

FUNDRAISING INITIATIVES IN CHILDREN'S WELFARE PROJECTS – PERSPECTIVES FROM LOCAL NGOS

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ABSTRACT

Despite the existence of numerous sources of funding such as the government, multilateral agencies, corporate sponsorship, family foundations and individual donors, NGOs in Tanzania are still experiencing challenges in obtaining children welfare project funds. This study set out to examine the effectiveness of fundraising initiatives undertaken by local NGOs to improve the welfare of orphans and vulnerable children in Ilala District, Tanzania. A holistic multiple case study design was employed using semi-structured interviews with local NGO leaders. With the assistance of Nvivo software programme, pattern coding was inductively used to bring together coded information into more compact and meaningful groupings. Research findings reveal that local NGOs have taken different initiatives to mobilise financial resources. These initiatives include grant applications, fundraising events, personal solicitation, telephone fundraising, internet fundraising and the use of solicitation letters. However, these efforts have not managed to bring about the desired outcomes for the majority of local NGOs. Hence, this study concludes that local NGOs in Tanzania urgently require improved fundraising capacity so as to sustain their operations.

Keywords: Fundraising, NGOs, Orphans and Vulnerable Children, Donor Cultivation Cycle

BACKGROUND

Non-governmental organisations (NGOs) are generally considered to be non-state and non-profit-oriented groups that function in the public interest (World Bank, 2001; Nanthagopan, 2017). Fundraising is an essential component for the functioning of any NGO and its research has flourished over the past two decades. However, this field of social entrepreneurship is still considered to be relatively young and lacks a fully developed theoretical and empirical base (Cullen & Parker, 2015). For many years, vast amounts of research have almost exclusively focused on donors – the supply side of funds - and have left the unexplored role played by fundraisers – the demand side (Andreoni, 1998). This study sought to address this gap because the majority of NGOs that rely on private contributions use fundraising as the primary mechanism of inter-agency competition for scarce donor resources (Thornton, 2006). As such, fundraising is a competitive, vibrant and highly professional activity. It is thus common sense to view the utilisation of appropriate and effective fundraising initiatives by NGOs as an important aspect for their survival, effectiveness and sustainability (Tedham, 2012; Alfirevic *et al.*, 2014). In Africa, most NGOs share a common challenge that of unlimited needs with limited resources. In many cases the success of these NGOs is dependent on how well they can compete with other similar organisations in identifying scarce resources (Batti, 2014).

NGOs are mission-driven, and based on their missions sources of funds may vary widely. For instance, organisations that support children, particularly orphans, can appeal to religious institutions as well as secular international organisations with humanitarian agenda. Normally, strong and durable bonds are forged between donors and the organisations that help

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children and orphans (Tedham, 2012). Anecdotal evidence suggests that in Tanzania, such bonds are either lacking or fruitless because local NGOs attribute the persistence and intensity of child abuse and neglect to excessive lack of financial capacity. This is a straight forward issue through which local NGOs ought to have engaged the donor community. According to a report by the Department of Social Welfare of the Ilala Municipal Council, in association with One Stop Centre - Amana Referral Hospital³, 1,213 cases of child abuse and neglect were reported between 2013 and 2016.

The Government of Tanzania has a limited social welfare service delivery system; so the non-profit sector is the primary source of support for victims of child abuse (Correll & Correll, 2010). Besides, previous research has considered NGOs to be more efficient and effective at providing services than state agencies (Cornman *et al.*, 2005). Nevertheless, their ability to mobilise financial resources remains a big challenge. Fundraising is one of the key mechanisms of resource mobilisation for local African NGOs, yet there is limited research on its effectiveness in mobilising resources. Instead, studies on fundraising have been conducted predominantly in Western countries. This article strives to contribute to this important field of social entrepreneurship by assessing the effectiveness of fundraising initiatives undertaken by local NGOs that provide social services to Orphans and Vulnerable Children (OVC), in the context of ever increasing child maltreatment in Tanzania. To accomplish this assessment, this research employed the resource-based view and relationship management theory in identifying various initiatives taken by these NGOs to raise funds throughout different phases of the fundraising cycle. These strategic management theories are deemed most important because they offer an opportunity for the organisation to gain competitive advantage and distinguish itself in the field (Waters, 2008; Joseph & Lee, 2012; Cullen & Parker, 2015).

In line with the tenet of scarce resources, it is clear that NGOs are competing for limited funds from the same pool of donors in order to win their fast changing priorities (Joseph & Lee, 2012). Moreover, donors choose the NGOs that provide services most effectively and efficiently (Nanthagopan, 2017). In Tanzania, over 90% of NGOs are donor-funded (REPOA, 2007); which means fundraising cannot be ignored due to its importance for the growth, development and sustainability of NGOs. So as far as the objective of this research was concerned, the intention was to generate a critical understanding of how NGO owners and leaders may enhance their fundraising initiatives and ultimately see to it that the needed financial support is both obtained and maintained. Further, the research findings are intended to assist policy makers improve their understanding of the challenges that local NGOs face and then provide the best policy solutions to curb the current socio-economic turbulence.

