



Resource Mobilisation

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1. Preface

In the last decades, the number of civil society organisations (CSOs) in Uganda has grown tremendously. Over the years, they have contributed to policy change, have supported the empowerment of local communities through human rights education and awareness raising, and have facilitated civil society (CS) in their demands for accountability. However, whilst the bigger CSO networks and national NGOs focus mostly on national level processes, smaller CSOs operating at the local level lack opportunities to participate in local level planning that informs national level decisions. Internal shortcomings hamper the capabilities of many CSOs to apply principles such as transparency and accountability, limit their chances to actively demand and monitor government services and ultimately threaten the outcomes of their work. This is aggravated by CSOs' funding struggles and the consequent financial dependency on institutional donors. Not only does this lead to a lack of programmes and activities which are driven by community demand, but it also drives organisations to focus on securing funding rather than on institutional capacity development or achieving long-term financial sustainability.

To address the challenges faced by Ugandan CS, the Civil Society in Uganda Support Programme (CUSP) which is implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and funded by the European Union and the German government works in three major areas aiming at: (1) promoting a conducive legal and political environment, (2) a more meaningful participation in local and national planning and policy processes and (3) further developing the internal capacity and efficiency of local, regional and national partner to effectively perform their roles as independent actors by answering to beneficiary demands and complementing public services wherever necessary.

In order to foster that, CUSP aims at broadening the skill-set of staff of CSOs and umbrella organisations. This is done through both tailor-made capacity building and standardised training courses.

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2. Need for Learning and Development

Learning is the acquisition of knowledge, skills and abilities through experience, study or teaching. Learning is often synonymous with training, development, education or personal growth. Learning changes viewpoints and attitude, improves lives in physical and mental terms. In a manner of speaking, it makes lives better. That is why the more you know and are able to do, the more you are compatible with the world around you, in particular, when it is ever changing.

Learning has a personal and environmental aspect. The personal aspect is about personal development and getting to improve yourself, widen your horizons and increase your influence. The environmental aspect is about the demand of your environment to keep pace with the changes happening and to stay connected with the world around you.

The result of learning is a change of behaviour, which is new behaviour, leading to different results. The basic intention behind the motivation to learn is that you want to achieve change for the better.

2.1 Stagnation vs Personal Growth

“The most fatal illusion is the settled point of view. Since life is growth and motion, a fixed point of view kills anybody who has one.”

- Brooks Atkinson, Pulitzer Prize winning journalist for the New York Times -

Maybe the most interesting aspect of learning is mental growth through learning versus stagnation due to lack of curiosity and disinterest in life. Stagnation comes upon us when we recognise that we are drifting on the waters of stability and certainty. Like putting on weight, it happens so gradually, until one day, we notice how out of shape we have become, and how bad that is for our health.

Stagnation results from inertia keeping us in a state of feeling we have accomplished something. However, the world moves on and new challenges are waiting. It is not that we should not enjoy any achievement made and the satisfaction we gain from it. But it may be a dangerous state of mind, if we get stuck to it, not recognising that sooner or later, we have to move forward. But why does stagnation kick in, sometimes leaving us with a treacherous feeling of being fine?

- Satisfied and complacent: Getting comfortable with your expertise and the skill levels your learning has levelled out. Your comfort zone is ossifying into a complacency zone.
- You don't challenge your assumptions and frequently reflect on how things could be done (better): This is when you tell everybody “I have always done it that way.” It gives you and others the false impression that your way is the best way, and it does not need any adjustment. You have become a creature of habit, preventing you from new approaches and learning. Your thinking is victim to repeating worn out clichés and dogma.

“To fall into habit is to begin to cease to be.”

- Miguel de Unamuno, Spanish philosopher -

- Losing your child-like curiosity: Your sense of discovery is replaced with cynicism and apathy, like saying “been there, done that, what else is new?”

“Every child is an artist. The problem is how to remain an artist once he grows up.”

- Pablo Picasso, Spanish-French painter and sculptor, creator of more than 20,000 artworks -

- Learning strictly through your own experience: This is a refusal to adopt other people’s experiences, which means you cannot learn from them. It is like having all the answers yourself. However, learning from others enlightens and contributes to faster learning. It is extremely useful to borrow from other people’s experiences.

“Mediocre people have an answer for everything and are astonished at nothing. They always want to have the air of knowing better than you what you are going to tell them...a capable and superior look is the natural accompaniment of this type of character.”

- Eugene Delacroix, French artist -

- Fear of trying: When you sit and dream of what could be, someday, instead of taking action, complacency may take over and prevent you from taking any action. If you do not take persistent steps towards realising your dreams, they will be just that, dreams, forever. Subsequently, you will not develop yourself.
- Too old to change: There is a difference between getting old and growing old. Age to the stagnant person is like the sunset of life, it is nice, but it’s the end. To someone on the grow, it is harvest time. Age means experience. Experience is not what happens to us, it is what we do with what happens to us. That is why there is a major difference between growth experiences and stagnating experiences. Just because we have shown up year after year and put in the time does not mean we have gained the experience, when we are not participating emotionally in what happens.

“I am too old to change” is a standard socially sanctioned refusal to acknowledge and take responsibility for attitudes, actions, and circumstances well within his or her power to influence. “It’s also about dying before one’s time by living half-heartedly the time one has left. In this respect, ‘I’m too old to change’ is about all of us who refuse to live by refusing to change; for ‘to change is to mature, [and] to mature is to go on creating oneself endlessly.”

— in: “The Dog Ate My Homework”, Vincent E. Barry, 1997 -

When we take learning as a way of life, our personal growth rate accelerates as time goes by, and we will continue to be people with many questions.

“The day we stop exploring is the day we commit ourselves to live in a stagnant world, devoid of curiosity, empty of dreams.”

- Neil deGrasse Tyson

2.2 The Global Pressure for Professional Development

The world of work is undergoing rapid and deep changes brought about by technological development, demographics, globalisation and climate change. Globalisation affects any country in the world. An investment decision taken to a faraway country on another continent can have a major impact in the country where you live. For example, industrial development financed by foreign funds can change a whole labour market in your region.

“... there have been changes in the labour market, which have resulted in calls for more knowledge and skilled labour, and understanding of English and other languages, cultures and business methods.”

*- in: “Globalization and its influence on education in Uganda”,
Aron Amanya, 2018 -*

Nowadays being pragmatic and adjusting in a global, volatile and changing global world learning and development is the core area of human resource management. The increasingly competitive, global economic and political landscape and its rising complexity in conjunction with the fast-proceeding digitalisation are a paradigm. A shorter shelf life for knowledge and skills makes reskilling and up-skilling paramount for all kinds of organisations, including commercial, public or non-profit. Knowledge-based societies generate intangible assets, which are skilled people in organisations, exceptional leaders, and properly managed, applied and updated knowledge.

The composition of employment is shifting towards jobs that require high-level cognitive and socio-emotional skills or are characterised by non-standardised tasks, while jobs with a high routine content are being automated. This constitutes a major challenge for education and retraining systems, as the jobs destroyed and those created require different sets of skills.

“Learning is the work.”

- Roger Schank, learning scientist -

Accept that you need to learn. External pressures like competition and internal needs, such as finding one’s mission in life require the acceptance of self-development, and, more than that, to take the necessary steps.

2.3 Learning Organisations

“A learning organization is a group of people working together collectively to enhance their capacities to create results they really care about.”

- Peter Senge, author of the book “The Fifth Discipline” defining and popularising the term “learning organisation” -

Learning and development should have a strategic function in every organisation. So, no matter what kind of organisation you are in – producing, servicing, creating, policy-making, administering– the intellectual and skills growth component has to be immanent.

A classic or conventional learning approach is focused only on improving productivity. Today, learning has been altered into contributing to employability. Employment has shifted from staying with the same organisation for a lifetime, to employees being retained if they can add value to an enterprise. In these days, human resource personnel are required to keep in mind their personal and professional growth. Opportunities for learning and development are, therefore, among job seekers' most significant criteria for joining an organisation.

On the other hand, developing people's capabilities requires organisations' ongoing investments to retain the value of the human capital they hired. When knowledge becomes outdated, it reduces the value of human capital. Therefore, people in organisations need to be supplemented by new learning and relevant work experiences. Organisations investing in the next generation of leaders are seeing an impressive return¹.

Probably, the most important way to engage people in an organisation is to provide opportunities to learn and develop new competences. The more highly engaged employees are given opportunities to grow and develop within their chosen career paths, the more they are more likely to be energised at work and satisfied with their current organisation.

The sum of organisational success is the amounted quality of its human resources achieved through learning and development.

2.4 Ways of Learning

"The beautiful thing about learning is nobody can take it away from you"

- B.B. King, musician -

The way a learner learns best is to get clear about her/his own motivation (self-motivation) and to select the most suitable individual learning style.

Self-motivation is the desire to drive yourself to taking action to complete tasks and achieve goals. It is intrinsic and pushes you to keep going, in particular, because you want it and not because you are told to by someone else. Intrinsic motivators include having fun, being interested and personal challenge.

The self-motivation to learn is especially high if:

- You choose what you want to learn. This is supporting the acceptance of self-development through choosing your own leaning subjects.
- You enjoy what you need to learn. This is about the motivation to learn and how to get joy and satisfaction from learning.
- You are able to picture or describe what you want to achieve. This is when you can imagine the situation you will be in after you achieved something through learning.

Self-motivation can be called a skill. The skillset of self-motivation is:

1. Growth-oriented mind: Feed your thoughts on how you want to grow, personally and professionally. You need to nurture your belief in yourself and the strength you can develop.
2. Embracing commitments: The goals you set need your commitment to work on towards them. It

¹ "Estimating return on leadership development investment", The Leadership Quarterly, 21, August 2010

is like making a contract with your brighter future and you have to fulfil that contract.

3. Initiative: Get up and do it, overcome inertia and act when opportunities occur. Well, it is sometimes difficult to stand up when the alarm clock rings, but initiative is made from discipline.
4. Optimism: Feed your mind with positive thoughts and make yourself resilient against setbacks. Train your brain to visualise how things should look like when you pass the next milestones of your personal development.

