vested interests in perusing specific strategies and programs and these remain unquestioned by such a board because it is comprised mostly of staff themselves.

A good board of governors of an NGO should be constituted professionally based largely on the shared vision of likeminded people, but also including consideration of the professional and strategic requirements of the organization.

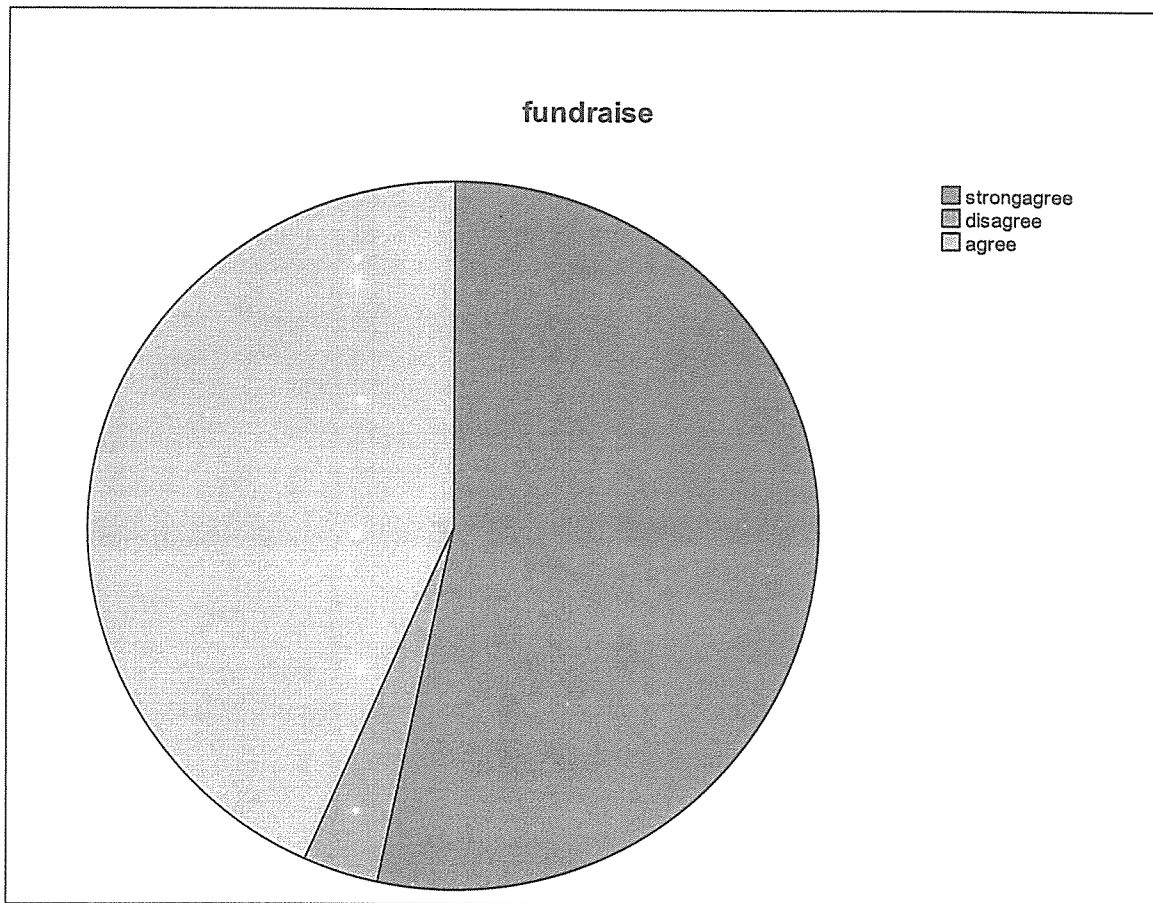
Figure 4.26 – Does the NGO board keep time in meetings?



Source: From primary data collected.

Figure 4.26 show that 23 organizations constituting 76.7%, the board of governors keeps time in their meetings while 7 of them (23.3%) do not keep time in their meetings. Board members who keep time in their meetings are those who are committed to the organization and hence take organizational success as their responsibility. Time keeping characterizes good governance.

