



**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

**FACTORS DETERMINING FINANCIAL SUSTAINABILITY OF
INTERNATIONAL NON-GOVERNMENTAL
ORGANIZATIONS IN ETHIOPIA:
A CASE IN AMREF HEALTH AFRICA -ETHIOPIA**

BY:

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**JUNE, 2020
ADDIS ABABA, ETHIOPIA**

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ETHIOPIA:
A CASE IN AMREF HEALTH AFRICA-ETHIOPIA**

**A THESIS SUBMITTED TO SAINT MARY UNIVERSITY, SCHOOL OF
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**ST MARY’S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
GENERAL BUSINESS ADMINISTRATION**

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DECLARATION

I, Aynalem Gebru, declare that this study entitled “**Factors determining financial Sustainability of International Non-Governmental Organization in Ethiopia: A case in Amref Health Africa-Ethiopia**” is my own work. The research prepared under the guidance and support of Tiruneh Legesse (Assistant Professor). This study has not been submitted to any degree/diploma in this or any other institution.

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ENDORSEMENT

This thesis has been submitted to St. Mary's University, School of Graduate Studies for Examination with my approval as a university advisor.

Advisor

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List of Acronyms:

NGO	Non-Government Organization
AHA	Amref Health Africa
IRS	Internal Revenue Service
UN	United Nation
GDP	Gross Domestic Product
USA	United States of America
SPSS	Statistical Package of Social Science
ANOVA	Analysis of Variation
GSK	GlaxoSmithKline
UK	United Kingdom
COVID	Corona Virus diseases
MBA	Masters of Business Administration
SMT	Senior Management Team

ABSTRACT

The purpose of this research was to find the Factors determining financial Sustainability of International Non-Governmental Organization in Ethiopia: A case in Amref Health Africa-Ethiopia. The general objective of the study was evaluated factors determining financial sustainability of international non-governmental organizations in Ethiopia in the case of AHA in Ethiopia The study used descriptive and explanatory design because it has been successfully used in other related management studies. This methodology was the most suitable because the research aims at expounding on some determinants and laying out how they affect organizational sustainability. This study focussed on AHA, where 66 are the only active NGOs in Ethiopia. Based on this, the study purposively sampled 30% of the active population which came to 75 respondents; only 66 were filled and returned giving a response rate of 88% from the expected. The study used the mainly questionnaire which is seen to be the best method of collecting the data required for this kind of research. The finding show that from statistical data financial resource mobilization has high level of significant with financial sustainability, the performance management has also level of significant with financial sustainability for AHA. The study recommended that to be successful organizations should increase the financial resource mobilization capacity, motivate staffs using altered issues and source benefits incessantly apply financial management principles thus there should be a continuous strategic motivation on employee. And further researchers to be shown additional information on financial performance to maximize the financial sustainability.

Key Words: Sustainability, Management, Competency, Performance, Resource Mobilization

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

In the widest reports, non-profit is a description specified by the IRS to describe organizations that are acceptable to create an income but that are forbidden from issuing their incomes or salaries to those in control of the organizations. If these organizations put on for and receive tax-exempt status from the IRS, they are not requisite to recompense federal income taxes or state business income taxes excluding in definite circumstances, which are discoursed later in this book. This classification makes them distinctly different from for-profit corporations, which distribute profits to their owners or shareholders and must pay corporate income taxes on their earnings Nongovernmental (Zietlow, Hankin, Seidner, & O'Brien, 2018)

Nongovernmental organizations play important role in the delivery of education, social aid, health and other social well-being initiatives in developing countries like Ethiopia and hence their financial sustainability cannot be ignored. Additionally, Non-Governmental Organizations (NGOs) help in creating public awareness on important issues of concern including monitoring the activities of the government and other entities for the benefit of the community (Unerman, O'Dwyer, Goddard, & Assad, 2006).

(Bozzo, 2000) The greatest challenge that has been raised by not-for-profit Organizations in developing countries is obtaining critical funds necessary in carrying out the necessary activities to fulfil their mission (D. M. Bowman et al., 2011). Consequently, financial sustainability is of essence to any non-profit organization.

Financial Sustainability

According to (Gerry Johnson & Scholes, 2007) sustainability mentions to a quantity of the capability of an association to achieve its purposes and meet the participants' necessities. It involves the capacity of safe to efficiently develop, grow and occupation efficiently for a long period of interval. For societies to be financial sustainable, suitable approaches which protection practicalities, Sustainability in organizations is considered into three main groups including financial sustainability, society

sustainability and sustainability in facility delivery (G Johnson, Scholes, & Whittington, 2007).

Organizational sustainability describes the ability of your organization as a whole to survive. The donors want to establish a long-lasting partnership, so they want to know if the organization will still be there in 10 years. This can also be achieved through external sources like grants and long-term funding or through internal sources like income-generating activities or membership fees.

1.2. Statement of the Problem

From NGO perspective, (W. Bowman, 2011) as the ability of a non-governmental organization to maintain financial capacity over a period of time. It is the ability of NGOs to raise a thoughtful of incomes so that it could withstand with its activities afterward the withdrawal of benefactor. Financial sustainability is critical to NGO's stability, survival and enhancement of growth. It may necessitate the development of diverse resource bases for the NGO as it is becoming the case so that it can continue its institutional structure and production of benefits for intended client population after the cessation of donor financial support. However, most NGOs usually end their operations when donor funding stops (Kerine, 2015).

Financial sustainability can be determined by an organization's net income; liquidity; and wealth over, this physical encourages a comprehensive, interdisciplinary role for financial management, as one component of overall sustainability (Abt Associates Inc., 1994:4,)

Currently in Ethiopia because of natural disaster, economy and political crises the beneficiary raised above the previous years. Of course there are large number of NGOs in Ethiopia but the poorest population increased that much and it should be difficult to cover all the issues raised as a problem on community's day to day and need to sustainable financial resources. Financial sustainability is unique of the furthestmost serious alarms to number of NGOs, in Ethiopia in recent times. There could be many factors that hinder the organizations to achieve financial sustainability. Literatures however indicates the main factors include the lack of funds, organizational feasibility, program effectiveness, financial resources mobilization, and legal and human capacity. Perhaps, if an organization's governance is weak and become the organizational viable,

sooner or later it will affect its credibility such that donors will not fund raise financial feasibility, thus resulting with reduction in interventions facilitated program effectiveness which may have adverse effects on long term benefits for the community.

It is believed that AHA's financial sustainability is necessarily for community, beneficiary, government and employee to proven tool against poverty, to improve capacity and increase demand for employee. Hence to be continue the operation, it should be necessarily the financial sustainability to be effective. In this regards, donors are the major source of funding, despite the level of decline.

In recent years, it seems AHA in Ethiopia is challenged with financial sustainability as the number of projects are declining from year to year. For instance, in 2017 and 2018, AHA had about 27+ active projects. However this number is automatically declined to 15 by late 2019 and it is expected it will decline in 2020. According to the organization human resource data, the number of staffs also declining in 2020 than 2019 and 2018. This implies financial sustainability is a main challenge to AHA to stand and finance their accomplishment. AHA is a project based organization and while projects end the staffs should be terminated and the operation has become at risk to continue the implementation.

In this regard, it is important to understand the dynamics between sustainability and finance as well as what can be done to promote sustainability in the NGO sector. Financial sustainability is a high typical measure of sustainability and carries long term stand points for AHA operations. There are insufficient number of studies are conducted in financial sustainability with limited explanatory determinant factors. The researcher also believe that those studies which is focused on sustainability did not give such an emphasis on the factors considered to be determinants of financial sustainability and fail to consider clearly and kept silent about the direction of significant dependent and independent variables. The information will be crucial for AHA and other NGOs who will be able to improve financial sustainability of the organization through responsibility practices.

Therefore, this research fills the gap in studying the factors determinant financial sustainability in AHA in Ethiopia.

1.3. Research Questions

The study sought to answer the following research questions

1. Is there an association between financial resource mobilization capacity and financial sustainability at AHA?
2. Is there an association between financial management affect its financial sustainability at AHA?
3. Is there an association between the management competency affect the organization financial sustainability AHA?
4. Is there an association between financial performance affect its financial sustainability AHA?
5. Is there an association between the source of funding affect financial sustainability of AHAs programs and activities AHA?

1.4 Objective of the Study

1.4.1 General Objective

The general objective of the study was evaluated factors determining financial sustainability of international non-governmental organizations in Ethiopia in the case of AHA in Ethiopia.

1.4.2 Specific Objectives

1. To determine the effect of financial resource mobilization capacity of NGOs on financial sustainability.
2. To evaluate the effect of financial management on financial sustainability of NGOs in Ethiopia.
3. To examine whether management competency affect the organization financial sustainability.
4. To determine effect of financial performance on AHA's financial sustainability
5. To examine the effect of source of funding on financial sustainability of AHA.

1.5 Significance of the Study

This study would have a practical contribution in the AHA continuity by showing the challenges and feasible solution to sustain by the formal financial management and sustainability. It has also show the way improving financial sustainability concerning with financial resource mobilization, management competence and sustainability of AHAs by examining the most important strictures- sustainability.

This study would be also an additional input in the AHA staffs address in the stable on organization since most studies focused on more generalized and broad topics regarding the challenges of the sector while this paper will spotlight the most significant issues by assessing sustainability and financial management in the case of AHA.

It was given insights to success the organization (AHA) from sustainability so that they continue the support for the greater number of the community and poor society who is severely in need of support from society. It will give visions for the employee working in AHA and for beneficiary.

1.6 Scope of the Study

This study required to found the issue effecting financial sustainability of AHA in Ethiopia .And the study targeted of AHA in Ethiopia at Addis Ababa. The study targeted employee of AHA in Ethiopia. Whereas there could be numerous other factors which determine the effective financial sustainability, the study only studied on how determine the financial resource mobilization, financial management and on financial management competence their effect on the financial sustainability of AHA in Ethiopia.

1.7 Organization of the Study

This research project report is contains of five chapter paper, which is organized in the following manner.

The first chapter of the paper is contains the introductory part were included statement of the problem, research questions, objectives of the study ,significance of the study, scope of the study and organization of the study. The second chapter deals with related literature on the topic. Chapter three is explains the research design and methodology detail should researched design, Population and sample design ,types of data were collected and would be used, methods of data collection, data analysis method, validity, reliability and ethical consideration Chapter four will be present the finding and the result of data analysis. The fifth chapter is presented conclusion and recommendation

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The study is steered by three theories explicitly finance, financial management, Goal of financial management, financial asset financial sustainability, NGO, financial resource mobilization financial management and financial competency. These sections will analysis the literature on the financial sustainability of AHA and empirical literature available on the factor determinant financial sustainability and related subject. This chapter will be divided into theoretical review, empirical review.

2.2 Theoretical Review

What is Finance?

Finance is the application of economic principles to decision-making that involves the allocation of money under conditions of uncertainty. Investors allocate their funds among financial assets in order to accomplish their objectives, and businesses and governments raise funds by issuing claims against themselves that are invested. Finance provides the framework for making decisions as to how those funds should be obtained and then invested. It is the financial system that provides the platform by which funds are transferred from those entities that have funds to invest to those entities that need funds to invest. The theoretical foundations for finance draw from the field of economics and, for this reason, finance is often referred to as financial economics. The tools used in financial decision-making, however, draw from many areas outside of economics: financial accounting, mathematics, probability theory, statistical theory, and psychology. We need to understand the former topic in order to determine the value of an investment, the yield on an investment, and the cost of funds. The key concept is the time value of money, a simple mathematical concept that allows financial decision-makers to translate future cash flows to a value in the present, translate a value today into a value at some future point in time, and calculate the yield on an investment. The time-value-of money mathematics allows an evaluation and comparison of investments and financing arrangements. Financial analysis involves the selection, evaluation, and interpretation of financial data and other pertinent information to assist in evaluating the operating

performance and financial condition of a company. These tools include financial ratio analysis, cash flow analysis, and quantitative analysis (Fabozzi, Focardi, & Kolm, 2010)

Financial Management

A theory of corporate financial management is summarized from the broad flow of finance literature. Within this, contributions to a normative theory, amenable to corporate financial modelling, are reviewed in some detail. The central propositions of a normative theory are isolated to provide a basis of comparison for the practice of financial modelling, as observed through a field research study (McInnes & Carleton, 1982). (Desender, Castro, & De León, 2011) noted that many NGOs do donor-based accounting, which is precarious as it does not give suitable panels for regular reflex assessments and this type of accounting was liable to human fault. The study proposed that NGOs would follow cost centre accounting, which allowable for double entry and coding for donor reports as well as tight controls.