The article begins by presenting concepts relevant to fundraising, the theoretical foundation, and then a review of prior research underpinning fundraising initiatives. This is followed by an outline of the methodology. The fourth part presents the findings and discussion, while the final part makes a conclusion by suggesting strategies that could be adopted by local NGOs to raise funds and subsequently enhance their growth, development and sustainability.

LITERATURE REVIEW

Relevant Concepts and Theoretical Foundation

Drawing on Teegen *et al.* (2004), NGOs are considered as private, not-for-profit organisations that aim to serve particular societal interests by focusing advocacy and/or operational efforts on social, political and economic goals, including equity, education, health, environmental protection and human rights. To make a positive impact on these goals, NGOs are motivated by commercialism and the availability of resources, particularly donor funds hence making resource mobilisation an integral part of their operations (Teegen *et al.*, 2004). Consequently, this study capitalises on Batti (2014) to make a distinction between resource mobilisation and fundraising. It conceptualises the former as a process whereby both financial and non-financial resources are mobilised either externally or internally to support organisation activities. Resource mobilisation has two conceptual components: one is that non-financial resources are crucial, and secondly some resources can be generated by the organisation internally rather than sourced from others. Implicit in the mobilisation of resources is fundraising, which Batti (2014) considers as the act of persuading people or organisations to provide money for a cause. It is the activity of collecting money to support a charity or political campaign or organisation. Fundraising means that funds are

³ <http://www.tanzaniatoday.co.tz/news/manispaa-ya-ilala-yaomba-jamii-kuripoti-matukio-ya-ukatili-kwa-watoto> (as accessed in April 2017)

elsewhere and approaches or initiatives need to be explored to access the funds. It is these initiatives that the research strove to assess and thus the main focus of the study.

Kwosek (2014) describes fundraising initiatives as key actions taken to achieve a specific objective intended to close a gap between an organisation's fundraising performance and its target. In the context of this study, fundraising initiatives are defined as efforts made by an organisation to influence donor funding. In view of Batti's (2014) definition of fundraising and Kwosek's (2014) description of fundraising initiatives, we deduce that the entire process requires friendship as well as trust building.

The Relationship Management Theory (RMT) maintains that it is important for fundraising practitioners to focus their efforts on relationship management. If an organisation wants to ensure its longevity then it should be prepared to dedicate time and resources to developing relationships with its donors (Waters, 1998). In essence, fundraising entails socially important but non-profit activities that would necessitate the participants to trust each other and build long-term relationships. To vindicate the latter, Tempel *et al.* (2016) argue that fundraising is the continuous process which needs to be developed over a period of time. It is the cycle of various practices (fundraising or donor cultivation cycle), which has four fundamental phases: identification and research, cultivation, solicitation and stewardship (Butterfield, 2010). The Council for Advancement and Support of Education⁴ offers a snapshot of these phases as presented in Table 1.

Table 1: Fundamental Phases of the Fundraising Cycle

Phase/Stage	Meaning
Identification and research	This stage is all about gathering and analysing information. It is the underpinning of one's fundraising activities. It answers the question: Who will be asked and what will be asked for?
Cultivation	The cultivation stage includes building stronger relationships with one's donors and engaging prospects closer to the organisation, as well as preparing to make "the ask". It covers a range of activities from direct mail, telephone and mail contact through to events, personal visits and peer-to-peer networking.
Solicitation	This mainly means making "the ask". There are a number of ways to achieve this – direct mail, telephone fundraising, face-to-face solicitations, peer asking, as part of legacies campaign or through online communication.
Stewardship	Stewardship refers to recognition and continuing to engage donors, maintaining and evolving long-term relationships with donors. Effective stewardship will ensure that the donor knows his/her gift is being valued and put to good use that benefits the organisation or a broader cause. At this stage, it is important to appropriately recognise the gift, and ideally engage the donor so that he or she feels even more connected to the organisation.

Fundraising performance partly depends on the initiatives taken by an organisation to build and maintain long-term relationship with donors (Dunlop, 1993; Kelly, 1998). This makes it important to discuss fundraising initiatives in parallel with the fundraising cycle. Therefore, the conceptual premise underlying this study is that the capacity of local NGOs to master the fundraising cycle is determined by the initiatives taken to identify relevant projects and prospective donors; cultivating donors; soliciting funds and stewarding donors to continuously provide funds for proposed projects. Based on the mentioned RMT, this study postulates that if project donors are handled properly, they tend to maintain their relations with the NGOs over the years (Butterfield, 2010).