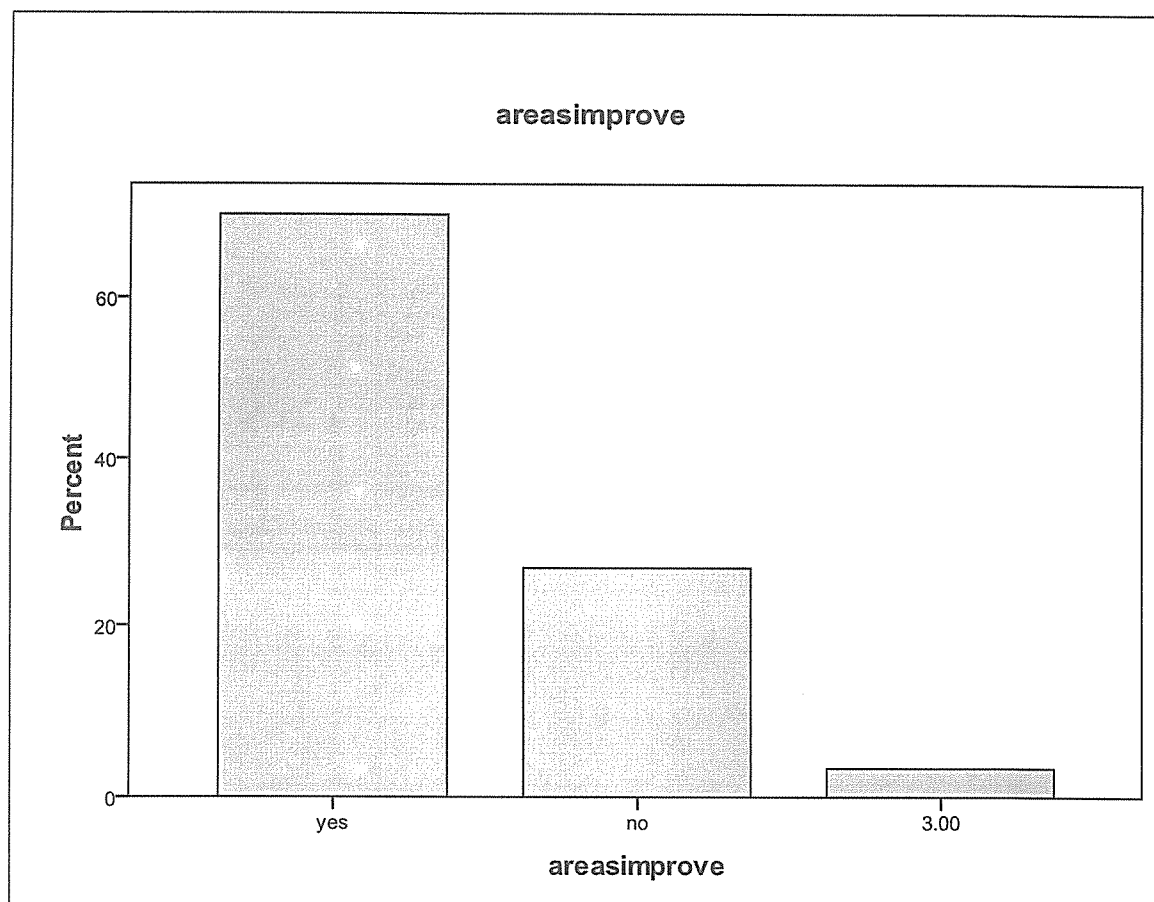
Figure 4.27 – Fundraising



Source: From primary data collected.

The figure 4.27 shows that 16 NGOs (53.3%) strongly agree that their boards of governors make conscious effort to fundraise for the organization while in 13(43.3%) NGOs, respondents agree that the board is committed towards fundraising for the organization; only in 1 organization (3.3%) does the board not make efforts to fundraise for their organization. Generally, fundraising is a core function of any operational NGO board and priority should be given to fundraising to enhance sustainability of the programs.

Figure 4.28 – Are there areas to improve?



Source: From primary data collected.