A sound financial management system that provisions financial sustainability of an NGO would be intelligent to produce applicable kinds of financial statements on a consistent basis. It would discourse matters such as the obligatory types of financial statements; set periods for consistent assessments of the announcements; easiness of understanding of the statements created; participation of board participants in financial omission; and a devoted panel team to look into financial matters (Desender et al., 2011). This research assignment also considered these aspects. A sound financial management structure that cares financial sustainability of an NGO would be intelligent to create appropriate kinds of financial statements on a systematic source. It ought to talk subjects such as the essential types of financial statements; set periods for regular reviews of the statements; ease of comprehension of the statements produced; involvement of board members in fiscal oversight; and a dedicated board committee to look into financial issues (Desender et al., 2011).

(Waiganjo, Ngethe, & Mugambi, 2012) create that there is a tough optimistic association among financial management and financial sustainability of the NGOs. The financial management is the main issues which distress financial sustainability of the non-governmental organizations.

Financial management is not just about protection accounting archives. It is a significant portion of program management and necessity not be understood as a distinct movement

left to finance staff. Financial management involves planning, organizing, controlling and monitoring the financial resources of an organization to achieve objectives (Ahmed, 2015).

The Goal of Financial Management

The financial manager in a corporation makes decisions for the stockholders of the firm. Given this, instead of listing possible goals for the financial manager, we really need to answer a more fundamental question: From the stockholders' point of view, what is a good financial management decision? If we assume that stockholders buy stock because they seek to gain financially, then the answer is obvious: Good decisions increase the value of the stock, and poor decisions decrease the value of the stock. Given our observations, it follows that the financial manager acts in the shareholders' best interests by making decisions that increase the value of the stock. The appropriate goal for the financial manager can thus be stated quite easily: The goal of maximizing the value of the stock avoids the problems associated with the different goals we listed earlier. There is no ambiguity in the criterion, and there is no short-run versus long-run issue. We explicitly mean that our goal is to maximize the current stock value. If this goal seems a little strong or one-dimensional to you, keep in mind that the stockholders in a firm are residual owners. By this we mean that they are entitled to only what is left after employees, suppliers, and creditors (and anyone else with a legitimate claim) are paid their due. If any of these groups go unpaid, the stockholders get nothing. So, if the stockholders are winning in the sense that the leftover, residual portion is growing, it must be true that everyone else is winning also. Because the goal of financial management is to maximize the value of the stock, we need to learn how to identify investments and financing arrangements that favourably impact the value of the stock. This is precisely what we will be studying. In fact, we could have defined corporate finance as the study of the relationship between business decisions and the value of the stock in the business (Jordan W., 2013:9)

Finance is the application of economic principles to decision-making that involves the allocation of money under conditions of uncertainty. In other words, in finance we worry about money and we worry about the future. Investors allocate their funds among financial assets in order to accomplish their objectives, and businesses and governments raise funds by issuing claims against themselves and then use those funds for operations. Finance provides the framework for making decisions as to how to get funds and what we should do with them once we have them. It is the financial system that provides the

platform by which funds are transferred from those entities that have funds to those entities that need funds. The foundations for finance draw from the field of economics and, for this reason, finance is often referred to as financial economics (Fabozzi & Drake, 2009).

Financial management, sometimes called business finance or corporate finance, is the specialty area of finance concerned with financial decision making within a business entity. Although financial management is often referred to as corporate finance, the principles of financial management also apply to other forms of business and to government entities. Financial managers are primarily concerned with investment decisions and financing decisions within organizations, whether that organization is a sole proprietorship, a partnership, a limited liability company, a corporation, or a governmental entity (Fabozzi & Drake, 2009).

A financial manager must also make decisions about a company's current assets. Current assets are those assets that could reasonably be converted into cash within one operating cycle or one year, whichever takes longer. Current assets include cash, marketable securities, accounts receivable, and inventories, and support the long-term investment decisions of a company. Another critical task in financial management is the risk management of a company. The process of risk management involves determining which risks to accept, which to neutralize, and which to transfer. The four key processes in risk management are risk:

1. Identification
2. Assessment
3. Mitigation
4. Transference

The traditional process of risk management focuses on managing the risks of only parts of the business (products, departments, or divisions), ignoring the implications for the value of the company. Today, some form of enterprise risk management is followed by large corporations, which is risk management applied to the company as a whole. Enterprise risk management allows management to align the risk appetite and strategies across the company, improve the quality of the company's risk response decisions, identify the risks across the company, and manage the risks across the company (Fabozzi & Drake, 2009).

Financial Assets

An asset is any resource that we expect to provide future benefits and, hence, has economic value. We can categorize assets into two types: tangible assets and intangible assets.

The value of a tangible asset depends on its physical properties. Buildings, aircraft, land, and machinery are examples of tangible assets, which we often refer to as fixed assets. An intangible asset represents a legal claim to some future economic benefit or benefits. Examples of intangible assets include patents, copyrights, and trademarks. The value of an intangible asset bears no relation to the form, physical or otherwise, in which the claims are recorded. Financial assets, such as stocks and bonds, are also intangible assets because the future benefits come in the form of a claim to future cash flows. Another term we use for a financial asset is financial instrument. We often refer to certain types of financial instruments as securities, which include stocks and bonds. For every financial instrument, there is a minimum of two parties. The party that has agreed to make future cash payments is the issuer; the party that owns the financial instrument and therefore the right to receive the payments made by the issuer is the investor.

(Ansoff, Kipley, Lewis, Helm-Stevens, & Ansoff, 2018) identifies general management competence orientations as integral to the success of the organization. According to (Okorley & Nkrumah, 2012), good management significantly donates to local NGOs' sustainability the favouritism being on the fact that managing must have capacity to oversee the implementation of their development Programmes. At the identical period a good partnership between the management, the staff and the panel is necessary.

(Muriithi, 2014) stated that sustainability of NGOs is influenced positively by a number of management factors and management capabilities. These included proper governance structures, top management that understands the purpose of the organization and take the lead in its achievement, a leadership with all the required qualification, skills, competence and experience, a management that adopts staff policies that motivate and retains employees within the organization. Leadership approaches adopted also helped the organization to meet its objectives (Muriithi, 2014).

(Okorley & Nkrumah, 2012) in their study on the organizational factors influencing sustainability of local non-governmental organisations in Ghana found that management

competence is a major factor to financial sustainability of local NGOs. (Njoroge, 2013) did an investigation on the factors influencing sustainability of NGOs in Kenya. The study established a positive relationship between management competence and sustainability of NGOs.

Resource Mobilization

Resource mobilization a process whereby both financial and non-financial resources are mobilize either external or internally to support organization activities (Batti, 2014). According to (Chitere, 2010) NGOs in Kenya are quiet incompetent to mobilize acceptable financial resources owing to incapability of NGOs to designate active frontrunners. Also, nearly NGOs are not transparent enough in their procedures later postponing the chances for grassroots impact in certification, ordering and application of projects. Many NGOs also deficiency administrative and extra tackle over which they be able to practise to innocent finance. This contains processers for treating documents such as project applications, communication and reports to allow them attain funding in period (Wanyama, Burton, & Helliard, 2009).

In NGOs, the main resource which should to effectively mobilize are the funds which are important for financial sustainability to be continued and better-quality. However, (Ludwig & Pemberton, 2011) discuss that the theory's core constraint is that it fails to account for how organizations consuming limited resources are able to succeed as well as take changes in the society without needing mobilization of resources. The activities in finding that needed earnings in a suitable, money-making way. Resource mobilization promoters attractive the right type of source, at the accurate time, at exact price with making accurate use of established funds thus safeguarding best use of the similar.

Resource mobilization process is made up of three aspects as follows the resources, mechanism and the providers

- i. Mechanism - include submission of grant proposals, special events, small business and application for donation.
- ii. Means/Resources - include the following cash, technical support, human resource, subsidized service and facilities, equipment, information and goods.
- iii. Resource Providers: include; International NGOs, bilateral and multi-lateral agencies, cooperatives, government and businesses among others (Batti, 2014)

The theory pressures on the capability of an organization in mobilization and

achievement of incomes and individual in achieving the set organizational areas in the small and extended run (Tam & Kiang, 2012). The major resource in NGOs which should to be effectively mobilized is the fund which is for found and enhanced essential for financial sustainability.

NGO

The term "NGO" is the official name for Non-Government Organizations, approved by the UN Economic and social Council through UN Resolution 288 B (X) dated 27th February 1950 (Resolution). Before that the term was generic for voluntary associations, non -profit associations, and diverse organizations including international non-government development, new social movement, people's and membership, and grassroots support (Hasnain, 2015).

One of the greatest challenges facing non-profit organizations developing countries is that of obtaining critical funds to carry out the necessary activities to fulfil their mission. These challenges exist at the local or national, and the international level (Leon, 2011:9).

NGOs themselves—both national and international al—began to appear around 1960, when neither the various self-help groups found in all levels of Ethiopian society nor the government were able to meet the increasing demands of the population. The then current efforts of the emperor to “modernize” the national education system had resulted in a more widespread awareness that his government was failing to provide what people needed for advancement and development. NGOs began in a small way to help fill the perceived void (Clark, 2000).

NGOs are non-profit making organizations whose presence is well described by various theories that have occurred over time. The problem of how NGOs can confirm their financial sustainability has come into effort in recent years with this dynamic being best explained by various theories. To understand the perception of effective financial sustainability of AHAs, various theories are reviewed which include the financial management theory, the management

Management Competency

Ansoff and McDonnell (2010) identifies general management competence orientations

as integral to the success of the organization. According to (Okorley & Nkrumah, 2012), good management significantly donates to local NGOs' sustainability the favouritism being on the fact that managing must have capacity to oversee the implementation of their development Programmes. At the identical period a good partnership between the management, the staff and the panel is necessary.

(Muriithi, 2014) stated that sustainability of NGOs is influenced positively by a number of management factors and management capabilities. These included proper governance structures, top management that understands the purpose of the organization and take the lead in its achievement, a leadership with all the required qualification, skills, competence and experience, a management that adopts staff policies that motivate and retains employees within the organization. Leadership approaches adopted also helped the organization to meet its objectives (Muriithi, 2014).

(Okorley & Nkrumah, 2012)in their study on the organizational factors influencing sustainability of local non-governmental organisations in Ghana found that management competence is a major factor to financial sustainability of local NGOs. (Njoroge, 2013) did an investigation on the factors influencing sustainability of NGOs in Kenya. The study established a positive relationship between management competence and sustainability of NGOs.

Relationship NGOs and Financial Sustainability

Financial sustainability is needy on applied financial development, then it should a non-profit organization's financial performance be dignified and described by, Non-profit organizations do not arrange profitability, which income that representative cost/benefit examination is ailing suitable to assess a not-for-profit object which takes no standard charge to screen and no fairness shareholders (Drom, 2007). Non-profit organizations are statutorily shaped to attend a definite determination and attain detailed policy areas, distinct to profit. Determining a non-profit organization's financial sustainability then develops a matter of measuring its capability to competently and efficiently bring on its directive, positively increase funds, and capably control costs. However, measuring success can be very challenging because benefits are not effortlessly computed in financial standings. Also, determining accomplishment is essentially tight to social standards entrenched in unrestricted and whether or not reimbursements fitting through

the higher standards and main concern thoroughly sponsored within the community or region being helped by the NGO. Determining results, entails attention on causality, since there is a connection among the consequence or outcome attained and the designed steps an organization has occupied to spread that area (Drom, 2007).

