

# UNIVERSITY OF CAPE TOWN



## FACULTY OF HUMANITIES DEPARTMENT OF SOCIAL DEVELOPMENT

*To what extent does governance affect funding of Non-Governmental Organisations in Mauritius?*

Minor Dissertation - SWK5001W

A minor dissertation submitted in partial fulfillment of the requirements for the award of the degree of

MSocSc Social Policy and Management

BY

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## DECLARATION

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This work has not been submitted previously in whole or in part, for the award of any degree. I hereby declare that it is my own work. Each significant contribution to, and quotation in, this dissertation from the work, or works, of other people has been attributed, and has been cited and referenced.

Signature: S.Pillai

Date: 15/05/14

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## DEDICATION

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*I dedicate my work to your lotus feet Swami. It all happened through your blessing and the faith that I can achieve all I desire.*

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## ABSTRACT

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This research study *To what extent does governance affect funding of non-governmental organisations in Mauritius?* was conducted in year 2013 and 2014. It sought to investigate how good governance practices had increasingly become a prerequisite in the service delivery of Non-Governmental Organisations (NGOs) in the country.

Mauritius is often referred as the ‘Star’ of the Indian Ocean due to its successful socio-economic development, rapid growth in its standard of living and the consolidation of its democratic institutions. However, the country, without any natural resources and heavily dependent on its multi ethnic population, remained among the most vulnerable countries in the world to global economic changes. In recent years the number of NGOs had mushroomed around the island to bring unprecedented contributions to grassroots communities’ development. This had raised the need to address the importance and impact NGOs have had on policies and in advancing initiatives that used to be exclusively in the domain of the State and Private Sector. With increased importance, came increased responsibility. The State aimed for NGOs to develop a system of proper governance.

The rationale of this study was based on the premise that many NGOs in Mauritius were not aware of the characteristics of good governance practices. In addition, it explored the correlation between good governance and funding. Studies on governance of NGOs worldwide, demonstrated that most of them were facing funding issues due to failure in applying good governance practices. Also, among the main objectives of the research study were to identify between good and bad governance practices which affected the administration of NGOs.

The study was carried out on a sample of 31 NGOs which were all registered NGOs under the Mauritius Council of Social Service (MACOSS) and which operated its services in Mauritius. An exploratory research design was adopted using a quantitative method. The researcher used survey questionnaires through the electronic web-based *Survey Gizmo* for data collection. The sampling method used in the study was probability sampling.

The findings from the survey were very intriguing in relation to the literature about the challenging nature of the NGOs in Mauritius. The results revealed that most respondents recognised and valued the importance of adopting good governance practices within their respective NGO. One of the research question was to assess the extent to which the government

contributes to good governance practices of NGOs. The majority of the respondents acknowledged that the NGO sector in Mauritius should be strengthened.

The main recommendation from this study is that policymakers need to reinforce governance issues among the Government, Private Sector and the NGO sector of Mauritius. The government should play a leadership role in ensuring the financial sustainability of the NGO sector.

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Appendix 1: Survey Questionnaire

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## LIST OF ABBREVIATIONS

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APRM	African Peer Review Mechanism
CAFS	Centre for African Family Studies
CSOs	Community Service Organisations
CSR	Corporate Social Responsibility
DCP II	Decentralised Cooperation Programme II
EISA	Electoral Institute for Sustainable Democracy in Africa
EU	European Commission
FSC	Financial Services Commission
ICAC	Independent Commission Against Corruption
ICPD	International Conference on Population and Development
LRC	Law Reform Commission
MACOSS	Mauritius Council of Social Service
NCSR	National Corporate Social Responsibility
NGOs	Non-Governmental Organisations
NPOs	Non-Profit Organisations
NSAs	Non State Actors
PCU	Programme Coordinator Unit
UN	United Nations
UNDP	United Nations Development Programme
UNDEF	United Nations Democracy Fund
UNESCAP	United Nations Economic and Social Commission for Asia and Pacific
UNESCO	United Nations Educational, Scientific and Cultural Organisation

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**CHAPTER ONE**  
**INTRODUCTION**

## 1.1. Overview

This research report provides a contextual understanding of the problem, the rationale as well as the significance of the study *To what extent does governance affect funding of non-governmental organisations in Mauritius?*. It states the topic of the research, the main research questions, the objectives and hypotheses of the study. In addition, a review of related literature is presented followed by the methodological process undertaken. A comment on ethical considerations and the limitations of this research study have also been stipulated. The data analysis, interpretation and presentation of findings have been assessed and demonstrated. Lastly, various recommendations followed by a conclusion have been made pertaining to the research study.

In recent times, the process of good governance has increasingly become a prerequisite which Non-Governmental Organisations (NGOs) need to abide by. Governance practices affect the process of decision-making and whether those decisions have been implemented or not. The concept of governance can be used in diverse contexts such as economic, corporate, global, social, national and local governance. This research study has focused mainly on how processes of governance affect funding of NGOs in Mauritius.

Mauritius is among one of the few countries which has successfully integrated international trade and achieved progress in the average standard of living as well as increased its economic growth. However, such developments have further contributed to inequalities among the impoverished people of society. Over the past decade, a number of NGOs have been created in order to address these inequalities. The growing numbers of NGOs have generated increased competition in seeking funds from local and international donors. From the studies, mentioned in the *Literature Review* chapter, the researcher noted that the number of local donors have fallen drastically due to economic instability in many countries. In addition, the view that NGOs which were able to receive huge amount of funding, from international and local donors, have had to apply good governance practices was also discussed.

Moreover, NGOs were perceived as important players expected to be efficient and effective service providers, able to step in where the public and private sectors had failed to do so. However, for NGOs to effectively deliver their services, the importance of good governance practices must be known. NGOs whilst seeking funding needed to meet to the requirements of

donors. These requirements would facilitate funding of NGOs which have adopted specific criteria and standards of good governance practices.

Hence, it was essential to determine whether NGOs in Mauritius were properly managed and if they had the necessary resources to function effectively. Given the fact that the concept of governance and funding of NGOs had not been researched and documented in Mauritius, this research study was the first of its kind to determine the extent that governance of NGOs affected their funding.

The study findings could generate knowledge for the donors about why local NGOs fail to comply with their requirements. This might help donors to identify the technical support they were willing to provide NGOs in order to ensure acceptable quality of projects. The findings obtained from the study were intriguing. For instance, the link between governance issues could be aligned, to a certain extent, with research in other countries, as discussed in the literature review chapter. On the other hand, some of the findings appeared to differ from the literature and these have been highlighted in *Chapter Three – Literature Review* and *Chapter Five - Presentation and Discussion of Findings*.

In addition, the analysis of the findings raised awareness of how NGOs' stakeholders viewed the overall NGO sector in Mauritius. Many respondents debated the fundamental role of the government in strengthening the NGO sector. These insights have been elaborated in *Chapter Five*, which provides a detailed analysis and interpretation of the key findings from the study. The researcher investigated how a lack of both good governance practices and skilled staff could impact on accessing funding from government and the private sector. The results from the research study showed that many NGOs lacked the expertise on how to raise funds. This research demonstrated that many NGOs failed to receive funding from the government as the application processes for funding were complicated and they lacked the expertise to develop a funding proposal.

Therefore, the key recommendation from this research study is based around the fact that the Government of Mauritius has to review its processes of how NGOs must apply for funds and grants. Improvements within the legislation to improve the financial stability of the NGO sector have also been discussed. Moreover, the government must play a leadership role in ensuring the financial sustainability of the NGO sector.

The researcher's recommendations will be useful to the three major pillar sectors of Mauritius, notably, the government, private sector, and most importantly to the NGO sector on both a national and international level. These will further enable organisations in assessing the importance of implementing good governance practices to address social issues such as marginalisation, inequality and discrimination in society. Thus, this study has been able to bring together theories on organisational context, the government sector, and NGOs in particular.

## **1.2. Structure of the Research Report**

This report consists of the following underlying chapters:

- Chapter Two - *Study Aims*: It provides a contextual understanding of the research problem in question, the rationale, and the significance of the study. Additionally, the objectives of the research are outlined as well as the ethical considerations and the foreseen limitations are stipulated;
- Chapter Three - *Literature Review*: It offers a comprehensive overview of diverse studies and theories pertaining to subjects relevant to the research topic;
- Chapter Four - *Methodology*: It explores the research structure and design; data collection methods, sample selection process and describes the methodology employed for data analysis;
- Chapter Five - *Presentation and Discussion of Findings*: It presents findings of empirical research and provides a detailed analysis and interpretation of the key findings from the study; and
- Chapter Six - *Conclusions and Recommendations*: It contains specific recommendations formulated with regards to the research problem.

## **1.3. Conclusion**

This chapter had reviewed the overall research study and issues surrounding the research problem. The following chapter discusses the *STUDY AIMS* of the research study.

# **CHAPTER TWO**

## **STUDY AIMS**

## **2.1. Introduction**

The aim of this research was to have a better understanding of the nature of problems faced by NGOs in Mauritius, and if these problems related to governance practices. Also, the research sought to investigate whether good governance practices affected funding of NGOs. According to studies on governance, it was widely debated that the practice of good governance had increasingly become a prerequisite for NGOs. Thus, the researcher believed it was important to assess the concepts related to good governance practices within NGOs.

Good governance practices have been significant to the development of NGOs in Mauritius. The researcher observed that governance had impacts on the management of institutional and internal stability of organisations. These impacts had consequences to the development processes of NGOs. The integrity of programmes and projects undertaken and promoted by NGOs, which still stood at the very core of their existence, were also affected by good governance practices.

## **2.2. Problem statement**

Studies demonstrated that NGOs without strong governance track records were having difficulties receiving funds from both international and local donors. There was, thus, a worrying lack of direction provided for NGOs in setting up systems of good governance and many organisations risked eroding their credibility as partners in promoting governance in Mauritius. Hence, a culture of good governance was necessitated to be nurtured within NGOs, if these organizations were to become responsible stakeholders in a democratic society. In addition, if NGOs, which were financially dependent on funding sources, such as from the government and private sector, could not receive further funding, they had difficulties to either continue or to expand their services.

In addition, studies indicated there was a consensus of opinions that NGOs were required to reassess their governance practices and leadership structures in order to achieve long-term sustainability. It was highlighted from these studies that various governing bodies affecting NGOs such as NGO executive and advisory Boards, functioned without clear distinctive responsibilities and roles. They were not independent from management and from the regulatory annual reporting processes of their organisation, for example the Annual Report of the financial statements and minutes of the Annual General Meeting were not always reflective of good governance practices. Furthermore, the researcher noticed that many Board Members

had vested interests and showed a lack of commitment to work towards achieving the organisational goals, including the mission, vision and objectives, of their organisation. This could have adverse effects in achieving practices of good governance within the organisation. Studies illustrated that NGO leaders who were retired professionals and officers coming from backgrounds such as from the public and private sector were those who brought to the sector a wide range of skills and experiences. Therefore, there was a need to focus on understanding the: (i) roles of Board Members; (ii) Code of Conduct for Boards; (iii) Leadership roles; and (iv) appropriate management models.

In addition, the government's role in maintaining good governance practices within NGOs had often been challenged by economic and political priorities to address the adverse impacts of worldwide recession within the country. NGOs were also faced with challenges related to accountability and were required to reinforce accountability mechanisms towards their staff, beneficiaries, to the wider community and the government.

### **2.3. Rationale and Significance of the study**

Effective governance practices have progressively become a global issue and key concerns for organisations, governments, corporate leaders, consumers, private institutions and their stakeholders. The NGO sector plays an important role within the country as a bridge between the government and private sector, and also by being involved in economic, social, community and environmental development. Mauritius, having no natural resources and being heavily reliant on imports to feed its population, is challenged by global crises like recession, food crisis, climate change and soaring petroleum prices, amongst others. High growth rates and improved standard of living did not reduce the country's dependence on the outside world. Other problems involve the devaluation of the country's currency, inflation, balance of payments deficit and external debt.

In order to survive within the highly competitive global world, the government relies heavily on its labour resource to improve its sustainable development. Also, a strong NGO sector is needed to address problems of inequalities and marginalisation which emerge alongside the economic development and socio-economic changes. Some studies highlighted that the NGO sector was under threat from lack of governance. These have been elaborated in the *Literature Review* chapter. Notably, many NGOs showed evidence of lack of accountability and transparency; misallocations of funds and grants received from donors; no process for selection

and appointment of staff and trustees; unclear financial statements; and no defined organisational goals, and objectives.

If NGOs were faced with such serious problems of governance and proper management, this could threaten the sustainability of the NGO sector in Mauritius. Therefore, the aim of this research study was to gain insights into this situation and it centered on the concepts of governance, leadership, management, organisational structure and strategic planning related to funding of NGOs. In addition, studies revealed that NGOs must be monitored, evaluated and assessed so as to perform effectively and efficiently. Therefore, legislation governing NGOs also needs to be analysed and assessed, in order to ensure optimal service delivery of NGOs in Mauritius.

Hence, this study has raised awareness of how NGOs operate, whether they adopt good or bad governance and the extent to which this impact on the overall management of their organisations. Some of these insights may lead to further exploration which can influence planning, interventions and policy-making. This study will be useful for NGOs to adopt good governance practices in an effective and efficient way; leadership operation and improvement in their service delivery. It will help to support the government in formulating policies to reinforce good governance practices within NGOs. Also, documenting these practices will be beneficial to reinforce the base for NGOs partnerships. This will enable organisations to learn from each other to apply and improve good governance practices. Finally, the study will assist the private sector in their assessment of NGOs prior to providing funding.

#### **2.4. Research Topic**

The topic for this study has been formulated as followed: *To what extent does governance affect funding of Non-Governmental Organisations in Mauritius?*

#### **2.5. Main Research Questions**

The research study was based on the following research questions:

1. What are good and bad governance practices?
2. Does governance impact on service delivery of NGOs?
3. Does the government contribute to good governance practices of NGOs?
4. Is there a correlation between governance and funding?

## 2.6. Research Objectives

The main research objectives of the study consisted of the followings:

1. To determine what is good and bad governance;
2. To investigate whether governance impacts on NGOs service delivery;
3. To assess the extent to which the government contributes to good governance practices of NGOs; and
4. To explore the correlation between good governance and funding.

## 2.7. Research Hypotheses

The research study was based on some hypotheses which guided the research process. The main research hypotheses are outlined below:

1. Bad governance negatively affects the overall management of NGOs;
2. NGOs are poorly managed and this results in poor service delivery;
3. The government does not contribute to the maintenance of good governance practices within NGOs; and
4. NGOs with good governance obtain more funding.

## 2.8. Clarification of Concepts

The key concepts used throughout this research study are clarified bellow:

- **Non-Governmental Organisation (NGO)**

The *Government Notice, No.50 of 1999* of Mauritius, defined an NGO as a “Non-Governmental Organisation’ which:

- (a) is run on a Non-Governmental making basis;
- (b) works toward the:
  - (i) empowerment of the disabled, the elderly, the homeless or such other vulnerable groups; and
  - (ii) promotion of the welfare of the community in general
- (c) is registered under the Registration Act; and
- (d) is approved by the Committee.”

In addition, the Law Reform Commission of Mauritius (2008: 7) stated that the term NGO “is used as a popular catch-phrase to embrace all organisational forms of not-for-profit, non-

governmental organisations, including both membership forms (e.g., associations) and non-membership forms (e.g., Non-governmental companies)”.

For the purpose of this research, the NGOs referred to in this report are registered organisations under the *Registration of Associations Act* 35, No. 14 of 1978, and are non-profit making.

- **Good Governance**

There is not a distinct and comprehensive definition of good governance that directs universal recognition. According to the Oxford English Dictionary (2002:614), governance is defined as the “action or manner of governing”. To govern means “conduct the policy and affairs of (a state, organisation or people)”. Good governance, according to the United Nations Economic and Social Commission for Asia and Pacific (UNESCAP, 2013), has eight major characteristics namely: Accountability; Transparency; Participation; Rule of Law; Responsiveness; Consensus Oriented; Equity and Inclusiveness; and Effectiveness and Efficiency. These characteristics are used to assess good governance practices within NGOs. Hence, in this report good governance in the decision making process and its implementation within NGOs have mostly been taken into consideration.

- **Funding**

According to the Cambridge Advanced Learner’s Dictionary (2008: 582) funding is referred as “money given by a government or organisation for an event or activity”. It is deduced by the researcher that there are different definitions of funding. For the purpose of this study, in the Mauritian context, the researcher has defined the funding of NGOs as a sum amount of money attributed to NGOs by government agencies, private organisations or international agencies to finance programmes, projects and the administration of the NGOs.

## **2.9. Ethical Considerations**

According to Strydom (2005: 24), ethics was referred to “...a set of moral principles which is suggested by an individual or group is subsequently widely accepted, and which offers rules and behavioural expectancies about the most correct conduct towards experimental subjects and respondents”.

The ethical ramifications and considerations of this study were considered as mentioned below:

#### *Informed consent*

Primarily, informed consent was granted from a representative of the Mauritius Council of Social Service (MACOSS). Permission was sought by the researcher to have access to the registered NGOs' email address database. Moreover, the researcher ensured that the participants were fully informed of the study before they agreed to participate in the study.

#### *Voluntary Participation*

According to Babbie and Mouton (2001: 523), voluntary participation entailed making sure that the respondents volunteered willingly to participate in the study. It was mentioned at the onset of the survey questionnaire that participation in this research study was voluntary and respondents could withdraw at any point during the survey. Hence, all respondents participated voluntarily and no one was forced to fill out the survey questions. Among the 31 respondents who completed the survey, all of them had agreed to willingly participate in the study and to complete the questionnaire voluntarily.

#### *No Harm to Respondents*

Dane (1990) cited in Strydom (2005: 25) advocated that, "An ethical obligation rests with the researcher to protect subjects against any form of physical discomfort which may emerge within reasonable limits, from the research project". This meant that the ethical consideration of avoiding harm to the subjects of study included both physical and emotional harm. The respondents were not placed in any discomfort as they only had to fill in the survey questions wherever they wished during the period of time the survey was administered on the internet. Hence, there were no emotional or physical strains. In order to ensure that no harm was afflicted upon the respondents, the researcher ensured that the respondents remained anonymous. This has further been elaborated in the discussion of the next ethical consideration.

#### *Anonymity and Confidentiality*

Anonymity referred to "...a situation whereby the researcher cannot identify a given response with the given respondent" (Babbie & Mouton, 2001: 523). Confidentiality, on the other hand, was, for instance, when the researcher might know the identity of the respondent but ensured that the identity was not shared with the public (Strydom, 2005: 25). There was 100% response rate from the respondents that they all agreed on the following statement from the

questionnaire: “I understand that the information that I will provide will be kept confidential and will only be used to make generalisations.”

Anonymity and confidentiality protected the privacy of the respondents. In this research study, the researcher obtained the database of only the email addresses of the NGOs. The anonymity of each respondent was thus preserved as the researcher could not identify the respondents through their email addresses. In addition, for the purpose of this study, the questionnaire did not ask for the name of the respondent or NGO and this ensured that the principle of anonymity was upheld, as the researcher did not know which respondent had given a particular response. Any information which could lead the researcher to identify a respondent’s or the NGO’s background was kept confidential.