The data on figure 4.28 shows that 70% of the NGOs feel that there are areas where they need to improve, while 26.7% feel that they are fine. 3.3% of the organizations are not sure of where they fall. Generally, most organizations feel that all is not too well and the situation need to be improved; in operations, governance, or in financial management.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

In the light of the study, linkages exist between NGO governance and accountability. NGO accountability is thus related in three dimensions;

- Accountability vis-à-vis the mission of the organization; as an institution oriented to social change within the framework of civil society, an NGO needs to define, refine and pursue a clear mission. This can be done through a focused board of governors.
- Accountability vis-à-vis its performance in relation to that mission. This involves demonstrable performance both in process and outcomes, is essential to generate feedback to programs and approaches implemented in a given time frame.
- Accountability vis-à-vis its role as an actor in the civil society's norms, rules and styles of functions that match standards of being a good civil institution.

In all the three respects, the governance of an NGO is a critical element. An effective system of governance enables an NGO to formulate, review and reformulate its mission in a changing context. Good governance ensures that programs follow the requirements of an NGO mission, promotes a performance orientation and accountability in the institution and requires that the values (integrity, participation, professionalism, and commitment), statutes (reporting, legal standards and procedures) and norms of socially concerned civic institutions are articulated, practiced and promoted. An effective structure and process of governance in an NGO is absolutely critical for ensuring accountability in this wider sense.

Good governance is the key to growth and sustainability of non-governmental organizations. Effective NGO governance, presents methods and techniques for Planning and implementing actions to improve organizations governance.

Organizations sustainability – it is the ability to serve its clients over a long time – depends largely on the quality on the organization's governance.

Your ability to work successfully with NGO stakeholders to improve the organization's governance depends on several personal competencies:

- ✓ Your people, language and cross-cultural skills
- ✓ Your energy, motivation and altitude and
- ✓ Your understanding of the basic of NGO governance.

The core values of NGOs are volunteerism and self-less service to the poor and the needy. There have been allegations that while NGO interventions have helped significantly facilitated uplift of the poor, it is only a relatively much lesser portion of the resources that reach the real target group.

Characteristics / weaknesses of NGOs

From the research, NGOs exhibit the following characteristics/weaknesses;

1. Are centralistic and urban, most of them operate within the towns and Municipalities and to a large extent do not reach the rural poor.
2. They are elitist and middle class, where most decisions are made by the top Management or high ranking committees without involving field staff. The leadership is normally middle class with university degree or diplomas but have little knowledge of grass root mobilization. There are cases of great distance between NGO's and communities they work for, geographically culturally, socially and economically.
3. Many NGOs are on advocacy; NGO's are micro-oriented and enlisted. However they lack advocacy skills.
4. Lacking focus and ideology – Many NGO's in the district are involved in many activities ranging from research, advocacy, consultancy without

necessarily having any skills in the activities they are involved in, i.e. environmental groups are election monitors, research institutions manage development programs, anti-corruption groups deliver emergency assistance. Many NGOs go where the problem or the money is with regard to their Capacity to implement those projects.

5. There are few mechanisms through which NGOs can be held accountable to communities, further reinforcing the social distance and lack of impact. The general public, the media as well as state actors are complaining about the lack of accountability and other civil society organizations.

The above weaknesses have not helped either to generate public trust towards NGOs in developing legitimacy, accountability and transparency.

Due to that many NGOs are in the middle of severe financial crisis after many donors stopped to fund projects. This lack of financial assistance has forced many NGOs to rationalize the number of staff and scale down their operations compounding the humanitarian crisis in many parts of the country.

Although the sector provides important services to the people of Kenya, the sector is largely dependent on donor funds hence not sustainable.

The research has shown that there are governance and financial accountability lapses in some NGOs.

Recommendations:

1. There is a need to develop educational programs and learning materials on the theme of NGO governance so as to strengthen NGO practice.
2. To ensure effective cooperate governance and financial accountability, a new set of rules or Acts should be enacted addressing diverse types of NGOs and their activities to replace the 1990 laws.
3. The NGO council should be more autonomous and should monitor the entire NGO sector including registration, monitoring, controlling and other associated work.