A self-motivation success story:

Eddie, the Eagle.

A quarter century ago British plasterer-turned-ski jumper Michael Edwards made a name for himself—Eddie the Eagle—by not skiing or jumping very well at the Winter Olympics in Calgary. Short on talent but long on panache and derring-do, he had no illusions about his ability, no dreams of gold or silver or even bronze... Undeterred, Edwards sluiced on... pushed off down the steep ramp and rag-dolled through the air. When he touched down, broadcasters chorused: "The Eagle has landed!" By taking a huge leap of faith, Edwards captured the world's imagination and achieved the sort of renown that can only come overnight...

"When I started competing, I was so broke that I had to tie my helmet with a piece of string," he (Eddie) says. "On one jump the string snapped, and my helmet carried on farther than I did. I may have been the first ski jumper ever beaten by his gear."

The Eagle's career was not an unfettered ascent, or, for that matter, descent. He grew up in working-class Cheltenham, where his mother worked at an aluminum-door factory; and his father, his father's father and his father's father's father were all plasterers. Eddie was a mere eaglet of 13 when he first strapped on skis during a school trip to Italy. Within four years he was racing with the British national team. Unable to afford lift tickets, he switched to the cheaper sport of ski jumping. During the summer of 1986, eighteen months before the Olympics, the 22-year-old resolved to take time off from plastering and try his luck and pluck against the world's top jumpers.

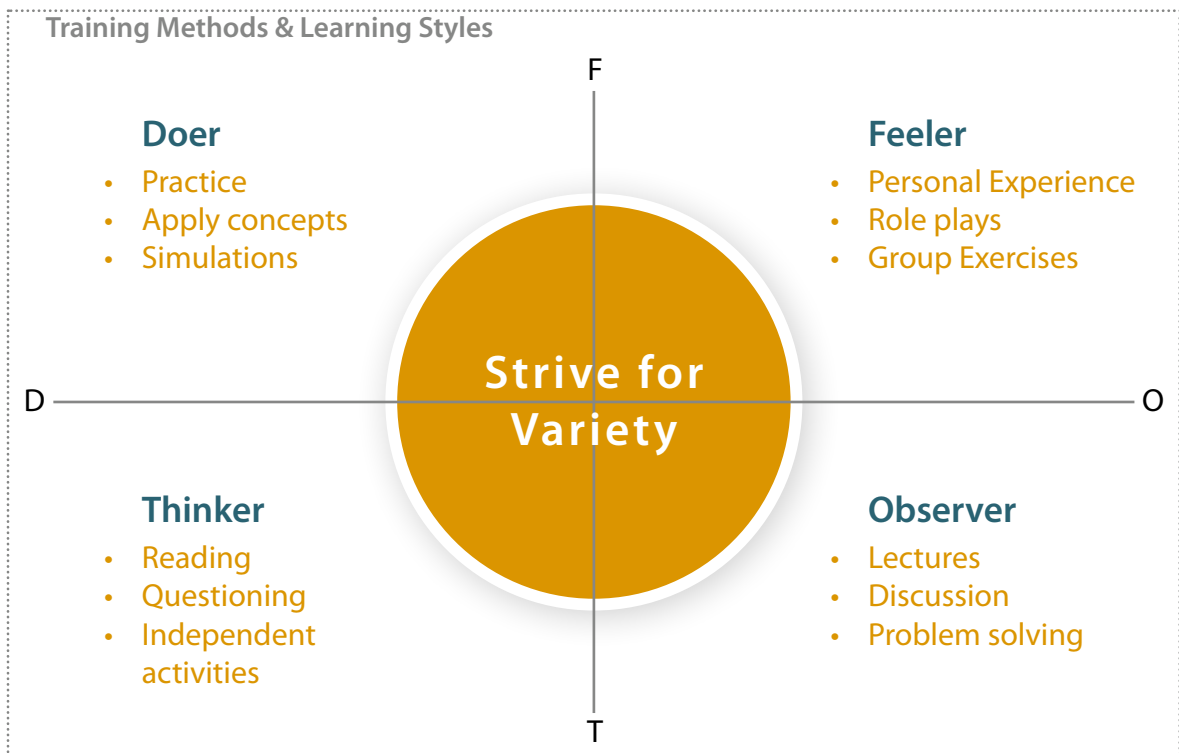
He had no money, no coach, no equipment and no team—England had never competed in the event. Driven only by determination, he slept in his mum's car, grubbed food out of garbage cans and once even camped out in a Finnish mental hospital. From shovelling snow to scrubbing floors, there wasn't anything he wouldn't do to jump more. Nor was there anything that could stop him from jumping: Following one botched landing, he continued with his head tied up in a pillowcase toothache-fashion to keep a broken jaw in place.

His distances improved. Slightly... By the time Edwards arrived in Calgary—where the Italian team gave him a new helmet and the Austrians provided his skis—he was legendary as the jumper who made it look difficult. Others flew. Only the Eagle could launch off a mountain and plummet like a dead parrot. "I was a true amateur and embodied what the Olympic spirit is all about," he says. "To me, competing was all that mattered. Americans are very much 'Win! Win! Win!' In England, we don't give a fig whether you win. It's great if you do, but we appreciate those who don't. The failures are the people who never get off their bums. Anyone who has a go is a success."

- From: "Whatever Happened to Eddie the Eagle, Britain's Most Lovable Ski Jumper?," Smithsonian Magazine, February 2014 -

In this story, you may recognise the extreme self-motivation of Michael Edwards, who set his goal - not gold, silver or bronze, but participating in the Winter Olympic Games, displaying a growth-oriented mind (jumping further), making a huge commitment even without any money, showing initiative and, certainly, a quantum of optimism.

Edwards has certainly not been the type of intellectual learner. His learning style was the one of a “doer” (see figure below), that is, a hands-on person challenging himself to perform the best he could.



- From: "The Trainer's Handbook", K. Lawson, San Francisco, 1998 -

Learning style theories suggest that learners learn best in different ways. These are not differences in ability, but preferences for processing certain types of information or for processing information in certain ways. Learning styles theories try to explain learners' achievements based on individual learning styles. Many description models of learner types or learning styles exist. In the diagram above, learners are divided into four groups, according to how they learn.

Do you like sitting in your room and reading books or articles on your mobile phone? Do you absorb the content and reflect about it, until you gain perception? Then you might, probably, be a “thinker”. Do you go out taking action? You could be “doer”. Are you enjoying doing things together with people? Maybe you are a “feeler”. Like watching? “Observer” could be your description.

Few people tend to be not just one type of learner, most people have preferences in two or more fields. Learning style tests may be as simple as the “Visual-aural-tactile Test” (<http://www.education-planner.org/students/self-assessments/learning-styles-quiz.shtml>) or as complex as the “Honey and Mumford Learning Style Questionnaire” (<https://www.mint-hr.com/mumford.html>).

You may test yourself or find out through the experience in the following story:

Learning style success story:

Architect or carpenter?

From his childhood days it became clear that Patric has been interested in technical mechanisms and functionality of cars, motorcycles, machines and other apparatuses. His particular interests have become construction sites and machines. His father, an architect, thought his son would take over his office and become the heir of his business to continue it. So Patric made it to his high school degree – with difficulties. He was not a bright student. After that he joined the architecture college and survived two semesters, when he took the decision to change. He had a tough time to explain to his father that he is not interested in theoretical considerations and planning of architecture like at the college or in an office, but would rather prefer to be more hands-on. And that is what he always has been: a hands-on learner. Finally he convinced his father to let him off the hook of the responsibility for his legacy and started TVET [Technical and Vocational Education and Training] to become a carpenter.

Patric succeeded in his education and graduated as one of the best in his year. He had found out that his learning style is kinaesthetic rather than theory-based. As carpenter now he is very successful and happy to work out in the open creating homes for people through practical work.

- "Private Diaries", Allen Rider, 2011 -

The story tells us that there are so many learning paths open to everybody. It is important to determine your individual learning style, so you can know what path to take. If you follow your own learning style, it will create those magic moments of happiness and success... it can hardly be described in words, but it causes a deep feeling of satisfaction.

Write down your magic moments of learning. They are a bit like first time experiences, the first piece of chocolate as a child, the first time you score a goal on the football field, the first kiss, your first graduation... get to know yourself, what triggers you and how you can create "magic moments" from your learning.

Reflect on your learning using reflecting tools, such as a notebook where you can write down your reflections (also called a learning diary) or you can record your most important learning points in what we call a treasure box (see page 15). There, you store all the valuable perceptions you experienced during your learning process and you easily recall them.

Tip: hand-written journals are better to memorise, because it is a mnemonic technique to exercise your memory.

3. Architecture of the Self-Learning Manual (SLM)

Each learning session or chapter starts with preparation (Section 1) followed by a short introduction to the learning topic (Section 2) including a learning session starter, i.e. a short exercise, which supports the practical approach to the subject.

Thereafter follows the input with all new information about the subject (Section 3). This is followed by Section 4 with the exercises related to the input, i.e. in Section 3 you will be advised when to move to Section 4 to undertake an exercise.

Exercise logic: The input/Section 3-related practical exercises are allocated to the last section (Section 4) at the end of each chapter or learning session. During your input reading you will be advised when to undertake an exercise – the “exercise box” will show you the way, for example:

Exercise 1

Financial sustainability or not?

All exercises follow a coloured logic as follows:

Planning of the exercise

Here you will be able to read what the exercise is about and how to do it. Information about which material you need and how long the exercise will take helps you to prepare yourself before starting the exercise.

Application of the exercise

Here is the space for carrying out the exercise. This includes formats for doing the exercise.

Reflection about the exercise

Here, we ask you a few questions to reflect about the work done, the content of the exercise, and perspectives that link the exercise to the organisation you come from.