#### *Violation of privacy*

De Vos, Strydom, Fouche & Delpont (2011: 27) argued that “violation of privacy, the right to self-determination and confidentiality could be viewed as being the same”. De Vos et al. (2011: 27) referred privacy as “normally that which is not intended for others to observe or analyse”. The researcher ensured that the right of privacy was respected and protected by guaranteeing confidentiality between the participant and the researcher only. At the onset of the study, it was emphasised that the identity of participants and NGOs would not appear throughout the study and there was complete anonymity.

#### *Deception of subjects*

Deception of subjects was described as “deliberately deceiving participants, withholding information, or offering incorrect information in order to ensure that participants would partake in the study where otherwise they would not” (De Vos et al., 2011: 27). In this research study, the researcher guaranteed that the participants were aware of all the required information prior to the onset of the study so that there would be no deception or violating the respect of the participants.

In addition, it was understood that the collected data, had to be clearly and unambiguously formulated and not be manipulated to support hypotheses of the researcher. The researcher ensured before the final report was printed that all the data, information and findings were accurate and authentic.

## **2.10. Reflexivity**

According to Hertz (1997: 7; as cited in Christensen & James, 2008: 224), “reflexivity is achieved through detachment, internal dialogue and constant (and intensive) scrutiny of the process through which constructs and questions the researcher’s interpretations of field experiences”. In the quantitative paradigm the researcher’s hypotheses could and might have impacted on the research process. Thus being aware of this fact, the researcher did not allow her hypotheses to influence the analysis of collected data. The data collected were analysed by interpreting the results obtained in a neutral manner. It should be noted that the researcher had prior experience and was acquainted in using quantitative research method through web-based software over a widespread sample population. Therefore, it was practical and easy for the researcher to access and analyse the gathered data.

Furthermore, the researcher had to face challenges related to the language which was adopted in writing this research report in English. This was because her native spoken languages were French and Creole. Also, the researcher had to submit draft copies and final copies of the dissertation from Mauritius. This was very time consuming to do so being outside of South Africa as well as costly and challenging. For instance, it was challenging, due to the time differences between the two countries, in scheduling time to receive feedback from the researcher’s supervisor via the telephone to amend changes from the draft copies. However, the researcher was able to address those challenges with the help of her supervisor. In order to overcome mistakes which the researcher could have occurred in writing the report in English, the research report was proof read by a South African citizen and a British citizen having a good command of English language.

## **2.11. Conclusion**

In conclusion, this chapter had underpinned a contextual understanding of the problem in question as well as presenting the rationale and significance of the study. It further stated the topic of the research, the main research questions, objectives and hypotheses. This was then followed by a brief understanding of the key concepts used and ethical considerations of the research study. The following chapter presents the *Literature Review*.

**CHAPTER THREE**  
**LITERATURE REVIEW**

### **3.1. Introduction**

This section reviewed literature which had been addressed by the main research objectives to support the research study. The literature reported on relevant studies, articles and theories surrounding the fields of governance, challenges within NGOs and issues they were faced with. The sources consulted, as part of the literature review, included books, journal articles, web-based scholarly articles, academic theses and legislative documents. Firstly, a brief understanding of various theoretical models relevant to the research study had been presented. This was followed by literature relevant to the research topic and research questions.

### **3.2. Theoretical Framework of Governance**

The various theories presented in this section enabled the researcher to have a conceptual understanding to support the study.

- **Governance Theory**

Governance theory, according to Kjær (2004: 10), mainly focused on institutional change. From an institutional perspective, “governance is about affecting the frameworks within which citizens and officials act and politics occur and which shape the identities and institutions of civil society” (March and Olsen, 1995: 6 in Kjær: 10). Thus, from the institutional definition, governance was referred to as the setting of rules. Governance theory consisted of the following categories:

*Practices, institutions and rules.* It explored changes in political practices and their implications for political rules of the game and the rules concerning the pursuance of public goods how they were designed and reinforced. (Kjær: 14)

*Role of government.* Governance theorists defined governance closely linked to government’s processes. “Governance is the capacity of government to make and implement policy, in other words, to steer society.” (Pierre and Peters, 2000: 1 in Kjær) According to Peters (2000), this definition was associated to the ‘old’ and ‘new’ distinction of governance. “Inherent in the old governance was a traditional notion of steering by national governments from the top down and it was related to the degree of control the government was able to exert over social and economic activities. The new governance had more to do with how the centre interacts with society and asked whether there was more self-steering in networks. Thus, governance analysts

would often explore the nature of governance: Was it old or new? Had the role of the state declined? Or if it had not declined, had it changed?” (Kjær: 14)

*Accountability.* It could be considered as the relationship between legitimacy and efficiency, democracy and accountability. “Regarding governance theory in general, the focus has been on efficiency, but there is a growing literature on democratic accountability which should not be ignored” (Kjær: 14). According to Kjær (2004: 14), “accountability implies responsibility: To be accountable is to be held responsible”. Day and Klein (1987: 5) claimed that, “To talk about accountability is to define who can call for an account, and who owes a duty of explanation”.

Kjær (pg 14) stated that “Governance has a lot to do with defining mechanisms of accountability. Governance scholars see the growth of policy networks at local and transnational level as further complicating the accountability structures. How the central government fund for health services were spent, for example, may be difficult to detect when a plurality of health authorities, private sector providers and voluntary organisations become involved in service provision.” Rhodes (2000: 76-7), Day and Klein (1987: 13) claimed that “accountability may simply disappear in such a web of institutions because defining who did what is no longer straightforward.” However, Kjær (pg 14) asserted that “participation in, for example, user committees help to ensure that service providers are responsive to the users’ needs.”

Hence, it could be deduced that the theory of governance was drawn on the importance of regulatory practices which were often governed by accountability, transparency, participation and democracy. This theory was used to assess the issues which were affected by governance.

Good governance, according to UNESCAP, had eight major characteristics, namely:

a) Participation

Participation by citizens was “a key cornerstone of good governance. Participation could either be direct or through legitimate intermediary institutions or representatives.”(UNESCO: 2005) Moreover, “participation needs to be informed and organized. This means freedom of association and expression on the one hand and an organised civil society on the other” (UNESCAP).

“People have been at the heart of development. They act through groups or associations such as trade unions, chamber of commerce, NGOs, political parties and as individuals by writing letters to newspaper editors, voting in an election and so on. Accordingly they must have access to representative democracies, which promote development.” (World Bank, 2000; Van der Walt, 2004; UNDP, 1997)

#### b) Rule of law

“Rule of law required fair legal frameworks that should be enforced impartially through good governance. Impartial enforcement of laws required an independent judiciary and an incorruptible police force.” (UNESCO: 2005) Furthermore, Santiso (2001:17) acknowledged that enhancing good governance required “addressing the factors underpinning the political independence of the judiciary, guaranteeing the impartial administration of justice”.

#### c) Transparency

“Transparency meant that decisions taken and their enforcement were done in a manner that followed rules and regulations” (UNESCO: 2005). Information should be “freely available and directly accessible” (UNESCO: 2005) in a form of media that was easily understandable. Moreover, transparency was referred to the availability of information which could be easily accessible to the general public. For example, transparency could entail clarity about rules, regulations and decisions of an organisation and institution. Studies demonstrated that transparency in decision-making and policy implementation enabled to reduce uncertainty. This was considered as a fundamental factor to prevent corruption among, for instance, public officials. “A major development in good governance internationally has been governments’ commitment to making public important information about the outcomes of policy especially fiscal, economic and business policies” (World Bank, 2000; Van der Walt, 2004; UNDP, 1997).

#### d) Responsiveness

It meant that “good governance requires institutions and processes to serve all stakeholders within a reasonable timeframe” (UNESCO: 2005).

e) Consensus oriented

The literature claimed that consensus related to the processes of how communities and the wider society function were fundamental. This was because there existed many role players and each individual held different viewpoints in society. “Good governance requires mediation of the different interests in society to reach a broad consensus in society on what has been in the best interest of the whole community and how this can be achieved. It also requires a broad and long-term perspective on what is needed for sustainable human development and how to achieve the goals of such development. This can only result from an understanding of the historical, cultural and social contexts of a given society or community.”(UNESCO: 2005)

f) Equity and inclusiveness

The concept of equity and inclusiveness referred that the welfare of a society is dependent in guaranteeing that all its members feel part of it and are not marginalised from the wider society. For example, one of the primary responsibilities of NGOs, was to ensure that the fruits of development and economic growth are equally distributed among members of society.

g) Effectiveness and efficiency

“Good governance means that processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal. The concept of efficiency in the context of good governance also covers the sustainable use of natural resources and the protection of the environment.”(UNESCO: 2005)

In the words of Nunnenkamp and Öhler (2010: 3), “the effects of competition among peers, the efficiency of NGOs is likely to depend on the relative importance of different sources of NGO funding.” On the other hand, they claimed that “NGOs are likely to spend relatively less on fundraising if official refinancing was sufficiently high to relieve the pressure of attracting private donations. Andreoni and Payne (2003) argue that it may actually be the NGOs themselves, rather than private donors, who react strategically by reducing fundraising efforts when they receive funds. On the other hand, stronger reliance on official refinancing may be associated with higher administrative costs. Applying for official funds typically involves considerable paperwork; NGO managers may have to spend a substantial amount of time with official agencies to ensure successful applications.” Nunnenkamp and Öhler (2010: 4)

According to Cooley and Ron (2002: 17), as cited in Nunnenkamp and Öhler (2010: 4), “the increasing use of competitive tenders and renewable contracts by official backdonors discourages cost-saving cooperation among NGOs and leads to waste and duplication as NGOs “may seek to undermine competitors, conceal information, and act unilaterally”.

#### h) Accountability

Accountability was considered as “a key requirement of good governance” (UNESCO: 2005). United Nations Educational, Scientific and Cultural Organisation (2005) argued that “not only governmental institutions but also the private sector and the civil society organisations must be accountable to the public and to their institutional stakeholders.” Accountability on the part of NGOs implied the demonstration of the effective and efficient use of resources. An NGO could be considered as accountable when it is transparent and readily opening its accounts to donors and beneficiaries for scrutiny.

In general, an organisation should be accountable to its stakeholders and to those who are affected by its decision or actions. Accountability, in most cases, is enforced by applying the rule of law and transparency. “It is imperative for public officials to be made answerable for government behaviour and be responsive to the entity from which they derive their authority.” (World Bank, 2000; Van der Walt, 2004; UNDP, 1997)

The UNESCAP characteristics for good governance were adopted as a theoretical framework to inform the indicators of good governance within NGOs.

- **Systems Approach**

The systems approach originated from the biologist, Ludwig von Bertalanffy, the founder of General System Theory in year 1968. According to the systems approach, a system comprised a structure of organised components of the same and/or different types. A system could not exist in isolation. The functioning of a system affected multiple other systems within its environment. Potgieter (1998: 54) advocated that “a system is a unit of people who are connected through some form of relationship with one another in a particular context, space and time”. A systems approach was adopted to understand how NGOs operate. It could be deduced from this approach, that an NGO, being part of the ‘system’ could not exist in isolation

and was influenced by both internal and external elements which impacted on the environment of the organisation as well as on governance.

- **Leadership style**

The *International Conference on Population and Development* (ICPD) held in Cairo in 1994 (cited in Centre for African Family Studies, CAFS 2001: 12) identified “the prerequisites for effective collaboration and partnership as transparent leadership, stable governance and sustainable structures.” Assumptions and beliefs about individuals and how to motivate them often influenced a leader’s behaviours; these sets of assumptions could be classified as Theory X and Theory Y (Hellriegel et al. 2011: 289). Managers adopting Theory X used a directive leadership style: they would tell people what to do. On the other hand, Theory Y assumed that people like to work; employees learned to accept and seek responsibility at work. Also, employees were committed to the company’s objectives. According to McGregor (cited in Hellriegel et al. 2011: 289), employees preferred leaders who practised Theory Y behaviours and who adopted leadership style that sought employees’ opinions and encouraged them to take part in planning and decision-making. Therefore, this theory on leadership enabled the researcher to understand when management leadership style was participative, this impacted on employees’ motivation to go to work and to accept the organisation’s goals. Hence, leadership style had a significant impact on governance practices within NGOs.

Referring to Inyathelo (2013), *The Independent Code of Governance for Non-Profits in South Africa* (Available from: <http://governance.org.za/>), pointed out that “founders of NGOs need to proactively develop leadership potential within their organisations and overcome skepticism of the organisational skills of younger leaders. Future leaders need to be well-educated younger professionals who can sustain strong credibility among staff, board members and the beneficiaries of the services provided by NGOs. Many organisations have well documented management policies and systems but need to strengthen their capacity in results-based management. Emphasis is now laid on the gaps in governance and leadership, with a focus on senior management and Boards. This focus will challenge leaders to create an enabling environment in which there is proactive leadership development.”

In addition, the *Independent Code of Governance for Non-Profits* laid emphasis on the role of a Chief Executive Officer (CEO) or Director who “is usually accountable for the organisation’s

performance. Sometimes they are involved with the day-to-day running and managing of the organisation. The board is considered like a ship's captain responsible for steering the organisation through stormy or calm waters, and keeping an eye on the NGO's future survival and improvement." (Available from: <http://governance.org.za/>)

According to Graetz, Rimmer, Lawrence and Smith (2006), leaders needed to be more realistic and a human leadership style focusing on social responsibility was in need.

The leader must adopt the following:

- "The ability to rally people behind clearly and simply defined goals. The leader must be concerned in creating passion and providing a vision of where the business was headed and what it could become;
- Acting as guardians of the organisation's culture and be able to explain the core values of the organisation;
- The ability to make connections with people inside and outside the organisation;
- Self- awareness, emotional control and empathy towards their people;
- Passion and personal investment in the job;
- Recognition that senior management did not have the monopoly on good ideas;
- Ability to see people as the 'precious commodity', the core of the organisation; and
- Empowerment rather than control and challenging the status quo and think constantly 'what are we doing wrong? Rather than 'what we do right'. (Graetz et al.,2006: 228)

Furthermore, Graetz et al. (pg. 235) asserted that fundamental leadership strategies for confronting the challenges of today's business environment consisted of the following:

- Identified flexibility (open to new experiences and learning)
- A people-oriented focus (involving, including, facilitating)
- Forward thinking (ongoing liaison and communication with markets, businesses and governments, identifying core competences, managing information and strategic planning)
- Open communication (disseminating information honestly and freely, fostering teamwork, listening and talking to staff)

Hence, these approaches enabled the researcher to understand how leadership style was linked to governance and how it played a crucial role in organisational management which influenced

motivation and job satisfaction among staff. It was deduced that sound leadership was related to the success of the organisation by inspiring and nurturing staff and meeting community needs.

### **3.3. Non-Governmental Organisations (NGOs)**

NGOs might be considered as bodies which could have great legitimacy, sometimes more than national authorities. According to Stankowska (2014: 45), “in the past NGOs were treated as panacea for all social ills such as poverty, lack of democracy or lack of economic growth. NGOs are often used as bodies promoting the broad scope of good governance. Most believed that NGOs can be part of civil society and that they could contribute to good governance.” However, Stankowska (pg. 46) argued in order to keep these points of view as credible notions “the NGOs should reform themselves in order to increase transparency, accountability and efficiency”.

In the words of Stankowska, “some governments and international organisations at times found NGOs a nuisance or even threatening to their interests. But officials nonetheless look to NGOs for innovative ideas and information. Officials also grudgingly recognise that consultation with (and support from) NGOs gives their public decisions more credibility. At the other hand, the officials and the international organisation know that NGOs influence citizen participation in governance through advocacy, capacity building and education in order to create or strengthen civil society and the rule of democracy. So, all those bodies (government, private sector organisations) juggle with the NGOs and use them for various purposes whenever they need it. The NGOs know as well that they need support from either officials or international society so they are ready to play these games. That is why NGOs are often meant as serving donor’s interests. In many societies they need to improve not only their independence and transparency. NGOs can indeed serve society especially in a time when governmental bodies are withdrawing from direct delivery of public services, goods and programmes.” (pgs. 46-47)

Wohlmuth (1998: 23) emphasised that “the role of the NGOs, according to the World Bank approach, has been two-fold: first, to strengthen local Non-Profit Organisations (NPOs) so as to empower local people and local Community Service Organisations (CSOs), and to promote political and institutional competition and pluralism, and second, to campaign against human rights abuses in all forms by informing the public in the country and all over the world.”

According to the *Codes of Good Practice for South African NPOs* from the Department of Social Development (2001: 6), there were “three distinct groups of organisations have important impacts on community life in the South African democracy.” These groups form part of the three major sectors of the Mauritian society as well.

“The first of these groups being the State or Government, through which all of society expresses its political life and the supervision of community life. The State is voted into power through elections, performs services in the community and these activities are funded by taxes on individuals and institutions. This revenue is supplemented by foreign aid, in the form of grants or loans.” (Codes of Good Practice for South African NPOs, 2001: 6)

“The second group is Private enterprise or the business sector. Its influence over the community is felt when it meets the needs and desires of individuals by providing goods or services at a price. Public response is to make voluntary payment for products and services, and from this support businesses continued to meet community needs and wants, and make a profit for themselves in the process.” (Codes of Good Practice for South African NPOs, 2001: 6)

The third group is the NGO sector. “This is made up of organisations that begin when individuals in the community agree to act together for the common purpose. Their early financial support comes mainly from the founders who dig deep into their own pockets, followed by appeals to donors for their voluntary response. Resources also come from government subsidies or grants or contracts, and self-generated income.” (Codes of Good Practice for South African NPOs, 2001: 6)

In addition, the members of an NGO normally work without seeking profits but rather have a common goal of addressing social problems, conditions and issues affecting people and society in general. The Codes of Good Practice for South African NPOs (pg. 7) debated that “the nonprofit sector, as with most sectors, suffered from global isolation, restrictions, limited resources and inadequate relationships with other sectors. In order to overcome this burden, it was vitally important to address relationships, service delivery, transparency, accountability, governance and management to ensure development in our country”.

- ***Non-Governmental Organisational Goals***

Organisational goals were formulated to direct an organisation towards strategic management and programme planning. According to Gray and Larson (2006: 22), “organisational goals required strong links amongst the purpose, mission, objectives, strategy and implementation of an organisation. Goals gave global targets within the purpose and mission of the organisation”. Gray and Larson (pg. 24) claimed that “mission gave the general purpose of the organisation, whereas, objectives gave specific targets to goals.”

The Codes of Good Practice for South African NPOs claimed that an “important activity in the early stages of forming an NPO is the preparation of its Mission Statement. When the individual or group of individuals first set out to meet a community need or problem, they have a vision. This vision is for a better life in the community, or for a day when the need had been successfully met or the problem solved. For-profit organisations (businesses) are driven forward by their desire to make profits.” (Codes of Good Practice for South African NPOs, 2006: 7) On the other hand, an NGO would move towards fulfilling its vision. The NGO, “its continuing service activities, its need for resources and the way in which it organises itself, are all focused on fulfilling its Mission. All their planning, whether be it for its programme or funding, flows out of the need to fulfill the Mission.” (Codes of Good Practice for South African NPOs, 2006: 7)

“The leaders of the emerging NGOs soon found out that they carried three major responsibilities, in order to fulfill the mission and ensured the organisation’s survival and growth. The first is to make sure that its service programme is meeting the community needs or problems effectively and efficiently. The second is to establish a reliable and sustainable support (funding and other resources) based in order for the organisation to fulfill its work. The third is to ensure that procedures were in place to ensure the careful and accountable handling of all the organisation’s resources and programmes.” (Codes of Good Practice for South African NPOs, 2006: 7)

In addition, the process of achieving goals and setting diverse strategies to achieve them through the acquiring and using existing resources required a high level of planning. This must be part of an NGO’s willingness to sustain good governance practices. For instance, planning could be considered as a mission-directed activity that enhanced accountability.