Determinant of Financial Sustainability

Financial sustainability as the combination of income and expenditure managing strategies that allow a body to track its task and obligation done the long term. The view of a body refining its financial sustainability is effected by its ability to manage purposefully in reply to outside and inside issues, to update, and to promote and/or interest tough management (W. Bowman, 2011).

Generally, sustainability mentions to the capability of administrators to sustain an organization over the long term. However, the definition of financial sustainability may vary widely between for-profit and non-profits (defined as organizations that practise extra incomes to attain their objectives relatively than allocating them as income or shares), be contingent on the commercial organisation or main objective of the body. Financial aptitude contains of incomes that provide an organization the capability to seize chances and respond to unforeseen pressures while sustaining overall processes of the organization (Sontag-Padilla, Staplefoote, & Gonzalez Morganti, 2012).

2.3 Empirical Review

(CHELANGAT, 2018) studied was to assess the effect of accountability on financial sustainability of Public Governance NGOs in Nairobi, by examining the contests of segments and the ways forward. The study used a survey design and used questionnaire to collect data on NGO in Kenya. The study focused on accountability, legal requirement and agency theory. The challenge that practiced was on data collection where defendants were reluctant or unable to supply the compulsory information due to issues like busy schedule, disappointment to know the part of the study among others .The study was recommended for more research should be completed on the effect of accountability on NGO financial sustainability.

Melkamu (2012) studied of firms by using representation of financial and operational sustainability, however he utterly absorbed on inside issues such as credit scope and sum of dynamic debtors exit critical variables in the case of Ethiopia such the inspiration

as of approximately mechanisms of financial funding sources and the amount of debtors and the effect of macro-economic variables such as GDP and inflation.

(Obo, 2009) the study sought to determine the measures put in place to ensure that the institutions were sustainable studied on financial sustainability in Ethiopia using descriptive research design. The study found that microfinance institutions mission and vision were not clearly articulating the need for sustainability. However, tactical plans were controlling self-sustainability representing that the organizations can be sustainable by having the exact arrangements. The study determined that firm are not operationally and monetarily self- sufficient excepting for management owned. Recommendation was that regulatory framework to be made more flexible and merging of firms' to be encouraged.

(Nuka, 2010) studied sustainability of NGOs in Kosova, USA by investigative the challenges of the third sector and the ways forward. The study used a survey design and used questionnaire to collect data on NGO in Kosova. The study concentrated on financing, allowed location and community belief. The findings from questions allocating with financing showed that NGO needed tasks in discovery benefactors. These was not only because they might increase resources and discovery donors constantly, but because of the extra issues which played an significant character in sustainability and this helped them to interest only overseas donors. NGOs remained likewise create to absence care from native or recognized government creation it tough for the NGOs to grow funding. The community also did not have satisfactory confidence on NGO doings and therefore couldn't growth their long-term sustainability by interesting donations. The studied NGOs were found to deficiency transparency and responsibility and hence necessary to improve satisfactory inside governance arrangements as was a main obligation in attaining financial sustainability.

(Yenesew, 2014) studied determinants of financial performance on particular organizations in Ethiopia and strained to include unlike variables from diverse viewpoint which is broader examination of the performance than the earlier ones. But, the research mainly focused on effectiveness rather than sustainability by attractive return on adjustment as a dependent variable which is different to representations used by many researchers as revealed above

(Silvius & Schipper, 2014) studies on sustainability in project management competencies and analysed the capability break of project managers in Netherlands. The objective was to analyse the attention of the competencies required for seeing sustainability features, in the values of project management capabilities. The learning also intended to state the capability gap of the project managers with respects to sustainable, doing detailed proposal on how the regular of project management skills should develop in demand to prepare project managers for their pivotal role in realizing sustainability of organizations. The study used written analysis and settled that projects stay mechanisms of adjustment with in organizations, which show a significant hero in the consciousness of sustainable occupational procedures and follows, project managers are therefore important change agents in organizations that have a strong influence on the sustainability of organization. Consequently, to the best knowledge of the researcher, even though great has been started on the financial sustainability, financial resource mobilization capacity, and management competence, financial performance & source of fund other topics in relation to of Amref Health Africa in Ethiopia. There is no inclusive component study on factor determining financial sustainability of AHA.

2.4 Conceptual Framework

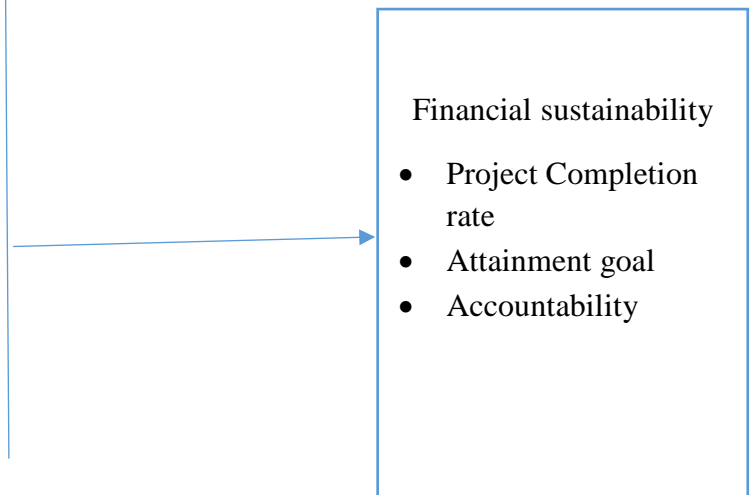
The conceptual framework below (fig.1) has been recognized to display the association between the independent and dependent variables in this study. Allowing to (Mugenda & Mugenda, 2003), considered arrangement includes framing thoughts regarding connections among matters in the study and representing these connections diagrammatically.

Figure 1 Conceptual Framework

Independent variables



Dependent variable



Source: Researcher 2020

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This chapter presents the research methodology that is used in the study. The chapter covered the research design, target population and sample design, type of data is collected, method of data collection, and data analysis. Methodology is the approach in which research troubles are solved thoroughly. It is a science of studying how research is conducted systematically. In this field the researcher explains himself with the different steps generally taken to study a research problem (Bhushan Mishra, 2019:1)

3.2 Research Design

Research design is a blueprint for empirical research aimed at answering specific research questions or testing specific hypotheses through specifying the methods and procedures for collecting and analysing the needed information (Bhattacharjee, 2012). Therefore, use of an appropriate research design is very essential to answer the research objectives.

This particular

The study used both descriptive and explanatory research design. The descriptive design used since is appropriate for the study involved collecting data in order to answer questions on current status of subject of the study. Descriptive design enabled collecting of data to the study variable and data analysis and enables achievement of the study objectives. Moreover, the primary used of descriptive design is to describe information or data through the use of numbers. The research approach has been qualitative and quantitative in nature and rely on primary methods and secondary methods of data collection. Likewise to show the relationship between independent variable and financial sustainability, correlation research design has also been used.

3.3 Population and Sample Design

In this study Amref Health Africa in Ethiopia employees are considered as informant the study. According to the organization HR data, in 2019 there are about 250 employees who are working at Amref Health Africa in Ethiopia; and among these 100 employees are based at head office. To make this study meaningful, 30% of the population is selected from the employee. According to (Mugenda, 2013) when the study population is less than 10,000 a sample size of between 10% to 30% is a good representation of the target population and hence 30 % is adequate for this research analysis. Systematic sampling technique is used in identifying the study participants where every third individual from alphabetical list of staffs name will be. The actual data collection will be consider every 3rd employee's list, sampling frame .This will be done until the describe data size will be achieved

3.4 Types of Data Collected and Used

The study is mainly used primary data collected using questionnaire. However secondary data is collected .This is helpful in order to get sufficient information about the problem in question. The secondary data were mainly be used to ensure or triangulate the information obtained through the primary data collection.

The survey questionnaire instrument is comprised of three sections: 1) Independent variables, factors affecting financial sustainability: Financial resource mobilization capacity, financial management, management competency, source of funding and financial performance 2) Financial sustainability: Explained by project completion rate, attainment goal and accountability and 3) a section concerning demographic information of gender, age, education level, job type and tenure in the industry. These questions will be answered in a 5-point Likert scale ranging from 1=strongly disagree to 5=Strongly Agree

Descriptive and inferential statistics is used in data analysis, with the aid of Statistical Package for Social Sciences (SPSS). Descriptive statistics include mean, standard deviations, frequencies and percentages. Regression analysis were used to establish the effect of the determinants financial sustainability of NGOs in Amref Health Africa in Ethiopia at 95% level of significance.

3.5 Methods of Data Collection

Data collected from primary sources, using questionnaire mainly. The questionnaires are advantageous in that they were saved on time, are confidential and eliminate interviewer bias (Kombo & Tromp, 2011). The questionnaire were consist of structured closed ended questions for ease of analysis. The questions were used in the form of a Likert rating scales. The questionnaires were administered through drop and pick method. In addition, both interview and document review methods will be employed to gather data.

3.6 Data Analysis Methods

The collected data is analysed using both quantitative and qualitative data analysis methods. The quantitative method involved both descriptive and inferential analysis. .Descriptive and inferential statistics were used in data analysis, with the aid of statistical package for social sciences (SPSS) version 20. For the analysis, both descriptive statistics that include mean, standard deviations, frequencies and percentages have been used. Correlation, Chi-Square test also used to test the association between the dependent and independent variables.

Descriptive statistics is used to summarize the qualitative and quantitative aspect of the study. In order to analyse and narrate the qualitative data obtained through interview, analysis by thematic approach also were employed.

The financial sustainability aspect was measured using the parameters or indicators presented on the logical frame work, including Project Completion rate, Attainment goal and Accountability. In addition, in order to measure the financial sustainability of AHA, respondents were requested to rate the level of their degree of agreement on the frequency of factors related to financial sustainability practice on their organization

3.7 Validity

This study is addressed content validity through the review of literature and adapting instruments used in previous research. It referred to the relevance of the instrument or measurement strategy to the construct being measured (Fitzpatrick, 1983). According to

(Campbell, 1960) identified the most commonly used methods for demonstrating validity are referred to as content-related, criterion related, & construct-related validity. Validity referred to the test or measurement strategy measures and how well it does so. In addition, (Groth-Marnat, 2003) defined content validity the extent to which the test or measurement strategy measures a theoretical construct or trait.

In order to ensure the validity, the examining and questioning is scanned and measured. The questionnaire were evaluated by experts in the field to check contextually and comprehensiveness test is used to assess consistency in measurement items.

3.8 Reliability

According to (Jonsson & Svingby, 2007) reliability analysis is concerned with the internal consistency of the research instrument. Most of the studies investigating intra-rater reliability by using Cronbach's alpha to estimate raters' consistency, and the majority report on alpha values above .70, which, according to Glasswell, and Harland cited on (Jonsson & Svingby, 2007) generally considered sufficient.

A reliability test were used to assess consistency in measurement items according to (Saunders, 2019). Saunders is used the consistency which measures articulate, in particular, whether or not it is produced consistent conclusion at different intervals and under different environments such as with different samples. Therefore, the predictable scales were used in this study demonstrate high reliability.

3.9 Ethical Considerations

All the research contributors is involved in the study were correctly knowledgeable about the determination of the research and their readiness and agreement is secured earlier the start of allocating questionnaire. Concerning the factual to confidentiality of the respondents, the study were kept the privacy of the personality of each participant. An assurance is given AHA in Ethiopia defendants, those who were participants' name didn't reported in the interrogators and research report.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.1. Introduction

This chapter covers data analysis, interpretation and discussions of the finding. This chapter covers two parts. The first part describes the personal information of the respondents while the second incorporates information on determinant factors that affect the financial sustainability of AHA and its business continuity. Collected data was analysed using SPSS (version 20) and presented in tables and charts.

