AN INVESTIGATION ON THE FACTORS INFLUENCING SUSTAINABILITY OF NGO’S IN KENYA

Sustainability implies that society must use no more of a resource than can be regenerated. Financial sustainability will be one of the key challenges for NGOs in the next decade: only those institutions that have sound financial structures and stable income flows will be able to fulfill their multiple missions and respond to the current challenges in an increasingly complex and global environment. NGOs will need to do their best to diversify their sources of funding in their bid to become more independent, as well as to widen and deepen their constituency to be able to use their membership for voluntary tasks as well as membership fees. To the researcher's knowledge, at the time of the study, no local or international studies had ever focused on the strategic responses adapted by NGO’s in Kenya to the shorter lifespans. This represents a significant gap in knowledge that must be bridged since NGOs provide an important component of education, health and other social developments in Kenya. It is in this light that the researcher aimed to fill the existing gap by carrying out an investigation into the factors influencing sustainability of NGO’s in Kenya.

In this study, exploratory research design was adapted. The target population of this study included NGO’s based in Nairobi registered with the NGO council of Kenya that shares common characteristics. There are 288-registered NGO’s in Kenya. The study sampled 30 NGO’s in Nairobi Kenya that deals in relief activities. The study used both primary and secondary data. Primary data was collected using a questionnaire while secondary data was collected from the NGOs financial statements. The collected data was analyzed using both quantitative and qualitative data analysis methods. Quantitative method involved both descriptive and inferential analysis. Descriptive analysis such as frequencies and percentages were used to present quantitative data in form of tables and graphs. Data from questionnaire was coded and logged in the computer using Statistical Package for Social Science (SPSS V 20.0). This study therefore concludes that NGOs and the donor community are susceptible to any number of economic and political pressures occurring everywhere from the organizational level all the way up to macro variations in national and international economies, donors are subject to funding constraints of their own and are often beholden to boards, larger organizations, government ministries, or even national legislatures that can limit their capacity to fund purely based on the quality of a project or the good record of a grantee. Some donors can even fall victim to severely limiting budget constraints that threaten their very existence. NGOs must be aware of these possibilities and diversify their sources of funding accordingly. Hence, NGOs must begin to develop at least some degree of self-sufficiency if they are to have any medium to long term plans and aspirations. The study therefore recommends that in order to ensure that the NGOs remain sustainable; they should procure employees that are competent in strategic planning, plan implementation and financial analysis that are seen to affect the financial sustainability to a great extent. They should also come up with income diversification strategies to enhance financial sustainability.