Moreover, NGOs played a major role in promoting participatory development and encouragement of initiatives at all levels. They enhanced community participation to address social, political, economic, cultural and environmental challenges affecting people. Hence, it was crucial to address governance issues facing NGOs in order to improve their service delivery. The NGO sector could not function on its own, it was inter-related with monitoring bodies such as the legislature, the judiciary, political parties and the Human Rights commissions including the government and the private sectors.

### **3.4. Mauritius – Country Background**

Mauritius is a volcanic island situated in the Indian Ocean, east of Madagascar. It has a multi-ethnic population of 1.3 million (World Bank, 2013) inhabitants. Sir Seewoosagur Ramgoolam (SSR), referred to as the ‘Father of the Nation’ was the first Prime Minister. SSR led Mauritius, which was a British colonised country, to independence in 1968 and worked for the emancipation of the Mauritian population. Mauritius became a republic in 1992. However, with its independence in the sixties, Mauritius had to face a number of economic problems. SSR triggered the process of economic development by diversifying the economy through a constructive approach heavily influenced by a welfare democratic state. This was achieved for instance, by promoting free universal right to education, free health care services, women empowerment and introducing old age pensions. The second half of the 20th Century was marked by reforms brought to the economy which led to the transformation of the island from an underdeveloped to a developing country. The country became a diversified economy with growing industrial, financial, and tourism sectors. In addition, it had expanded in the following sectors: “fish processing, information and communications technology, and hospitality and property development” (KPMG, 2014: 4).

“Mauritius was placed 43rd out of 176 countries in the 2012 world ranking of corruption perception index published by Transparency International. With a score of 57, Mauritius was 3rd in Africa behind Botswana (65 points) and Cape Verde (60 points). The 2012 Mo Ibrahim Index of African Governance ranked Mauritius 1st out of the 52 African countries. With 83 points out of 100, Mauritius topped the list of Africa's best-governed nations for the sixth consecutive year. The Ibrahim Index measures the delivery of public goods and services to citizens by government and non-state actors across 88 indicators of governance. Those governance indicators are grouped in four overall categories: Safety and Security, Participation and Human Rights, Sustainable Economic Opportunity, and Human Development.” (KPMG,

2014: 21). The rise in economic development created a gap between the wealthy and those living in deprived conditions. Hence, many NGOs were created to help those who were victims of such development.

### **3.5. NGOs in Mauritius**

NGOs in Mauritius had been operating mostly at community level. They worked in collaboration with local governance within the geographical community they were situated. The research study assessed governance within registered NGOs. All registered NGOs were governed by MACOSS under the *Registration of Associations Act 35, No. 14 of 1978*.

- **Mauritius Council of Social Service (MACOSS)**

MACOSS had been an umbrella organisation for registered NGOs. It operates under the aegis of the Ministry of Social Security, National Solidarity and Reform Institutions. The Ministry provides MACOSS with financial and technical support to enable it to play its role as a focal point in the NGO sector. The main activities of MACOSS are the coordination of activities of its member NGOs; organizing workshops and seminars on social issues; training programmes for members of NGOs; sharing of information through the publication of a quarterly Newsletter; and conduct research on social issues.

The registered NGOs in Mauritius operated under the specific codes of ethics which involved the following:

- **Legislation, policies and codes of ethics of NGOs in Mauritius**

All registered NGOs in Mauritius must operate under the *Registration of Associations Act 35, No. 14 of 1978*. The Law Reform Commission (LRC) advanced legislative proposals in a report on the laws related to NGOs, namely, the Legislative Proposals for a New Legal and Regulatory Framework (2008). This “would give effect to the recommendations contained in the Joint Assessment Report on the Review of the Legal and Regulatory Framework affecting NGOs in Mauritius” (LRC, 2008: 4). It was an amended Bill of the *Registration of Associations Act 35, No. 14 of 1978*. “The objectives of the Bill are to improve the legal requirements for internal governance, in accordance with best international regulatory practices, by clarifying the duties and liabilities of officers and prohibiting the distribution of profits and benefits, and self-dealing” (LRC, 2008: 5).

The legal framework of the Act was aimed to help ensure transparency by setting minimum standards for good governance of NGOs. “The report from the LRC further denoted that transparent, well-governed NGOs were critical to the capacity of the sector to meet their missions, address community needs and partner effectively with government” (LRC, 2008:9).

The LRC proposed the following guideline to improve NGO transparency (LRC, 2008: 9-10):

- Public Registry;
- Amendment of Governing Rules;
- Internal Reporting;
- Duties and Liabilities;
- Safeguards against Conflicts of Interest;
- Prohibition against Private Benefits; and
- Expenditure Limits.

In addition, to ensure a strong base for internal governance and to prevent financial manipulation, the *Registration of Associations Act 35, No. 14 of 1978* emphasised on rigid limitations of expenditures which NGOs must adhere to. The act also stressed on the following regulations NGOs needed to apply, which were related to some of the characteristics of governance:

- Records and accounts

“(1) Every officer who is responsible for keeping any account of a registered association or for the collection, receipt, disbursement, custody or control of the money of the association shall keep a record of all money received and paid by him for and on behalf of the association and shall - (a) at least once a year on the accounting date; (b) on his resignation; (c) on vacation of his office; or (d) where required so to do by the rules of the association or this Act, or, as the case may be, with the Sports Act 1999, render to the association a true account of all money received, and paid by him since his appointment or since he last rendered an account whichever occurs later.

(2)The treasurer of every registered association shall, once a year, not later than one month after the accounting date, prepare and submit to the committee a statement of all receipts and payments of the association in respect of the accounting period and of the assets and liabilities of the association existing on the accounting date.

(3) Every officer shall, if so required, hand over to the association the balance which on any audit appears to be due from him and all bonds, securities and effects, books, papers or other property of the association in his possession, under his control or entrusted to his custody.”(*Registration of Associations Act, No. 14 of 1978, as amended, 1999: s20*)

“(4) Where an officer fails to comply with subsection (3) the committee, any member or the Registrar, acting on behalf of the association, may recover from him by judicial process — (a) the balance due upon any account last rendered by him; (b) all other money received by him on account of the association; and(c) all bonds, securities and effects, books, papers or other property in his possession, under his control or entrusted to his custody.” (*Registration of Associations Act, No. 14 of 1978, as amended, 1999: s20*)

➤ Audit

“(1) The committee of every registered association shall — (a) cause the statement prepared under section 20 to be audited by the auditor before submitting it to the annual general meeting; (b) (i) once a year not later than 2 months after the accounting date; and (ii) at such other times as may be required by the rules, cause the accounts of the association to be audited by the auditor.

(2) The committee shall, upon written request by the auditor, submit the accounts of the association for audit.” (*Registration of Associations Act, No. 14 of 1978, 1978: s21*)

➤ Annual General Meeting

“(1) Every registered association shall, not later than 3 months after its accounting date, hold an annual general meeting.

(2) The committee of every registered association shall submit for the approval of its members at the annual general meeting of the association - (a) the statement prepared under Section 20 (2); and

(b) in the case of a large association, an estimate of the expenditure of the association, in the accounting period ending on the next accounting date.

(3) The treasurer of every registered association shall, on the application of a member, deliver to him a copy of the statement of estimate required to be submitted for the approval of the members under subsection (2).

(4) Every association shall, for a period of 12 months beginning not later than one week before the annual general meeting, cause a copy of every document required to be submitted to the meeting under subsection (2) to be prominently displayed, and made available for inspection by a member, at every place of business maintained by the association. The secretary shall, within 14 days of any change among the officers of a registered association, give written notice of the change to the Registrar.” (*Registration of Associations Act, No. 14 of 1978, 1978: s22*)

### **3.6. Governance**

Governance could be considered as a broad concept, which has a myriad of definitions and many “related concepts such as the issues of democracy and development; popular participation and development; corruption and development; and the issues of state capacity and development” (Wohlmuth, 1998: 3). Furthermore, studies demonstrated that governance could be associated to decision making processes and the way they would be implemented. For instance, according to Kjær (2004: 1), governance was traditionally related to government, with the exercise of power by political parties and emphasis was on public administration and public policy. However, since the 1980s, resulting from public sector reforms characterised by many western countries, this concept was broadened and governance became associated to the private sector and the NGO sector.

*The Independent Code of Governance for NPOs in South Africa*, initiated by Inyathelo (2013), stated that governance was “about how an organisation is led by a governing body such as a Board of Trustees, including their oversight of the organisation – monitoring the activities of the organisation and how it spends its money” (Inyathelo, 2013). It further argued that “governance is often a challenge for many NGOs as their main objective is public service, not financial gain. It is sometimes difficult to find board members with the necessary skills who are prepared to volunteer their time for free. Ensuring that enough board members regularly attend meetings can also be a problem, as volunteer board members often put other interests first.” (Inyathelo, 2013) Thus, it could be deduced that the governing body of an NGO had to reflect good governance practices within the organisation. This was previously elaborated under *Leadership style*.

MACOSS claimed in its *Code of Ethics and Conduct by NGOs for NGOs* (2010:11) that NGOs should be independent. The policies, vision and activities of NGOs must “not be determined

by any for-profit corporation, donor, government, government official, political party, or other NGO” (2010:11). This meant that an NGO must be governed by itself autonomously, according to specific governance structure.

“There are some international bodies such as the: International Monetary Fund, United Nations and World Bank which promote, in general terms, implementation of good governance standards. The aim of it is to bring different countries on the same/relevant level of implementation of principles of, inter alia, transparency, accountability, anti-corruption, and rule of law. All these values complement and reinforced each other. But for all countries, which are members of the above mentioned organisations, stronger political will is needed in order for commitments to be met and reflected in national legislation and practices. What is more, all stakeholders from private and public sector as well as the civil society should be included in the decision making process to make it more beneficial and effective.” (Stankowska, 2014:44)

In Mauritius, there was no NGO which worked towards promoting good governance in the country, compared to the African continent. NGOs like the Electoral Institute for Sustainable Democracy in Africa (EISA) had shown how vital it was in maintaining good governance practices in many African countries.

- **Electoral Institute for Sustainable Democracy in Africa(EISA)**

EISA, an NGO, established in 1996, was based in Johannesburg. This organisation had strived “for excellence in the promotion of credible elections, citizen participation, and the strengthening of political institutions for sustainable democracy in Africa” (EISA, 2014) through good governance. The vision of the organisation was “to promote credible elections, citizen participation and the strengthening of political institutions for sustainable democracy in Africa” (EISA, 2014). One of EISA's programme areas included: the African Peer Review Mechanism (APRM) Support which was “given both to the peer review process itself and to the fostering of constructive engagement between the three major stakeholders in national APRM processes: government, private enterprise and civil society.” (EISA, 2014)

The aim of the research was to compile a report on good practices of governance of NGOs in Mauritius. Mauritius had been a member state of the APRM, established by the African Union, since 2005. The APRM released a country review report in Mauritius in 2010. The report stated

some challenges the country were faced with and had set targets and obligations to curb those challenges. EISA adopted the APRM Support Programme as part of its efforts to enhance governance in African countries. EISA was in Mauritius to monitor and evaluate whether NGOs were applying the obligations set by the APRM report of year 2010 and if there were improvements on good governance practices within the NGOs. Once, the survey will be accomplished in all the seven member state countries, as outlined earlier, a report will be released by EISA end of year 2014. The report would consist an evaluation of the findings collected in each country as well as comparisons of governance issues and challenges among the countries.

Three representatives from the Electoral Institute for Sustainable Democracy in Africa (EISA) were in Mauritius in April 2014, for four days to conduct a research study on governance of NGOs. EISA was conducting a comparative research study in seven African countries, notably: Mozambique, Zambia, Uganda, Kenya, Mauritius, Ethiopia and Tanzania. MACOSS was the country partner in Mauritius to work with EISA in conducting its research. The researcher sought permission from MACOSS and from the Programme Manager of EISA to assist them in their research. EISA adopted a qualitative approach in their research study. For, instance focus group interviews and formal interviews were used to assess governance among NGOs.

- **Outline of EISA's research survey**

MACOSS randomly selected NGOs to take part in the EISA's research study. EISA designed a survey questionnaire, which was sent to the registered NGOs from MACOSS, prior to their visit in Mauritius. Along with the research survey, EISA undertook focus group interviews and face-to-face interview sessions with representatives from NGOs. In addition, EISA engaged in several meetings with stakeholders from the NGO sector.

Based on the preliminary results from the survey questionnaire, three focus group interview sessions were conducted by EISA, on the first and second day of their research study visit. In addition, on the second day, four face-to-face formal interviews were undertaken by EISA. The researchers did not use recording instrument to collect data. The information and data they gathered from the focus group interviews and formal interviews were written down on paper.

On the third day of their research study several meetings were undertaken among different stakeholders who included the following:

- National Economic and Social Council of Mauritius;
- Electoral Commissioner's Office;
- Transparency Mauritius;
- NGO Trust Fund; and the
- Independent Commission Against Corruption (ICAC).

The Programme Manager from EISA, Mr. Grant Masterson, led the focus group interviews and face-to-face interview sessions by asking a list of questions from the preliminary results, obtained from their survey. The list of questions consists of five questions which were asked in same order in all focus group and interview sessions. The questions could be viewed in Appendix 2. The data collected from EISA's research study were obtained from the focus group interviews and formal interviews.

The information obtained from the interviews had been summarised below in terms of the five questions asked by the EISA's Programme Manager:

Question 1:

*Based on the preliminary results of our survey, 70% of NGOs in Mauritius stated that NGO contributions rarely seem to influence Government decision and policy-making. Do you agree with this response? Why?*

All participants responded that they agreed to the above statement. The reasons were because the NGO sector had to deal with the underlined issues:

- There was not a platform of discussion with the Government regarding challenges faced by NGOs. NGOs were unaware if their plight were being heard or not. For instance, there were no process or structure at grass root level to enable NGOs to express themselves openly;
- There was a lack of capacity building and advocacy. There was no direct contact and interaction among the diverse Ministries related to the work undertaken by NGOs;
- There was an absence of coordination related to Corporate Social Responsibility (CSR). There was no feedback from the CSR committee when a project proposal was not accepted for funding;
- Many NGOs lacked coordination amongst their work and projects they were involved into communities;

- The Government did not involve NGOs in decision and policy making. ‘Top-down’ policies were often imposed without consulting the concerned NGOs;
- The NGO sector was in minority as representative in debates undertaken by the Government;
- Writing funding proposals and project plans were time-consuming. When project proposals were rejected, there was no follow up and explanation why they were not accepted. This had led to a disinterest and a lack of motivation on behalf of many NGOs to further write funding proposals and project plans to apply funding;
- There was a lack of project coordinators at MACOSS to help NGOs in how to write a project plan;
- Political influences affected decisions taken by the Government, for example. It was observed that the NGO sector’s engagement within the electoral reform was weak;
- There was a lack of follow-ups to implement actions taken by the Government;
- The Government would favour funding for projects which would attract more media coverage.

Question 2:

*Do you think that the APRM has contributed to better governance practices and institutions in your country?*

There was consensus among the respondents that the roles of the EISA and the APRM in influencing governance issues in Mauritius were not visible enough. They claimed that the report should have been made public with more awareness from the mass media. Most respondents were unaware of the role of EISA and APRM until they were invited by MACOSS to participate in the research survey. Members from the board of MACOSS, who were also representatives of NGOs, stated that they noticed there was a low response from NGOs to participate in the development processes and programmes organised by MACOSS.

It was observed, by the respondents, that the Government signed many protocols and Memorandum of Understanding (MoU): the implementation of which proved to be challenging at local level. There was consensus from the respondents that the Government is mostly preoccupied in ranking its image upfront rather than considering its challenges to find solutions in implementing actions to improve the NGO sector. Thus, the need to invest more in research processes.

Question 3:

*According to our survey, 62% of NGOs in Mauritius believe that NGOs are largely able to operate without restrictions, at least in a regulatory sense, but that financial resourcing of NGOs is a challenge in Mauritius (this has been cited as a challenge in all seven countries, but Mauritius seems to face unique challenges in sustaining NGOs). Do you agree?*

The respondents asserted they agreed with the statement. Financial challenges revolved mostly around administration issues of NGOs and compliance issues. These challenges were declared as the main problem faced by NGOs. Some NGOs were not financially stable enough to be able to retain professionals, for instance, to write a project plan or funding proposal to apply for grants and funds.

The legal framework of CSR needed to be reviewed as mostly private firms having a foundation benefitted from CSR funds. This was because private firms they had more expertise in writing project plans, compared to small NGOs. Many NGOs preferred to be affiliated with a Government Ministry in order to easily receive funding.

The *Registration of Associations Act 35, No 14 of 1978* should also be reassessed, whereby, stricter rules and regulations needed to be applied. There were between 12 000 to 15 000 NGOs, only 340 NGOs were registered with MACOSS. Many unregistered NGOs were considered to have private interests which undermine the practice of good governance. Hence, the Registration of Associations Office must adopt more clearly defined laws. It must have frequent follow-ups on NGOs submitting annual audits and financial statement reports.

Other challenges involved language and communication barriers, for instance, in writing project plans and funding proposals and in implementing policies. Some NGOs had members who were not English literate and they had difficulties to express themselves in writing. This often led to misinterpretations of policies and acts. Respondents claimed the lack of expertise within the NGO sector to write project plans and funding proposals was another difficulty they had to face.

Question 4:

*Do you think that Civil Society Organisations (CSOs) are able to effectively influence governance processes like the APRM in Mauritius?*

The respondents highlighted they did not agree to the above statement. This was because the role of the civil society was undermined in Mauritius. They argued that NGOs could not be independent as there was much political interference which affected their independence. For instance, the CSR committee was under the Ministry of Finance and Economic Development; the NGO Trust Fund and MACOSS were under the aegis of the Ministry of Social Security, National Solidarity and Reform Institutions. Thus, these reflected how political influences could affect decisions making processes related to the NGO sector. Respondents argued that decisions taken by MACOSS were often influenced by the government which consisted of the ruling political party.

Therefore, NGOs were reluctant to speak out in public against the government and its Ministries as this action might negatively affect funding from the government. Most respondents claimed there should be an independent funding of NGOs to allow an independent access to funds.

Also, among NGOs conflicts existed as they competed against each other over resources. There was a lack of network and collaboration among NGOs. Most respondents believed that the role of policy makers was more vital in influencing governance processes. There were few NGOs mitigating for governance and human rights issues. The reason might be, as claimed by the NGO Trust Fund, that it would finance projects and programmes mostly dealing with poverty alleviation, community development, women empowerment and child development but rarely on issues affecting governance.

Question 5:

*What needs to be done for more effective NGO participation in the APRM process?*

The respondents pointed out that the following could be implemented:

- A monitoring and evaluation body for NGOs;
- A cut across strategy to interact with other sectors to be able to get to know what other NGOs were doing and the methods used;
- There was a need for more resource people to train NGOs to be involved within African and International agencies in training programmes;

- MACOSS must train NGO leaders to avoid having the same members and director managing the organisation;
- The need to adopt new mechanisms to attract people to come upfront to work within the NGO sector must be taken into consideration;
- There must be more capacity building and reforms within MACOSS to become independent. It must be strengthened as its relationship with the government might downplay its role and dilute its aims to empower the NGO sector.
- Newsletters could be designed to publicise research and policies affecting NGOs;
- Good governance needed to be the base line for the improvement of the NGO sector;
- NGOs could be grouped sector-wise (re-grouped according to the work undertaken) and each sector could be represented in sectorial or ministerial meetings; debates and platforms;
- The government must provide incentives to NGOs to participate in projects at ministerial level. The aim was to work in collaboration rather than in isolation;
- MACOSS must implement a Code of Conduct for NGOs. A mechanism tool could be designed in tracking successful performances of NGOs and formulate best practices from NGOs.