4.2. Analysis and Interpretation of Data

This section is concerned with the analysis and presentation of data gathered from primary sources through questionnaire and interview. Secondary data were gathered from published document of the organizations AHA. Below this segment, analysis and clarifications of data accessible as associated to determine of financial sustainability. Also the data obtained ended the arranged interviews with organizations managers' collective in the analysis and clarification section of the study in order to get a pure representation of the matter in attention. The study would use such outcomes to measure the reliability of the data accomplished.

4.3. Questionnaire Distributed and Collected rate

Table 1. Questionnaire distributed and collected

Questionnaires	Respondents	
	Number	Percent
Distributed	70	100%
Collected	66	94%
Uncollected	4	6%

Source: Own Survey, June 2020 This table prove that out of 70 selected respondents 66 (94%) have complete and reimbursed questionnaire, while the remaining 4 (6 %) didn't return the questionnaire. As well as, interview were

accompanied with program and project managers of 10 selected sample department based on their organization duration and experience to share the latter.

4.3 Validity and Reliability Analysis

An experimental study was started by pre-testing data gathering tool for validity and reliability. The experimental study included sample of 15 employees in Managements and finance department of AHA in Ethiopia. Reliability of the questionnaire was tested through Cronbach's Alpha which measures the internal consistency and establishes if items within a scale measures the same construct. The index alpha was computed using SPSS and measured the average of measurable items and its correlation. Cronbach's Alpha was established for every variable which formed a scale as shown below.

Table 2 Validity and Reliability Analysis

Variable	Cronbach's Alpha	Number of Items
Financial resource Mobilization	0.821	9
Financial management	0.834	7
Management competence	0.827	8
Financial Performance	0.775	7
Source of Fund	0.702	7
Average	0.792	

Source: Own Survey, June 2020

The table upper on financial management had the highest reliability (0.834), next by management competency (0.827), financial resource mobilization (0.821), financial performance (0.775) and source of fund ($\alpha=0.702$). After all the above variable described, all five of variables stayed reliable as their reliability ideals exceeded the agreed beginning of the proposal 0.7.

The results of the reliability check likewise exposed that all the five variables were reliable as the average index of 0.792 exceeded the acknowledged edge of 0.7. This is a suggestion that financial resource mobilization, financial

management, management competence, financial performance and source of fund have relatively high inside stability and extent the same theory.

4.4 Characteristics of Respondents

Employees of AHA were the respondents engaged in providing information for this research. The respondent rate of the study was 94%, which means from 70 distributed questionnaires, only 66 of them responded. The reason for not having 100% response rate was inability of respondent to respond on time.

Detail demography of respondents has been disaggregated by sex, work experience and education background. Therefore, 76% (n = 50) of them were male, 24% (n = 16) of them were female. From the respondents, 73% of them were aged below 45 years and the remaining 23% are aged above 45 years old. In terms of education background, 68% (n = 45) were having second degree and above, and 32% (n = 21) were first degree and diploma holders. When we see their work experience, 71% (n = 47) of the of the respondents have working experience more than 5 years and 53% of them have experiences 5 years and less (Table 3).

Table 3 Characteristics of the Respondents

Demographic Characteristics	Frequency	Percent
1. Sex of respondents		
Female	16	24%
Male	50	76%
2. age of respondents		
Below 25	-	
25-35	21	32%
36-45	27	41%
46-55	17	26%
56 and above years	1	2%
3. years of experience		
Less than 2 years	3	5%
2-5 years	16	24%
6-10 years	32	48%
Over 10 years	15	23%
4. levels of education		
Certificate	-	0%
Diploma	3	5%
First Degree	18	27%
Master's degree and above	45	68%
Total by each category	66	100

Source: Own Survey, June 2020

4.5 Results and Discussion

4.5.1 Financial Resources Mobilization Capacity

In order to measure the financial resource mobilization capacity of AHA, respondents were requested to rate their perception to what extent the financial resource mobilization capacity affected financial sustainability of their organization (Table 4-10), based on the rating value of 1, 2, 3, and 4 assigned to the options “Very great extent”, “moderate extent”, “little extent” and “no extent” respectively.

Table 4 the Extent on Financial Resource Mobilization Capacity

Level of agreement	Frequency	Percent
Very great extent	41	62%
Moderate extent	16	24%
Little extent	9	14%
No extent	0	0%
Total	66	86%

Source: Own Survey, June 2020

Accordingly, 62% (n = 41) of respondents believed that, the financial resource mobilization capacity is affected the financial sustainability of the organization to the very great extent level. Whereas 38% (n=25) of respondents believed the impact of resource mobilization to financial sustainability ranges from moderate to little extent. These findings show that resource mobilization is supposed to affect financial sustainability of AHA.

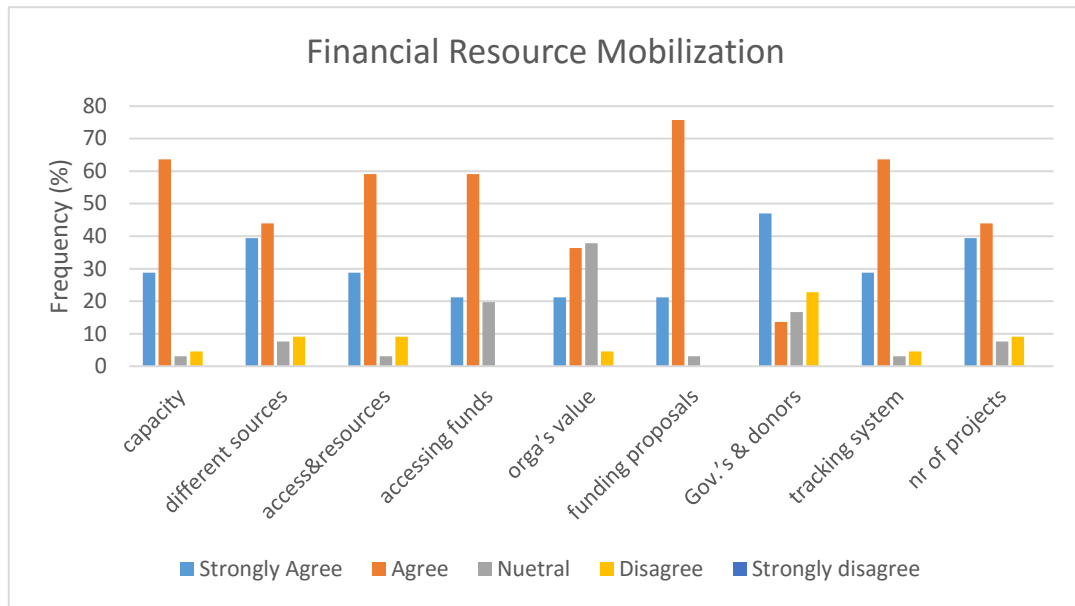
The examiner figured the means and standard deviation of the answers on the respondents' assessments concerning financial resources mobilization. The findings were as presented in Table 4.5.

Table 5 Financial Resources Mobilization Practices

Descriptions	Mean	Std. Dev	Rank
My firm has good financial resource mobilization capacity	1.83	0.692	2
There is mobilization of fund through different sources	1.86	0.91	3
My firm has mechanisms for accessing and using resources	1.92	0.829	4
My firm is facing challenges in accessing funds	1.98	0.644	5
AHA mobilizes financial resource that fit into organization's value	2.26	0.847	7
My firm attracts funds through good funding proposals	1.82	0.461	1
My firm receives subsidies from the Gov.'s and donors	2.15	1.243	6
My firm has a donor tracking system	1.83	0.692	2
My firm has a large number of loyal donors funded a number of projects	1.86	0.91	3

Source: Own Survey, June 2020

Figure 2 .The Extent of Financial Resource Mobilization Capacity



Source: Own Survey, June 2020

In order to measure the financial resource mobilization practice of AHA, respondents were requested to rate their perception to what extent the financial resource mobilization capacity affected financial sustainability of their organization (Table 4-10), based on the rating value of 1, 2, 3, 4 and 5 assigned to the options “strongly agree”, “agree” “neutral”, “disagree” and “strongly disagree” respectively.

The finding show that the respondents settled with financial resource mobilization capacity. They obliged that there has a good financial resource mobilization capacity on AHA’s (M=1.83), there was mobilization of fund through different source (M=1.86,), that AHA was facing challenges in accessing funds (M=1.98), and that AHA mobilizes financial resource that fit into organization’s value (M=2.26,), that there were received subsidies from the government and donors (M=2.15,),that there were donor tracking system (M=1.83),and that there were large number of loyal donors funded a number of projects (M=1.86).Almost all statement had sight on respondents and the most recognized is attracts funds through good funding proposals and donors has good financial resource mobilization capacity has a donor tracking system, continued the others variables for the level for financial resource mobilization factors affect financial sustainability.

This study indicated that regarding capacity of resource mobilization on AHA very great extent 62% and moderate and little extent by 38%. Hence financial resource capacity has an effect for financial resource sustainability of AHA. Regarding the extent of factors affecting regarding the extent of factors affecting resource mobilization of the firm on mobilization of resource needs to good financial resource mobilization capacity because its shown on chart the firm has limitation of capacity attracts funds through good funding proposals and limitation in the organization for resource mobilization. And it should be modernized the donor tracking system and build up good financial resource mobilization capacity.

As the data made on the factors influencing resource mobilization observed has good financial resource mobilization capacity, mobilization of fund through different sources, mechanisms for accessing and using resources, accessing funds, mobilizes financial resource that fit into organization's value, attracts funds through good funding proposals, a donor tracking system and a large number of loyal donors funded a number of projects, affects financial sustainability in AHA Ethiopia

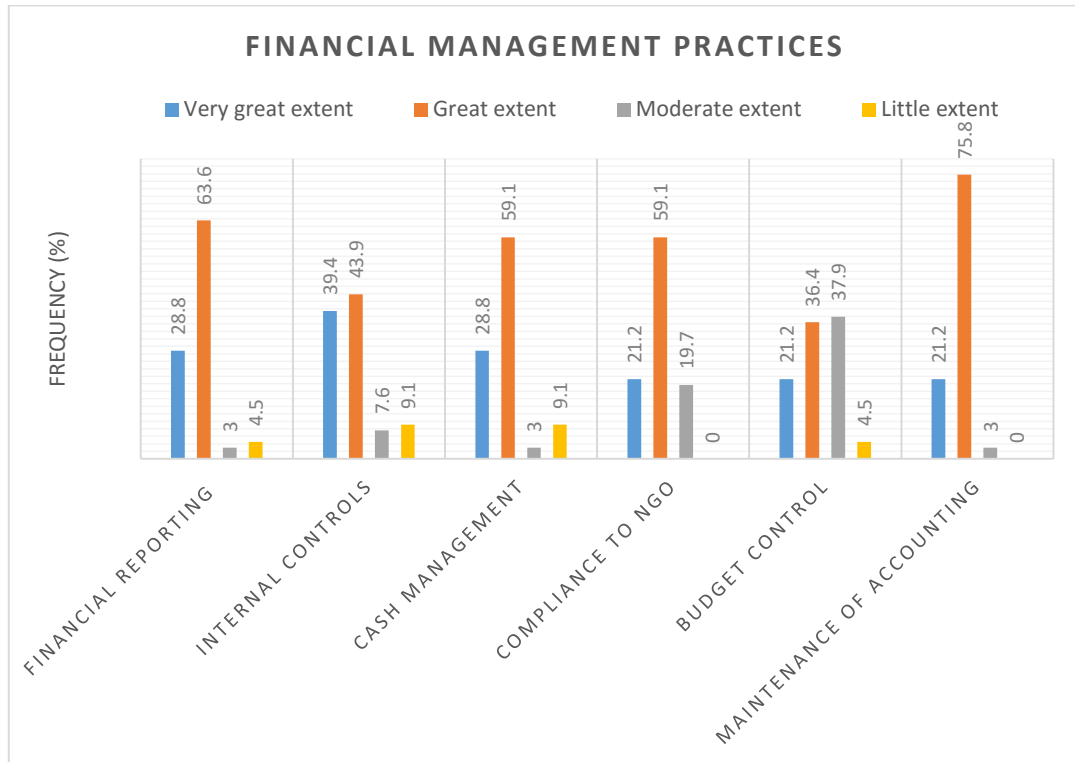
4.5.2 Financial management

Table 6 Financial Management Practices How It Affect Financial Sustainability

Descriptions	Mean	Std. Dev	Rank
Financial reporting system	1.83	.692	2
Internal controls system	1.86	.910	3
Cash management system	1.92	.829	4
Compliance to NGO council conditions	1.98	.644	5
Budget control system	2.26	.847	6
Maintenance of accounting records	1.82	.461	1

Source: Own Survey, June 2020

Figure 3 Result on Frequency of Factors on Financial Management Practices



Source: Own Survey, June 2020

In order to measure the financial management of AHA, respondents were requested to rate their perception to what the frequency of factors on financial management practice on their organization (Table 3), based on the rating value of 1, 2, 3, 4 and 5 assigned to the options “Very great extent”, “great extent” “moderate extent”, “little extent” and “no extent” respectively.