Closure and evaluation of the learning session: Besides the reflection at the end of each exercise, there is a section at the end of each learning session to gather lessons learned and takeaways for the organisation you work for. It is important that you spend enough time to reflect about the learning of each session. To help you with this, we have developed the **learning diamond** where you write down your learning takeaways for each session.

Main subjects of the session:

Major learning points I take away from this session:	Learning points I take back to my organisation:

Areas I wish to investigate further:

At the end of the manual, the learning diamonds from each learning session make up your learning **treasure box**. All the way through your learning process, you should note down important learning points, including personal learning and learning that you plan to take to your organisation. The treasure box helps you collect your important learning points in one place. The information you put in there can then be used by you to formulate a personal action plan for how to apply your new learning.

Feedback questions: At the end of each learning session, you also find a short test with multiple choice questions. These have been formulated to help you to check if you got the main learning points from each session. Thus, the test is only there for your own learning.

Pre- and post-training assessment: The manual also includes a short test (multiple choice questions) at the beginning of the manual and at the end. Like with the feedback questions, the pre- and post-training assessment is not somebody else's control of your work, but purely for the purpose of self-learning. With the pre- and post-training assessment, you can check your level of knowledge about the topic before and after engaging in the learning.

4. Learning Session Overview

The learning sessions of this self-learning manual follow the logic of learning from the basic step of identification of the subject to an analysis and description of its integral parts. Then the level gets more sophisticated and leads you to planning, application or doing to evaluation of what you have been learning.

The training logic is visualised, and the visualisation is used to give you an overview of where in the learning process you are at the beginning of each chapter.

Hi, I'm Ginny.
I'll be your guide
throughout your
learning journey
about Resource
Mobilisation (RM).



Training Overview Schedule

Session	Topic	Chapter(s)	Time needed	My Learning Schedule						
Intro	Pre-training Assessment	5		Mo	Tu	We	Th	Fr	Sa	Su
01 LEARN RM	LS 01: Introduction to Financial Sustainability	6		Mo	Tu	We	Th	Fr	Sa	Su
02 LEARN RM	LS 02: Resource Mobilisation for CSOs	7		Mo	Tu	We	Th	Fr	Sa	Su
03 LEARN RM	LS 03: Identifying Donors	8		Mo	Tu	We	Th	Fr	Sa	Su
04 LEARN RM	LS 04: Understanding Donors and Proposal Writing	9		Mo	Tu	We	Th	Fr	Sa	Su
05 LEARN RM	LS 05: Managing Relationships with Donors	10		Mo	Tu	We	Th	Fr	Sa	Su
06 LEARN RM	LS 06: Visibility as a Strategy for Resource Mobilisation	11		Mo	Tu	We	Th	Fr	Sa	Su
07 LEARN RM	LS 07: Fundraising from Corporates	12		Mo	Tu	We	Th	Fr	Sa	Su
08 LEARN RM	LS 08: Social Enterprises	13		Mo	Tu	We	Th	Fr	Sa	Su
09 LEARN RM	LS 09: Risk Management and Financial Sustainability	14		M	Tu	We	Th	Fr	Sa	Su
End	Post-training Assessment and Activity Plan	15-17		M	Tu	We	Th	Fr	Sa	Su

Legend: LS = learning session; min = minutes

This training schedule overview assists you with planning of your training. It provides an idea of the average duration of each learning session. Furthermore, it provides a weekly schedule template you may use to determine your learning hours each day.

5. Pre-Training Assessment

The pre-training assessment is to test your knowledge about resource mobilisation before starting your self-learning process. It is useful for your own self-evaluation, and you may hold it against the results of the post-training assessment asking the very same questions after the learning process. That way, you may find out about what has changed from when you started the course. Therefore, don't trick yourself and be honest when checking your knowledge before you start learning.

Please answer the following questions as best you can. If you are not sure about the answer, tick the box labelled "I am not sure".

Tick the correct answer(s) for each question.

No.	Question	Answer
1	Restricted funding means	<p>A. <input type="checkbox"/> Donated funding that CSOs are able to use for any purpose.</p> <p>B. <input type="checkbox"/> Funding that CSOs are not able to access for legal reasons.</p> <p>C. <input type="checkbox"/> Funding given by the government to CSOs.</p> <p>D. <input type="checkbox"/> Funding given to CSOs that can only be used for donor-specified purposes.</p> <p>E. <input type="checkbox"/> I am not sure.</p>
2	Resource mobilisation is	<p>A. <input type="checkbox"/> The same as fundraising.</p> <p>B. <input type="checkbox"/> Writing grant proposals to international non-governmental organisations (INGOs).</p> <p>C. <input type="checkbox"/> Raising human, financial and physical resources.</p> <p>D. <input type="checkbox"/> Raising awareness and support for a project.</p> <p>E. <input type="checkbox"/> I am not sure.</p>
3	The five steps of the fundraising cycle are:	<p>A. <input type="checkbox"/> 1) identify, 2) engage, 3) negotiate, 4) manage and report, 5) communicate results.</p> <p>B. <input type="checkbox"/> 1) identify, 2) assess, 3) apply, 4) accept, 5) implement.</p> <p>C. <input type="checkbox"/> 1) engage, 2) assess, 3) negotiate, 4) manage, 5) report.</p> <p>D. <input type="checkbox"/> 1) negotiate, 2) manage and report, 3) engage, 4) communicate, 5) report.</p> <p>E. <input type="checkbox"/> I am not sure.</p>
4	Before approaching a donor, it's important to:	<p>A. <input type="checkbox"/> Purchase all the equipment necessary for completing the proposed project.</p> <p>B. <input type="checkbox"/> Research their vision, mission and strategic priorities.</p> <p>C. <input type="checkbox"/> Submit your completed grant proposal.</p> <p>D. <input type="checkbox"/> Tweet at the donor organisation.</p> <p>E. <input type="checkbox"/> I am not sure.</p>

No.	Question	Answer
5	Donors evaluate grant proposals based on: (Tick all that apply)	<p>A. <input type="checkbox"/> Track record.</p> <p>B. <input type="checkbox"/> Alignment of interests.</p> <p>C. <input type="checkbox"/> Current trends.</p> <p>D. <input type="checkbox"/> Persistence of applicants.</p> <p>E. <input type="checkbox"/> Theory of change.</p> <p>F. <input type="checkbox"/> I am not sure.</p>
6	Network mapping helps a CSO to: (Tick all that apply)	<p>A. <input type="checkbox"/> See how each staff person could contribute to resource mobilisation.</p> <p>B. <input type="checkbox"/> Find out where beneficiaries are located.</p> <p>C. <input type="checkbox"/> Identify all organisational stakeholders.</p> <p>D. <input type="checkbox"/> Identify potential wealthy supporters in the community.</p> <p>E. <input type="checkbox"/> I am not sure.</p>
7	The stages of risk management are:	<p>A. <input type="checkbox"/> Identify, monitor, eliminate.</p> <p>B. <input type="checkbox"/> Assess, accept, react.</p> <p>C. <input type="checkbox"/> Identify, assess, control, review.</p> <p>D. <input type="checkbox"/> Monitor, control, eliminate, review.</p> <p>E. <input type="checkbox"/> I am not sure.</p>
8	Corporate donors financially support CSOs because doing so: (Tick all that apply)	<p>A. <input type="checkbox"/> Gets them a tax deduction.</p> <p>B. <input type="checkbox"/> Makes them look good.</p> <p>C. <input type="checkbox"/> Broadens their customer base.</p> <p>D. <input type="checkbox"/> Helps their marketing strategy.</p> <p>E. <input type="checkbox"/> I am not sure.</p>
9	Increasing the overall visibility of your CSO online and offline means:	<p>A. <input type="checkbox"/> Make a strategic plan for the future.</p> <p>B. <input type="checkbox"/> Write a Facebook post.</p> <p>C. <input type="checkbox"/> Market your organisation's brand.</p> <p>D. <input type="checkbox"/> Keep your social media updated.</p> <p>E. <input type="checkbox"/> I am not sure.</p>
10	The number one key to a successful social enterprise is:	<p>A. <input type="checkbox"/> Making a product or service customers want.</p> <p>B. <input type="checkbox"/> Making a sound financial plan.</p> <p>C. <input type="checkbox"/> Who you know.</p> <p>D. <input type="checkbox"/> Setting key metrics.</p> <p>E. <input type="checkbox"/> I am not sure.</p>

Check your test results in **Chapter 16** at the end of this manual. There, you will find the answers from the pre- and post-training assessments, the feedback questions from each learning session and the results of the exercises.

6. Learning Session 1: Introduction to Financial Sustainability

6.1 Preparation and Introduction of Learning Subject

This learning session is an introduction to basic understanding of financial sustainability. By the end of the session, you will reflect on the financial sustainability status of your own organisation and understand the need for financial sustainability by generating initial ideas on how to make your organisation financially sustainable.

The learning session is expected to take approximately 1.5 hours. This includes all parts of the session including feedback questions at the end of the session.

While reading through the chapter keep a pen and notepad ready or your computer at hand. Take note of whatever you deem important or when an idea comes to mind.

Each learning session starts with a small starter exercise followed by exercises throughout the text to check your learning. We will recommend when to do an exercise.

Learning objectives of this session

- You characterise a financially sustainable organisation.
- You distinguish unrestricted and restricted funds, long-term and short-term funds.
- You recall the meaning of income diversification.

Navigation and orientation along the training logic

This is the beginning of **Learning Session 1**: Introduction to financial sustainability and general introduction to RM.





The degree of difficulty of this session is “starter” level. A basic aspect of resource mobilisation is understanding what financial sustainability in an organisation is and what contributes to it.

Main topics covered by the session

- What financial sustainability is and why it is important for CSOs.
- Income diversification and the four pillars of financial sustainability.
- Types of income sources.
- Rule of thumb for financial sustainability for CSOs.
- The fundraising cycle.

Learning session starter

Before we get started and step into the middle of things, do a little test reflecting on your organisation’s financial sustainability.