The majority of the respondents pointed out that many NGOs failed to act as a watchdog in monitoring the government behaviour and performance and in questioning the state's power in decision making, for instance, in ensuring a stronger NGO sector. Hence, EISA's research in assessing the practice of good governance of NGOs was fundamental in order for Mauritius to apply the obligations which were set from the APRM report. The major aim of EISA was to work in collaboration with the MACOSS in maintaining good governance among NGOs.

### **3.7. Good and Bad Governance**

According to CAFS (2001: 5), governance was defined as “the manner in which power is exercised in the management of organisational resources in order to achieve the organisational mission”. It “is concerned with the processes, policies, procedures, systems and practices, both formal and informal, the manner in which they are applied and followed, the relationships that these processes create or determine, and the nature of these relationships.” (2001: 5)

- **Good Governance**

In an article on *Good Governance and Aid Effectiveness*, Santiso (2001), drew attention on the controversial concept of good governance and the World Bank's efforts in maintaining good governance practices. The author claimed that "Although the concept of good governance is increasingly being used, its contours remain uncertain. Aid practitioners have not yet been able to articulate an unambiguous and operational definition of the concept. A variety of definitions, greatly differing in scope, rationale and objectives, have been advanced. This multitude of definitions has generated an increasing confusion regarding the boundaries of the concept." Santiso (2001:4)

Often the concept of *Good Governance* had been associated to the power exerted by government and the processes involved in managing public resources. However, the *International Conference on Population and Development- ICPD* (cited in CAFS 2001: 1) put forward that good governance was identified as "a crucial aspect of sustainability and the discussion noted that NGOs were plagued with many governance problems such as the founder-member syndrome". "Good governance is essential for order and equality in an organisation, efficient delivery of goods and services accountability" (CAFS, 2001: 5). "The Conference recognised that partnerships would be successful if founded on good governance structures in participating organisations, and recommended that deliberate efforts be made to move from theory to practice by initiating a needs assessment of organisations operating in reproductive health." (CAFS 2001: 2)

According to Eyong (2001), good governance referred to the effective management of an NGO's resources in a manner that is open, transparent, accountable, equitable and responsive to people's needs. The *Working Group on NGO Governance in Central and Eastern Europe* defined good governance as "a transparent decision-making process in which the leadership of a non-profit organisation, in an effective and accountable way, directs resources and exercises power on the basis of shared values." (Wyatt 2004: 14)

James Wolfensohn, in an address to the Board of Governors of the World Bank Group in September 1999, maintained that if countries did not have good governance to tackle corruption or had an adequate legal system which did not protect human rights, property rights and contracts, the development of such countries would be fundamentally flawed. "The IMF

concluded with the World Bank on the notion of poor governance and contended that, where there was poor governance, there were greater incentives and more scope for corruption” (International Monetary Fund, 2003).

Good governance, referring to both the strategic management as well as operational feasibility of NGOs, was of critical importance to NGOs. “It was essential for order and equality, efficient delivery of goods and services, accountability in the use of power, protection of human rights and freedom, and the maintenance of an organisational framework within which each person could contribute fully towards finding innovative solutions to common problems” (Implementing ICPD in Sub-Saharan Africa, 2001: 5).

Moreover, good governance sought to promote efficient, effective and sustainable organisations that could contribute towards development endeavours. Good governance was described as being about “fair, efficient and transparent administration of organisations to meet well-defined objectives; systems and structures of operation and control so that the organisational mission and objectives are achieved to the satisfaction of key stakeholders while at the same time complying with legal and regulatory requirements; and an efficient process where the roles of the Board and management are clearly defined; appropriate structures in place; the Board makes strategic decisions and is transparent, responsible and accountable; there is adequate disclosure of information; and the organisation remains relevant, legitimate, competitive, viable and sustainable” (cited in CAFS, 2001: 5-6).

According to Camay and Gordon (2002), in the context of good governance, the overarching challenge confronted by all NGOs in South Africa, was the need for governing boards to effectively and efficiently adapt to, and manage, organisational change. A number of boards were unable to steer NGOs through the democratic transition where the review of the vision and mission of an organisation, which would guide it into a new paradigm, were neglected.

The contribution that the IMF (1997: 3) made to good governance consisted of “the avoidance of corrupt practices, through its policy advice and, where relevant, technical assistance, manifested itself principally in two spheres:

- a) Improvement of “the management of public resources through reforms covering public sector institutions, for example, the treasury, central bank, public enterprises, civil service, and the official statistics function, including administrative procedures, for

example, expenditure control, budget management and revenue collection.” (International Monetary Fund, 1997: 3)

- b) Support for “the development and maintenance of a transparent and stable economic and regulatory environment conducive to efficient private sector activities, for example: price systems, exchange and trade regimes, and banking systems and their related regulations.” (International Monetary Fund, 1997: 3)

Therefore, it could be deduced that the characteristics of governance are inter-related and reinforce each other. For example, many studies described accountability to be interlinked to participation through which predictability and transparency are maintained and reinforced. The literature showed that good governance established at the outset encouraged organisational stability and balanced decision-making. This was imperative if NGOs sought to be successful in the provision of their services and to enhance efficiency and effectiveness. Also, good governance served as a guideline with procedures and practices which NGOs must follow in order to avoid bad governance. This is elaborated in the following section.

From the literature it was also debated that good governance practices included organisations which aspired to improve their services. Extracts from the *Judicial Education Reference, Information and Technical Project* (JERITT, 2013: 19), from the Michigan State University, showed that change within the perspectives and expectations of individuals “can transform organisations and the way that work was accomplished.”

“Active participation is required from team leaders and followers, as well as commitment. Effective staff need a vision for the organisation, but, additionally, each member must feel connected to it and perceive it as part of his or her own personal vision. Through both organisational and individual clarity of vision, organisations can expect commitment, diligence, and a passion for work from its members. Individuals and organisations who find a passion for work will not only flourish and be productive, but will also find an excitement in carrying out even the most mundane functions in everyday work” (JERITT, 2013: 19). Hence, “change is clearly inevitable, and mastering change is, therefore, fundamental to the success of any organisation. NGOs “which can cope with change and harness its energy will be vital and effective” (JERITT, 2013: 20). According to the United Nations Economic and Social Commission for Asia and Pacific (UNESCAP, 2013:3), “good governance is an ideal which was difficult to achieve in its totality. Very few countries and societies have come close to

achieving good governance in its totality. However, to ensure sustainable human development, actions must be taken to work towards this ideal with the aim of making it a reality”

The fact that the NGO sector was itself fractured from within, according to Tandon and Mohanty (2003) was ignored. It did not take into account the fact that achieving good governance required not only change on the part of the government, but also within NGO sector, in favour of greater accountability, transparency, inclusivity and participation. Thus, if NGOs wanted to promote greater performance, there was a need for them to show their willingness to demonstrate good governance practices in the management of their coordination mechanisms in preventing bad governance practices.

- **Bad governance**

Bad governance was mostly linked with corruption, arbitrariness, lack of transparency and accountability. Some authors (Barratt, 1989:2; Kherallah & Kirsten, 2002; Anderson & Henehan, 2003) highlighted that the lack of access to start-up capital; poor working experience and training in business management, marketing and accounting; low levels of literacy; negative attitudes towards work; and the degree of cooperative community ethos as factors contributing to poor organisational performance and these were often reflected within poor governance. “Poor governance is characterised by arbitrary policy-making, unaccountable bureaucracies, enforced or unjust legal systems, the abuse of executive power”, the NGO sector “unengaged in public life and widespread corruption” (Mertus, 1999: 1351). Moreover, “weak institutions (e.g., ill-defined property rights), inadequate capital, deficient support systems such as external monitoring and evaluation, and lack of a supportive policy environment also contributed to cooperative failures” (Lyne & Collins, 2008; Zulu, 2007).

According to the UNESCAP (2013), bad governance was viewed as one of the primary cause of failures within institutions in society. Thus, bad governance within an NGO was reflected as being guided by a fragile and chaotic management with no sense of direction, in which board members and staff were unprepared for eventualities and were unclear as to how best they could contribute to the organisation. Graetz et al. argued that in such organisation leadership tended to be toxic, for example, there was no democracy, accountability and transparency. The structure of the NGO would be hierarchical and autocratic.

The classical themes of planning, directing and controlling adopted by toxic leaders focused mostly on the technical or functional dimension of management, for instance, on increasing efficiency, budgeting, productivity and quality, to the expense of staff wellness which often led to lack of motivation and increase stress among employees. This affected overall efficiency and effectiveness of work in the organisation. Hellriegel et al. (2011) showed that when leaders focused on human resource management, the level of staff motivation was higher which impacted on high level of productivity at work. Also, it should be noted that any successful organisation relied on people, because it was the employees which contribute to overall success of the organisation. Thus, to be a leader, without showing signs of toxic leadership, in the current changing environment, an interpersonal element underpinning a strategic emphasis would be fundamental.

Hence, it was imperative to distinguish bad governance in order for NGOs to minimise practices of bad governance and to aim for good governance practices. Therefore, governance could be considered as what constituted good practice in leading and managing NGOs, with a particular focus on management and administration.

### **3.8. Governance and Funding**

Good governance practices contributed to an organisation's efficiency and effectiveness. These were relevant to both NGOs and their donors alike. Donors, including international financial institutions, had shown their interests in establishing financial aid and funds on conditions where reforms ensured practices of good governance were undertaken. Some of the guidelines focused by international donors and were related to governance (UNESCAP, 2013) had been summarised as followed:

- The United Nations Democracy Fund (UNDEF) was founded in 2005 to assist projects that supported the voice of the NGO sector, to “promote human rights, and encourage the participation of all groups in democratic processes” (United Nations, 2013). The majority of the UNDEF's funds went to local NGOs, “both in the transition and consolidation phases of democratization. In these ways, it complements the United Nations (UN) work with governments to strengthen democratic governance worldwide” (United Nations, 2013).

- “The UN system promotes good governance through many avenues. The UN Development Programme (UNDP), for example, actively support national processes of democratic transition. In the process, it focuses on providing policy advice and technical support and strengthening the capacity of institutions and individuals. It engages in advocacy and communications, supports public information campaigns, and promotes and brokers dialogue. “It also facilitates ‘knowledge networking’ and the sharing of good practices.” (United Nations, 2013)
  
- “The International Monetary Fund (IMF) promotes good governance through its lending and technical assistance programmes. Its approach to combating corruption emphasises prevention, through measures that strengthen governance. The IMF encourages member countries to improve accountability by enhancing transparency in policies, in line with internationally recognised standards and codes. In its work with poor countries, the IMF emphasises adequate systems for tracking public expenditures relating to poverty reduction. In its regular consultations with its members, the IMF also provides policy advice on governance-related issues.” (United Nations, 2013)

The UN also pointed out that in undemocratic countries which witnessed political instability and high level of corruption, NGOs were considered as a better alternative to governmental agencies especially in providing services, goods and assistance to the needy. According to Santiso (2001), “there is increasing recognition that international assistance for strengthening good governance can only have limited impact unless the country’s society and particularly its leaders have a genuine political commitment to democracy. Traditionally, development assistance has ignored the realities of power and the intricacies of politics. It has relied on technical solutions to address political problems, often adopting a mechanistic application of a standardized package of reform.” (pg 19)

Hence, it was debated that in current times, there had been a shift in key considerations that must be allocated to apply good governance practices within the judicial system and into parliament. This would definitely have positive repercussions on the public, private and NGO sectors.

### **3.9. Funding of NGOs in Mauritius**

A number of funding or donor agencies were formed to facilitate funding of NGOs in the country. Few had been listed as followed:

- **Non-Governmental Organisation Trust Fund**

In Mauritius, the NGO Trust Fund operated under the aegis of the Ministry of Social Security, National Solidarity and Reform Institutions. It aimed to help the vulnerable groups of the Mauritian society. The “NGO Trust Fund was set up by the Finance and Audit (NGO Trust Fund) Regulations in May1999 and the NGO Trust Fund Committee was constituted in September 1999” (NGO Trust Fund, 2013). This was with a view to enhancing a better partnership with the NGO sector. “The main objectives of the NGO Trust Fund are to:

- consider an approve applications for assistance from NGOs;
- finance, wholly or partly, services and projects of NGOs which have been approved by the Committee;
- ensure an effective use of resources; and to
- rationalise the disbursement of funds to NGOs.” (NGO Trust Fund, 2013)

- **Corporate Social Responsibility**

The concept of Corporate Social Responsibility (CSR) was related to private organisations’ actions “to balance their own economic growth with the sustainable social and environmental development of their areas of operation” (*CSR Mauritius*, 2012). “The Government of Mauritius has established a policy with the overall objective of mandating registered private organisations to pay 2% of their book profit towards programmes that contribute to the social and environmental development of the country”(CSR Mauritius, 2012). The main objective of this fund is to “promote a functional community of NGOs with complementary workplans that were relevant to the national development programme” (*CSR Mauritius*, 2012).

- **National Corporate Social Responsibility (NCSR)**

According to the *Legislative Framework* of the CSR Mauritius (2012), an NGO accredited to the NCSR would be eligible to receive approved finance from the National Empowerment Foundation. In order to be entitled for accreditation, the organisation must meet specific criteria, for example, “it should have a proven track record of at least two years” (*Introduction to CSR*, 2012: 4) and be in operation “on a non-sectarian basis and should not discriminate on

the basis of race, place of origin political opinion, colour or creed” (*Introduction to CSR*, 2012: 4). Only approved programmes qualifying under CSR would be funded. Furthermore, NGOs “should keep proper books and records and should submit certified/ audited financial statements” (*Introduction to CSR*, 2012: 4). “The books and records of NGOs will be subject to periodical review and monitoring by the NCSR Committee.” (*Introduction to CSR*, 2012: 4) Hence, it could be argued from the above that all these criteria were related to governance and if NGOs sought funding, they needed to adhere to good governance practices. In addition, the importance of keeping proper books and reports of financial statements were determined to be of utmost importance.

- **Decentralised Cooperation Programme II**

The Decentralised Cooperation Programme II (DCP II) “is the successor of the first Decentralised Cooperation Programme implemented between 2006 and 2010, which aimed at enhancing the capacity of NSAs to deliver projects that have an impact on poor communities' priority concerns related to poverty and access to resources. However, experience has shown that there is still need for NSAs to improve their capacity to manage their organisations and projects effectively” (*Decentralised Cooperation Programme*, 2014). It was the European Commission (EU) and the Government of Mauritius which signed the *Financing Agreement* for the DCP II on the 6<sup>th</sup> May of year 2011. Moreover, “the day-to-day management of the DCP is delegated to a Programme Coordination Unit (PCU) based within the Ministry of Finance and Economic Development Port Louis” (*Decentralised Cooperation Programme*, 2014). The main aim of the DCP II was capacity building for NGOs in order “to access resources and use them effectively towards their goals of poverty reduction. This is in line with the government's four-pillar strategy for NSAs, as developed in 2009. The four pillars comprised of:

- building the capacity of NGOs;
- resource mobilisation;
- setting up a professional corps of social collaborators (volunteers); and
- establishing an appropriate monitoring and evaluation system for NGOs in the use of funds and results obtained.” (*Decentralised Cooperation Programme*, 2014)

“DCP II will also complement the social and economic empowerment sector of the EU General Budget Support programmes, which includes indicators on empowerment of vulnerable groups

since the start of empowerment programme in 2007.” (*Decentralised Cooperation Programme*, 2014)

It should be noted that in order for NGOs to obtain funding from the above-mentioned funding agencies, they must have the competencies to write detailed and constructive project proposals to apply for funding. Each of the funding agency would call for applications of projects annually, whereby, NGOs must fill in questionnaires and provide elaborate information of their programmes and projects to be implemented.

From the review of literature, it was assessed that many NGOs were formed in a voluntary state. In most cases, this will was driven entirely by the energies and resources of the founders and their members. However, there were few NGOs which were truly competent, compassionate, committed and compliant. Others had personal motives, wishing to be involved in politics rather than working for the community. A tug of war was created among NGOs due to competition especially to get grants – both local and international, they fought among themselves, did not want to work in a network but rather be independent. Hence, this research study was aimed to address these issues which were all interrelated and affected the process of good governance practices.

### **3.10. Conclusion**

This chapter provided a review of pertinent literature on governance and factors affecting governance and funding of NGOs. The literature enabled the researcher to understand whether governance impacted on funding of NGOs. The following chapter discusses the methodology employed for data collection and data analysis.

# **CHAPTER FOUR**

## **METHODOLOGY**

#### **4.1. Introduction**

Social research is influenced by the interrelation of methodology and methods. Methodology is the way of collecting data through research methods and provides ways of producing and analysing data. The aim of this chapter is to highlight the methods, tools and procedures adopted by the researcher to collect and analyse data for the research. The chapter explores the research design and structure; data collection methods, sample selection process and described the methodology employed for data analysis.

#### **4.2. Research design**

An exploratory research design was adopted. According to Babbie and Mouton (1998: 80), exploratory research was conducted when a subject area was relatively new. Moreover, Babbie and Mouton (1998: 80) highlighted that exploratory studies could be conducted, “to satisfy the researcher’s curiosity, desire and better understanding”, as well as “to determine priorities for future research.” The study was exploratory because it explored new territory factors influencing good governance practices of NGOs in various organisational settings.

The research design used a quantitative approach which took the form of an electronic survey. Studies had demonstrated that in a quantitative study, the researcher began with a definite prediction of what the researcher sought to prove. In this research study, the research wanted to assess whether good governance practices within NGOs had impacts on funding. The statement that would give a description of what the researcher expected to be the outcome of the research could be referred as a hypothesis. However, in subject areas where a researcher had no access to background information about the topic of study he / she undertook, no definite outcome could be predicted. Hence, in this research study the researcher had to formulate few hypotheses, as described in *Chapter Two – Study Aims*.

The quantitative approach, according to Grinnell and Unrau (2005: 82) “is more effective than the qualitative approach in reaching a specific and precise understanding of one aspect (or part) of an already well-defined social problem”. Therefore, a quantitative study could be defined “as an inquiry into a social or human problem, based on testing a theory composed of variables, measured with numbers and analysed with statistical procedures in order to determine whether the predictive generalisations of the theory held true” (Creswell, 1994: 1-2). Given the geographical wide spread of the population size which was under study, the quantitative approach was, thus, the most appropriate design the researcher could have opted to gather data.

Also, it was an inexpensive and less time-consuming design technique. The maximum number of information was obtained at the same period of time over a widespread geographical population size.

### **4.3. Sampling**

The quantitative study sourced its respondents from a population that constituted all registered NGOs under MACOSS and operating in Mauritius. Permission was sought from MACOSS to use email addresses of NGOs. A list which was last updated in year 2012 was used. The list consisted of 172 registered NGOs. However, only 130 organisations had an email address. The researcher sent an email in March 2013 to the organisations to assess the accuracy of the database of email addresses to finalise the population size. The email was sent to the 130 NGOs in which the aim of the research study was explained and the organisations were asked if they would like to participate in the research. Only 22 organisations replied to the email. A reminder email was sent in April and 50 NGOs replied. Thus, the sample for the research study was 50 NGOs.