4. A system of social audits should be introduced under the NGO board and compliance standards should be enforced to all actors in the sector.
5. Thematic/program based umbrella bodies should be formed by the concerned NGOs for ensuring self-regulation and due diligence.
6. Early steps should be taken for infrastructural improvement, logistic benefit skill development and capacity building of the NGO staff backed by sufficient resources and incentives.
7. For effective cooperate governance and financial accountability, corrupt tendencies such as nepotism tribalism should be avoided.
8. All stake holders should operate within the policy guidelines to ensure effective checks and balances within the NGO sector.
9. Decision should not be made by the /CEO unilaterally. Stakeholders and NGO worker's participation must be ensured.
10. There should be a regular participatory planning cycle that ensures the involvement of all stake holders in Kisii central District. These include local communities, local and central governments, researchers, NGOs, and CBOs.
13. The development partners, along with providing funds for a project, should monitor and evaluate the activities of the concerned NGO. They must stop their funding immediately if any irregularities are detected.
14. Information dissemination should be institutionalized and made accessible to the public, especially its stakeholders.
15. More research is needed to highlight how corporate governance and financial accountability in kisii central district can be sustainably managed.

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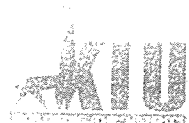
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APPENDICES

APPENDIX I: TRANSMITTAL LETTER



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INSTITUTE OF OPEN AND DISTANCE LEARNING
OFFICE OF THE DIRECTOR

Date: 17th April, 2010

TO WHOM IT MAY CONCERN

Re: Recommendation for data collection

This is to recommend Mr. Thomas Abuga Ongera Reg. No. MBA/20535/72/DF our student in Masters in Business Administration (MBA) NGO Management from May 2008 under Open and Distance Learning Programmes for data collection for his research entitled 'Corporate Governance and Financial Accountability of NGOs in Kenya: A Case Study of Kisumu Central District. The named student is under the supervision of Dr. Oundo Irene a Lecturer at Kampala International University (KIU).

Any assistance provided to him will be highly appreciated.

We thank you for your cooperation.


W. Owoyele Ph.D
Director-IDL

APPENDIX II: BUDGET

<u>Item</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Total Cost (\$)</u>
Writing Material	10 reams	50	500
Secretarial services			200
Printing and binding			500
Pens	20	1.5	30
Field trips/travel costs	20	40	800
Computer & Accessories	1	650	650
Contingencies			250
		Total Cost	\$ 3330

APPENDIX III: TIME FRAME

May 2009 – September 2009	Choice of Topic.
September 2009 - October2009	Presentation of Proposal. for approval.
November 2009 - March 2010	Data Collection.
May 2010 – July 2010	Data analysis and interpretation.
By August 2010	Submission of complete thesis for marking.

APPENDIX IV: QUESTIONNAIRE FOR NGO WORKERS

Dear respondent,

This questionnaire is part of a researcher being undertaken by Thomas Abuga Ongeru of Kampala International University. It seeks to assess corporate governance and financial accountability of NGOs working in Kisii District in Kenya.

You have been specifically selected to participate in the study to assist the researcher realize the goals of the study. This data is for educational research and so your responses to the items in this questionnaire will be treated with absolute confidentiality.

Thank you

Please respond by ticking in the blank spaces.

1. Please indicate your age category

- a) 18 – 25 years ☐
- b) 26 – 30 years ☐
- c) 31 – 40 years ☐
- d) Above 40 years ☐

2. Indicate your sex

- a) Male ☐
- b) Female ☐

3. Indicate is your level of education.

- a) Primary ☐
- b) Secondary ☐
- c) College ☐
- d) University ☐

4. How long has the organization you have worked for existed?

- ☐
- a) Between 3-5 years
- b) Between 6-10 years. ☐
- c) Over 10 years. ☐

5. What is the profile/ geographical coverage of the organization you work for?

- a) Local ☐
- b) National ☐
- c) Regional ☐
- d) International ☐

6. How long have you worked for your organization?

- a) Less than 2 years ☐
- b) Between 3- 5years ☐
- c) Between 6-10. ☐
- d) Over 10 years. ☐