The ability of an organisation to survive and succeed in today's turbulent business environment depends largely on its capability to accumulate and combine resources (Luo, 2000; Barney *et al.*, 2001). The Resource-based View (RBV)

⁴ www.case.org/Publications_and_Products/Fundraising (As accessed on 08.05.2017)

emphasises the role of the resources that the firm owns, acquires or develops. According to the view, individual organisations are modelled as a collection of resources that are coordinated to generate rent or income (Penrose, 1959; Cullen & Parker, 2015). Resources become a source of sustainable competitive advantage if they are valuable, rare, imperfectly imitable and non-substitutable (Barney, 1991). Drawing on the fundamental phases of the fundraising cycle in Table 1, we link fundraising initiatives to the RBV because they are focused on the internal development of resources by NGOs. Bailey (1999) supports the RBV by claiming that achieving the overall quality of the fundraising process depends greatly on improving the skills of staff and management systems. For instance, the organisational discipline of planning, financial management and reporting, transparency and accountability could be key to successful fundraising. The additional RBV component underpinning fundraising is found in Mercer (2003), who reveals that donor funding is more concentrated among the well-established and professionalised NGOs.

Prior Research Underpinning Fundraising Initiatives

Seiler (2011) emphasises that fundraising is not simply about asking for money but rather the process of building long-term relationships with prospective donors. As such, fundraising is the art of nurturing relationships which requires the right person, to ask the right prospect, for the right amount, for the right project, at the right time, in the right way, in order to be successful (Weinstein, 2009). Taking the initiative to ensure predictability and continuity of donor funding enables an NGO to develop its capacity in terms of human resources (recruitment of paid staff and volunteers) and physical resources (office buildings and equipment), and enhance its social impact (Gronbjerg, 1993).

Project identification determines the success of the fundraising initiatives (Silverman, 2009). Projects can be identified through the use of different project analytical tools such as situational analysis (problem and objective tree analysis), needs assessment, SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis and logical framework matrix (Groenendijk, 2003). For effective fundraising, projects must respond to the needs of the community and match the objectives of potential donors (Institute of Fundraising, 2006). Consequently, donor identification becomes very significant in finding relevant donors; it helps in the acquisition of first-time donors in an effort to broaden support, upgrade giving levels, and obtain required support to an organisation (Barry *et al.*, 2010).

Donor stewardship is also very critical in the fundraising process. It occurs when an NGO invests resources in building or strengthening relationships with previous or first-time donors, to solicit further donations (Neilson *et al.*, 2012). It is regarded as the last stage in the fundraising cycle which involves recognising and thanking donors for their support (Barry *et al.*, 2010). This can be done by publicising the names of the supporters if allowed, sending thank-you letters, personalised gifts and notes, hosting dinners and through annual meetings. It further involves providing donors with access to information or privileges not available to others (Neilson *et al.*, 2012). Providing timely reports to donors on the progress and impact of the projects is also considered as a way of showing appreciation and compliance with donor intent. This helps to involve donors more deeply in the operations of the organisation and encourages provision of further project funding (Barry *et al.*, 2010). It is argued that donor-NGO relations have greater implications for the size, longevity and type of funding non-profit organisations can expect from donors (Harrow *et al.*, 2011).

Fundraising is not only limited to NGOs; previous studies show that public institutions have also used a number of fundraising initiatives that can be replicated by NGOs. For instance, Neale (2011) examined fundraising initiatives of public libraries in Connecticut to identify profitability trends through nationwide online surveys. The surveys involved 126 respondents (Friends of the library members, library directors/library fundraisers and library patrons). It was discovered that most of the Connecticut public libraries largely depended on the used book sale initiative to raise funds. Other initiatives included membership dues and joint fundraising. Challenges such as lack of dedicated fundraising officers and limited fundraising initiatives were further discovered as the main obstacles to fundraising success for Connecticut public libraries.

Kwosek (2014) conducted a qualitative study from seven technical colleges in Wisconsin with the purpose of describing new and potential future fundraising initiatives. Based on the findings, fundraising initiatives identified in Wisconsin technical colleges included storytelling about student scholarships, establishing alumni network (identifying and communicating with alumni with the greatest giving capacity, and developing alumni database), involvement of foundation

board members and their acquaintances, and relationship building with businesses and industries. The study findings also revealed some of the challenges encountered by technical colleges in the implementation of the fundraising initiatives. It was claimed that fundraising initiatives are time consuming, they have no immediate return on investment, and that technical colleges lack staff with fundraising expertise.

It is crucial for local NGOs to have effective fundraising initiatives, to be in a position to effectively and efficiently address the needs of OVC. However, previous literature (Teegen, 2004) has highlighted some strategies that could be adopted by NGOs to gain independence from donors, including diversifying funding sources, accumulating political leverage and developing unique capabilities. On the other hand, lack of literature on fundraising from the local context is one of the major problems facing the non-profit sector in Tanzania. According to Silverman (2008), the development of effective fundraising initiatives requires understanding of fundraising trends. This study was therefore intended to fill this knowledge gap.