		No	Yes
1	We have many different sources and types of income.	<input type="checkbox"/>	<input type="checkbox"/>
2	We have enough savings to cover the organisation’s operational costs for a few months.	<input type="checkbox"/>	<input type="checkbox"/>
3	Our project funding (short-term, restricted) makes up no more than 30% of our CSO’s annual budget.	<input type="checkbox"/>	<input type="checkbox"/>
4	Our programme funding (long-term, restricted) makes up no more than 40% of our CSO’s annual budget.	<input type="checkbox"/>	<input type="checkbox"/>
5	We have a large network of stakeholders and we have identified how individuals in that network might be able and willing to support us.	<input type="checkbox"/>	<input type="checkbox"/>
6	Our organisation is well-branded and visible: potential and current supporters can easily find and contact us, and know what we do and who we are.	<input type="checkbox"/>	<input type="checkbox"/>
7	We submit monthly financial reports to the board.	<input type="checkbox"/>	<input type="checkbox"/>
8	We identify risks on a regular basis and have mitigation strategies in place.	<input type="checkbox"/>	<input type="checkbox"/>
9	We have a finance committee which is active regularly, e.g. quarterly, monthly.	<input type="checkbox"/>	<input type="checkbox"/>
10	Our organisation is adept at mobilising human and physical resources to reduce the amount of financial resources it needs.	<input type="checkbox"/>	<input type="checkbox"/>

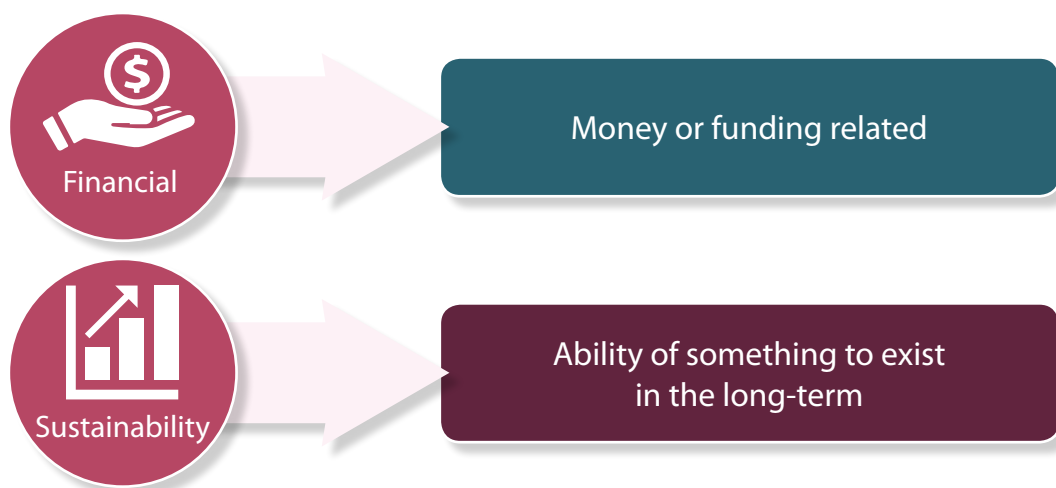
The aspects listed in the table reflect some of the most important financial instruments of an organisation. It is quite simple to evaluate the outcome of the test. The more often you have ticked “yes” the better your organisation performs in terms of financial sustainability. If “no” has been ticked 50% or more (five and more), your organisation is financially at risk.

6.2 Input: Financial Sustainability

6.2.1 What is Financial Sustainability and Why is it Important for CSOs?

Financial sustainability means that a civil society organisation (CSO) has a healthy diversity of income sources that enable it to provide services that address their beneficiaries' needs in the long-term, without being overly reliant on one donor, or short-term highly restricted project funding. Financial sustainability means that an organisation's core work does not collapse even if one source of funding is withdrawn. It ensures that the CSO has a degree of independence from donors, as well as financial security in the event one source of income, or one donor, ceases funding.

A **financially sustainable** organisation has sufficient financial resources and a funding strategy which enables its long-term existence.



Need for financial sustainability

All CSOs are established to accomplish a mission, such as enabling and supporting positive impact on the lives of people (a community, a region, a country or even internationally).

In some cases, CSO missions only have a short lifetime. This very often happens in the context of emergency aid.

Example:

A local CSO assists with a humanitarian emergency, which is to organise shelter for 300 people whose homes have been flooded because of unusually high rainfall. The CSO provides food, shelter and sanitation for the 300 displaced people. After 4 weeks, the dry season finally arrives, the flooding dries up, and the people are able to return to their homes and their normal lives.

Mission accomplished! The CSO no longer needs to exist. It has accomplished the mission after just 4 weeks.

A short-term mission does not require financial sustainability on the part of the implementing CSO.

However, the majority of CSOs are taking on long-term missions.

Examples:

- A CSO established to improve early grade reading outcomes.
- A CSO established to increase awareness of malaria prevention measures among rural mothers.

Long-term development-oriented missions cannot be achieved in a short, foreseeable future, but need a longer horizon. CSOs, accordingly, will have to plan for a longer lifetime with more stable organisation and management. This also includes the planning of a long-term financial strategy.

A long-term mission does require financial sustainability on the part of the implementing CSO.

Exercise 1

Financial sustainability or not?

6.2.2 Pillars of Financial Sustainability

Institutional funding, project funding and savings are called the **three pillars of financial sustainability**. Ideally, each of the pillars is on a strong base. This can be achieved through income diversification. Income diversification means **increasing the number of different income sources** of a CSO. When a CSO has diverse sources of incomes, it is likely to reduce its financial risk.

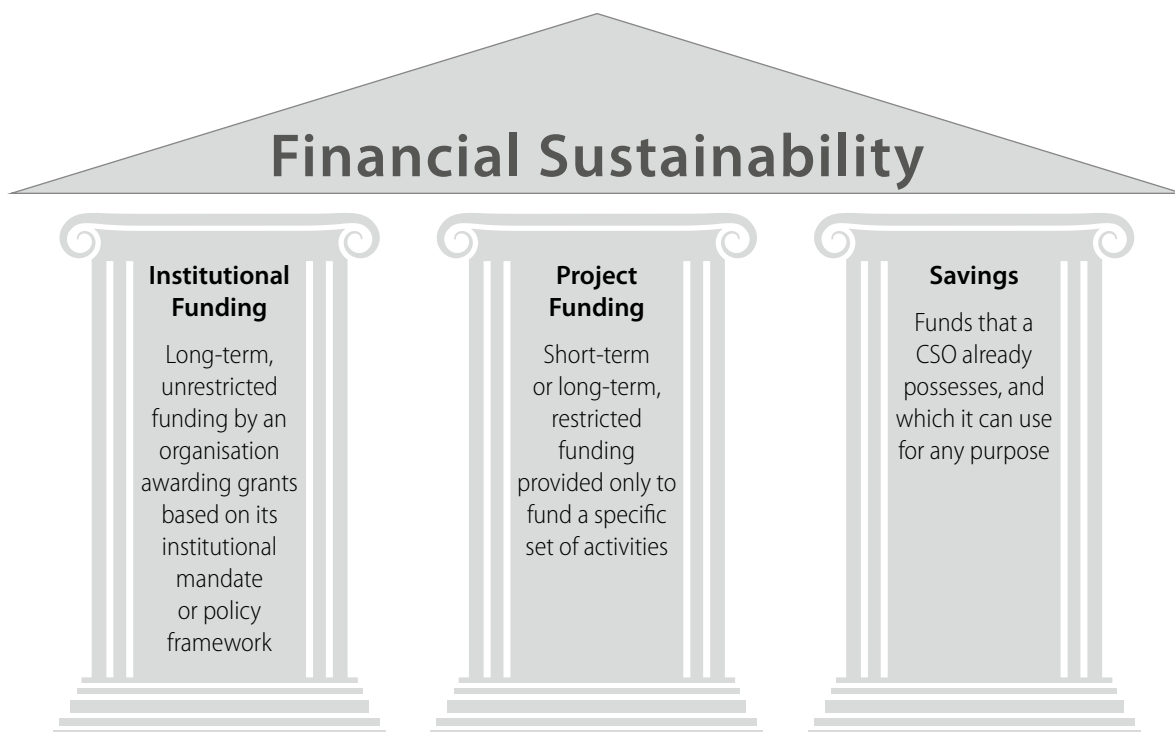
Three pillars

The three pillars are:

- ⇒ **Institutional funding:** institutions investing in institutional funds include companies, charities and governments: "institutional donors" generally refers to organisations that give grants to organisations and sometimes individuals within a policy framework that reflects the mandate of the organisation. Institutional donors may provide multi-year multi-million-dollar budgets, or – especially in the case of smaller NGOs – fund specific, one-off activities only'.¹
- ⇒ **Project funding:** this is funding for clearly determined projects in a strategically prioritised area to achieve impact on different levels. Projects can be small and focused on certain issues, for example, increasing education access for children from low-income families or they can be larger, sector-wide projects or programmes covering not only a specific aspect, for example, health sector-wide programmes including construction of hospitals, professional education for health sector staff and so on. Project funding is normally received through successful proposals for a project.

¹ "Identifying institutional donors", UN Women, 2012

- ⇒ **Savings:** savings or any financial assets starting from cash in savings accounts, and other financial products for keeping and increasing value. Savings are generated in large part from general funding.