7. What system is used in recruitment?

a) Interview within the organization ☐

b) Through employment agencies ☐

c) Others specify -----

8. Does the NGO have a training policy after recruitment?

Yes ☐ No ☐

9. Does the NGO have a code of conduct governing behavior of employees?

Yes ☐ No ☐

10. Do workers of your organization have regular coordination meetings?

yes. ☐ No ☐

11. What are the main activities of the NGO you work for?

a) Advocacy ☐

b) Research ☐

b)

c) Consultancy ☐

d) Policy formulation and influence. ☐

12. Does your organization have an operational board of governors?

a) Yes ☐ No ☐

13. Does the board of governors keep time in their meetings?

a) Yes ☐ b) No ☐

14. Are the board members committed towards fund raising for the organization?

a) Yes ☐ b) No ☐

15. How are organizational funds sourced?

a) Donor agencies ☐

b) Government grants ☐

c) Community mobilized funds ☐

d) Others specify -----

-

16. Are funds sourced for projects audited?

Yes ☐ NO ☐

17. If yes, who audits them?

a) Government ☐

b) Donor ☐

c) National NGO council ☐

d) Others specify -----

18. Who makes financial decisions in your organization?

a) Chief executive officer ☐

b) Financial ☐

19) How do you rate the effectiveness of the programs in your organization?