METHODOLOGY

Research Design

This study employed a holistic multiple case study design where a number of local NGOs were selected in order to examine the effectiveness of their fundraising initiatives. According to Yin (2003), multiple case studies are used to examine several cases to understand the similarities and differences among them. This study is largely qualitative but supplemented with quantitative data. According to Kothari (2004), qualitative research is very significant in behavioural sciences. Qualitative study is commonly used to assess factors which motivate people to behave in a particular manner. It captures the thoughts, perceptions, feelings and reactions of individuals to organisational environment. While qualitative data helped to understand the success and challenges of different fundraising initiatives from the key informant perspective, the quantitative data was used to describe numerical data.

Sample and Sampling Procedures

The sample size was selected from a list of organisations provided by the Principal Community Development Officer (PCDO) and the NGO coordinator from the social welfare department in Ilala Municipal Council. The list consisted of Community-based Organisations (CBOs), Trade Unions, Faith-based Organisations (FBOs), NGOs and Associations. Purposive sampling was used to select organisations relevant to this study. From the list of 318 organisations, 54 local NGOs were selected along these criteria: local NGOs that complied with or were registered under the NGO Act of 2002, NGOs whose mission was to serve OVC, NGOs with not less than two years of operation, NGOs that were majority-owned and managed by indigenous people, and NGOs which were active and located in Ilala District. Since the number of active local NGOs was not explicit, local government leaders such as Ward Executive officers, Community Development Officers at the ward and ten-cell leaders were used, at the street level to identify them. Ultimately, as shown in Table 2 eleven (11) local NGOs were extracted from the list of 54 selected NGOs. The sample size was determined by the saturation point where the data was repetitive.

Table 2: Selected Sample Size

NO.	Names of NGOs	Mission/Objectives	Location	The Year of Registration
1	Mwana Orphans Centre	To care for orphans and vulnerable children	Vingunguti, Mtakuja	2005
2	Help to Save Widows and Widowers and Orphans Foundation	To empower the disadvantageous people (disabled, orphans, widows and widowers) in socio-economic development	Vingunguti, Kombo	2013
3	Tunaweza Women Group	To help the society, provide peer education to standard seven (7) girls, provide vocational training, and help orphans and empower people affected with HIV/AIDS	Kipawa	2009

NO.	Names of NGOs	Mission/Objectives	Location	The Year of Registration
4	CHIVANIDA Sustainable Development	To care for vulnerable children, orphans, the elderly, widows and affected people with HIV/AIDs.	Ukonga, Mwembe Madafu	2014
5	Msongola Orphanage Trust Fund	To provide basic needs to orphans and vulnerable children.	Msongola	2011
6	Ndembo Sustainable Development	To help orphans and vulnerable children	Kitunda Kati	2012
7	Kiota Women Health and Development Organisation (KIWOHEDE)	To provide psycho-social counselling, vocational training, secondary education (QT), family reunification, and temporary shelter for children	Buguruni, Malapa	1999
8	TANKIDS Coming Home	Working towards helplessness and taking care of stricken and rejected orphans.	Gongo la Mboto	2013
9	Hope for the Future	Community awareness creation on HIV/AIDs and to help orphans	Ukonga, kwa Itongora	2007
10	New Hope for Girls Organisation		Tabata	2010
11	Asasi ya Chagua Maisha (ACHAMA)	To educate society on HIV/AIDs prevention, to serve vulnerable children, and to provide entrepreneurship trainings and youth empowerment education.	Chanika, Vikongoro	2013

In this study it is only local NGOs caring for OVC which were used as units of analysis. The key informants were leaders of the selected local NGOs. This is because they were with extensive experience in the subject matter and high involvement in management of resources and decision making.

Data Collection Instruments and Procedure

The instruments used for data collection include documentary review, semi-structured interview guides that were recorded and transcribed. Documentary review was used to obtain secondary data from the records. The examination of NGO registration forms and files helped to obtain detailed information about the year of registration, mission, board members, location of selected organisations and curriculum vitae of the local NGO leaders. Regulatory and project documents from local NGOs further provided useful information about their day-to-day operations.

Interviews are more useful when qualitative data is required (Walliman, 2011). Particularly, semi-structured interviews were employed to allow for enough flexibility to gain in-depth knowledge about the topic in question (cf. Bryman, 2004). Interviews were used to capture experiences, feelings and opinions of local NGO leaders about organisational practices, and internal and external factors with reference to fundraising performance. Audio records were used to provide backup for data collected so as to capture respondents' own words to the greatest extent possible (Kothari, 2004). Data collection and part of data analysis were conducted simultaneously to allow the findings to shape subsequent interviews.