6.2.3 Management of Funding Sources

The differences between funding sources can be broken down into two main categories:

- Type of restriction: restricted, unrestricted
- Duration: long-term, short-term



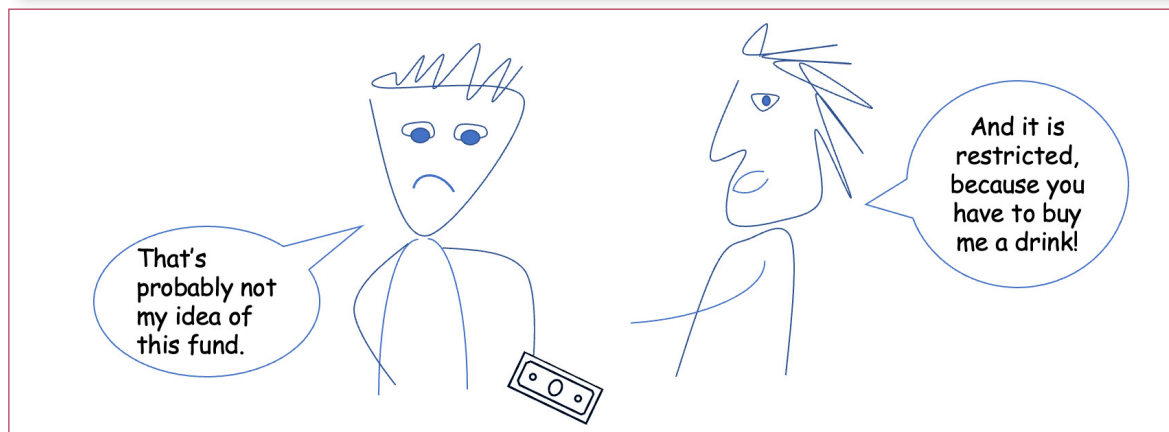
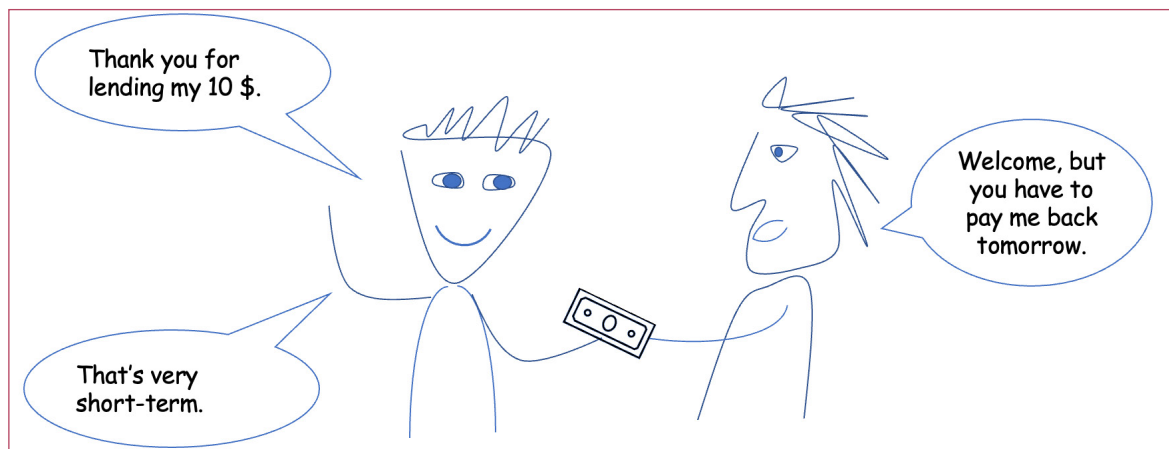
Restricted funding is funding which can only be used for a specific purpose as per the instruction(s) of the donor. This type of funding provides reassurance to the donor that their contributions are used in line with their goals. Funding from external international and national donors usually falls under the category of restricted funding, which is funding designated for specific programmes or projects that the donor chooses to fund. These projects normally have a limited time horizon.



Unrestricted funding is funding which can be used by the CSO for any purpose which furthers its own vision and mission. Unrestricted funding may come from organisational fundraising events, members' fees and donations, as well as from charging fees for services the organisation provides (e.g. health services, training, consultancies). These funds or parts of them feed into savings and are indicated as general funding.

If we arrange the categories of funding sources and link them to the sources of funding, the following table applies:

Unrestricted, short-term funding	➔	General funding
Unrestricted, long-term funding	➔	Institutional funding, general funding
Restricted, short-term funding	➔	Project funding
Restricted, long-term funding	➔	Programme funding



Savings, as one of the three pillars of financial sustainability, is considered **unrestricted** funding that can be used in either the short-term or the long-term. It is important to build up enough savings to cover your CSO's operational costs for at least a few months. They ensure the operational functionality in the time between the termination of one project or programme and the commencement of another, or while awaiting grants from institutions. Savings can be generated from any source of funding that is unrestricted, that is, from any source where the CSO is not obligated to use it for a specific purpose. Examples of such sources include membership fees, unrestricted donor funding or donations, or from income generated from a social enterprise.

Many CSOs struggle with financial sustainability because they rely too much on restricted sources of funding, such as project or programme funding. This type of funding stops when projects or programmes are terminated, and often do not allow for the funding of critical overhead costs, such as office rent or administration, which the CSO needs to continue to carry out its core activities.

When diversifying income sources, there is a general rule of thumb which CSOs can use as a loose guide when deciding how much of the yearly budget should come from which type of income source.

Rule of Thumb for Financial Sustainability for CSOs

- **General funding** makes up at least **10%** of the annual budget.
- **Institutional funding** makes up at least **20%** of the annual budget.
- **Project funding** makes up no more than **30%** of the annual budget.
- **Programme funding** makes up no more than **40%** of the annual budget.

Organising funding sources

The CSO very often organises its funds using a table stating the most significant key information about the funding and its sources. Such a table compiles all the necessary insights at one glance. It is a basic tool CSOs should use to keep a persistent eye on the funding sources.

Here is an example of how an organisation’s funding table could look.

Funding Sources/ Organisation	Pillar	Amount in UGX	Percentage of annual budget	Restriction	Term
<i>Example: GIZ</i>	<input type="checkbox"/> Institutional <input checked="" type="checkbox"/> Project/Programme <input type="checkbox"/> Savings	20,000,000	60%	X R <input type="checkbox"/> UR	X ST <input type="checkbox"/> LT
...	<input type="checkbox"/> Institutional <input type="checkbox"/> Project/Programme <input type="checkbox"/> Savings%	<input type="checkbox"/> R <input type="checkbox"/> UR	<input type="checkbox"/> ST <input type="checkbox"/> LT
...	<input type="checkbox"/> Institutional <input type="checkbox"/> Project/Programme <input type="checkbox"/> Savings%	<input type="checkbox"/> R <input type="checkbox"/> UR	<input type="checkbox"/> ST <input type="checkbox"/> LT
Total		...	100%		

R = Restricted, UR = Unrestricted, ST = Short-term, LT = Long-term.

Exercise 2

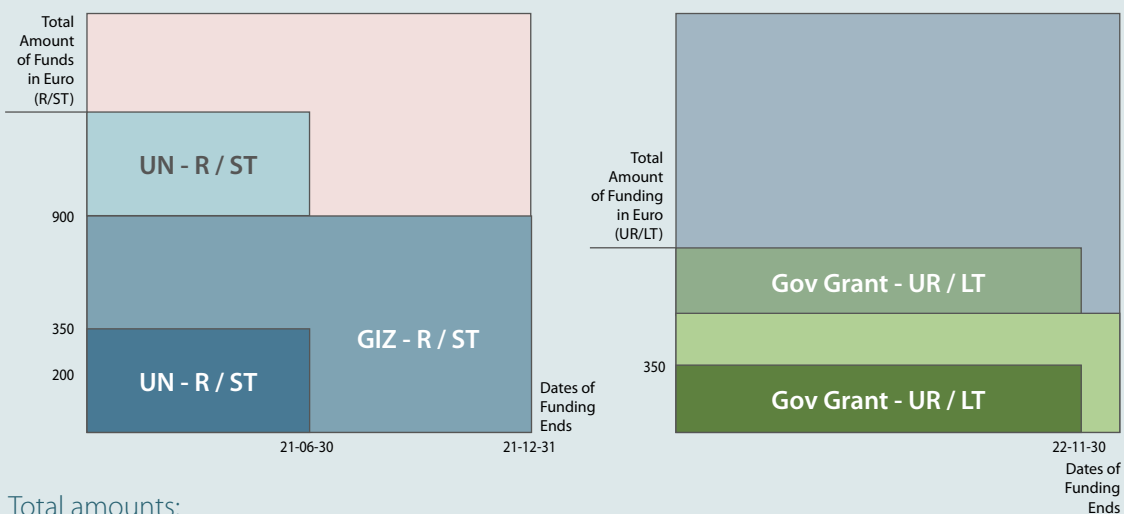
Creating a funding table for your organisation.

To support the presentation of funding information of CSOs, diagrams are very often useful. They can be created, for example, with the support of calculation software.

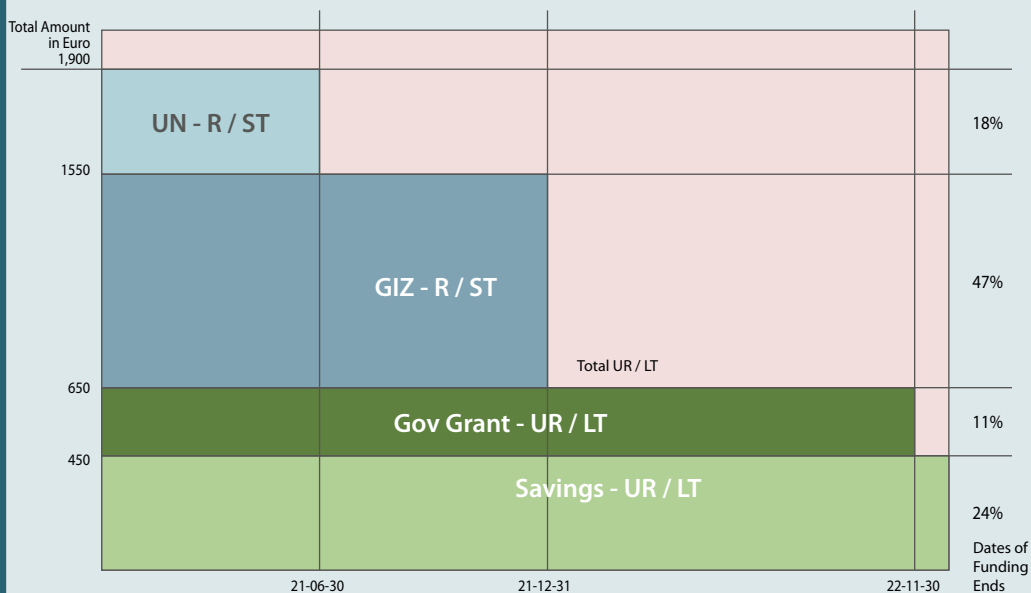
Example: Funding Diagram(s)

There are various ways to display funding information graphically. Here are two examples: restriction-term split and total amount.