a) Fair ☐

b) Good ☐

c) Very good ☐

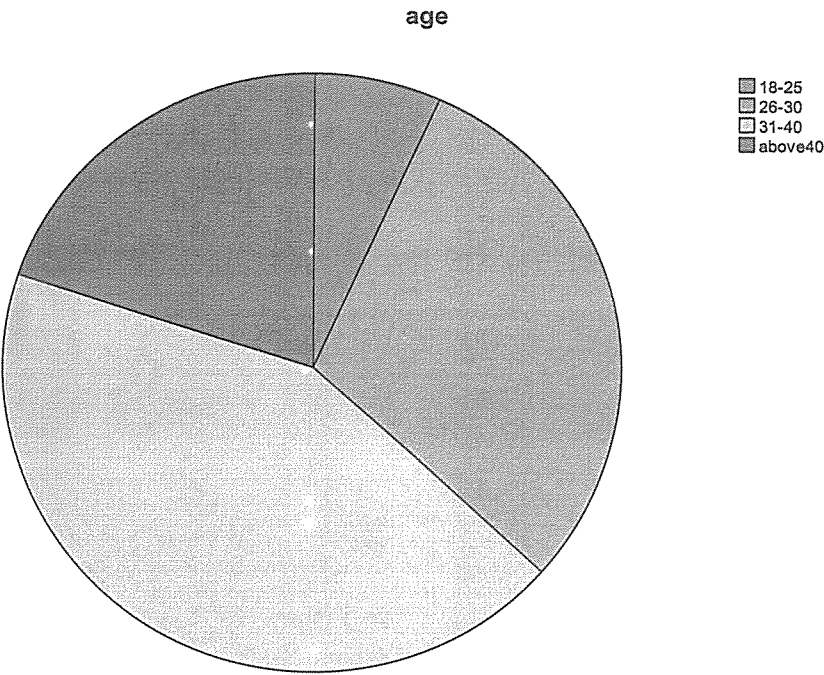
d) Excellent ☐

20. What are the main gaps and/ or challenges facing the NGO you work for?

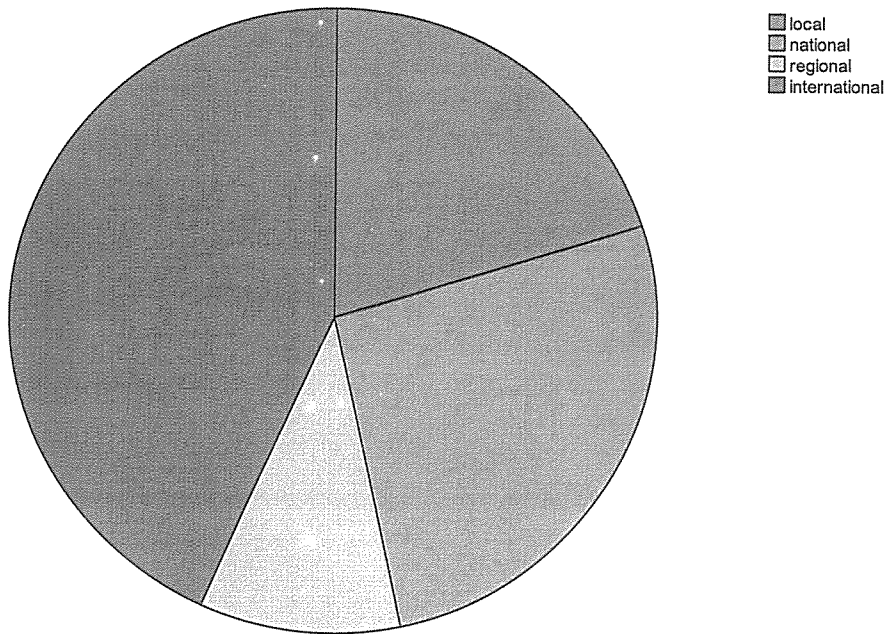
21. How could you rate the effectiveness of the methodologies/ approaches and strategies for the programs in your NGO?

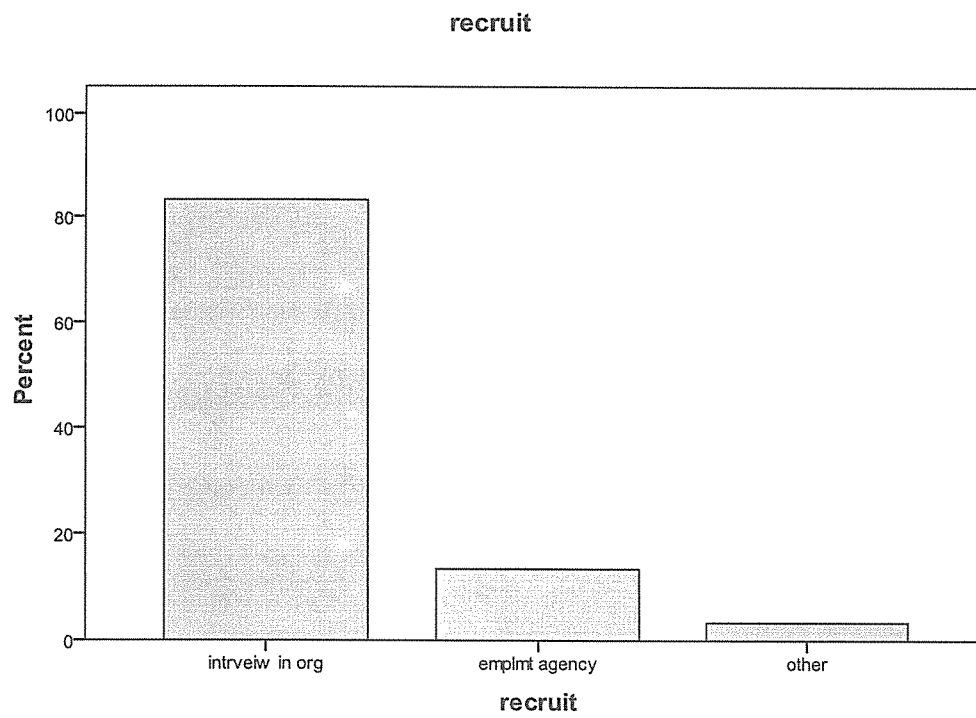
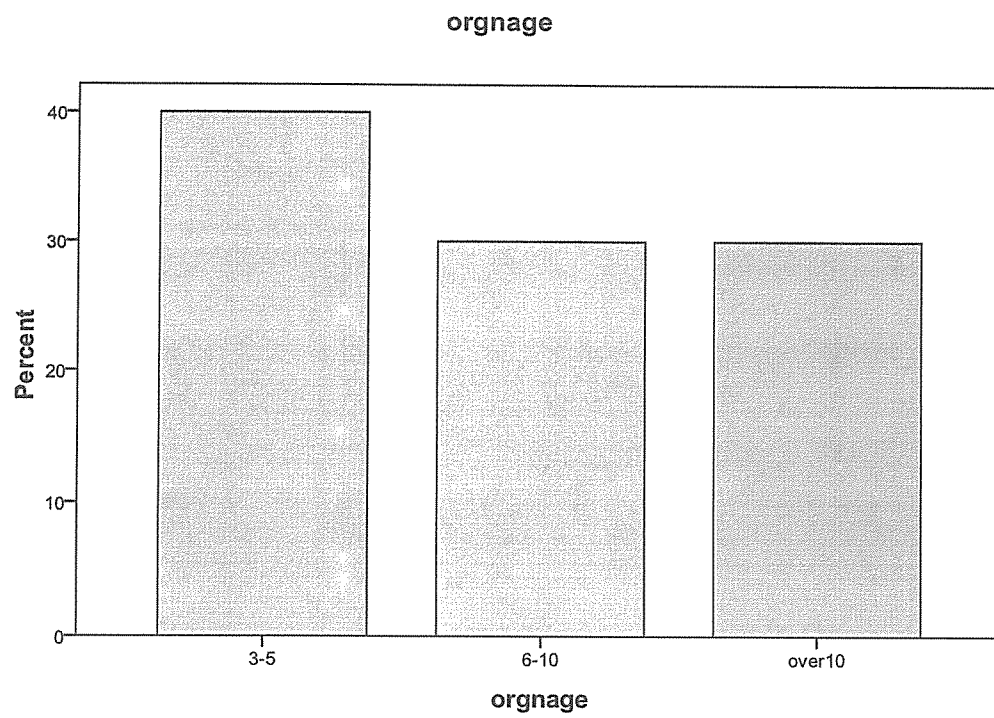
22. In your opinion how do structures in your organization help in enhancing the objectives of the organization?