Data Analysis

Consistent with the suggestions by Yin (2003), during data analysis, pattern matching, explanation building and the effectiveness of fundraising initiatives were assessed to capture the internal validity, i.e. how findings mapped the phenomenon. So specific codes were generated under each coding category inductively (data-driven or bottom-up coding) based on the ideas mentioned in the response texts themselves. Thus, the final data collected from multiple sources were concurrently analysed and synthesised. The audio records were transcribed verbatim and matched with semi-structured

interview guides to capture the exact words of the respondents. The transcripts written in Kiswahili were translated into English, then edited and coded. Each interview transcript was transferred to Nvivo software for thematic analysis. Pattern coding was used to bring together coded information into more compact and meaningful groupings. This helped to provide focus and lay the foundation for cross-case analysis by identifying common themes and processes. Direct quotations from respondents were used during data presentation to express their experiences, opinions and feelings about the subject matter.

FINDINGS

Nature of local NGOs Targeting OVC in Ilala District

According to the records of 2012 to June 2016 provided by the NGOs coordinator at the Social Welfare Department of Ilala Municipal Council, there were about 318 registered local NGOs in Ilala District. Out of these registered local NGOs, around 54 seek to improve the welfare of orphans and vulnerable children (OVC). Specific services offered by these local NGOs include advocating for children's rights such as prevention of child sexual assault, labour and trafficking; psychosocial counselling; and provision of vocational training and basic necessities to orphans and vulnerable children such as shelter, food, health care, clothes and scholastic materials such as school uniforms and books.

Internal fundraising by local NGOs depends largely on individual donors and religious institutions, and telecommunication companies such as Vodacom, Tigo, and Airtel, and wealthy individuals. External fundraising is basically focused on international donors with branch offices in the country which include embassies and international organisations such as Foundation for Civil Society (FCS), Jhpiego (Johns Hopkins Programme for International Education in Gynaecology and Obstetrics), United Nations Development Programme (UNDP), International Labour Organisation (ILO), United Nations Women (UNW), United States Agency for International Development (USAID), United Nations Population Fund (UNFPA) and Tan-Kids Foundation. However, none of the local NGOs involved in this study has ever acquired project funds from international donors that do not have branches in Tanzania or have never visited the country.

There is also a tendency for local NGOs to spring up whenever opportunity arises for project funds in the country. Waibel *et al.* (2013: 192) also found out that "whenever there is a grant, NGOs crowd in like ants gathering to eat sugar". According to respondents, a case in point was during the time of Rapid Funding Envelope (RFE), when so many NGOs were started to fetch donor funding. RFE was a local funding mechanism for short-term projects on HIV/AIDs in Tanzania. As a result, most local NGOs which were addressing problems related to HIV/AIDs such as helping orphans who had lost their parents to AIDs were inactive after the withdrawal of RFE support. So, whenever donors quitted providing funding, local NGOs became inactive until another funding opportunity presented itself. As one of the respondents vindicated, in most cases, they end up closing down their offices for failure to pay rent or shift their offices to cheaper places. This one said:

After we had a misunderstanding with our donor and stopped funding the organisation, we had to relocate our offices to a less expensive place... We could no longer afford to pay rent; the house was much bigger than this one and very expensive. It is just by the grace of God we happened to get this one. (Respondent H)

Based on the findings, large local NGOs depend on external grants whereas small local NGOs rely on voluntary contributions from local sources for survival. These findings are in line with Mercer's (2003) discovery that donor funding is more concentrated among the well-established and professionalised NGOs. In a different study, Fafchamps & Owens (2009) also found that small NGOs tend to raise more in-kind donations compared to large NGOs. The in-kind contributions include education and health care services from nearby schools and dispensaries.

Project and Donor Identification

Local NGO leaders typically lack appropriate knowledge and experience in writing competitive and fundable project proposals. Similarly, in the study conducted in Ghana, about local NGO financing revealed that only 3 out of 43 sampled NGOs had the capacity to develop project proposals and meet donor requirements (Gyamfi, 2010). Three out of eleven respondents said that they normally used friends who volunteered to prepare project proposals for them. There was only one organisation which employed staff with expertise in preparing project proposals. However, the success rate remains low as one of the respondents affirms:

We really don't understand what kind of criteria they use because we have sent project proposals to United Nations Development Programme (UNDP) twice, but they claim that there are too many applications... We should try next time. (Respondent C)

Donor identification for a significant number of local NGOs involves web searches, listening to news, reading newspapers, asking relatives, friends and co-workers. Nonetheless, three respondents claimed that they had never made such a follow up, and that donors just came on their own. Four of the respondents could hardly mention five international organisations that provide funds for children welfare projects to local NGOs. Local NGOs look for donors arbitrarily and as a result it becomes difficult to win project funds from potential donors. On this, one of the respondents had the following to acknowledge:

There is also a foundation from which we tried to ask for financial assistance but they told us that they were concentrating on politics, as it was during the elections [Presidential Election].(Respondent H)