Restriction-term split:



Total amounts:



Whatever kind of diagram is applied to an organisation, it should at least display the critical points in time: the dates when the various streams of funding end. With a graphic display of funds, the lean spells become more visual and alarming, permitting early planning for those financially dry periods.

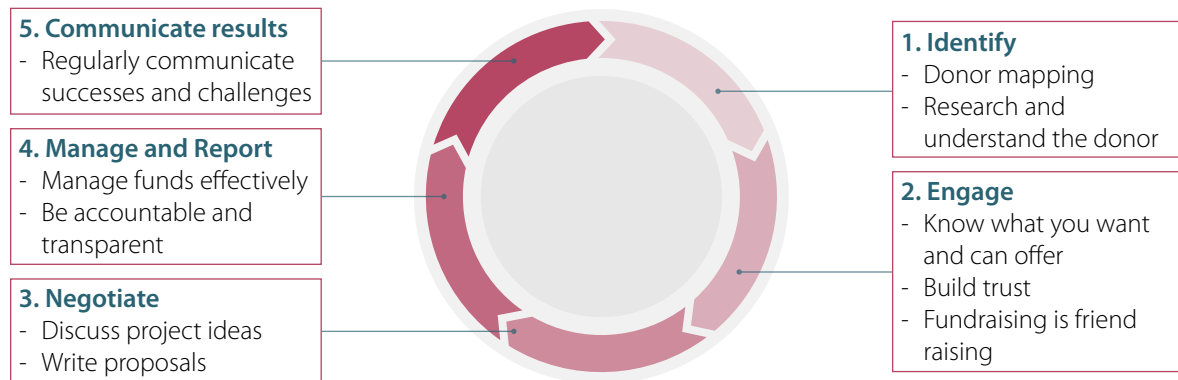
Exercise 3

Creating a funding diagram.

The fundraising cycle

Having analysed a CSO's current income sources using the funding table and diagram, it is more obvious where a CSO has too little of one type of funding or too much of another. Taking action and mobilising resources, fundraising and approaching potential donors to diversify income sources can help to achieve financial sustainability.

With the "fundraising cycle" (used throughout this manual), the process of building relationships with donors and funding sources, respectively, can be displayed appropriately. There are five phases in a relationship between a donor and a CSO as shown in the graphic below.



Increasing financial sustainability

Normally after thinking about the funding of your organisation, the question occurs as to what could be done to increase funds and financial sustainability. Here are some recommendations on what to do:

▶ Increase the amount of **unrestricted and long-term funding**:

That means fundraising, for example, through general funding and grants.

▶ Diversify **sources of income** and avoid dependency on one or a few donors:

Most probably the strategic focus of the organisation should shift to generating more applications for money, that is, being more active in discovering funding opportunities and proposal writing.

▶ Build **savings** to cover your operational costs for a few months:

This is not always thinking about keeping the money in the bank but using money for clever (but non-risky) investments to increase savings.

▶ Manage and finance **overhead costs** strategically:

This is looking at the structure of your organisation and thinking about every unnecessary cost that is generated and ways to eliminate these costs.

▶ Use and manage all your **available resources** strategically:

This very often starts with human resource assessment, meaning that your employees and members may probably be activated in different ways as well. In particular, CSOs with their volunteer members often forget to realise the resource of meaningful voluntarism.

- ▶ Assess and manage **risks**:

Unfortunately, organisations often disrespect risks as real danger jeopardising their work and, even worse, their existence. Risk management is the key to smarter planning ahead, such as addressing risks and considering mitigation measures.

When thinking about the management of resources, don't think only about finances, but about physical and human resources as well.



6.3 Exercises on Financial Sustainability

Exercise 1: Financial Sustainability or Not?

Planning of the exercise

Think about each mission as stated below and decide whether it is short-term or long-term and whether it requires financial sustainability or not.

Maybe use an extra sheet of paper to do the exercise.

Application of the exercise

Connect the "missions" in the yellow boxes to the blue or green circle. Which mission is short-term? Which one is long-term?

Mission: to vaccinate all children in one village against Yellow Fever within one year

Mission: to reduce childhood poverty

Mission: to end the institutionalisation of children

Mission: to increase awareness of HIV prevention measures and support those living with HIV

Mission: to collect donations of 1,000 new books for the secondary school

Mission: to improve access to potable water in rural areas

Mission: to provide short-term food support to one region during a season of draught

Mission: to teach 100 women working in the agricultural sector how to drive and use a tractor

Financial sustainability needed

No financial sustainability needed

Reflection about the exercise

Write down your own example of one short-term mission and one long-term mission.

Exercise 2: Creating a Funding Table for your Organisation

Planning of the exercise

Think about the funding sources of your organisation and identify them and group them in the short-term, long-term, restricted and unrestricted aspects of the funding.

Use the table as presented in the text.

Application of the exercise

Fill in the funding table for your organisation. Add as many rows as you need.

Funding Sources/ Organisation	Pillar	Amount in UGX (millions)	Percentage of annual budget	Restriction	Term
	<input type="checkbox"/> Institutional <input type="checkbox"/> Project/Programme <input type="checkbox"/> Savings		%	<input type="checkbox"/> R <input type="checkbox"/> UR	<input type="checkbox"/> ST <input type="checkbox"/> LT
	<input type="checkbox"/> Institutional <input type="checkbox"/> Project/Programme <input type="checkbox"/> Savings		%	<input type="checkbox"/> R <input type="checkbox"/> UR	<input type="checkbox"/> ST <input type="checkbox"/> LT
...
Total			100%		

R = Restricted, UR = Unrestricted, ST = Short-term, LT = Long-term.

Reflection about the exercise

What do you think? Is the funding balance of your organisation healthy?

Exercise 3: Creating a Funding Diagram

Planning of the exercise

Use the funding table of your organisation for this exercise. Create a funding diagram.

Application of the exercise

Transfer your organisation's funding table (here: example from Exercise 1) into a funding diagram.

Funding Sources/ Organisation	Pillar	Amount in UGX (millions)	Percentage of annual budget	Restriction	Term
GIZ malaria prevention project	<input type="checkbox"/> Institutional <input checked="" type="checkbox"/> Project/Programme <input type="checkbox"/> Savings	900	47 %	<input checked="" type="checkbox"/> R <input type="checkbox"/> UR	<input checked="" type="checkbox"/> ST <input type="checkbox"/> LT
UN women community maternal health project	<input type="checkbox"/> Institutional <input checked="" type="checkbox"/> Project/Programme <input type="checkbox"/> Savings	350	18 %	<input checked="" type="checkbox"/> R <input type="checkbox"/> UR	<input checked="" type="checkbox"/> ST <input type="checkbox"/> LT
Government public health grant	<input checked="" type="checkbox"/> Institutional <input type="checkbox"/> Project/Programme <input type="checkbox"/> Savings	200	11 %	<input type="checkbox"/> R <input checked="" type="checkbox"/> UR	<input type="checkbox"/> ST <input checked="" type="checkbox"/> LT
Savings <input type="checkbox"/> Institutional <input type="checkbox"/> Project/Programme <input checked="" type="checkbox"/> Savings		450	24 %	<input type="checkbox"/> R <input checked="" type="checkbox"/> UR <input type="checkbox"/> ST <input checked="" type="checkbox"/> LT	
	Total	1,900	100%		

R = Restricted, UR = Unrestricted, ST = Short-term, LT = Long-term.

Reflection about the exercise

What is the perception you gained from displaying your funds visually?

6.4 Closure and Evaluation of Learning Session

Feedback questions

The following questions are for you to check if you remember some of the main topics of the session. You can check at the end of this manual if your answers were correct.

1. What is financial sustainability?	Tick <input checked="" type="checkbox"/> the correct answer
a. Making money from fundraising.	<input type="checkbox"/>
b. Sufficient financial resources and a funding strategy which enables the long-term existence of the CSO.	<input type="checkbox"/>

c. Independence from donors.	<input type="checkbox"/>
2. What is meant by “institutional funding”?	Tick ✓ the correct answer
a. Funding given to the organisation by an institutional donor according to a policy framework which reflects the donor’s mandate.	<input type="checkbox"/>
b. Funding for projects only.	<input type="checkbox"/>
c. Funding generated from the income of a social enterprise.	<input type="checkbox"/>
3. An organisation’s membership fees are...	Tick ✓ the correct answer
a. Restricted funding: the money should be only spent on things the members want.	<input type="checkbox"/>
b. Unrestricted, long-term funding: members’ fees contribute to savings.	<input type="checkbox"/>
c. Project funding: members pay money for a project.	<input type="checkbox"/>
4. Which rule-of-thumb statement is right?	Tick ✓ the correct answer
a. General funding makes up at least 10% of the annual budget.	<input type="checkbox"/>
b. Institutional funding makes up at least 80% of the annual budget.	<input type="checkbox"/>
c. Programme funding makes up no more than 10% of the annual budget.	<input type="checkbox"/>
5. Which answer is incorrect?	Tick ✓ the correct answer
a. To increase funds and financial sustainability it is important to increase the amount of unrestricted and long-term funding.	<input type="checkbox"/>
b. To increase funds and financial sustainability it is important to rely on one stable source of income.	<input type="checkbox"/>
c. To increase funds and financial sustainability it is important to use and manage all your available resources strategically.	<input type="checkbox"/>

Personal reflection

The following space allows you to focus on learning at the end of the session and reflect about what you have learned. The learning diamond gives space for two main types of learning:

- Your **personal learning** points, with a main focus on those aspects of learning which are new to you or important for you.
- Learning you find relevant for your organisation to apply. Thinking about this shifts the personal learning in the direction of **organisational learning**.