APPENDIX V: PROPOSED DATA PRESENTATION.



coverage





Financial decision

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	CEO	10	33.3	33.3	33.3
	accounts	4	13.3	13.3	46.7
	Financial committee	16	53.3	53.3	100.0
	Total	30	100.0	100.0	

Effectiveness

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	4	13.3	13.3	13.3
	2.00	17	56.7	56.7	70.0
	3.00	7	23.3	23.3	93.3
	4.00	2	6.7	6.7	100.0
	Total	30	100.0	100.0	

Key:

1. Fair

2. Good

3. Very good

4. Excellent

Time

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	23	76.7	76.7	76.7
	no	7	23.3	23.3	100.0
Total		30	100.0	100.0	

Key.

Yes-those NGOs whose boards keep time in their meetings.

No-those NGOs whose boards do not keep time in their meetings.

APPENDIX VI RESEARCHER'S CV.

CURRICULUM VITAE

PERSONAL DATA

NAME : THOMAS ABUGA ONGERA
SEX : MALE
DATE OF BIRTH : JUNE 1973
MARITAL STATUS : MARRIED

B) EDUCATIONAL BACKGROUND

2008 – TO DATE: MBA (NGO)

Kampala International University – Ongoing

May 2010 Diploma in Project Planning and Management

Kenya Institute of management (KIM) – Ongoing

August 2009 – Certificate in Project Planning and Management – Makerere University

1992-1996 Bachelor of Education – Kenyatta University.

1986-1990 - Kenya Certificate of Secondary Education – Cardinal Otunga High School – Mosoch.

1979 – 1985 Kenya certificate of primary education

1979 – 1985 – Kenya Certificate of Primary Education (KCPE)

Rikenye Primary School

WORK EXPERIENCE

1997 – 1998 – Teaching Mathematics and Business studies – Emenwa Secondary school.

1999 – to date – Teaching Mathematics – Cardinal Otunga High school - Masoch.

2010 – Teaching part-time , St. Annes College – Kisii.

2010 – Project Coordinator – Mosoch Youth Enterprise Fund (small investment – Big Rewards NGO)

2005 to date, Coordination and marking the Kenya Certificate of Secondary Education Exam (KCSE) Mathematics 121/2

POSITIONS HELD

2005 to date – Head of Department Gamer C.O.H.C

2007 – 2009 Vice Chairman – Kisii District Secondary School Sports Association (KDSSSA).

2008 to Date: Secretary – Kitutu Masaba Constituency Development Fund Monitoring Committee.