Despite the fact that local NGOs highly depend on grants which require knowledge and experience in project planning and management, very few of them consult or have project experts. This has limited their ability not only to scale up their operations but also to have impact on their respective communities. Four leaders of local NGOs revealed that they could not afford charges by professionals:

The problem is that even getting project experts is difficult and the charges are very high; for them to write you a project proposal, it could cost up to four hundred fifty thousand (Tshs. 450,000/=) and we do not have that financial capacity...so, things become very difficult.(Respondent D)

Consonant with the RBV, research findings revealed that the success of a few NGOs that were studied was attributed to their ability to work with or consult project experts. Three of the local NGOs were founded by indigenous people but they got a great deal of financial support from foreign individual donors since their inception. In some cases, individual donors overseas helped to raise project funds on behalf of local NGOs. As a result, local NGOs which were consistently funded by foreign individual donors tended to be contented with the status quo and spent less time searching for other opportunities on project funds.

Donor Cultivation

Websites belonging to organisations and other social media websites such as Facebook, WhatsApp, and Twitter have been used by some local NGOs to engage potential donors in their activities. They, therefore, help local NGOs to share information with their stakeholders. However, IT personnel and annual charges for hosting a website are increasingly becoming costly. Only three out of eleven local NGOs managed to host free websites, which are nevertheless rarely updated. Two other local NGOs have opened blog sites, whereas the rest do not have any of these. Contrary to RMT, one of the respondents, who had the following contribution, vindicated the issue of trust emerging as a problem associated with free websites:

We are still struggling to have an international website where we can improve our visibility; people do not trust these local websites which anyone can create; they think you are conmen. We have so many pictures that we would like to upload on our website, but it is very expensive to have such a website, it is around five hundred thousand (Tshs. 500,000/=) and we have other needs which are more important. We cannot let these children starve at the expense of having a website. (Respondent H)

Alongside social media websites such as Facebook, Instagram and WhatsApp, and online payment system such as PayPal, local NGOs also use mass media such as newspapers, television and radio stations for donor engagement. Four respondents confirmed that media coverage of their events such as workshops and seminars helped them to get publicity. Other four respondents cited sign boards as one type of the mediums for advertising services of local NGOs and increase their visibility. Extolling the merits of sign boards in promoting and advertising their services, one of the respondents emphasised:

After getting formal registration that is when we put up that sign board. That sign board helped me to get to know so many girls through their schools. That is when Zawadi Secondary School, Tabata Primary School, Tabata JICA [primary school] and Tabata Mtambani [primary school] were first informed about our organisation... The sign board has brought so many people, even those who do not support us, even those who come for field..., it is because of that sign board. (Respondent J)

On the other hand, three of the local NGO leaders had dissenting opinion about having sign boards or visible identification on walls and gates. One of the respondents from an orphanage centre claimed that such identification was not appropriate for the children because they might be marginalised in the community, because the identification was tantamount to labelling the children based on their status. These sign boards attract unnecessary attention as one of the respondents reveals:

We once put a sign board, the next thing we realised was that people started coming for help, in disguise. Some of them were just being dishonest because we normally verified this information through ten-cell leaders who identify children who truly need help. (Respondent D)

Solicitation of Funds

Lotsmart (2007) believes that local NGOs lack appropriate structures and operating mechanisms to attract donor funding. This was also observed from local NGOs involved in this study. Nevertheless, in support of what the RBV advocates, there were different fundraising initiatives made in a bid to grow and expand their services. Such services included grant applications, fundraising events, face-to-face visits, forming alliances for joint proposal writing, internet fundraising and the use of solicitation letters, traditional mailing and telephone fund-raising. With minimal success, grant applications are widely used by local NGOs to solicit funds from donors. However, proposal write-ups have proven to be a failure among small NGOs. One of the respondents noted that the latter approach was mainly used effectively by large organisations to secure funds from international organisations:

We do our level best to write projects. For instance, right now we are preparing a project proposal to send to the French Embassy. We have also sent a proposal to Foundation for Civil Society but they have not responded. (Respondent C)

We have been writing projects and sending them to donors. We have already asked for financial assistance from the International Labour Organisation (ILO) and United Nations Development Programme (UNDP) but we have not succeeded to get funds for the projects... (Respondent F)

Following that, small local NGOs often resort to other means (mainly letters) to solicit funds from potential donors. Bekkers & Wiepking (2010) note that the approach used to solicit funds from potential donors determine the effectiveness of solicitation. Similar to grant applications, one of the respondents considers solicitation letters a fruitless approach especially for funds solicited from donor agencies such as embassies and companies:

We have tried to seek help so many times; we have tried and tried it but all in vain. For instance, we have already sent almost twenty letters to different embassies for financial assistance but there is no response. We have also tried to send letters to companies such as Mohammed Enterprises, IPP, Vodacom but still no response. (Respondent H)