You can also write down which areas or topics you wish to investigate further.

Main subjects of the session:

Major learning points I take away from this session:	Learning points I take back to my organisation:

Areas I wish to investigate further:

When you are done filling in the learning diamond, look at it and think about what stands out as the most important learning. Something really important? You can take this learning and move it to your treasure box described in Chapter 18.1 at the end of this manual.

7. Learning Session 2: Resource Mobilisation for Civil Society Organisations

7.1 Preparation and Introduction to Learning Subject

This learning session focuses on the general understanding of resource mobilisation. It comprises knowledge on developing strategies for mobilising resources to meet organisational resource demands, preparing effective proposals to gain new resources, and understanding the links between resource mobilisation, strategic planning and budgets.

The learning session is expected to take approximately 2.5 hours. This includes all parts of the session including feedback questions at the end of the session.

While reading through the chapter keep a pen and notepad ready or your computer at hand. Take note of whatever you deem important or when an idea comes to mind.

Each learning session starts with a small starter exercise followed by exercises throughout the text to check your learning. We will recommend when to undertake an exercise.

Learning objectives of this session

- You mobilise different categories of resources.
- You plan a resource mobilisation strategy.
- You discover and determine funding sources.
- You manage your funding network.
- You organise a financial sustainability committee.

Navigation and orientation along the training logic

This is the beginning of **Learning Session 2**: Resource mobilisation for civil society organisations.



The degree of difficulty of this session is still “starter level”. In this chapter, we will explore what resource mobilisation is and how important it is for the budget and implementation of the strategic plan.



Main topics covered by the session

- Explanation of resource mobilisation.
- Links between resource mobilisation, strategic plan and budget.
- Revealing funding sources for CSOs.
- Roles and responsibilities in resource mobilisation.

Learning session starter

Imagine your car is in need of repair, but you don't have the funds to pay a mechanic to fix it. What would you do? You might first think that your only option is to ask someone else to borrow or donate funds to you to cover the repair. In this case, you might need think about who you might approach and how:

- Who would you ask?
- How would you explain why you need the money?
- How would you build trust by providing documentation of how much the repair would cost and providing a receipt or proof of purchase afterwards to confirm?
- Would they believe you and give you the money?

However, there are other options you might take besides asking someone to provide you with the cash funds to cover the repair. You might ask a friend who knows a lot about cars to look at your car for you. You might even consider selling the car because the frequent cost of repairs outweighs the advantages of having the car. You might decide to replace the car with a better version and split the costs and ownership of the new car with a friend.

7.2 Input: Resource Mobilisation for Civil Society Organisations

7.2.1 What Exactly is Resource Mobilisation?

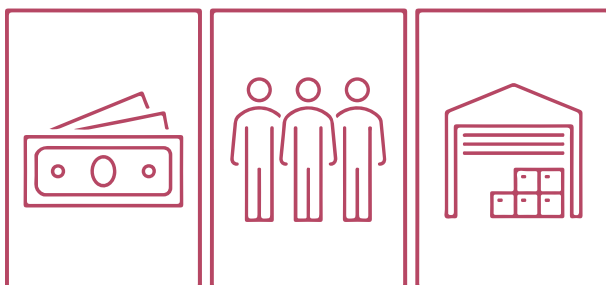
An organisation's ability to mobilise resources is critical to carrying out missions sustainably. Resource mobilisation and professional financial management are substantial for any CSO. A majority of CSOs worldwide address **resource mobilisation capacity** as one of their top priorities jointly with financial management, planning methodology and human resources. Despite their differences, most CSOs share a common challenge: a lack of sufficient, continuous funding to ensure the quality and quantity of their work and to sustain employees.

Resource mobilisation includes all activities to secure new and additional financial, human and material resources to make an organisation's mission sustainable, which equals organisational sustainability.

Resource mobilisation = organisational sustainability

Resource mobilisation is

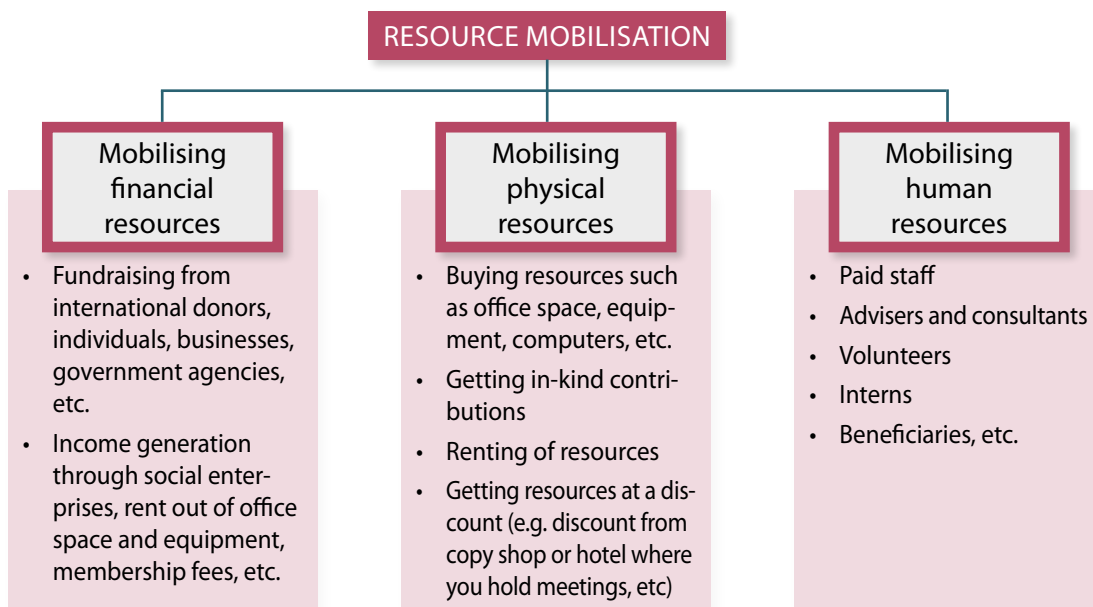
- (1) the process of getting the resources a CSO needs to carry out its mission, and
- (2) the process of maximising the use of the resources a CSO already has.



Resource mobilisation refers not only to **monetary** resources, but **human and physical** resources as well. Fundraising for monetary resources is only one aspect of resource mobilisation and refers to the process of seeking and gathering voluntary financial contributions. Being able to mobilise resources well is important because it helps a CSO to achieve financial sustainability for long-term operational functioning.

Different kinds of mobilisation tactics are applied according to the kind of resources a CSO aims to tap. For example, mobilising financial resources may include fundraising from international donors or generating income through a social enterprise model.

These are some tactics a CSO can use to mobilise each type of resource:



Exercise 1

Identify resource categories.

What's the difference between resource mobilisation and fundraising?

Resource mobilisation refers to all activities involved in **securing new and additional resources** for your organisation and **making better use of existing resources**.

Fundraising is the process of **seeking and gathering voluntary financial contributions**. It is only one component of resource mobilisation.

7.2.2 Resource Mobilisation, Strategic Plan and Budget

Resource mobilisation is part of an organisation's planning directly related to an organisation's strategic plan. A strategic plan sets out strategies to be implemented to achieve organisational strategic objectives over a determined period of time (for example, two years) to maintain an organisation's programmatic integrity and to achieve the organisation's mission. It also identifies business opportunities requiring new sources of funding.

⇒ A resource mobilisation plan complements a strategic plan and describes the objectives of generating resources, and the strategies and targets over the strategic planning time horizon.

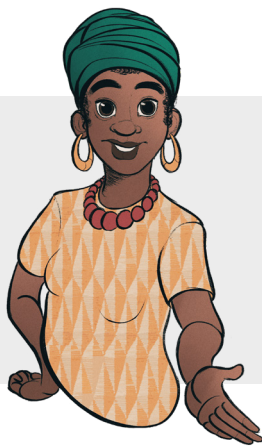


Resource mobilisation should be closely linked with the strategic plan and budget, because a strategic plan and budget provide the foundation for resource mobilisation.

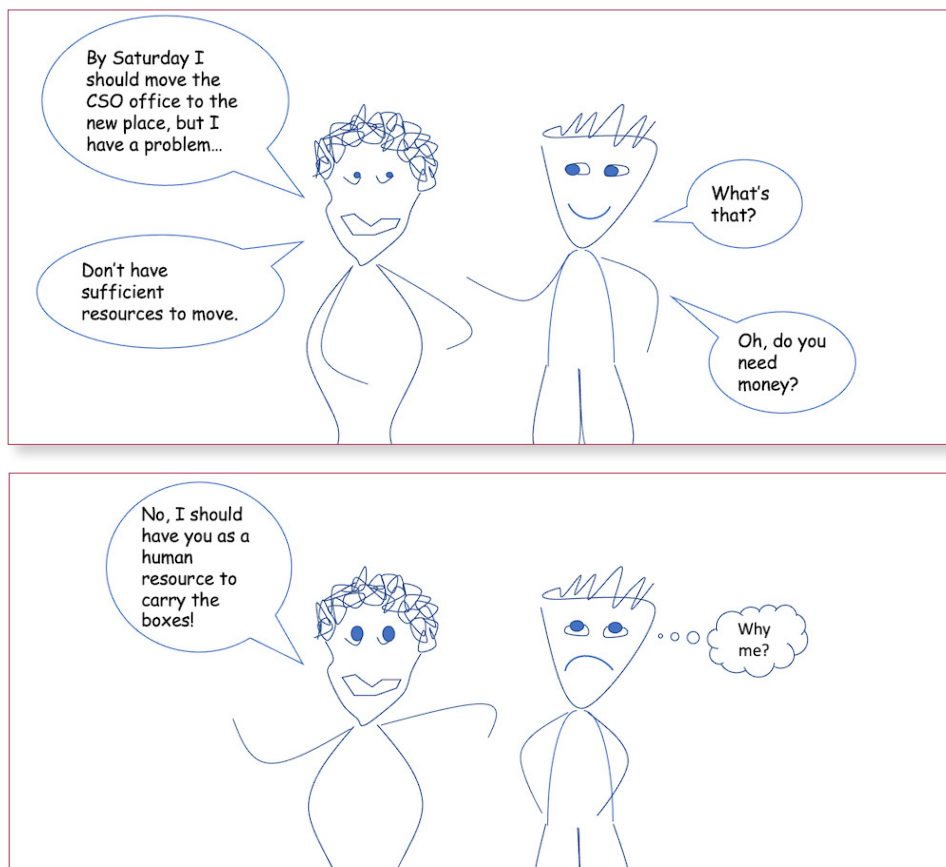
- **The first step** in this process is **creating a strategic plan** about where a CSO wants to be in two to five years, and what it will achieve during this period.
- **The second step** is creating a budget that reflects the strategic plan by identifying which **resources are needed** to implement the strategic plan and whether there are funding gaps.
- **The third step** is **mobilising the resources** identified as missing in the budgeting process. This is identifying the resources needed and describing actions necessary to gain those resources.