The low response rate was related to be in accordance with current electronic survey response rates. A significant limitation of online surveys is the low response rate. “The ethical considerations of the research study depicted that participation is voluntary, that withdrawal of participation could take place at any time and also resulted in selective response to questions” (Fielding, Lee & Blank, 2008). Furthermore, “response rates in web-based surveys were generally low and vary from less than one per cent for enterprise surveys with email invitations to almost one hundred per cent in specific membership surveys” (Fielding et al., 2008). Other reasons could be attributed to the fact that many organisations could have failed to receive the link as either their email accounts were inactive or the organisations did not update their current email address to MACOSS. It could, also, be that some organisations no longer existed or they had merged with other organisations without updating their information to MACOSS.

Among the 50 organisations, 31 NGOs completed the questionnaire, 9 NGOs did not fill it and 10 NGOs partially filled the questionnaire. The 10 NGOs which partially filled the questionnaire could not be used for analysis as they did not respond to most of the questions. Thus, only the 31 NGOs, which completely the questionnaire, were taken into consideration for data analysis and interpretation.

#### **4.4. Data Collection**

##### ***4.4.1. Data Collection Instrument***

Questionnaire, more specifically survey questionnaire, was adopted as the method for collecting data for this study. A copy of the questionnaire could be viewed in Appendix 1. Babbie (2007: 246) referred to a questionnaire as “an instrument specifically designed to elicit information that will be useful for analysis, whereby, the researcher was interested in determining the extent to which respondents held a particular attitude or perspective.” The questionnaire consisted mostly of closed questions where respondents were either required to select from a list, rank according to order of preference or record responses on a Likert-style rating scale. The content of the survey questionnaire was developed through an analysis of literature review that was perceived to be relevant to the research objectives and hypotheses.

##### ***4.4.2. Data Collection Approach***

In this study, data was collected by means of an electronic, web-based, survey which was sent to the NGOs’ email addresses via the SurveyGizmo website. Firstly, the researcher had to create an account from the website to be able to design the survey questionnaire and to send it to the NGOs and analyse the collected data. The researcher had previously undertaken a research study using the SurveyGizmo website for data collection. Hence, the researcher being acquainted which the website could easily use it. The advantages in using SurveyGizmo consisted of a range of analytical and reporting result tools were provided from the website. These included data collected automatically compiled, calculated and could be presented in forms of graphs, pie charts and tables.

According to De Vos, Strydom, Fouché & Delport (2011: 156), the characteristics of a survey consisted of “firstly, data could be collected from large samples of people and, secondly, a series number of questions could be answered by all respondents”. Grinnell and Unrau (2008: 298) defined web-based survey as “a type of questionnaire which required the respondents to complete the questionnaire online through a website”. The use of web-based survey comprised of advantages such as being less time-consuming to gather data and it was inexpensive as it saved the costs of printing or posting the survey questionnaires.

#### **4.5. Data Analysis**

Quantitative analysis was adopted. It referred to “the numerical representation and manipulation of observations for the purpose of describing and explaining the phenomena that

those observations reflect” (Babbie, 2007: 405). Statistical analyses of collected data were carried out through SurveyGizmo online website. These were presented in forms of tables and pie charts. The following steps below were applied in data analysis:

#### *Level of measurement*

According to De Vos et al. (2011: 251), “before analysing the data, one must make sure of the measurement level of the collected data”. Level of measurement is referred to the way that a variable is measured. Crossman (2014) claimed that “there are four main levels of measurement that variables can have: nominal, ordinal, interval, and ratio. Being familiar with the level of measurement of the variables in your data set is crucial because they will help determine what statistical procedure you use.”

In this study the level of measurement used was nominal. Crossman (2014) pointed out that “At the nominal level of measurement, variables simply name the attribute it is measuring and no ranking is present. Nominal variables are often called qualitative variables. An important feature of nominal variables is that there is no hierarchy or ranking to the categories.”

#### *Method of analysis*

Descriptive method was “used to report the distribution (or spread) of the sample population across the wide range of variables” (De Vos et al, 2011: 251).

#### *Data preparation*

According to Sarantakos (2005: 364 in De Vos et al, 2011: 252), “data preparation included checking and editing collected data and eventually coding them”. In this research study, a report of the data generated by SurveyGizmo was used.

#### *Data entry*

This process occurred within the process of data collection. Respondents completed the survey through the SurveyGizmo online database. A generic email was sent to the respondents containing the hyperlink to the survey questionnaire. Once the respondents had completed the questionnaire, the results were captured in SurveyGizmo.

### *Process of data analysis and interpretation of results*

De Vos et al (2011: 252) argued that the simplest form of quantitative data analysis was univariate analysis. It referred all the data gathered on one variable needed “to be summarised for easy comprehension and utilisation. This summary will take on different forms, such as tabular or graphic display of the data.” (De Vos et al, 2011: 254).

The type of variable and level of measurement which were used in this study required frequency distributions of data to be displayed for example into pie charts, graphs and frequency tables. However, most of the questions had predetermined answers and the researcher made use of the report generated by SurveyGizmo to analyse the data.

#### **4.6. Data Verification**

The three most prominent criteria for the data verification and evaluation of quantitative social research were reliability, validity and objectivity:

##### *Reliability*

In quantitative studies, one needed to take measures to ensure quality of data collection technique, that it accurately measured what it was intended to do. Terms used to describe this were the reliability and validity of the data. According to Babbie and Mouton (2001: 524), reliability ensured the quality of the measurement method so that the same data could be collected each time in repeated interpretations of the same concept. In other words, that the findings were consistent.

##### *Validity*

Validity referred to the degree to which an empirical measure accurately reflected the theory it was intended to measure. The point to which the measurement method quantified the variable it stated to quantify. The term has two focal points: that the tool truly measures the theory that is being interrogated and that the theory was being measured accurately. (De Vos et al, 2011: 160)

In this study, the researcher aimed to measure content validity. Specifically, aiming to discern if the measuring device was valid. Also, that it would be able to give a satisfactory or symbolic,

sample of all contents, components or occurrences, of the phenomenon being quantified (De Vos et al, 2011: 160).

### *Objectivity*

Objectivity referred to the degree to which two independent researchers can arrive at similar scores ‘or make similar observations regarding the concepts of interest. It also yields data that are easy to analyse.’ (Polit and Beck, 2004: 319)

## **4.7. Limitations of the research study**

In this section, the limitations of the proposed study had been outlined:

### *Research Design*

The limitation of using quantitative research design entailed that less in-depth information would be obtained compared to qualitative research. The researcher could not probe deeper and explored the issues that would be highlighted by the respondents. However, this was the best design which could have been adopted due to the study population which was geographically widespread in Mauritius. It would have been costly and time consuming to undertake a qualitative study. Also, the nature of information gathered did not require in-depth interrogation.

### *Data Collection Approach*

The major drawback of electronic survey was that it yielded low response rate, compared to the interview method of data collection. The researcher could not be physically present to make sure that each and every participant checked their email to access the survey questionnaire and to fill it. Some respondents disregarded the survey questionnaire while accessing their email address because of issues pertaining to internet security, the survey could have been considered as ‘junk mail’ or ‘spam’. Several telephone calls had to be made to request members from the NGOs that they could please check their emails and if they could fill in the survey questionnaire.

Smith (1997: 77) claimed that respondents might “harbour suspicions about online survey administration and can have concerns about confidentiality that will discourage participation. Nonresponse bias refers to the bias that existed when respondents to a survey are different from those who did not respond in terms of demographic or attitudinal variables.” In the words of

Couper (2000: 473), “not all people included in the sample are willing or able to complete the survey”.

According to Sax, Gilmartin and Bryant (2003: 3), non response rate had increased in recent years due to the rise in the number of electronic survey, people often felt discouraged to spend time in filling online surveys. In order to increase the response rate, the researcher had to send several reminder emails as well as made telephone calls to the respondents from the NGOs to check their emails in order to access and fill the survey. In addition, the deadline to fill in the survey had to be postponed by two weeks due to the low response rate. Eventually, after several reminder emails were sent to the participants and telephone calls, the response rate rose after three weeks by 31 (61%) responses.

#### *Data Collection Instrument*

Another drawback of using electronic web-based survey questionnaire was that the researcher was not present on the spot whilst respondents filled in the questionnaire to clear out any misconception of questions. Thus, there was no face-to-face contact with the respondents in order to ensure that everyone interpreted the questions correctly, especially if English was not the respondent’s first language. However, the researcher formulated each survey question as concisely and clearly as possible to avoid any ambiguity or misconception of the questionnaire.

#### *Data Collection Apparatus*

Some technical problems might have arisen while the respondents were filling out the survey, for example a respondent might be incapable of filling in the survey owing to a freeze browser or a server crash which could result in missing data. However, the researcher was already acquainted in using SurveyGizmo and had thoroughly gone through the website’s tutorials before embarking on the research in order to minimise the possible drawbacks from using the data collection apparatus.

#### *Data Analysis*

Another potential drawback of this study could be that when assessing good governance practices, it was far too simplistic to evaluate exact governance practices into a set of questions. In addition, the researcher’s hypothetical views could have influenced formulation of the questionnaire and the concluded findings. Nevertheless, the researcher being aware of these

biases prevented that the above-mentioned limitations interfered with the process of data collection and analysis.

#### **4.8. Conclusion**

The proposed methodological process undertaken had been elaborated in this chapter. Finally, a comment on the limitations of the study was stipulated. However, any methodology to be adopted could entail strengths and limitations. The researcher aimed to minimise the limitations by taking into consideration its impact on the research process. Hence, the researcher maximised the advantages of using the adopted methodology. The following chapter, *Presentation and Discussion of Findings*, provides a detailed analysis and interpretation of key findings and discusses the presentation and discussion of the findings.

**CHAPTER FIVE**  
**PRESENTATION AND DISCUSSION OF**  
**FINDINGS**

### 5.1. Introduction

This chapter presents findings of the empirical research ranging to more specific results in tabular and graphical presentations and provides a detailed analysis and interpretation of the key findings from the study.

### 5.2. Response Rate

The survey was sent to 50 organisations. There was a response rate of 61%, whereby, 31 NGOs responded and filled the survey.

### 5.3. Demographic profile of respondents

The main field of service of the NGOs which took part in the survey was as described below in the Table 1.

Table 1: Main field of service of NGOs

Value	Count	Percent %
Child and Family	4	12.9%
Women	2	6.5%
The Elderly	2	6.5%
Hospital Setting	0	0.0%
Faith / Spiritual / Religious base	7	22.6%
Substance Abuse (Drugs or Alcohol rehabilitation)	2	6.5%
Criminal Justice	0	0.0%
Trauma Debriefing and Counselling	0	0.0%
Physical Disabilities	1	3.2%
Mental Disabilities	0	0.0%
Humanitarian and Poverty Relief	2	6.5%
Community Development	3	9.7%
Rural Development	1	3.2%
Other	7	22.6%

Thus, as reflected from the above Table 1 respondents were mostly involved within Faith/Spiritual/Religious base organisations.

#### **5.4. Organisation goals**

Goals give global targets within the purpose and mission of the organisation. There was a high response rate that most NGOs, 29 (94%), had a mission statement. From the literature it was stated from the Codes of Good Practice for South African NPOs from the Department of Social Development (2001: 6) that an important activity in the early stages of forming an NGO was the preparation of its Mission Statement.

The NGO, its continuing service activities, its need for resources and the way in which it organised itself, must all be focused on fulfilling its Mission. All their planning, whether be it for its programme or funding, needed to flow out of the need to fulfill the Mission. Thus, organisational goals were claimed to be formulated to direct an organisation towards strategic management and programme planning.

## 5.5. Staffing

Out of the 5(16.1%) of NGOs which claimed to have vacant posts in their organisations, 3 (33.3%) of NGOs claimed that they did not have enough money to recruit staff. According to Table 2, it could be viewed that 18 (60%) and 9 (30%) organisations respectively *Agree* and *Strongly Agree* that they perceived that the staff within their organisation are motivated to work. Studies showed that when leaders focused on human resource management, the level of staff motivation was higher which impacted positively the level of productivity at work.

Table 2: Staff within the organisations

	Strongly Agree	Agree	Unsure	Disagree	Strongly Disagree
Staff are very motivated to work at the organisation.	30.0% 9	60.0% 18	10.0% 3	0.0% 0	0.0% 0
Staff turnover in the organisation is very high.	12.9% 4	35.5% 11	12.9% 4	16.1% 5	22.6% 7
Staff in the organisation are all qualified to work in an NGO.	22.6% 7	41.9% 13	16.1% 5	16.1% 5	3.2% 1
Our organisation provides staff training.	12.9% 4	48.4% 15	12.9% 4	22.6% 7	3.2% 1
Staff feel included in decision process of the organisation.	32.3% 10	41.9% 13	19.4% 6	3.2% 1	3.2% 1
Staff input on good governance is important.	54.8% 17	35.5% 11	6.5% 2	0.0% 0	3.2% 1

However, 50% of the response rate claimed to have high staff turnover. Moreover, above 50% of the response rate: 4 (12.9%) and 15 (48.4%) NGOs insisted on providing staff training. In addition, 10 (32.2%) of organisations *Strongly Agree* and 13 (41.9%) *Agree* that their staff were included in decision process within the organisation. Moreover, 17 (54.8%) and 11 (35.5%) organisations believed that staff input on governance was important. Hence, from the Table 2, it could be argued that the NGOs in Mauritius which took part in this survey were aware of the importance of investing in staff training and to include staff in decision process of the organisation.

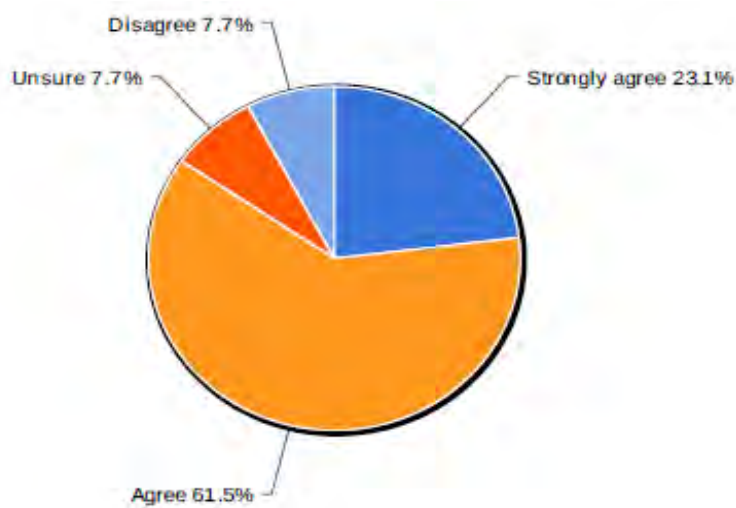
Extracts from the *Judicial Education Reference, Information and Technical Project (JERITT, 2013: 19)*, from the Michigan State University, showed that change within the perspectives and expectations of individuals could transform organisations and the way that work was accomplished. Active participation was required from staff within an organisation, as well as commitment. Effective staff needed a vision for the organisation, but, additionally, each member must feel connected to it and perceived it as part of his or her own personal vision. Through both organisational and individual clarity of vision, organisations could expect commitment, diligence, and a passion for work from its members.

These were among key factors to promote motivation among staff. Management leadership style was participative, this impacted on employees' motivation to go to work and to accept the organisation's goals.

There were 26 (83.9%) respondents who stated to have either a board of trustees or management. *The Independent Code of Governance for NPOs in South Africa*, initiated by Inyathelo (2013) claimed that governance was about how an organisation was led by a governing body such as a Board of Trustees, including their oversight of the organisation – monitoring the activities of the organisation and how it spent its money. This meant it was important for an NGO to have a board of trustees or management. If the board of trustees or management consisted of a group of people working for the NGO or were stakeholders from the NGO sector, it meant the board was elected to take decisions for the organisation. Most NGOs were, therefore, not led by only one person which could have led to dictatorship in decision making.

Approximately 16 (61.5%) respondents agreed and 6 (23.1%) strongly agreed that the board of trustees / management often consulted the staff before taking any final decision pertaining to the services and programmes of the organisation as illustrated from Graph 1. This showed that staff were involved in decision making as mentioned earlier. As cited in CAFS (2001: 5), there should be an efficient process where the roles of the board and management were clearly defined with appropriate structures in place. The board should make strategic decisions and be transparent, responsible and accountable. These were considered as key characteristics of good governance.

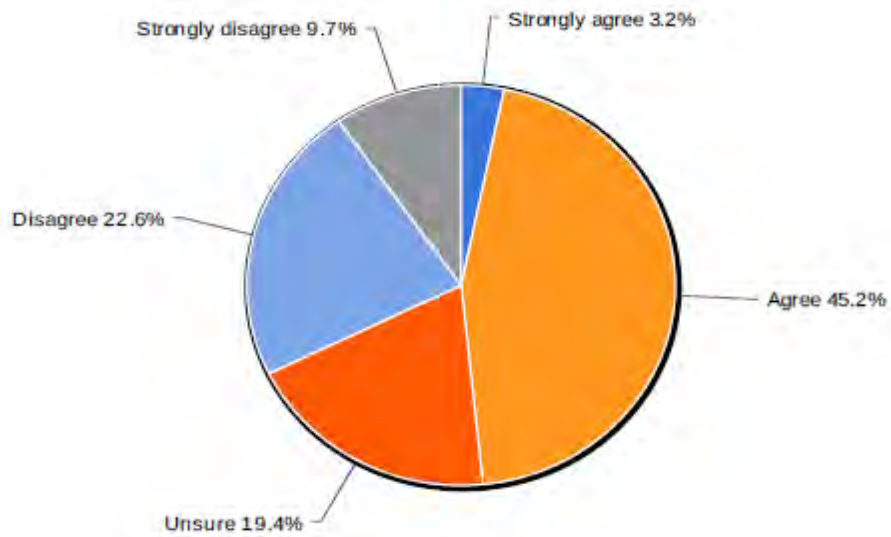
Graph 1: The board consults staff before taking decision related to services and programmes of the organisation



### 5.6. Financial Information of NGOs

From the Graph 2, 14 (45.2%) respondents argued that their current financial position was strong. However, 6 (19.4%) NGOs were *Unsure* and 7 (22.6%) asserted to *Strongly Disagree* about the statement from the Graph 2.

Graph 2: Current financial position of NGOs is strong



## 5.7. Funding Issues

Among the 31 respondents, 13 (41.9%) stated having financial reserves, whereas, 7 (22.6%) respondents were Unsure and 7 (22.6%) respondents claimed to *Disagree* with the statement.

In addition, the respondents were asked to specify in number of months the following: *if no further income is received, how long can your organisation survive?* It was found that approximately 24 respondents acknowledged that if no further income was to be received, their organisation would survive less than 13 months.

From the Table 3, the respondents argued that the main funding difficulties faced by NGOs were mostly related to the following:

- There was a lack of resources from the organisation to raise funds.
- The economic situation of the country impacted negatively in seeking funds.
- Writing funding proposals were challenging.
- The organisation did not receive enough subsidies from the government.
- Competition over funds by NGOs was a major obstacle to obtain funding.