In contrast, the use of solicitation letters was an effective approach in obtaining financial support from religious institutions. Some religious institutions provide a platform for local NGOs to conduct fundraising during church service as vindicated by one of the interviewees:

...we could write them letters. We introduce ourselves and then list all the needs required by the organisation. When they invite us to church, we go with the children and attend church service... [So] the church leaders help us to raise funds to cater for the needs of the children. (Respondent H)

In times of need, face-to-face visits and the use of telephone emerged as the most frequently used approaches to solicit funds from donors. Seven respondents were found to have sought financial support from local government officials, religious leaders, telecommunication companies or wealthy individuals such as Mohammed Dewji and Reginald Mengi through the use of such approaches. Nevertheless, personal visit to major donor prospects proved to be unwelcome to local NGOs. Considering RMT, this could be ascribed to lack of donor cultivation and the use of informal approach. Furthermore, respondents explained that sometimes they lacked food for children or someone might fall sick and they did not have money to take them to hospital. In such cases, they used mobile phones to reach out to regular donors who could extend help to them.

Research findings show that fundraising events are marginally used. Only two out of eleven local NGOs included in this study have ever conducted fundraising events. Local NGO leaders had differing opinions about fundraising events. Five respondents were of the opinion that fundraising events were costly, whereas others admitted that they did not have the courage and know-how to organise a fundraising event. Some said:

We do not have the money to organise fundraising events. To conduct fundraising events, you must have money to rent a place and invite appropriate people. So, it is very costly and we cannot afford it. (Respondent C)

We have never conducted a fundraising event for it requires someone to have something at hand in order to conduct such event. (Respondent D)

Stewardship of Donors

Stewardship of donors is conducted by local NGOs in different ways. They mainly use thanksgiving letters, electronic mails, phone messages, and face-to-face visits. Akin to RMT, Burlingame (1997) asserts that fundraising is about friendship building. In support of this contention, one of the respondents explained that it was important to maintain good relations because they strengthen the bond between the organisation and donors:

Normally, we do not break the relationship with churches ... We make sure that we visit them once in a while. However, when we visit them for the second time we do not go to ask for assistance but rather to get together, if someone is touched she/he can donate as well. (Respondent H)

This view was also shared in a different way by some other respondents:

...There are those whom we ask to be friends of our organisation [ambassadors], there are those whom we ask if we can visit and thank. If they invite us, then on Sunday on our way back from church we would pass by their houses. If we find the wife and/or children, we become part of the family... We cook, we mop, we do this and that... [So] the bond becomes so strong. (Respondent J)

Honouring donor intent was also mentioned as essential in maintaining good donor-NGO relations. Donor agencies especially international donors provide grants which are restricted to specific purposes. If donor funds are misused, this can damage donor-NGO relations. One of the respondents commented, “Our donor is very strict; if he gives you money for children school shoes then you make sure you buy shoes and not shirts” (Respondent I). This was also stressed by Cain (2012) that violation of donor intent discourages future funding.

During the research it was found out that people donated only once and disappeared. Two of the respondents felt that there was nothing they could do to keep their donors. It was believed that it was by the grace of God that people give donations,

as one of the respondents commented, “*It is God who brings the donors, if it is for them to leave then they will simply leave*” (Respondent A). Sargeant & Woodliffe (2007) note that once a donor decides to donate for the first time there is a high chance for donating once again. Failure to steward donors for lasting support partly explains why most local NGOs encounter several cases of ‘one-time’ donors.

DISCUSSION

Local NGOs embrace a range of fundraising initiatives and strategies for children’s welfare projects. The most commonly used fundraising initiatives by different organisations include grant applications, fundraising events, personal solicitation, forming alliances, internet fundraising, and the use of solicitation letters, traditional mailing and telephone fundraising. In spite of their significant effort applying for project funds, most small local NGOs are not funded partly because they lack knowledge and experience in writing fundable project proposals. This does not differ from the observation made in Uganda - that grants usually go to a relatively small number of organisations with well-connected and educated personnel, including skilled individuals at writing grant applications (Fafchamps & Owens, 2009). Identification of relevant donor agencies is also a challenge for local NGOs. Based on the findings, organisations with, or which consult, project planning and management experts are more likely to obtain project funds through grant applications.

The use of solicitation letters for project funds from embassies, companies and international organisations have proved to be a failure except for religious institutions. The use of personal solicitation from companies and wealthy individuals is considered unwelcome for unrecognised local NGOs. Fundraising events are considered to be very costly and therefore rarely used except in church. Internet fundraising is also used via an on-line payment system (Paypal), websites and other social media like Facebook, Instagram and WhatsApp though it has not yet proven to be effective to local NGOs. The use of sign boards to orphanage centres was seen to be a powerful tool in attracting not only donations but also volunteers and OVC. Nevertheless, donations attracted are considered not proportional to the needs and turnout of OVC.