The study sought to regulate the respondents’ level of agreement on statements relating to the aspects of financial management practices on the financial sustainability of AHA. From the findings, it is recognized that of respondents (mean = 1.83) agreed to level on the financial reporting system of AHA. Moreover, Instead they agreed that Internal controls system (M=1.86), that there were Cash management system at (M=1.92) and that there were Compliance to NGO council conditions (M=1.98). Additionally, the respondents agreed AHA have budget control system (M=2.26) and that the maintenance of accounting records (M=1.82). Rounds was arrangement in respondents’ sights with nearly all and that maintenance of accounting records extent of high level, financial reporting system, internal controls system the same level and continuing cash management system and other two. It was concluded that most of the respondents

had attained master’s degree and above. It shows that most of the knowledgeable employee give adequate support to AHAs because they proficient on educational back ground to render their programs. Maximization of well trained and experienced management increased the extent to which organizations are able to manage their daily affairs and their capacity to effectively mobilize resource, management , implement, and accountable and accomplished of goal.

Table 7 Financial Management

Descriptions	Mean	Std. Dev	Rank
Has a high level of cash outflows	3.71	0.651	8
Carries out annual audits	4.55	0.502	2
Has a high value of accounts receivable	3.77	0.76	7
Has a budget on which the activities and projects are based	4.67	0.475	1
Maintains up-to-date accounting records	4.17	0.776	6
Prepares financial statements annually	4.55	0.637	3
Has accounting entries supported by appropriate documentation	4.5	0.588	4
Ensures separation of responsibility in the receipt, payment,	4.3	0.701	5

Source: Own Survey, June 2020

To measure the financial management of AHA, respondents were requested to rate their perception to what the level of agreement on statement to financial management (Table 8), based on the rating value of 1, 2, 3, 4 and 5 assigned to the options “strongly agree”, “agree” “moderate”, “disagree” and “strongly disagree” respectively.

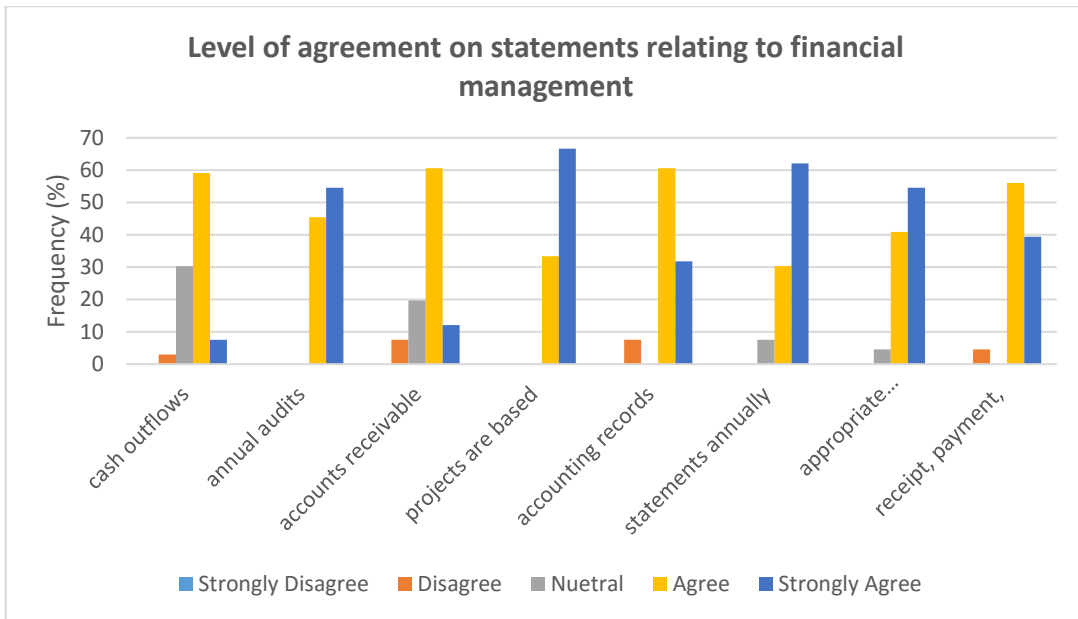
From the findings, it is recognized that the respondents settled that there was level of agreement on the statements relating to financial management by AHAs the respondents agreed that their organization was high levels of cash outflow equally displayed by (M= 3.71) that there was a carries out annual audits (M = 4.55). It has a high value of accounts receivable (M = 3.77); a budget on which the activities and projects are based equally exposed by (M = 4.67). Moreover, they believed that their organization maintained up-to-date accounting records as shown by (M = 4.17), and prepares financial statements annually equally exposed by (M = 4.55). The respondents also believed that their organizations

had accounting entries supported by appropriate documentation equally exposed by (M = 4.50) and ensured separation of responsibility in the receipt, payment, and recording of cash equally exposed by (M = 4.30). The respondents have pointed out that AHA has a budget which is highly based on the activities and seasonal. .If the financial management should be excellence otherwise affect the financial sustainability of AHA. It had shown that initiate affects financial management to the financial sustainability of the AHAs.

Concerning required to establish the effect of financial management practices on the financial sustainability in AHA. Proceeding the result of financial management practices on the financial sustainability, the data found that more of the respondents indicated that maintenance of accounting records to AHA affected financial sustainability of their organizations. This was followed by financial reporting system, internal controls system, cash management system practices, compliance to NGO council conditions and Budget control system that respectively.

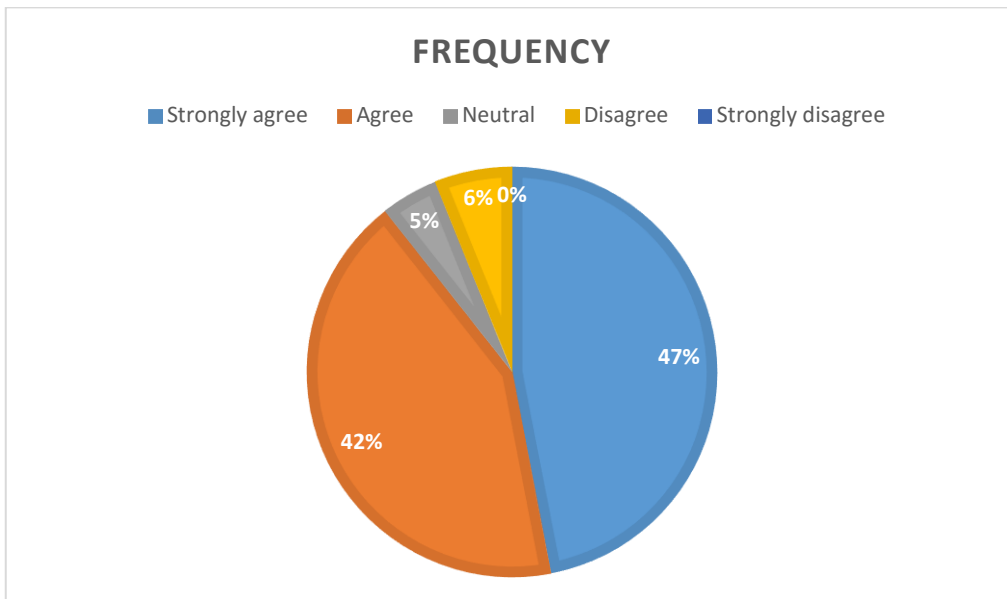
The study show that financial management a core for AHA the organization implementation evaluated with finance and the activity of the project and the success of project evaluated with financial management ,all accepted principled of financial management have an effect for financial sustainability ,the donor requirement implementation should be seen also with performed financial management, AHA has accounting entries supported by appropriate documentation, ensures separation of responsibility in the receipt, payment, maintains up-to-date accounting records, has a high value of accounts receivable, and finally a high level of cash outflows. Therefore, the organization should be action for improvement.

Figure 4 Financial Management



Source: Own Survey, June 2020

Figure 5 Management Competence That Affect Financial Sustainability



Source: Own Survey, June 2020

In order to measure the management competency of AHA, respondents were requested to rate their perception to what the level of agreement on managements competency (Table 8), based on the rating value of 1, 2, 3, 4 and 5 assigned to the options “strongly agree”, “agree” “neutral”, “disagree” and “strongly disagree” respectively

The respondents were requested to indicate their level of agreement that management competence affects the financial sustainability of their organizations. From the findings, the respondents as shown by 47% strongly agreed that management competence affected the financial sustainability of their organization, 42% agreed, 5% were neutral though and 6% disagreed on the statement. These findings show that management competence is accepted to positively affect the financial sustainability of AHA. The researcher notified that the respondents less than 12% neutral and disagreed on the effect of management competency on the financial sustainability of AHAs’.

So this expressed, the respondents’ experience is an advantage for the organization and the researcher who got supportive data.

It was indicated most of the respondents had more than six years of experience in the organization who has experience both in AHA and other NGO operations that show the conversant employee contribute to the suitable sustenance to AHAs and an outcast the performance and the sustainability of AHA.

Table 8 Management Competence

Descriptions	Mean	Std. Dev	Rank
The management is qualified enough to hold their positions	4.15	0.827	2
The management of my firm is highly experienced	4.18	0.63	1
My firm has training programs for both employees and management	3.61	0.926	5
My firm has ore projects implemented under the current management team	3.67	0.829	4
The management in my firm regularly communicates to the employees	3.58	0.745	6
Staff satisfaction in my firm is very good	3.11	1.083	7
The management of my firm is well trained	3.79	0.734	3

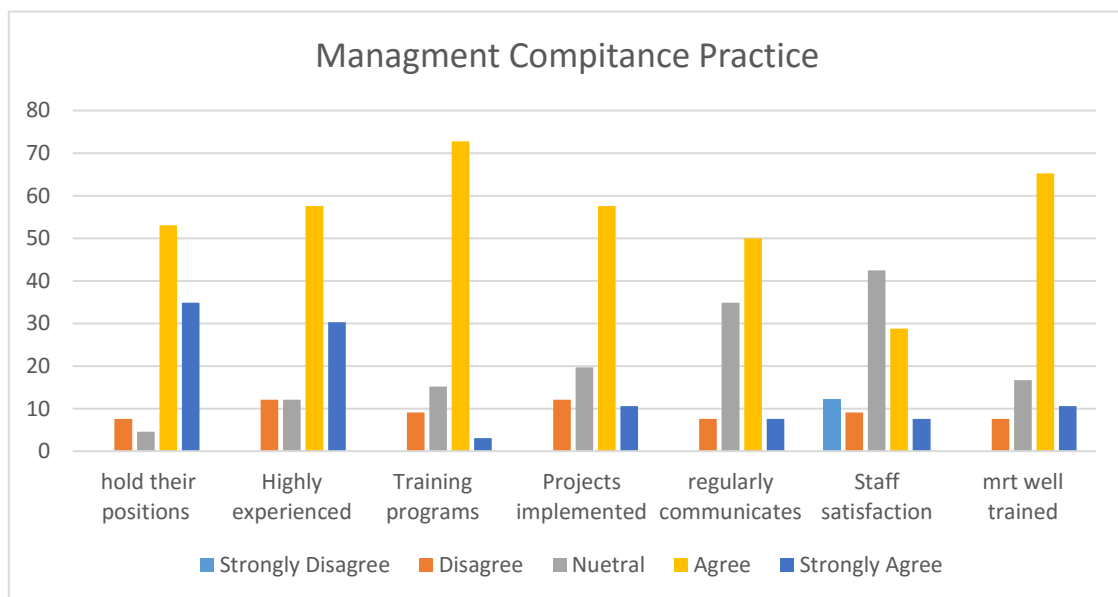
Source: Own Survey, June 2020

To measure the management competency of AHA, respondents were requested to rate their perception to what the level of agreement on statement related to management competency practice on their organization (Table 9), based on the rating value of 1, 2, 3, 4 and 5 assigned to the options “strongly agree”, “agree”

“neutral”, “disagree” and “strongly disagree” respectively.