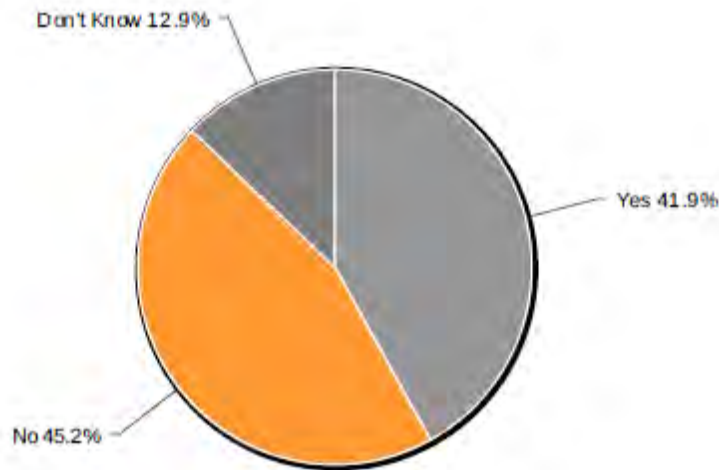
Table 3: Funding difficulties

	Strongly agree	Agree	Unsure	Disagree	Strongly disagree	Responses
The organisation is not popular among the public.	3.2% 1	16.1% 5	16.1% 5	48.4% 15	16.1% 5	31
The organisation lacks resources to adequately raise funds.	16.1% 5	48.4% 15	12.9% 4	16.1% 5	6.5% 2	31
The economic situation of the country impacted negatively in seeking funds.	9.7% 3	58.1% 18	16.1% 5	16.1% 5	0.0% 0	31
Writing funding proposals are challenging.	19.4% 6	67.7% 21	6.5% 2	6.5% 2	0.0% 0	31
The organisation does not receive enough subsidies from the government	41.9% 13	38.7% 12	6.5% 2	9.7% 3	3.2% 1	31
The organisation very often does not fulfill the funding criteria of donors.	0.0% 0	0.0% 0	0.0% 0	0.0% 0	0.0% 0	0
Competition over funds by NGOs is a major obstacle to obtain funding.	35.5% 11	41.9% 13	9.7% 3	12.9% 4	0.0% 0	31

It was noticed that 13 (41.9%) of the respondents *Agree* and 10 (32.3%) asserted to *Strongly agree* that their organisation researched the funding criteria of donors before asking them for funds. There was 14 (45.2%) of the respondents asserted to *Agree* and 5 (16.1%) *Strongly Agree* that their organisation had been very successful in obtaining funds for the financial year 2011/2012.

According to the Graph 3, 14 (45.2%) organisations did not apply for funding to the government during year 2011/2012. Respondents asserted it was because of the reasons as listed in Table 4.

Graph 3: Funding applied to the Government for year 2011/2012



As explained from the literature, in Mauritius, an NGO must be accredited to the NCSR to receive approved finance such as the National Empowerment Fund. “In order to be eligible for accreditation, the organisation must meet specific criteria for example it should have a proven track record of at least two years and be in operation on a non-sectarian basis and should not discriminate on the basis of race, place of origin political opinion, colour or creed”(Introduction to CSR, 2012: 4). Only approved programmes qualifying under Corporate Social Responsibility would be funded.

Few respondents, notably, 13 (41.9%), stated that their organisations applied to the Government for funding for the year 2011/2012. However, when asked if these organisations had received the exact amount they applied for, the majority of respondents, notably 10 (71.4%) replied *No*.

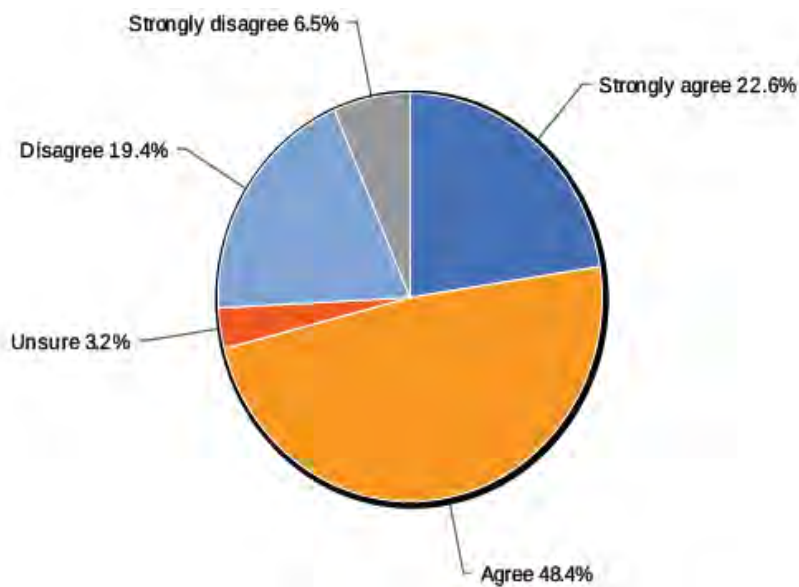
Table 4: Reasons why NGOs did not apply for funding to the Government in 2011/2012

Count	Response
1	An NGO by virtue of its nature should be independent.
1	Donors paid less than whole amount requested.
1	Government cut down their expenditure due to financial crises.
1	Govt is still considering the basis of the grant of religious subsidy
1	Less than 50 percent
1	Not available
1	Our organisation is allocated a fixed amount of fund for our activity.
1	Our projects were rejected by the board
1	Project was not properly worked out
1	The govt used lame arguments to explain the non-funding of our project
1	We also raise fund through fund raising
1	We do not really depend on Government for financing of our activities
1	We don't know have the necessary skills to write a good project proposal
1	difficult to fill in the questionnaire and give all the details before the project is launched
1	government is no helping NGO at all
1	we receive a fix grant from the government, any application for other funding will be turned down
1	Our NGO relies on the private/corporate sector, as well as funds, for CSR (Corporate Social Responsibility) and other donations/contributions.
1	because we receive a Grant In aid already voted by the Ministry of Finance and which is not sufficient for our running costs.

Nunnenkamp and Öhler (2010: 4) argued that “applying for official funds typically involves considerable paperwork; NGO managers may have to spend a substantial amount of time with official agencies to ensure successful applications.”

More than 50% of respondents, notably 7 (22.6%) *Strongly agree* and 15 (48.4%) *Agree* that their organisation was frequently requested to reduce expenditure on its administration costs. The *Registration of Associations Act 35, No. 14 of 1978* stated that in order to guarantee the process of internal good governance practices and to avoid financial manipulation, emphasised must be laid on rigid limitations of expenditures which NGOs must adhere to.

Graph 4: The organisation is frequently requested to reduce expenditure on its administration costs

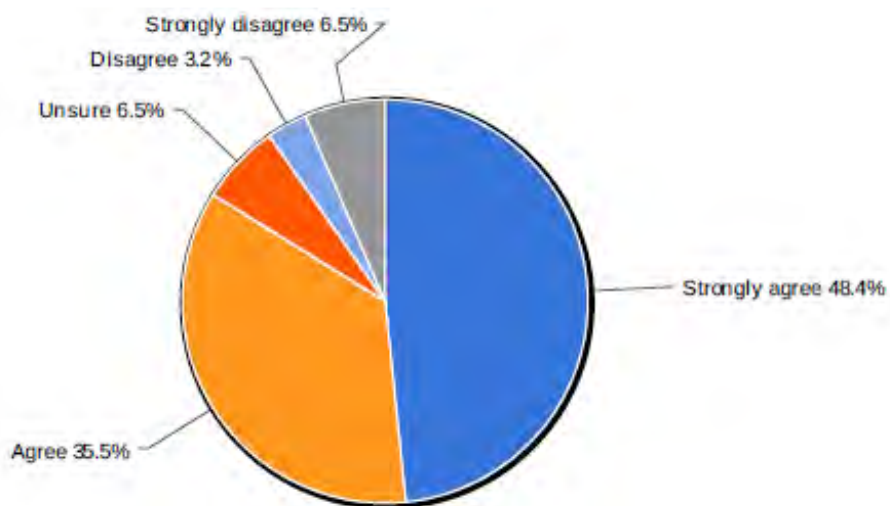


“Our organisation is very innovative in finding new ways for raising funds.” There were 16 (51.6%) respondents who agreed to that statement which showed above 50% of NGOs which participated in the survey were innovative to adopt different ways to raise funds. The report for implementing ICPD in Sub-Saharan Africa (2001:5), acknowledged in order to maintain good governance within NGOs, it was “essential for order and equality, efficient delivery of goods and services, accountability in the use of power, protection of human rights and freedom, and the maintenance of an organisational framework within which each person can contribute fully towards finding innovative solutions to common problems.”

### 5.8. Characteristics of Good Governance

According to the Graph 5, 15 (48.4%) of the respondents *Strongly Agree* and 11 (35.5%) of the respondents *Agree* that a lack of good governance practices often restrict the income received from donors. Hence, data gathered from this statement could be deduced that the respondents were aware of the importance of good governance practices to acquire income from donors. UNESCAP (2013), claimed bad governance within an NGO was reflected as being guided by a fragile and chaotic management with no sense of direction, in which board members and staff were unprepared for eventualities and were unclear as to how best they could contribute to the organisation. Graetz et al. (2006) argued that in such organisation leadership tended to be toxic, for example, there was no democracy, accountability and transparency. The structure of the NGO would be hierarchical and autocratic.

Graph 5: Lack of good governance practices often restrict the income received from donors



### 5.8.1. Accountability

It could be deduced from the Table 5 that most respondents applied good governance practices in terms of the accountability within the NGO they worked. For instance, 28 (90.3%) of NGOs conducted an annual general meeting every year. Moreover, 30 (96.8) of NGOs produced an annual financial statement. This showed that NGOs in Mauritius had integrated the practices of being accountable in relation to their financial condition.

Table 5: Accountability

	Yes	No	Don't Know	Responses
<b>The organisation is annually audited.</b>	<b>90.3%</b> 28	<b>6.5%</b> 2	<b>3.2%</b> 1	<b>31</b>
<b>The organisation's finance is handled by a professional qualified accountant.</b>	<b>71.0%</b> 22	<b>29.0%</b> 9	<b>0.0%</b> 0	<b>31</b>
<b>The organisation conducts an annual general meeting every year.</b>	<b>90.3%</b> 28	<b>9.7%</b> 3	<b>0.0%</b> 0	<b>31</b>
<b>The organisation has an annual report of the services it provides.</b>	<b>90.3%</b> 28	<b>9.7%</b> 3	<b>0.0%</b> 0	<b>31</b>
<b>The organisation produces an annual financial statement.</b>	<b>96.8%</b> 30	<b>3.2%</b> 1	<b>0.0%</b> 0	<b>31</b>

According to *Section 22* from the *Annual General Meeting*, of the *Registration of Associations Act 35, No 14 of 1978*, an NGO had to adhere to the guidelines as mentioned in the Table 5.

Studies revealed from the literature that accountability on the part of NGOs implied the demonstration of the effective and efficient use of resources. In general, an organisation or an institution would be accountable to its stakeholders and those affected by its decisions. Also, the literature emphasized on the fact that accountability cannot be enforced without transparency and the rule of law.

### 5.8.2. Transparency

More than 50%, notably 20 (64.5%), of NGOs claimed to *Strongly agree* that all activities undertaken by their organisations were transparent. It could be observed that the data corresponded to the Table 6, whereby, the same number of response rate was obtained to the statement that “In order to obtain funds, our organisation must be very transparent in its service delivery”. According to the Table 6, it could be deduced that 100% of response rate was attributed to the agreement that NGOs must be transparent in its service delivery in order to obtain funds.

Table 6: In order to obtain funds, our organisation must be very transparent in its service delivery

Value	Count	Percent %
Strongly agree	20	64.5%
Agree	11	35.5%
Unsure	0	0.0%
Disagree	0	0.0%
Strongly disagree	0	0.0%

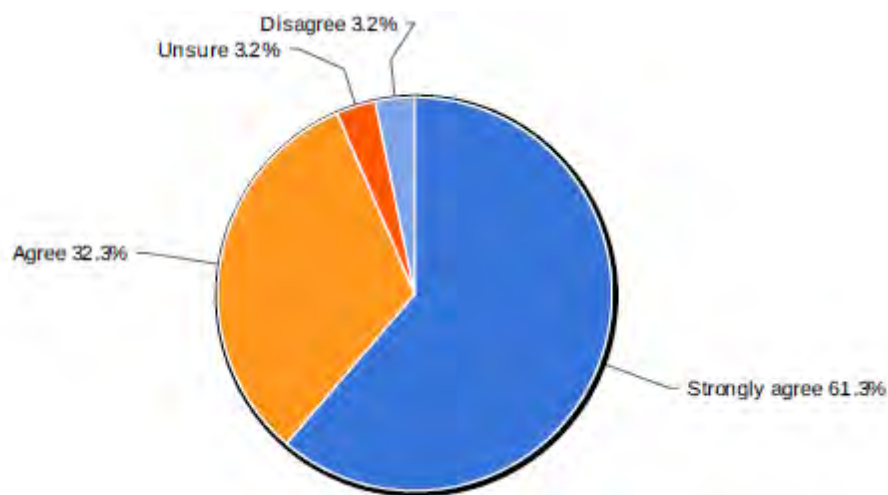
The literature stated that information should be easily available and accessible in a form of media that was easily understandable.

### 5.8.3. Participation

From the literature, it was illustrated by UNESCAP (2013) that participation by citizens was a key cornerstone of good governance.

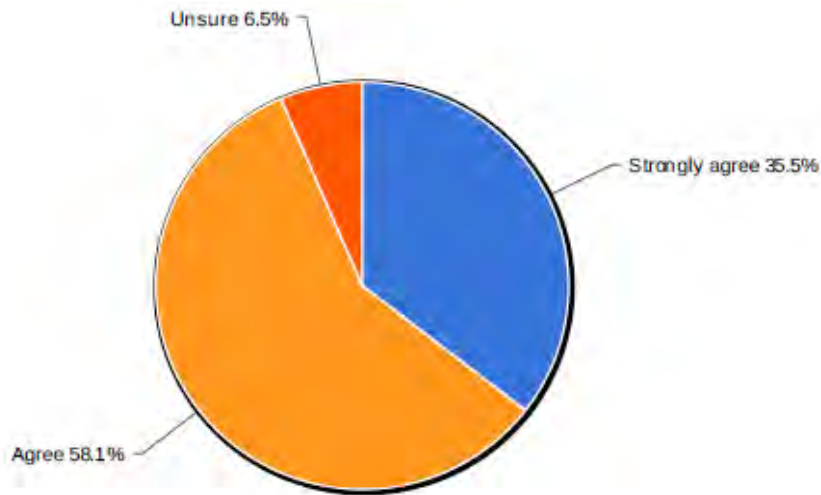
As depicted in the Graph 6, 19 (61.3%) and 10 (32.3%) of NGOs affirmed to *Strongly agree* and *Agree* simultaneously their organisation actively engaged community participation in addressing problems affecting people.

Graph 6: Our organisation actively engages community participation in addressing problems affecting people

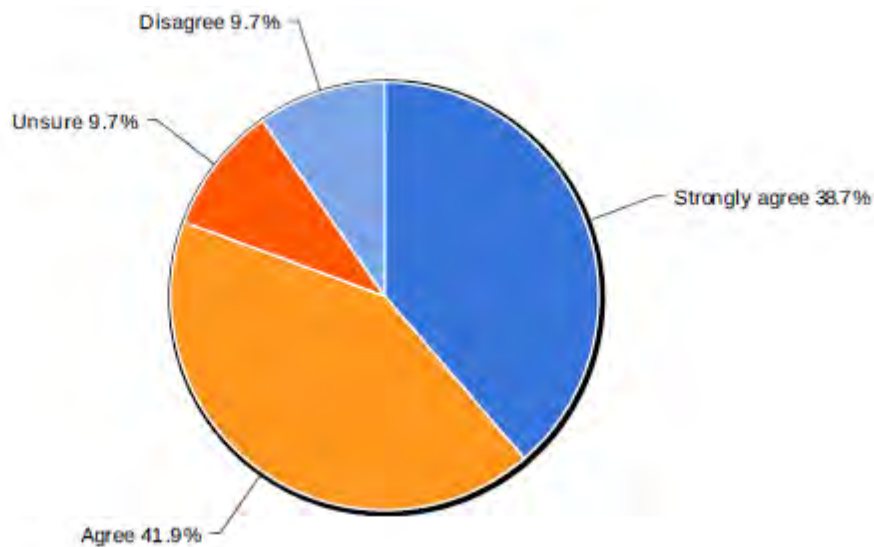


On the other hand, more than 50% of response rate demonstrated that staff were timeously informed of the changes in their organisations and staff had access to information of ongoing services of the organisation. These data are shown in the Graphs7 and 8 respectively.

Graph 7: Staff members are timeously informed of the changes in the organisation

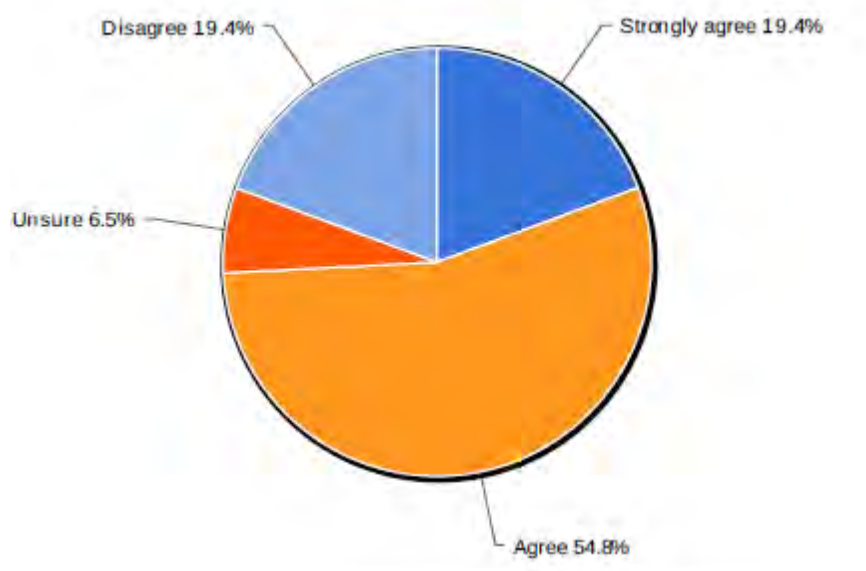


Graph 8: Staff have access to information of ongoing services of the organisation



As shown from the Graph 9, 54.8% of response rate which referred to 17 NGOs that agreed that all staff participated equally in discussion during staff meeting. Extracts from the *Judicial Education Reference, Information and Technical Project* (JERITT, 2013: 19), from the Michigan State University pointed out that active participation was required from staff within an organisation, as well as commitment which could transform organisations and the way that work was accomplished.

Graph 9: All staff participate equally in discussion during staff meeting



Thus, the Graph 9, depicts the view that “Effective staff need a vision for the organisation, but, additionally, each member must feel connected to it and perceive it as part of his or her own personal vision. Through both organisational and individual clarity of vision, organisations can expect commitment, diligence, and a passion for work from its members. Individuals and organisations who find a passion for work will not only flourish and be productive, but will also find an excitement in carrying out even the most mundane functions in everyday work”(JERITT, 2013: 19).

Hence, it could be deduced that in terms of participation as a characteristic of good governance, the majority of NGOs incorporate and integrate their staff within the activities and management of the NGO.