The establishment of close donor-NGO relations was found to be critical in raising project funds. The use of thanksgiving letters, electronic mails, phone messages and face-to-face visits are commonly used to maintain donor-NGO relations. In most cases, carefully honouring donor intent was critical for maintaining donor-NGO relations. As a result, accountability is prioritised to grant providers and government authorities to some extent. On the other hand, donor retention seems to be a problematic issue for many local NGOs due to recurrence of onetime donors.

CONCLUSIONS AND IMPLICATIONS

This article has examined fundraising initiatives in children welfare projects in Ilala District, Tanzania, through the lens of the RBV and RMT. Both of these theories reveal deeper theoretical underpinning of the effectiveness or ineffectiveness of fundraising initiatives taken by local NGOs in Tanzania. More specifically, research findings reveal that local NGOs undertake a number of fundraising initiatives but fundraising performance is still unsatisfactory. Moreover, grant applications remain the major means of soliciting funds from prospective donors. A range of other fundraising initiatives such as fundraising events, joint fundraising and internet fundraising are yet to be explored effectively. On the whole, the research findings reflect weaknesses related to the applicability of the RBV variables because to a great extent lack of organisational structures limits the ability of local NGOs to take effective fundraising initiatives.

The uncertainty of grant applications and donations make it challenging for local NGOs to actively operate. As a result, the scarcity of funds greatly hinders their ability to recruit and retain qualified personnel for the establishment of required structures, systems and strategies to facilitate fundraising. Due to lack of publicity, public awareness of the core services provided by small local NGOs hardly extends beyond their respective ward boundaries. To some extent, weaknesses relating to RMT also emerge in the view that the mistrust of local NGOs further affects the allocation of donor funding. However, the altruistic nature of local NGOs dealing with service delivery to OVC can help attract donations from individuals, religious institutions, embassies and companies. Generally, our findings have significant implications for the improvement of fundraising performance of local NGOs. We thus present theoretical, policy and managerial implications of this study.

Theoretical Implications

It is critical for local NGOs to initiate the required activities at each stage of the fundraising cycle to improve fundraising performance. Based on RMT, we argue that each stage of the fundraising cycle requires a number of initiatives to establish strong relationships with potential donors based on trust. Success at one stage shall amount to success at the next stage. For instance, the type of projects identified shall determine the type of donors to be cultivated into giving for a social cause. Thus, the activities at different stages of the fundraising cycle are highly interrelated.

Policy Implications

Local NGOs should see to it that they have a strategic plan and fundraising policy to facilitate fundraising activities. Effective fundraising initiatives have to reflect the strategic plan and follow the procedures stipulated in the fundraising policy. In that case, adherence to ethical fundraising practices will highly promote donor trust and increase public confidence in local NGOs. This will most likely attract and maintain potential donors for a long period of time.

For the local NGOs to appreciate the merits of the RVB, there is a need for capacity building trainings to the NGOs dealing with service delivery to OVC. The trainings should focus on three key areas which include NGO management, project proposal write-ups and the use of ICT to access various funding opportunities. Local NGO leaders need to be acquainted with tools and techniques for project planning and management to be in a position to prepare fundable proposals.

Managerial Implications

Parallel to the requirements of both RBV and RMT, local NGOs have to diversify their sources of income for a better fundraising performance. This can be achieved through identification of relevant projects and prospective donors, cultivation and solicitation of funds from donors with similar objectives and interests. Based on the fact that fundraising is a long-term investment, it requires time and resources to establish meaningful relationships with prospective donors for fundraising success. In that case, establishment of a proper governance process and structures shall enable local NGOs to have effective and efficient fundraising initiatives.

Local NGOs should also take advantage of the various international donor agencies with fewer requirements, which provide small grants to local NGOs. Small grants are flexible and easy to apply which range from US\$ 5,000 to US\$ 50,000. It is therefore recommended that local NGOs should concentrate on small grant applications for short-term projects to increase their chances of acquiring project funds from international donors. This will enable local NGOs to gain experience and raise the profile of the organisation in dealing with donor-funded projects, hence, act as a stepping stone for further donor funding.

Limitations and Directions for further Research

The study was mainly focused on examining the effectiveness of the initiatives taken by local NGOs to raise funds for children welfare projects. The study was limited to local NGOs dealing with service delivery to OVC in Ilala District. Therefore, this makes generalisation of the findings beyond such NGOs and geographical confine quite difficult. For instance, the findings do not cut across other types of organisations such as HIV/AIDs and environmental organisations. Therefore, future studies may consider assessing other types of organisations in raising project funds; and the use of different study areas to make comparison of the findings. Future studies may also consider assessing the role of NGO board members in fundraising especially with international organisations. This will help to provide detailed information on fundraising performance of NGOs in general and provide solutions for the existing funding problems.

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