Finding from the above determined the respondents’ level of agreement on statements relating to management competence in AHA. From the findings, the respondent agreed that the management team is qualified to hold their positions exposed by (M = 4.15), it had the second level respondent selected. The respondents were agreed on a high level by the management of the firm is highly experienced exposed by (M=4.18). The respondents were selected thirdly Management of their firm is well trained by (M=3.79) next three of them almost the same rank for the firm has ore projects implemented under the current management team exposed by (M=3.67), has training programs for both employees and management exposed by (M=3.61), The management in my firm regularly communicates to the employees exposed by (M=3.58,), and lastly Staff satisfaction in my firm is very good exposed by (M=3.11). From the above statement that respondent exposed for their organizations management had more experienced. Hence, that management competence was a major factor to financial sustainability of AHA’s.

Figure 6 Factors Related to Management Competence



Source: Own Survey, June 2020

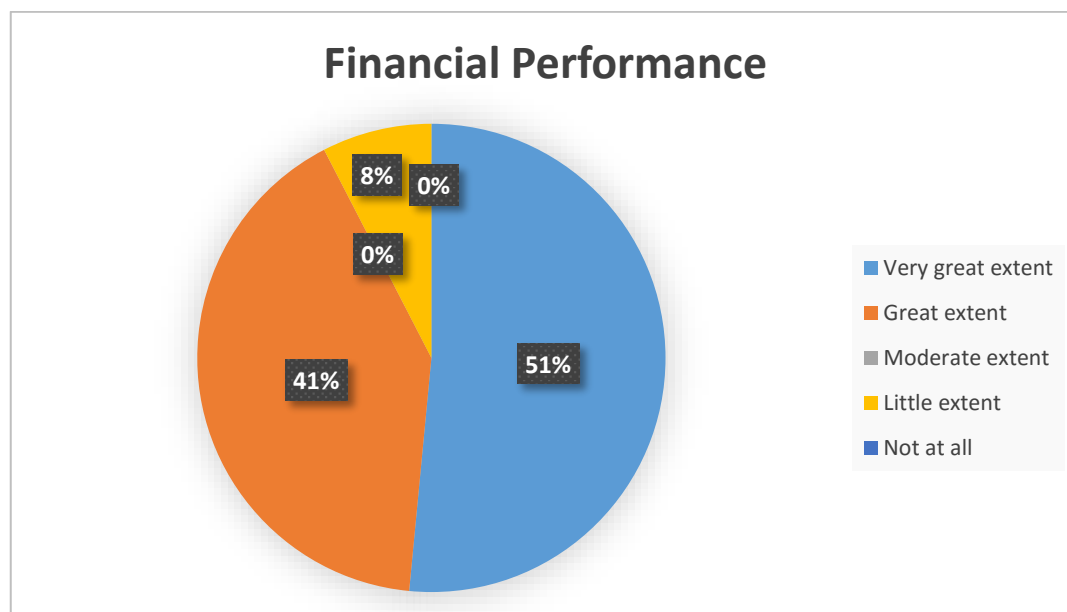
Concerning required to establish the effect of management competence effects on the practice of financial sustainability of at AHA, the study that the respondents settled that management competence affected financial sustainability of their

firm. Based on the respondent’s response on the study findings, and the respondents strongly agreed that management competency have a great extent for financial sustainability of AHA.

The study show that on the level of agreement with statements relating to management competency, the respondents agreed that the management of my firm is highly experienced and the management team is qualified enough to hold their positions ,the managements well trends, beside on staff satisfaction disagreed and with firm regularly communicates to the employees. For instance for the management’s experience and the well qualified their back ground on education and working experience had an evidence.

4.5.3 Financial Performance

Figure 7 Elements of Financial Performance



Source: Own Survey, June 2020

In order to measure the financial performance of AHA, respondents were requested to rate their perception to what the element of financial performance practice on their organization (Table 3), based on the rating value of 1, 2, 3, 4 and 5 assigned to the options “very great extent”, “great extent” “moderate extent”, “little extent” and “no extent” respectively.

The respondents were invited to indicate their agreement that financial performance affects financial sustainability of their organizations. From the findings, the respondents as shown by 34 (52%) very great extent that

financial performance affected financial sustainability of their organization, the respondent 27 (40%) believed great extent, only 5 (8%) moderate extent on the statement. These findings show that financial management is believed to affect financial sustainability of AHA. The researcher notified that the respondents accepted the financial management had more value on financial sustainability of AHA's.

In order to measure the financial performance of AHA, respondents were requested to rate their perception to what the respondents agreement on statements related to financial performance on their organization (Table 10), based on the rating value of 1, 2, 3, 4 and 5 assigned to the options "Greatly deterioration greatly improved", "Deterioration improved" "Stable constant", "Deterioration" and "Greatly deterioration" respectively.

Finding from the above determined the respondents' level of agreement on statements relating to financial performance affect financial sustainability. From the study findings, the respondents agreed that their organizations had financial performance with statement on cash flow were shown by (M=2.06); had statement on cost recovery rate were shown by (M=2.66); a statement on unrestricted income as shown by (M=3.18,).The result shown by financial performance on statement on unrestricted income had high level and the next respondent selected had statement on cost recovery rate and the last selected that financial performance on statements of cash flow affect financial sustainability.

Concerning required to establish the effect of financial performance effects on the practice of financial sustainability of at AHA, the study that the respondents settled that financial management affect affected financial sustainability of their firms .Founded on the respondent's reply on the study findings, and the respondents strongly agreed that financial management have a great extent for financial sustainability of AHA.

The study show that from the secondary data on the firms level of agreement with declarations connecting to financial management the firms and the management agreed that the financial performants had a great scope for the organization management .it had a good example for the firms highly encouragement to perform and encouraged to sustain the of on build up the

budget to increase or to perform on implementation

4.5.4 Source of Fund

Concerning source of income part of fund the respondents disagreed 49 (74.2%) respond as they agree other source of income part of funding shown 17 (25.8%) since they prefer AHA’s source of income hadn’t part of fund.

Table 9 Source of Fund

Descriptions	Mean	Std. Dev	Rank
My firm has inadequate funding to implement their projects	1.83	0.692	4
My firm has a high level of unpaid debts by customers	1.86	0.91	3
My firm has a high level of unnecessary expenses which are not provided in	3.39	0.492	1
My firm has a strategic plan on which its activities are based	2.95	1.233	2

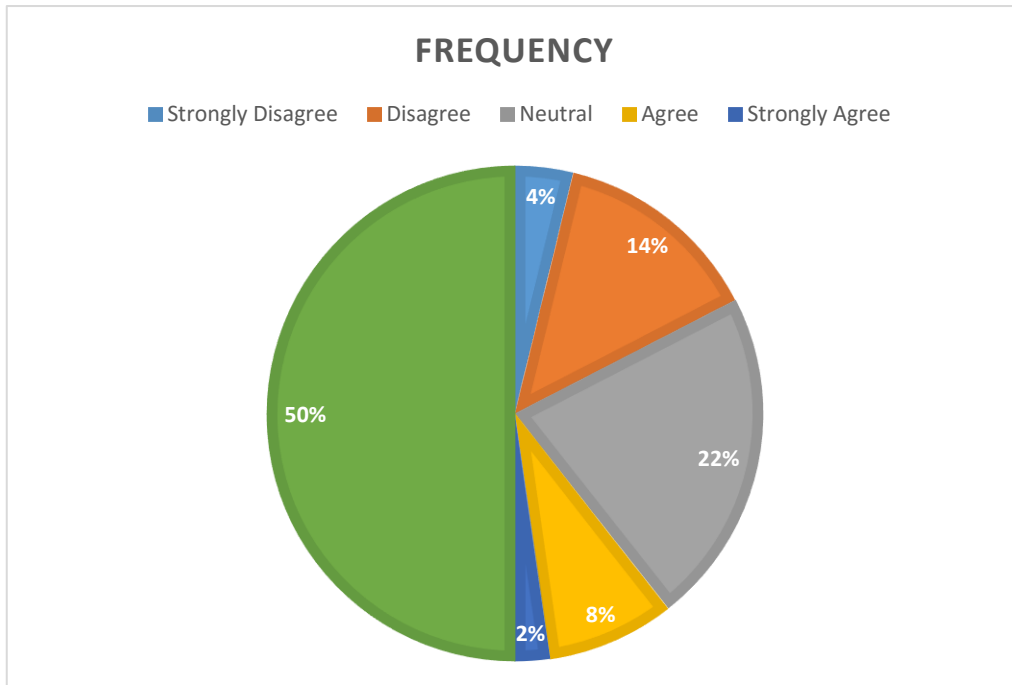
Source: Own Survey, June 2020

In order to measure the source of fund on AHA, respondents were requested to rate their perception to what the level of agreement on source of fund practice on their organization (Table 12), based on the rating value of 1, 2, 3, 4 and 5 assigned to the options “strongly disagree”, “disagree” “neutral”, “agree” and “strongly agree” respectively.

The respondents were requested to indicate their level of disagreement that their firms with statements relating to financial sustainability. From the study findings, more respondents disagreed that had high level of unnecessary expenses which were not provided in the annual budget as shown by a (M=3.29), next the respondents agreed that their organizations had strategic plans on which their activities were based as shown by (M=2.95); had a high level of unpaid debts by customers as shown by (M=1.86); and lastly had inadequate funding to implement their projects as shown by (M=1.83).