#### 5.8.4. Rule of Law

The collected data revealed that 21 (67.7%) NGOs operated in terms of specific Act and Legislation. The majority of NGOs were governed by the *Registration of Associations Act 35 No. 14 of 1978*. According to the statements from the Table 7, the majority of NGOs abided to the rule of law. This related to good governance practices which required fair legal frameworks that should be enforced impartially, as cited in CAFS (2001).

Table 7: Rule of law

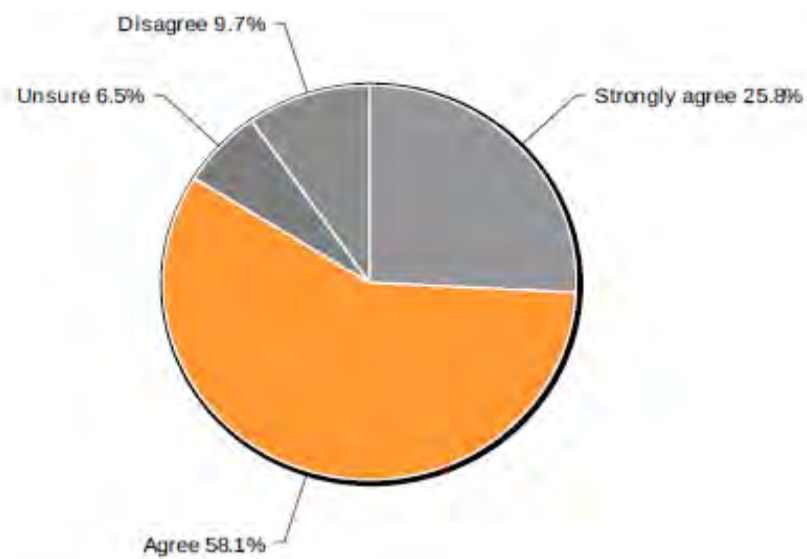
	Strongly agree	Agree	Unsure	Disagree	Strongly disagree	Responses
<b>Our organisation always implements the changes to the legislation that affect its services.</b>	25.8% 8	64.5% 20	3.2% 1	6.5% 2	0.0% 0	31
<b>Our organisation is aware of the laws, rules and regulations that affect its operation.</b>	35.5% 11	58.1% 18	6.5% 2	0.0% 0	0.0% 0	31
<b>Our organisation has specific rules and regulations that must be followed when decisions are taken if changes need to be made in its service delivery/programmes.</b>	45.2% 14	45.2% 14	9.7% 3	0.0% 0	0.0% 0	31
<b>The audited financial statements are accessible to the public.</b>	25.8% 8	29.0% 9	29.0% 9	12.9% 4	3.2% 1	31
<b>Any citizen can have access to the data and information of our organisation.</b>	29.0% 9	29.0% 9	16.1% 5	22.6% 7	3.2% 1	31

### 5.8.5. Responsiveness

Responsiveness, according to the literature, referred that good governance required institutions and processes to serve all stakeholders within a reasonable timeframe. More than 50% of respondents, which included 24 (77.4%), stated that their organisation managed to meet all funders' request deadlines.

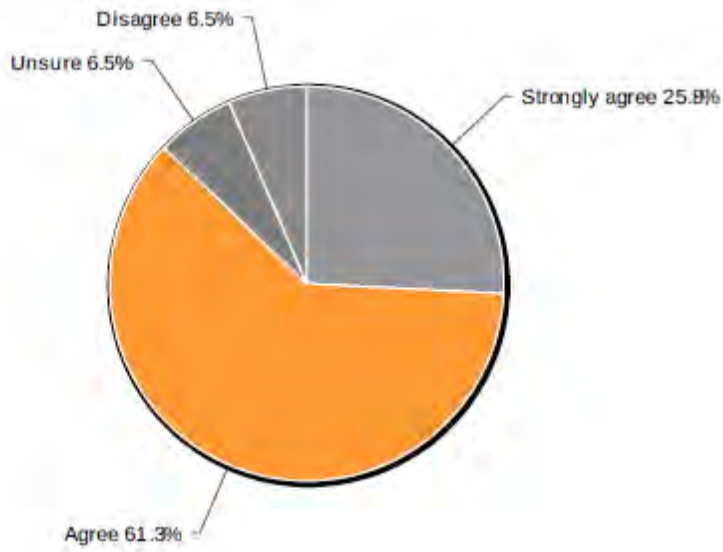
As shown from the Graph 10, a higher rate of NGOs in Mauritius had to modify their programme or projects to fit the funding criteria of donors. This could be due to the fact that NGOs had to compete to obtain funding as mentioned in the Table 3.

Graph 10: The organisation usually modifies its programme/projects to fit the funding criteria of donors



The Graph 11 demonstrated 19 (61.3%) NGOs had regularly researched new methods to improve its service delivery.

Graph 11: The organisation regularly researches new methods to improve its service delivery

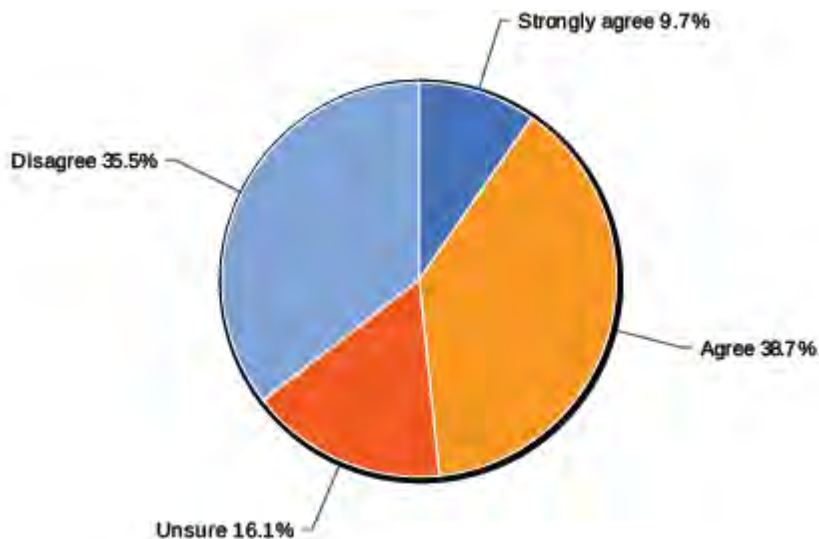


### 5.8.6. Consensus Oriented

Data collected to assess the consensus oriented characteristics of governance showed that the majority of respondents, notably, 23 organisations, were aware of its importance. For example, 8 (25.8%) and 15 (48.4%) of NGOs agreed to the statement that their staff were always consulted in decision making. Studies debated that good governance required “mediation of the different interests in society to reach a broad consensus in society on what has been in the best interest of the whole community and how this can be achieved.”(UNESCO: 2005)

The Graph 12, showed a contradictory data compared to the 15 (48.4%) organisations had respectively *Strongly Agree* and *Agree* that the board took the final decision pertaining to the organisation without consulting its staff, whereas, 23 (74.2%) NGOs reported that their staff were always consulted in decision making.

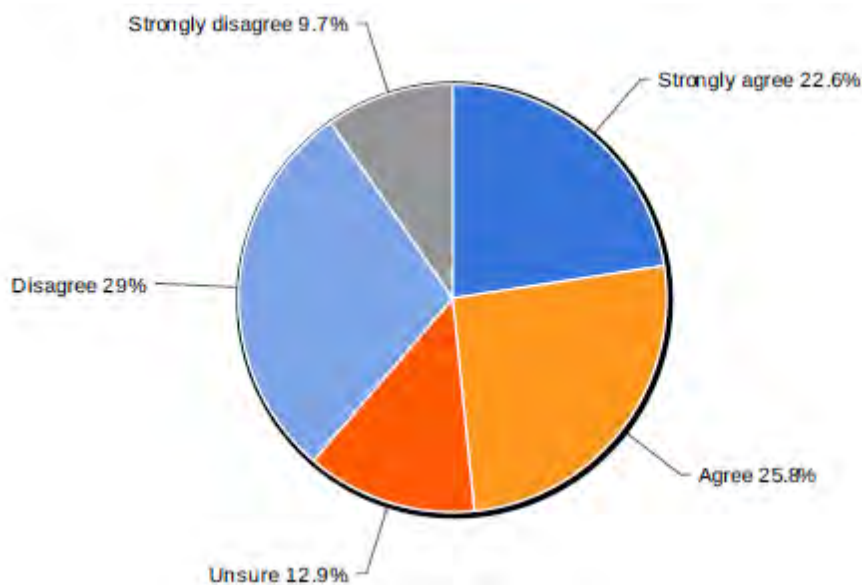
Graph 12: The board takes the final decision pertaining to the organisation without consulting its staff



### 5.8.7. Equity and Inclusiveness

It could be observed from the Graph 13, that the level of competition among NGOs in Mauritius was very high. This has reduced the level of equity on which organisations should operate. Indeed, Nunnenkamp and Öhler (2010) argued that the impact of competition affected the efficiency of NGOs which were dependent on various funding sources. Additionally, Cooley and Ron (2002: 17), stated that NGOs might seek to undermine competitors, conceal information, and acted unilaterally. Hence, as stated from the literature, whilst applying funding, representatives from NGOs found it to be a time consuming process, which involved significant paperwork. Also, project coordinators had have to devote considerable time with the funding agencies to make sure the applications were filled successfully and if further information needed to be provided.

Graph 13: The organisation often competes with other NGOs to obtain funds



In the view of Cooley and Ron (2002: 17), the increasing use of competitive tenders and renewable contracts by official backdonors discourages cost-saving cooperation among NGOs and leads to waste and duplication as NGOs “may seek to undermine competitors, conceal information, and act unilaterally” Nunnenkamp and Öhler (2010: 4).

According to Table 8, it could be viewed that the majority of NGOs adopted procedures and guidelines which protected their organisation against bad governance practices.

It was discussed from the *International Conference on Population and Development*(ICPD) (cited in CAFS 2001) that in order for NGOs to apply good governance practices, they should have in place well-defined objectives; a set of procedures and systems and transparent administration and clear structures of control which would comply with legal and regulatory requirements. Moreover, the roles of the Board and management must be transparent and clearly defined.

Table 8: Procedures/ Guidelines adopted by NGOs

	Yes	No	Don't Know	Responses
Mismanagement by the CEO/Director	56.7% 17	20.0% 6	23.3% 7	30
Misuse of resources	58.1% 18	32.3% 10	12.9% 4	31
Safeguarding of assets	80.6% 25	12.9% 4	6.5% 2	31
Detection of fraud and error	77.4% 24	16.1% 5	6.5% 2	31
Prevention of fraud and error	74.2% 23	19.4% 6	9.7% 3	31
Appropriate accounting procedures	83.9% 26	19.4% 6	3.2% 1	31
Timely preparation of financial statement	87.1% 27	12.9% 4	0.0% 0	31
Administrative costs	83.9% 26	16.1% 5	3.2% 1	31

Thus, as illustrated from the Table 8, most NGOs understood the fact that there should be an efficient process where the roles of the board and management were clearly defined with appropriate structures in place; and the board should make strategic decisions and be transparent, responsible and accountable, as cited in CAFS (2001: 5-6).

### 5.8.8. Effectiveness and Efficiency

From the Table 9, it could be seen that 12 (38.8%) respondents *Disagree* and 2 (6.5%) were *Unsure* that the programmes undertaken by their organisation were frequently assessed by an external body. This meant that since programmes were rarely assessed, it would be difficult to analyse whether those programmes were effective and efficient and must be improved. On the other hand, the majority of NGOs agreed that it was important to research the key areas of concern before formulating a project / programme plan. In addition, most respondents asserted that their organisation ensured that its service programmes met the community needs it sought to achieve.

Table 9: Effectiveness and Efficiency

	Strongly agree	Agree	Unsure	Disagree	Strongly disagree	Responses
Programmes undertaken by the organisation are frequently assessed by an external body.	16.1% 5	38.7% 12	6.5% 2	32.3% 10	6.5% 2	31
Our organisation believes it is important to research the key areas of concern before formulating a project / programme plan.	35.5% 11	58.1% 18	3.2% 1	3.2% 1	0.0% 0	31
Our organisation ensures that its service programmes meet the community needs it seeks to achieve.	48.4% 15	38.7% 12	9.7% 3	6.5% 2	0.0% 0	31

From the collected data, it was found that 21 (67.7%) respondents agreed that their organisation annually identified potential risks which could affect their services. In addition, 13 (41.9%) and 4 (12.9%) of the respondents asserted that their organisations had a Risk Management Plan to address potential risks which could impact their projects. The UNESCO, as emphasised in the literature, described that NGOs should apply good governance that would act as processes and institutions to produce results that would meet the needs of society while making the best use of resources at their disposal.

Given the high rate of positive response with regards to the characteristics of good governance which the respondents claimed their NGOs applied, it could be deduced the reason for the high demand from the community for the organisation's services which increased over the year 2012/2013 as shown in the Table 10.

Table 10: Demand from the community for the organisation's services has increased over the year 2012 / 2013

Value	Count	Percent %
Strongly agree	7	22.6%
Agree	17	54.8%
Unsure	2	6.5%
Disagree	5	16.1%
Strongly disagree	0	0.0%

### 5.9. Future of the NGO Sector

In addition, it was evident from the findings that most of the respondents claimed that the NGO sector in Mauritius must be strengthened as depicted in the Table 11. In addition, 29 (93.5%) of the respondents respectively *Strongly agree* and *Agree* respectively that bad governance is the greatest hindrance to raising funds for the NGO. Moreover, from the Table 11, it could be deduced that it was important for the corporate sector and the government to work in collaboration to improve the NGO sector.

Table 11: Future of the NGO Sector in Mauritius

	Strongly agree	Agree	Unsure	Disagree	Strongly disagree	Responses
<b>The NGO sector should be strengthened.</b>	64.5% 20	35.5% 11	0.0% 0	0.0% 0	0.0% 0	31
<b>The government should play a leadership role in ensuring the financial sustainability of the NGO sector.</b>	48.4% 15	32.3% 10	12.9% 4	3.2% 1	3.2% 1	31
<b>The corporate sector plays an important role in ensuring the financial sustainability of the NGO sector.</b>	35.5% 11	54.8% 17	3.2% 1	6.5% 2	0.0% 0	31
<b>Bad governance is the greatest hindrance to raising funds for the NGO.</b>	51.6% 16	41.9% 13	3.2% 1	3.2% 1	0.0% 0	31
<b>Legislation to improve the financial stability of the NGO sector must be introduced.</b>	41.9% 13	41.9% 13	16.1% 5	0.0% 0	0.0% 0	31
<b>The government plays a major role in ensuring NGOs apply good governance practices.</b>	32.3% 10	41.9% 13	12.9% 4	6.5% 2	6.5% 2	31

The findings from the Table 11 reflected the findings from the study undertaken by EISA in Mauritius in April 2014 that the NGO sector needed to be strengthened.

As depicted from the Table 12, the majority of the respondents believed that their organisation was well governed from the perspective of the community, the government and funders.

Table 12: Is your organisation well governed

	Yes	No	Don't Know	Responses
<b>The community believes that our organisation is well governed.</b>	<b>77.4%</b> 24	<b>3.2%</b> 1	<b>19.4%</b> 6	<b>31</b>
<b>The government believes that our organisation is well governed.</b>	<b>77.4%</b> 24	<b>6.5%</b> 2	<b>19.4%</b> 6	<b>31</b>
<b>Funders believe that our organisation is well governed.</b>	<b>83.9%</b> 26	<b>6.5%</b> 2	<b>9.7%</b> 3	<b>31</b>

The literature debated the lack of good governance practices in NGOs which were not well governed. However, this was contradicted by the majority of the respondents from the survey. They asserted that they applied good governance practices, as illustrated from the findings in this Chapter.

### 5.10. Conclusion

In this chapter, the findings were presented and discussed according to the research hypotheses. Also, the findings were compared to past research studies and theories presented in the literature review. The next chapter consists of the main conclusions and recommendations drawn from the research study.

**CHAPTER SIX**  
**CONCLUSIONS**  
**AND**  
**RECOMMENDATIONS**

The content of this chapter focuses on the main conclusions from the research study and the findings drawn from it. The chapter also presents recommendations for the NGOs and government sector.

## **6.1. Conclusions**

This section concludes the four main research hypotheses from Chapter Two - *Study Aims*.

### *1. Bad governance negatively affects the overall management of NGOs.*

It was deduced that most respondents claimed their organisations applied good governance practices which positively affected the overall management of their NGOs. Hence, the hypothesis that *bad governance negatively affects the overall management of NGOs* could be claimed as valid as good governance practices had proven to have positive influence on the overall management of NGOs. The results from the research study showed that most respondents stated that their organisations applied some characteristics of good governance.

### *2. NGOs are poorly managed and this results in poor service delivery.*

This hypothesis was based on the number of respondents who claimed that staff morale was affected by the leadership style adopted within NGOs. Also, this was reflected in the extent to which staff participated in decision making and meetings within their NGO. Additionally, leadership styles adopted within NGOs affected the overall organisational structure, processes and behaviours within the organisation.

### *3. The government does not contribute the maintenance of good governance practices within NGOs.*

There was no obligation from the government to ensure that NGOs applied good governance practices. However, the government created ‘independent bodies’ such as MACOSS to safeguard governance practices of NGOs. In addition, according to the *Registration of Associations*, under the Ministry of Labour, Industrial Relations and Employment, NGOs were required to comply with a set of good governance practices and had to submit various annual reports such as financial statements. Nevertheless, it was concluded that such requirements were not followed up with monitoring and evaluation processes to see if registered NGOs were operating within good governance practices.

#### *4. NGOs with good governance obtain more funding.*

One of the primary goals of this research was to investigate if NGOs received more funding by adopting good governance practices. The study confirmed this hypothesis. The literature also debated on the fact that donors, including several other funding agencies, had put in place several requirements to assess good governance practices are met before funding NGOs.

Transparency Mauritius and Independent Commission Against Corruption (ICAC) were seen to be playing a crucial role in maintaining good governance in the country. On multiple purposes, they had challenged government processes and published reports on governance. In addition, ICAC played an important role in raising awareness, empowerment and seeking engagement from the NGO sector, especially with its campaign to adopt good governance practices and fight against corruption.

However, the debate that the NGO sector in Mauritius was fragmented should not be left without notice. Many NGOs were faced with the same problems. They criticised the government, but were unwilling to unify their opinions for the betterment of the NGO sector. There was a need for the NGO sector to find means to engage in a social dialogue to voice their opinions. The final report on the research study on governance would provide opportunities to NGOs and other stakeholders to learn from other African countries sharing similar challenges. It was deduced that EISA had been doing a remarkable job in supporting NGOs to use APRM as a framework to engage in good governance practices.

Hence, NGOs have the possibility to work together in rebuilding the passion and vision of the people who are committed to move the NGO sector forward. There must be a mindset transformation in the Mauritian culture to involve the NGO sector in decision making processes at the level of the Government and the Private Sector.

## 6.2. Recommendations

The following recommendations, were based on the conclusions from the highlighted research findings, and could be applied by the government sector and NGOs:

### *6.2.1. The NGO sector should be strengthened.*

The findings demonstrated that respondents stressed the fact that the NGO sector in Mauritius must be strengthened. In doing so, NGOs needed to re-examine the way, how they worked. Most NGOs in Mauritius were set up by individuals without prior experience, hence the call for strengthening the NGO sector. In order to achieve this, a training school for NGOs could be created. MACOSS could set up a programme for NGOs by consulting academics from the University of Mauritius, stakeholders from diverse government ministries and from private sector. This would enable closer collaboration among the key sectors of society. International references from successful NGO training schools could be provided by MACOSS to create an effective and efficient learning database for NGO set-up, and for NGOs which were already in operation such as EISA.

It was deduced that there was a lack of literature and resources on the NGO sector of Mauritius. In this view, a thematic programme could be designed to advance research by the University of Mauritius and develop scientific knowledge and knowhow on the NGO sector of Mauritius. The programme could be coordinated by a *Steering Committee*, to integrate different projects in the programme through joint coordination activities, for example, training activities of NGO representatives. Hence, would be essential to translate the key principles of governance into the internal processes of NGO coordination bodies, by asking the following questions:

#### Members

- Who are the members?
- How are they chosen?

#### Decision-Making

- How will decisions be made and how will they be enforced?
- Who will make decisions and how will the decision makers be chosen?

## Governance

- How will governance bodies be held accountable and, if necessary, members removed or replaced?

## Information

- What information must be shared with which members and how frequently?
- How will this information be shared?

## Representation

- How will participation or representation in non-NGO meetings be decided (rotational, nominated, fixed representation, depending on the subject)?
- How will information be fed back to members and decisions taken by the broader membership?
- Who will participate (members/non-members) in meetings and what rights/privileges do they have?

## Secretariat Staff

- If staff are employed, e.g. secretariat, who will be responsible for managerial and financial oversight?
- If there are staff, what will be their necessary competencies and terms of reference?
- How will staff be disciplined and if necessary removed/replaced?

## Feedback and Complaints

- How will stakeholders provide feedback and how will complaints be handled?

## Evaluation

- How will the NGO coordination body be evaluated?

The above mentioned questions have been summarised from the *2010 Humanitarian Accountability Partnership (HAP) Standard in Accountability and Management*. This could be adopted as a guideline by NGOs in Mauritius to put in place in order to achieve the characteristics of good governance practices.

***6.2.2. The government and corporate sector should play a leadership role in ensuring the financial sustainability of the NGO sector.***

There is a need to have an external, independent body to conduct audits and visit NGOs on a quarterly basis. There must be amendments to the *Registration of Associations Act 35, No. 14 of 1978*, and to legislations governing NGOs which is considered too complicated and confusing to be applied by everyone. The respondents argued that the legislation on financial stability of NGOs must be reviewed. Thus, it can be proposed that there must be a specific guideline and a formulated benchmark requirement, such as a Code of Conduct for all NGOs. Stakeholders from the government and the private sector can create a template providing requirements to adopt the constitution governing codes of conduct and practice of NGOs, annual general meeting and financial analysis. In addition, an annual reporting template could serve as a standard for good governance.

Moreover, it was deduced that a set of control mechanisms were lacking in many NGOs. The financing of the activities of an NGO must be considered of primary importance as it is a non-profit making organisation. Hence, an NGO had to put in place the appropriate management accounting system to ensure that its assets were being properly controlled and used in a way that was consistent with its objectives. Controls should be put in place to assess whether the NGO was achieving its goals. These controls would ensure that policies and procedures adopted by the organisation would achieve its objectives. For example these controls would ensure that assets are protected; fraud and error would be prevented and detected; there would be more accuracy of accounting records; and the timely preparation of financial information would be ensured.

Controls were predominantly meant to safeguard that all transactions that are recorded and reported are valid transactions; are accurately recorded and reported; whether the recording and reporting of transactions were complete; and assets of the business were kept safely.

Therefore, NGOs should be interested in controls because they could save the organisation from misallocation of resources; prevent and detect fraud; limit clerical errors; and ensure that the financial statements correctly reflect the true state of affairs they were likely to make better informed economic decisions. Furthermore, it is recommended that steps must be taken to strengthen the leadership of NGOs which include the Board of Directors and the Management Committees. This could be achieved through training and education lessons from well-

established related international organisations. This will guarantee the quality of services offered. It is recommended that the Board of Directors and Management Committees of NGOs ensure transparency in all their operations, including financial reporting. They should ensure that regular financial audits are conducted to provide proof of their transparency to the stakeholders. They should put in place a communication policy so that all communication from the NGOs are well presented and truthful.

***6.2.3. The government should play a major role in helping NGOs to apply good governance practices.***

An external body must be created to ensure NGOs adhere to laws to ensure compliance, similar to the Financial Services Commission (FSC) of Mauritius, which ascertain compliance with, and identifies breaches of, applicable laws, regulations and licensing conditions. The government can set up an agency which can provide NGOs, including funding agencies, with resources related to good governance practices which are needed to reinforce their governing bodies and boards. This will enable them to serve the public in an effective and efficient way. Also, this can help to promote good governance, whereby, NGOs can exchange information and learn from best practice other NGOs. The aims of the agency should be to act as a capacity building unit, created to identify the drawbacks NGOs are facing and set up a monitoring and evaluation programme. This programme must be consistent and ongoing. NGOs should be taught how to attract donors, how to write projects (project write up) and how to involve their stakeholders.

Training of staff and training on how to write proposals for funding. The agency can have an assessment, for instance, in identifying the unique governance challenges faced by Board members. For instance, the Board members must be questioned the extent to which they understand the organisation's mission and strategy and feel committed to them; and if they are aware of the role(s) they should fulfil, and if they have the skills they need to fulfil those roles. The assessment process should fully engage both the Board and management of the organisation.

**6.3. Further research**

Lastly, the researcher firmly believes that further research must be initiated in unleashing the ambiguity from the concept of governance and of its impact on funding of NGOs. Additionally, assessment approaches and indicators to identify good governance practices of NGOs should

be taken into consideration. Stakeholders from the government, private and the NGO sectors should clearly use concepts and methodologies of governance in their discourses, and publicly through means of the mass media. This would clarify the ambiguity from the concept of good governance processes and practices and encourage informed dialogue among stakeholders about the different approaches to achieve good governance. Hence, there would be a better understanding among all stakeholders to ascertain what governance entails, and types of good governance practices related to NGOs. Although the present study made significant contributions in understanding governance practices among NGOs, further research in the development of new solutions must be considered. Besides, it was deduced that it was fundamental for all stakeholders to use and adopt a uniform approach to the terms and concepts of good governance practices of NGOs within the local Mauritian context. This would avoid the confusion of various terms and concepts associated with governance of NGOs. MACOSS, being the umbrella organisation for registered NGOs of Mauritius, would be the most appropriate body to provide such information to all NGOs and stakeholders.

Furthermore, it was observed that most NGOs in Mauritius adopted a 'victim attitude', feeling that they are left on their own and the Government is not helping them. They would always complain and were never satisfied with the manner in which the government and the private sector operates. This was partly the reason why some NGOs felt that their plight often went unnoticed by the government, which had become used to addressing complaints from NGOs that more funding was needed. NGOs needed to have a change of mindset. They must adopt new methods of change and innovation in order to succeed in achieving their mission. This is because the government and private sector had become very competitive and if the NGO sector aimed to become a stronger sector, it must become more competitive in the effective and efficient delivery of development programmes.

NGOs are organisations that exist to serve a public need without intention of making profits. However, they are often faced with the dilemma of remaining operational if they cannot ensure their financial survival through financial gains. Hence, the question remains if NGOs should change their approach towards marketing themselves as competitive organisations.

#### **6.4. Conclusion**

This research report has assessed the extent to which governance practices affect funding of NGOs in Mauritius. Overall, the research study demonstrated that some of the findings were at

odds from the literature. The literature debated the lack of good governance practices in NGOs, whereas, this was contradicted by the majority of the respondents from the survey. They asserted that they applied good governance practices. In addition, referring to the systems theory approach, it was deduced that both external and internal factors within an organisation played an important role in shaping the characteristics of good governance. It is recommended that NGOs need to be involved in working with the pillars of Mauritius – the government and the private sector – to build a stronger and an independent NGO sector. In conclusion, this research study has been able to draw the link between good governance and successful funding and it demonstrated how funding is affected by governance practices of NGOs in Mauritius.

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**APPENDIX I**

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**SURVEY QUESTIONNAIRE**

*To what extent does governance affect funding of non-governmental organisations in  
Mauritius?*

Welcome to the survey

Thank you for participating in this research. Please read the following instructions carefully before continuing with the questionnaire. In order to complete this questionnaire you must remain connected to the internet at all times. You do not have to complete the survey in one sitting. Should you wish to contact me at any stage, you can email me on [researchmasterstudy@gmail.com](mailto:researchmasterstudy@gmail.com)

Filling in the questionnaire

This questionnaire consists of ten sections. Ideally it should be completed by the director or a senior manager concerned with the funding of the organisation. Answer to the best of your ability.

Terminology

Please use the definitions supplied in the questionnaire as a reference for some of the terminology which is used.

Submitting the questionnaire

Click on submit at the end of the survey and the survey will be sent through to the researcher. Please note if you do not have time to complete the survey, you can save and return to the survey at a later date. Find save and return at the top of each page.

Please note the questionnaire will remain open until the 15th October, 2013.

Thank you and enjoy filling in the questionnaire.

Kind regards

Savishna Pillai

UCT Student number: PLLSAV001

Supervisor: Associate Professor Andre de V Smit (Department of Social Development)

## Section A: Organisational Consent

This section seeks to obtain organisational consent to participate in this survey and ensure that all participants are participating willingly and without pressure.

1. I am completing this questionnaire voluntarily.  
 Agree  
 Disagree
2. I am willing to participate in this study.  
 Agree  
 Disagree
3. I understand that the information that I will provide will be kept confidential and will only be used to make generalisations.  
 Understand  
 Unsure  
 Do not understand

## Section B: Organisational Details

This section seeks to gather information about the organisation, its area of service provision and staff capacity.

4. In which year was your organisation founded?  
\_\_\_\_\_
5. Please indicate the main field of service of your organisation (Tick the most prominent field only, even if your organisation offers more than one field of service):  
 Child and Family Welfare  
 Women  
 The Aged  
 Hospital Setting  
 Faith / Spiritual / Religious base  
 Substance Abuse (Drugs or Alcohol rehabilitation)  
 Criminal Justice  
 Trauma Debriefing and Counselling  
 Physical Disabilities  
 Mental Disabilities  
 Humanitarian and Poverty Relief  
 Community Development  
 Rural Development  
 Other (Please Specify) \_\_\_\_\_
6. What is the job title of the person who is completing the survey?  
\_\_\_\_\_
7. Our organisation has a mission statement.  
 Yes  
 No  
 Don't Know

8. Indicate which of the following methods your organisation uses to market itself:

	Very Often	Often	Unsure	Sometimes	Never
Radio					
Television					
Newspaper articles					
NGOs or MACOSS events					
Launches within government ministries					
Speaking at or attending conferences and events					
Social media such as Facebook or Twitter					
Web site					
Other					

### Staffing

9. Estimate the total number of staff currently in your organisation. Please specify the number in figures: \_\_\_\_\_

10. Are there vacant posts in your organisation?

11. If you have answered Yes to Question 10, how many posts are currently vacant in your organisation? Please specify the number in figures: \_\_\_\_\_

12. If you have indicated that you have at least one vacant post, what is/are the reason/s for this/these post(s) being vacant?

13. Please respond to the following statements:

	Strongly Agree	Agree	Unsure	Disagree	Strongly Disagree
Staff are very motivated to work at the organisation.					
Staff turnover in the organisation is very high.					
Staff in the organisation are all qualified to work in an NGO.					
Our organisation provides staff training					

14. Does your organisation has a board of trustees / management?

Yes

No

Don't Know

15. If you have answered Yes to Question 14, does the board often consult the staff before taking any final decision pertaining to the services and programmes of the organisation?

- Strongly agree
- Agree
- Unsure
- Disagree
- Strongly disagree

**Section C: Financial Information**

This section seeks to determine the organisation's financial situation; factors affecting funding and the experiences of the NGO in seeking funds.

16. The current financial position of your organisation is very strong.

- Strongly agree
- Agree
- Unsure
- Disagree
- Strongly disagree

17. The organisation has financial reserves.

- Strongly agree
- Agree
- Unsure
- Disagree
- Strongly disagree

18. If no further income is received, how long can your organisation survive? Please indicate in months. \_\_\_\_\_

19. Indicate the level of funding-related difficulty currently affecting your organisation:

	Strongly Agree	Agree	Unsure	Disagree	Strongly Disagree
The organisation is not popular among the public.					
The organisation lacks resources.					
The organisation desperately needs funds.					
Writing funding proposals are challenging.					
The organisation does not receive enough subsidies from the government					
The organisation very often does not fulfill the funding criteria of donors.					
Competition over funds by NGOs is a major obstacle to obtain funding.					

20. Our organisation researches the funding criteria of donors before asking them for funds.
- Strongly agree
  - Agree
  - Unsure
  - Disagree
  - Strongly disagree
21. Our organisation has been very successful in obtaining funds for the financial year 2011/2012.
- Strongly agree
  - Agree
  - Unsure
  - Disagree
  - Strongly disagree
22. Has your organisation applied to the government for funding for the 2011/2012 financial year?
- Yes
  - No
  - Don't Know
23. If answered Yes to Question 22, did you receive the exact amount applied for?
- Yes
  - No
  - Don't Know
24. If answered No to Question 23, please explain why? \_\_\_\_\_
25. Our organisation is frequently requested to reduce expenditure on its administration costs.
- Strongly agree
  - Agree
  - Unsure
  - Disagree
  - Strongly disagree
26. Our organisation is very innovative in finding new ways for raising funds.
- Strongly agree
  - Agree
  - Unsure
  - Disagree
  - Strongly disagree
27. The organisation has changed its existing projects to suit the funding criteria of donors.
- Strongly agree
  - Agree
  - Unsure
  - Disagree
  - Strongly disagree

## **Section D: Governance**

This section focuses on the characteristics affecting governance.

28. A lack of good governance practices often restrict the income received from donors.

- Strongly agree
- Agree
- Unsure
- Disagree
- Strongly disagree

### **a) Accountability**

29. Please respond to the following statements:

	Yes	No	Don't Know
The organisation is annually audited.			
The organisation's finance is handled by a professional qualified accountant.			
The organisation conducts an annual general meeting every year.			
The organisation has an annual report of the services it provides.			
The organisation produces an annual financial statement.			

### **b) Transparency**

30. All activities undertaken by the organisation are transparent.

- Strongly agree
- Agree
- Unsure
- Disagree
- Strongly disagree

31. In order to obtain funds, our organization must be very transparent in its service delivery.

- Strongly agree
- Agree
- Unsure
- Disagree
- Strongly disagree

**c) Participation**

32. Our organisation actively enhances community participation in addressing problems affecting people.
- Strongly agree
  - Agree
  - Unsure
  - Disagree
  - Strongly disagree
33. Staff members are timeously informed of the changes in the organisation.
- Strongly agree
  - Agree
  - Unsure
  - Disagree
  - Strongly disagree
34. Staff have access to information of ongoing services of the organisation.
- Strongly agree
  - Agree
  - Unsure
  - Disagree
  - Strongly disagree
35. All staff participate equally in discussion during staff meeting.
- Strongly agree
  - Agree
  - Unsure
  - Disagree
  - Strongly disagree

**d) Rule of Law**

36. Does your organisation operate in terms of any specific Act/Legislation?
- Yes
  - No
  - Don't know

37. If answered Yes to Question 36, please specify the Act/Legislation. \_\_\_\_\_

38. Please respond to the following statements:

	Strongly Agree	Agree	Unsure	Disagree	Strongly Disagree
Our organisation always implements the changes from the law/acts that affect its services.					
Our organisation is aware of the laws, rules and regulations that affect its operation.					
Our organisation has specific rules and regulations that must be followed when decisions are taken if changes need to be made in its service delivery and programmes.					
The audited financial statements are accessible to the public.					
It is the right of each citizen to have equal access to the data and information of our organisation.					

**e) Responsiveness**

39. The organisation usually modifies its programme/projects to fit funding criteria of donors.

- Strongly agree
- Agree
- Unsure
- Disagree
- Strongly disagree

40. Our organisation manages to meet all funders' requests deadlines.

- Strongly agree
- Agree
- Unsure
- Disagree
- Strongly disagree

41. The organization regularly researches new methods to improve its service delivery.

- Strongly agree
- Agree
- Unsure
- Disagree
- Strongly disagree

**f) Consensus Oriented**

42. Staff are always consulted in decision making.

- Strongly agree
- Agree
- Unsure
- Disagree
- Strongly disagree

43. The board takes the final decision pertaining to the organisation without consulting its staff.

- Strongly agree
- Agree
- Unsure
- Disagree
- Strongly disagree

**g) Equity and Inclusiveness**

44. The organisation often competes with other NGOs to obtain funding.

- Strongly agree
- Agree
- Unsure
- Disagree
- Strongly disagree

45. Indicate whether the organisation has procedures/guidelines to better control:

	Yes	No	Don't Know
Mismanagement by the CEO/Director.			
Misuse of resources.			
Safeguarding of assets			
Detection of fraud and error			
Prevention of fraud and error			
Completeness of accounting records			
Timely preparation of financial statement			
Administrative costs			

**h) Effectiveness and Efficiency**

46. Please respond to the following statements:

	Strongly agree	Agree	Unsure	Disagree	Strongly Disagree
Programmes undertaken by the organisation are frequently assessed by an external body.					
Our organisation believes it is important to research the key areas of concern before formulating a project / programme plan.					
Our organisation ensures that its service programmes meet the community needs it seeks to achieve.					

47. Our organisation annually identifies potential threats which can affect its services.

- Strongly agree
- Agree
- Unsure
- Disagree
- Strongly disagree

48. Our organisation has a risk management plan to address potential risks which can influence its projects.

- Strongly agree
- Agree
- Unsure
- Disagree
- Strongly disagree

49. Demand from the community for the organisation's services has increased over the year 2012/2013.

- Strongly agree
- Agree
- Unsure
- Disagree
- Strongly disagree

**Section E: Future of the NGO sector**

This section seeks to address views on the future of the NGO sector in Mauritius.

50. Please respond to the following statements:

	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree
The NGO sector should be strengthened.					
The government should play a leadership role in ensuring the financial sustainability of the NGO sector.					
The corporate sector plays an important role in ensuring the financial sustainability of the NGO sector.					
Bad governance is the greatest hindrance to raising funds for the NGO.					
Legislation on financial stability of NGOs must be reviewed.					
The government plays a major role in helping NGOs to apply good governance practices.					

51. Please respond to the following statements:

	Yes	No	Don't Know
The community believes that our organisation is well governed.			
The government believes that our organisation is well governed.			
Funders believe that our organisation is well governed.			

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## APPENDIX 2

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### EISA Formal Interview Questions

- Qu. 1. Based on the preliminary results of our survey, 70% of NGOs in Mauritius stated that NGO contributions rarely seem to influence Government decision and policy-making. Do you agree with this response? Why?
- Qu. 2. Do you think that the APRM has contributed to better governance practices and institutions in your country?
- Qu. 3. According to our survey, 62% of NGOs in Mauritius believe that NGOs are largely able to operate without restrictions, at least in a regulatory sense, but that financial resourcing of NGOs is a challenge in Mauritius (this has been cited as a challenge in all seven countries, but Mauritius seems to face unique challenges in sustaining NGOs). Do you agree?
- Qu. 4. Do you think that Civil Society Organisations (CSOs) are able to effectively influence governance processes like the APRM in Mauritius?