4.5.5 Financial Sustainability

Figure 8 Financial Sustainability



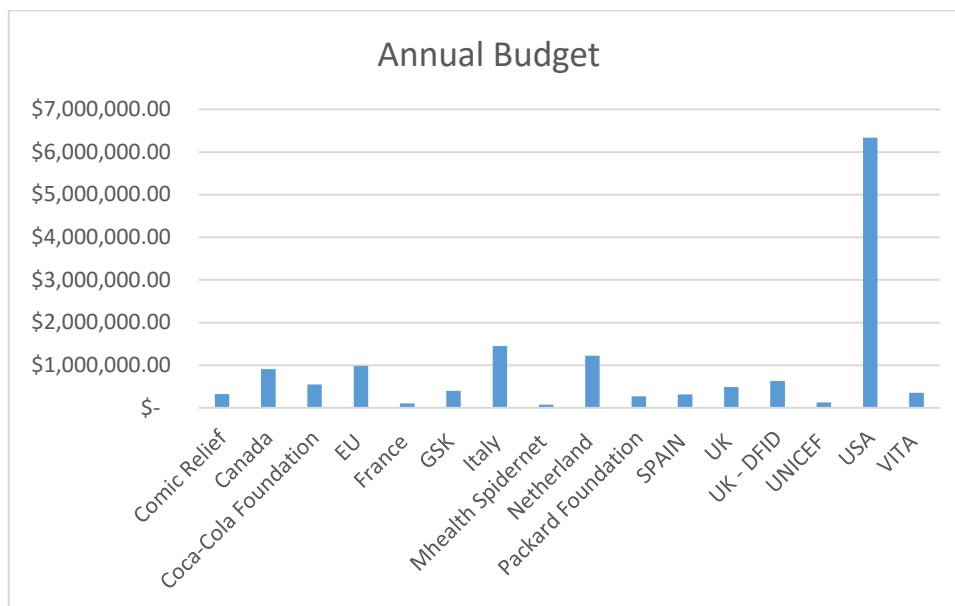
Source: Own Survey, June 2020

In order to measure the financial sustainability of AHA, respondents were requested to rate the level of their degree of agreement on the frequency of factors related to financial sustainability practice on their organization (Figure 8), based on the rating value of 1, 2, 3, 4 and 5 assigned to the options “strongly disagree”, “disagree” “neutral”, “agree” and “strongly agree” respectively.

From the findings, the respondents as shown by 29 (44%) neutral that their firms were financial sustainable, 18 (27%) were disagreed although 11(17%) but only respondents that 3 (4%) strongly agreed on the statement. These findings show that majority of the respondents believed as the AHA is financially unsustainable.

According to the interview made with the management of AHA and the secondary sources, there are 23 projects that will last from 3 to 5 years project duration that are financed from donors such as European Union(covers 5 project) followed by USA, Italy and Netherlands in which each of the donors covers three projects.

Table 10 Budget source by donor name



Source: Own Survey, June 2020

From UK and Dutch covered each of two projects and the duration of projects from four to five years, from Coca-Cola foundation has one project covers three years, GSK private donor cover’s one project and the duration is four years lastly Packard, UK Comic and Embassy of Netherland covered one project each and the duration of their project is five years. The findings from the secondary source and from the employee’s interview indicated that 80% of the sources of their funds are collected from external funding donors, 10% fund received from private sectors, 5% private donors and 5% self-generated income and like millage cost generated from organizations vehicle used a vehicle for project activity and collected income with kilometres also the indirect cost collected contribution a percent of unrestricted fund based on the donor requirements.

Furthermore as of the interview shown with operation manager and project manages of AHA said and review from secondary sources it is a challenging from external and internal sources. Since, from external most of the donors have their own regulation and guideline regarding direct cost distribution among implementation have been challenge, also crises like, donor restriction, global crises and COVID, preparation of high quality proposal and limited donor intelligence

Also the interviewee said mobilizing fund as such is not simple, it has a great competition with other non-government organization; plus approaching

internationally known donors also matter with your organization. Proposal written, understanding donor requirement and English language barriers are some of the challenges.

The respondent reply that from internal challenges unplanned to implementation on fluctuation of government programs is challenge, competition also there is a challenge also because of low performance or burn rate means that the performance had shown based on the high expensed but to burn a lot the government policy and interest had been bottle neck and unsatisfactory of donors got a frustration on the budget cut Likewise capability to compute the external environment because sometimes needs of donors limited allocated by staffs to do the proposal and it is being done on relative bases on the call for proposal the proactively seeking or lobbying donors.

4.5.6 Inferential Statistics

The study sought after to found the essential relationships among variables and the independent variables influenced the dependent variables. Chi-square test analysis and multiple regression analysis were used to achieve to determination

Financial Resource Mobilization and Financial Sustainability at AHA

The first objective of the study researcher conventional the association between financial resource mobilization and the financial sustainability of AHA. The combined marks for financial resource mobilization stayed associated with financial sustainability. Pearson Correlation was used expression the affiliation between two variables and was used test Chi-square. The results are displayed below.

Table 11: Relationship between Financial Resource Mobilization Capacities with Financial Sustainability (Correlation)

		Financial sustainability	Financial resource mobilization capacity
Financial sustainability	Pearson Correlation	1	.868**
	Sig. (2-tailed)		.000
	N	66	66
Financial resource mobilization capacity	Pearson Correlation	.868**	1
	Sig. (2-tailed)	.000	
	N	66	66

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

Source: Own Survey, June 2020

The findings indicated the presence of a positive relationship ($r=.868$, $p=.000$) between financial resources mobilization and the financial sustainability of AHAs. Though, the association was found to be statistically significant at $p<.01$ level of significance. The researcher observed that financial resource mobilization was a determinant of NGOs' financial sustainability. Therefore, there was statistically significant effect of financial resource mobilization capacity on financial sustainability of AHAs'. Financial sustainability depended to a large extent on financial resource mobilization capacity.

Table 12 Chi-square test Financial Resource Mobilization with Financial Sustainability

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	230.046 ^a	90	.000
Likelihood Ratio	170.045	90	.000
Linear-by-Linear Association	48.954	1	.000
N of Valid Cases	66		

a. 110 cells (100.0%) have expected count less than 5. The minimum expected count is .02. Source

Source: Own Survey, June 2020

Financial Management and Financial Sustainability at AHA

The second objective of the study researcher established the association between financial management and the financial sustainability of AHA. The combined marks for financial management stayed associated with financial sustainability. Correlation Pearson Chi-square was used expression the affiliation between two variables. The results are displayed below

Table 13 Relationship between Financial Management and Financial Sustainability (Correlation)

		Financial sustainability	Financial Management
Financial sustainability	Pearson Correlation	1	.462**
	Sig. (2-tailed)		.000
	N	66	66
Financial Management	Pearson Correlation	.462**	1
	Sig. (2-tailed)	.000	
	N	66	66

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

Source: Own Survey, June 2020

The findings indicated the presence of a positive relationship ($r=.462$, $p=.000$) between financial management and the financial sustainability of AHAs. Though, the association was found to be statistically significant at $p<.01$ level of significance. The researcher observed that financial management was a determinant of NGOs' financial sustainability. Therefore, there was statistically significant effect of financial management with financial sustainability of AHAs'. Financial sustainability depended to an extent on financial management.

Table 14 Chi-square Test Financial Management and Financial Sustainability

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	272.722 ^a	63	.000
Likelihood Ratio	146.483	63	.000
Linear-by-Linear Association	13.849	1	.000
N of Valid Cases	66		

a. 79 cells (98.8%) have expected count less than 5. The minimum expected count is .05.

Source: Own Survey, June 2020

Management Competency and Financial Sustainability

The third objective of the study researcher established the relationship between management competency and the financial sustainability of AHA. The composited marks for management competency stayed associated with financial sustainability. Correlation Pearson Chi-square was used expression the affiliation between two variables. The results are displayed below

Table 15 Relationship between Management Competency and Financial Sustainability

Correlations

		Financial sustainability	Management Competency
Financial sustainability	Pearson Correlation	1	-.037
	Sig. (2-tailed)		.771
	N	66	66
Management Competency	Pearson Correlation	-.037	1
	Sig. (2-tailed)	.771	
	N	66	66

Source: Own Survey, June 2020

The findings indicated the presence of no positive relationship ($r=-.037$, $p=.771$) between financial resources mobilization and the financial sustainability of AHAs. Though, the association was found to be statistically insignificant at $p<.01$ level of significance. The researcher observed that management competency was factor of NGOs' financial sustainability. Therefore, there was statistically no significant effect of management competency on financial sustainability of AHAs'. Financial sustainability depended to a no extent on management competency.

Table 16 Chi-square Test Management Competency and Financial Sustainability

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	272.722 ^a	63	.000
Likelihood Ratio	146.483	63	.000
Linear-by-Linear Association	13.849	1	.000
N of Valid Cases	66		
a. 79 cells (98.8%) have expected count less than 5. The minimum expected count is .05.			

Source: Own Survey, June 2020

Financial Performance and Financial Sustainability

The fourth objective of the study researcher established the relationship between financial management and the financial sustainability of AHA. The composited marks for financial management remained related with financial sustainability. Correlation Pearson was used expression the affiliation between two variables. Chi-square tested. The results are displayed below.

Table 17 Relationship Financial Performance with Financial Sustainability (Correlation)

		Financial sustainability	Financial Performance
Financial sustainability Y	Pearson Correlation	1	-.219
	Sig. (2-tailed)		.077
	N	66	66
Financial Performance E	Pearson Correlation	-.219	1
	Sig. (2-tailed)	.077	
	N	66	66

Source: Own Survey, June 2020

The findings indicated the presence of a no positive relationship ($r = -.219$, $p = .077$) between financial performance and the financial sustainability of AHAs. Though, the association was found to be statistically significant at $p < .01$ level of insignificance. The researcher observed that financial performance was a determinant of NGOs' financial sustainability. Therefore, there was statistically insignificant effect of financial performance on financial sustainability of AHAs'.

Table 18 Chi-square Test Financial Performance with Financial Sustainability

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	272.722 ^a	63	.000
Likelihood Ratio	146.483	63	.000
Linear-by-Linear Association	13.849	1	.000
N of Valid Cases	66		

a. 79 cells (98.8%) have expected count less than 5. The minimum expected count is .05

Source: Own Survey, June 2020

Source of Fund and Financial Sustainability

The fifth objective of the study researcher recognized the relationship between source of fund and the financial sustainability of AHA. The composited marks for source of fund remained related with financial sustainability. Correlation Pearson was used expression the affiliation between two variables. Chi-square

tested. The results are displayed below.

Table 19 Relationship Source of Fund with Financial Sustainability (correlations)

		Financial sustainability	Source of Fund
Financial sustainability Y	Pearson Correlation	1	.125
	Sig. (2-tailed)		.006
	N	66	66
Source of Fund	Pearson Correlation	.125	1
	Sig. (2-tailed)	.006	
	N	66	66

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

Source: Own Survey, June 2020

The findings indicated the presence of a no positive relationship ($r=.125$, $p=.006$) between source of fund and the financial sustainability of AHAs. Though, the association was found to be statistically significant at $p<.01$ level of significance. The researcher observed that source of fund was a determinant of NGOs' financial sustainability. Therefore, there was statistically significant effect of source of fund on financial sustainability of AHAs'. Financial sustainability depended to an extent on source of fund.

Table 20 Chi-square Test Source of Fund with Financial Sustainability

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	174.572 ^a	45	.000
Likelihood Ratio	111.912	45	.000
Linear-by-Linear Association	1.021	1	.000
N of Valid Cases	66		
a. 58 cells (96.7%) have expected count less than 5. The minimum expected count is .05.			

Source: Own Survey, June 2020

Regression Model

The study sought a regression model for the learning to demonstrate the relationship between the independent variables and the dependent variable. Linear regression analysis was done and the results obtained in the below table.

Table 21 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.909 ^a	.827	.812	1.01774	.675

- Predictors: (Constant), financial resource mobilization, financial management, management competency, financial performance and source of fund.
- Dependent variable
- Source: Own Survey, June 2020**

The model summary indicated the occurrence of a strong positive multiple correlation ($R=1.01774$) between the independent variables and the dependent variable. Additionally, the R-squared value of 0.827 designated that the independent variables accounted for 82.7% of the total variance in the financial sustainability. The researcher perceived that the independent variables and the dependent variable were mutually inclusive. The analysis of variance generated the results accessible in the above table

Table 22 ANOVA Test

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	296.474	5	59.295	57.246	.000 ^b
	Residual	62.148	60	1.036		
	Total	358.621	65			

Source: Own Survey, June 2020

The study established that the F-ratio ($F(5, 60) = 57.246, p = .000$) was statistically significant at $p < .05$ level of significance. This showed that the independent variables taken together significantly influenced the financial

sustainability of the AHAs. The model coefficients values from the regression were as presented in the above table.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	15.202	1.907		7.970	.000
Financial resource mobilization capacity	.534	.040	1.096	13.379	.000
FINANCIALMANAGMENT	-.193	.048	-.396	-3.996	.000
1 MANAGMENTCOMPITANCY	.010	.034	.018	.287	.775
FINANCIALPERFORMANC E	-.149	.053	-.159	-2.841	.006
SOURCEOFFUNDING	-.141	.051	-.190	-2.775	.007

a. Dependent Variable: FINANCIALSUSTAINABILITY

Financial Sustainability

From the result from inferential statistics the financial resource mobilization capacity, financial management and source of fund more than 95% significant of AHA financial sustainability and the two variables financial performance and management competency have less significance for AHA on financial sustainability.

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	296.474	5	59.295	57.246	.000 ^b
Residual	62.148	60	1.036		
Total	358.621	65			

a. Dependent Variable: FINANCIALSUSTAINABILITY

b. Predictors: (Constant), SOURCEOFFUNDING, MANAGMENTCOMPITANCY, FINANCIAL RESOURCE MOBILIZATION CAPACITY, FINANCIALPERFORMANCE, FINANCIALMANAGMENT

CHAPTER FIVE

Summary Conclusion and Recommendation

This chapter presents the summary of the research findings in chapter four, presents the conclusions and the recommendations draw. This chapter presents conclusions and recommendations of the study based on the findings, research questions and objectives of the study. Accordingly, the first part presents the conclusions; the second section is devoted for recommendations. And the chapter covers the limitation of the study, the researcher provided on determinant factors affecting financial sustainability of AHA in Ethiopia.

5.1 Summary of the Finding

This summary was examines the factors determining of financial sustainability in AHA .Both descriptive and inferential statistical analysis has been used to find the factors determining of financial sustainability at AHA .

The overall result obtained from the descriptive model specifies that independent variables have effect on financial sustainability of AHA. The dependent variables used to measure financial sustainability was determinants with independents variables these are financial resource mobilization, financial management, management competency, financial performance and source of fund to attain objective of the research .

Based on the result obtained from the inferential statistical analysis results, financial resource mobilization, financial management and source of fund have positive significant affect to financial sustainability at AHA. Accordingly financial performance and management competency have no significant affects for financial sustainability. From the Chi-square test all independent variables have positive significant affects to financial sustainability by more than 95%.

Based on the test on Chi-Square all variables lengthened on independent have significant with dependent variables.

5.2. Conclusions

Based on the analysis of the findings, the study has revealed the major factors influencing the AHA financial sustainability. Particularly financial resource mobilization, financial management and source of fund of the organization in resource handling, separately insignificant impact in management competency and in financial performance none affected financial sustainability in AHAs and as a compiled of variance analysis has a positive impact.

After the finding the researcher determined that the financial resource mobilization capacity was shown to be positively correlated significant with financial sustainability of AHA.

The study concluded that financial management have a positive relationship and has a positive significant for AHA's financial sustainability, through the difference practices evaluated and shown beside donor requirements and financial management practiced

The study concluded that shown on correlation management competency have low level negative significance also on Chi-Square test 98% significance,

The study concluded that on correlated financial performance have negative significance on financial sustainability also on Chi-Square test 98% significance, This implies that AHA improvement in financial performance lead to an improvement in financial sustainable .Furthermore the area of significance need improvement from the test.

The study concluded that on correlation source of fund have positive significance on financial sustainability also on Chi-Square test 98% significance, AHA need to work more to increase the financial sustainability on getting more funds and more income collecting mechanism.

5.3 Recommendations

Based on the finding, it is recommended that AHA should improve the mechanism to maximize financial resource mobilization using alternative approaches like collect from flying doctors, establishing university and giving bulky education like leadership, grant management training related to NGO's, properly managed the millage benefits. Furthermore, the above result shows that funding proposals have a great extent for AHA to mobilize financial resource and the organization should be finding a mechanism to increase the quality of proposal submission by well known the donor requirement, should be increased quality of proposals, from the interview understood there is a companion with other NGO's to sustain the resource need to day to day improvement of the capacity of grant managements tool, to minimize the challenges of accessing funds if the financial resource is failed should be a cruised for organizations financial sustainability.

From the study finding, the researcher recommended that the NGO SMT should come up with elaborate on the level financial management practice specially the level of cash out flows. This may improve the factor of financial sustainability of AHA.

From the study finding the researcher recommended that, the training have an impact on management competency to capacitate management to compute for sustain of finance. From the data the employees more experienced and well educated, hence the experienced manpower should be changed to their experience bulky of education to mobilization of resource, and it has helps for financial suitability to be protected.

from the data recognized that, one of the evaluations of NGO performance is spent more cash or spending more cash means, the means of maximization of financial performance, hence the organization should be improved the spent of the activity or spent of cash to satisfied donors requirements also the respondents level of agreement on a high level of account receivable is low that shown the level of financial managements evaluations otherwise it will be impacts for double entry

To increase attract on other source of income beside foreign funds it is

recommended to through good funding proposals to increase resource mobilization capacity ,building of training centres for regenerate incomes, using staffs capacity to give training on selling staffs experience covers non strict income .

AHA need to building the satisfaction on their staffs covering some benefits on giving day care for women's employee children because from the data collect , coverage of their family medical insurance not only spouse and children's and management should be work on staffs financial sustainable

5.4 Recommendation for Further Study

This study recommend that future researcher should carryout research on the following area.

- Impact on unsustainability of employees on organization performance
- The researcher covered only the factor determined sustainability on financial other researcher can carry out other factors of determining for sustainability

5.5 Limitations of the Study

Undertaking a good research requires availability of sufficient time, information and other resources. In this study the main constraints were time and lack of availability of sufficient secondary. Because of Covid-19 pandemic, employees were not available in office and this has challenged the researcher to collect data timely. It also limited the researcher movement to get secondary information from different sources. . However, the researcher didn't give up and tried her best to realize the research report.

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ST. MARY'S UNIVERSITY

SCHOOL OF POST GRADUATE STUDIES

DEPARTMENT OF GENERAL MANAGMENT

Dear Participant,

This questionnaire is designed to collect data for a research entitled **Factors determining financial sustainability of International Non-Governmental Organizations in Ethiopia: A case in Amref Health Africa-Ethiopia**, for fulfilment requirements of Master's in Business Administration (MBA).

Knowing that the purpose of the study is fulfilment of academic qualification; your genuine, frank and timely responses have great importance for the success of the study. Hence, your short, precise and honest response is highly appreciated. Therefore, you are kindly requested to fill the questionnaire objectively and completely.

It is NOT necessary to write your name on the questionnaire and I would like to assure you that the information you give me will be kept confidential and will be used for this academic purpose only.

For further information and need of my assistance while you fill the questionnaire please contact me with:

- email address: ayenalemgebru@yahoo.com, or
- Telephone number- 0911-557793

Thank you for your cooperation

General Direction:

The questionnaire has seven sections. Provide your responses by circling, putting

a tick mark or and writing your responses/comments on the blank spaces, as it applies to each question accordingly.

SECTION A: BACKGROUND INFORMATION

1. Gender?

Male Female

2. Age?

Below 25 years 25-35 years 36-45 years 46-55 years

56 and above years

3. What is your higher level of education?

Certificate Diploma First Degree Master's degree and above

4. How many years have you worked with the NGO sectors?

Less than 2 years 2 – 5 years 5 -10 years

Over 10 years

5. How many years have you worked with the within AHA sectors?

Less than 2 years 2 – 5 years 5 -10 years Over 10 years

SECTION B: Financial Resource Mobilization

6. To what extent do you think financial resource mobilization capacity affect financial sustainability of your organization?

Very great extent Great extent Moderate extent

Little extent No extent

7. What is your level of agreement with the following statements relating to financial resource mobilization capacity and financial sustainability in AHA

Descriptions	1	2	3	4	5
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
My firm has good financial resource mobilization capacity					
There is mobilization of fund through different sources					
My firm has mechanisms for accessing and using					
My firm is facing challenges in accessing funds					
AHA mobilizes financial resource that fit into					
My firm ttracts funds through good funding proposals					
My firm receives subsidies from the Gov.'s and donors					
My firm has a donor tracking system					
My firm has a large number of loyal donors funded a number of projects					

SECTION C: Financial Management

8. To what extent the following elements of financial management positively affected financial sustainability of your organizatio

Descriptions	1	2	3	4	5
	Very great extent	Great extent	Moderate extent	Little extent	No extent
Financial reporting system					
Internal controls system					
Cash management system					
Compliance to NGO council conditions					
Budget control system					
Maintenance of accounting records					

9. What is your level of agreement with the following statements relating to financial management and financial sustainability in AHA?

My Organization	1	2	3	4	5
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Has a high level of cash outflows					
Carries out annual audits					
Has a high value of accounts receivable					
Has a budget on which the activities and projects are based					
Maintains up-to-date accounting records					
Prepares financial statements annually					
Has accounting entries supported by appropriate documentation					
Ensures separation of responsibility in the receipt, payment, and					

SECTION C: Management Competency

10. To what extent do you agree that ‘management competence affect financial sustainability of my organization?’

Strongly agree Agree Neutral Disagree Strong disagree

11. What is your level of agreement with the following statements relating to management competence and financial sustainability in AHAs

Statement	1	2	3	4	5
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The management team is qualified enough to hold their positions					
The management of my firm is highly experienced					
My firm has training programs for both employees and management					
My firm has ore projects implemented under the current management team					
The management in my firm regularly communicates to the employees					

Staff satisfaction in my firm is very good					
The management of my firm is well trained					

SECTION D: Financial Performance

12. What is the trend of the following measures of sustainability AHA in the last five years

Descriptions	1	2	3	4	5
	Greatly deterioration	Deterioration improved	Stable constant	Deterioration	Greatly deterioration
Statement on cash flow					
Statement on cost recovery rate					
Statement on unrestricted income					

13. To what extent does strategic financial performance affect the financial sustainability of your organization? Very great extent Great extent Not at all Moderate extent little extent

SECTION E: Source of Funds

14. Sources of funding effect on their sustainability

14.1 Where do your AHA source funding from?

- External donors
- Private sector
- General public
- Government/public sector
- Self-generating income
- Any other (specify) _____

14.2 Is the funding provided by the donors (mentioned above) in form of monetary or material resources? Explain

14.3 In terms of grants received, where does most of it come from?

Indicate the percentage granted out of the total.

- External donors (_____ %)
- Private sector (_____ %)
- General public (_____ %)
- Government / public sector (_____ %)
- Self-generating income (_____ %)

14.4 Do you have other sources of income apart from funding?

- Yes No , if yes, specify

15. With respect to funding, what can you say on their effect on developmental agenda in this area in terms of performance?

16. What challenges/problems do you face in sourcing of funds from external and internal sources?

- External: _____

- Internal: _____

SECTION F: Financial Sustainability

17. What is the level of agreement that 'your firm is financially sustainable'?

Strongly agree Agree Neutral Disagree

Strongly disagree

18. Which of the following ratios do you mainly used to measure the financial sustainability of your organization?

Project completion rate Attainment goal Accountability

19. What is your level of agreement with the following statements relating to financial sustainability in AHA

Statement	1	2	3	4	5
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
My firm has inadequate funding to implement their projects					
My firm has a high level of unpaid debts by customers					
My firm has a high level of unnecessary expenses which are not provided in					
My firm has a strategic plan on which its activities are					

=====//=====//=====//=====//=====//=====

Thank you again for your support



Amref Health Africa in Ethiopia

Ref. ETCO /Adm /0394 /20

Date: 17 June, 2020

St. Mary's University
School of Graduate Studies
Addis Ababa

Subject:-For information

According to the request from your University, Aynalem Gebru, ID No SGS/0131/2011A is asking us to cooperate with her study .Therefore, we have provided the information based on her request.

Regards,

Abiyou Goshu
HR Manager