Action to be taken in the third step are:

1. Developing a resource mobilisation strategy.
2. Developing a plan for resource mobilisation activities which are a part of the resource mobilisation strategy.
3. Integrating a section for resource mobilisation into the overall strategic plan.



Keep in mind if you are smart in the way you mobilise human and physical resources, you can reduce the number of financial resource you need!



Resource mobilisation strategy

A resource mobilisation strategy can be described in a standard strategic document in the following format:

1. **Introduction:** the purpose of the strategy, a description of the process, how it got developed and a brief overview of the contents of the document.
2. **Context analysis:** an analysis of the situation and environment in which the CSO will implement the strategy. This section is informed by the results of different kinds of analyses, such as a SWOT (Strengths, Weaknesses, Opportunities, Threats) Analysis, research, capacity assessments, environmental scanning, network analysis etc. .
3. **Strategic objectives:** what the CSO wants to achieve by implementing the strategy.
4. **Strategic priorities:** the strategies or interventions the CSO will use in order to achieve the strategic objectives.

5. **Coordination, monitoring and evaluation of the strategy:** specifications on who will do what to carry out and coordinate the implementation of the strategy, what kind of information will be collected and how the progress of the strategy will be monitored, and a plan for evaluating whether the strategy has been implemented successfully.
6. **Appendix**
 - i. **Operational plan:** the CSO's plan for operating and carrying out the activities to implement the resource mobilisation strategy and achieve the strategic objectives. The activities are informed by the strategic priorities the CSO chose. The operational plan should include a timeline and roles and responsibilities can be allocated per activity as well as targets to monitor and evaluate the progress.
 - ii. **Budget:** the budget developed by the CSO which lays out which resources are needed to carry out each activity of the operational plan and to implement the resource mobilisation strategy. Remember that even the implementation of the resource mobilisation strategy requires financial, physical and human resources.
 - iii. **Partner mapping:** identifying a CSO's current and potential partners and gathering information about the interests in relation to the CSO and what potential resources that partner could provide or help the CSO access.
 - iv. **Partner/Donor matrix:** a list of current and potential partners which were identified in the partner mapping process, including all relevant information about the partner the CSO needs to know for the engagement.
 - v. **SWOT:** identifying the internal strengths and weaknesses of the CSO as well as the external opportunities and threats for resource mobilisation.

You don't have to write a long strategy document. Sometimes developing the appendix can be enough.

Exercise 2

Organise the resource mobilisation strategy.

7.2.3 Funding Sources for CSOs

This is a general description of funding sources for CSOs:

Local resource mobilisation

- **Membership fees:** regular but probably small income.
- **Selling marketing space to corporates (sponsoring):** this is offering advertising on any space for CSO managers, virtual spaces (e.g. website) and physical spaces (e.g. posters, flyers).
- **Corporate social responsibility (CSR):** this is when private sector companies fund CSOs in line with their companies' policies of social responsibility.
- **Local donors:** normally local businesses or persons donating to a CSO.
- **Social enterprises (sales of goods and services):** sometimes CSOs use social enterprises as means to increase funds. A social enterprise exists to achieve a social mission – such as providing healthcare or safe drinking water for the poor, introducing renewable energy, creating jobs for the unemployed or advancing education initiatives.

- **Rent out assets:** renting out may include a variety of things let to others against a renting fee. Examples are venues, machinery and equipment.
- **Consulting:** CSO expertise offered to other organisations or people who need advice.

Local and global resource mobilisation

- **Faith-based organisations:** some organisations may co-fund activities that are related to their own mission. Resources must not be necessarily monetary, but could also be the provision of equipment, venues and networks.
- **Foundations:** same as above or they may even participate in programmes and fund CSOs according to their strategic priorities.
- **Governments:** depending on the country, governments may have a tendency to outsource certain tasks to CSOs before organising services themselves through agencies or specific offices.
- **Crowdfunding:** this means raising money from a large group of people who each individually contribute a small amount. There are several online platforms which facilitate this kind of fund-raising, such as <https://www.gofundme.com/> or <https://www.kickstarter.com/>. If done in the right way, this form of funding can contribute a lot of funds to an organisation. Crowdfunding is normally strongly linked to a purpose.
- **Online campaigns:** this is a bit similar to crowdfunding; however, it is more the provision of donations through online activities. For example, your CSO might embark on a social media campaign to increase the visibility of the organisation and encourage donations through the organisational website.
- **Individuals:** individual donors should never be underestimated. Among people of wealth there are always philanthropists who want to give something back to society.
- **Volunteers and interns:** these are very valuable resources, and part of resource mobilisation should always be seen as mobilising members and other unpaid support, such as internships. However, these human resources need specific social attention and confirmation of their contribution being a valuable asset to the achievement of strategic goals of the organisation.
- **Charity events:** any event is a welcome opportunity for a CSO to ask for donations. In particular cases, events are specifically for charity.

Global resource mobilisation

- **Bilateral donors:** bilateral aid describes money which is given directly from one government to another.
- **Multilateral donors:** multilateral aid comes from numerous different governments and organisations and is usually arranged by an international organisation such as the World Bank or the United Nations (UN).
- **International NGOs (INGOs):** these organisations are very important nowadays in the provision of funds. INGOs are active in many developing countries and receive substantial sums from donors to carry out humanitarian assistance and development work, which they partly pass on to other organisations to support their programmes (e.g. grants). The biggest INGOs in the world are World Vision International, Oxfam International, Save the Children International, Plan International, Médecins Sans Frontières, CARE International, CARITAS International and ActionAid International.
- **Diaspora:** every country knows people who leave for economic reasons to other countries. A not to be underestimated number of those migrants are able to make a significant career abroad and at the same time engage in cultural organisations. These organisations or even individual members of diasporas are very often ready to contribute to the development of their home country.

Different Partners Providing Funds for Civil Society Organisations

Multilateral Organisations

We have all heard of the United Nations and the humanitarian causes they stand for. If you have a viable NGO and you are making change, you can approach the UN for some additional funding. The UN is notoriously hard to please and one needs to have a goal and some progress to show. The UN is one of the largest organisations funding NGOs.

Multilateral organisations also include global funds. Multilateral development banks are international banks or agencies that fund agencies for specific causes. These funds are often designated for a specific purpose and should be used according to the outlined designations. The [World Bank](#) and [African Development Bank](#) are two of the largest banks that could source funding for a variety of relief programmes.

Bilateral Organisations

Development agencies of foreign governments might also be approached for funding in local countries. Examples of bilateral organisation at work in Uganda include United States Agency for International Development (USAID), Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the European Commission, Swiss Agency for Development and Cooperation (SDC), Swedish International Development Cooperation Agency (SIDA), Norwegian Agency for Development Cooperation (NORAD), etc.

Government

In most developed countries, a certain percentage of gross domestic product (GDP) is set aside to help NGOs fighting for a specific cause. Many of these CSOs receive government funding, but they need to adhere to government policy. Depending on the country, it can often lead to a clash of interests.

International NGOS (INGOs)

International NGOs are independent of government and work on a global scale. Examples of international NGOs working in Uganda include the following: Save the Children, Action Aid, International Rescue Committee (IRC), Care International, Plan International, Transparency International, World Vision, etc.

National NGOs

Starting an NGO is no easy feat, but there are many successful national NGOs that have grown substantially to achieve international acclaim. If you are targeting the same cause, you might want to be affiliated with one of the larger NGOs. They can help you with advice and some funding to reach a specific goal. It is also great publicity for an NGO to fund smaller organisations to show growth in their yearly reports.

Foundations

One can apply or ask many international, national or community foundations for funding if you meet the criterion. These types of organisations might be founded and funded by private individuals using their own income (Bill and Melinda Gates Foundation), by private companies setting aside part of their profits (MTN Foundation) or founded by a political party, such as the Konrad Adenauer Foundation. Other types foundations might rely on grants from donors as NGOs do.

Community foundations or simply people that live in your community can also be a great source of funding for an NGO. The community can actively be involved and if they do not donate money, they can donate their time to the cause. It is one of the best ways to generate funding for all your overheads and to get you started.

Private businesses

Some of the largest donations can often be attributed to private businesses that want to be associated with your NGO to build their social image of corporate social responsibility (CSR) or for marketing purposes. These businesses have fewer restrictions on how the funds are utilised.

Well-wishers

There are high-net-worth individuals on the planet who all stand for something. These private donors can be approached and, in rare cases, they might even approach you. It is also a way for them to give back to society, whilst improving their brand and being associated with something positive. However, sometimes they might lean more towards funding projects that match the causes they feel strongly about. So it might be useful for you to narrow your research accordingly. Many high-net-worth individuals also start their own charities or trusts for these purposes. Generally, funds from private donors don't have as many restrictions.

Faith-based organisations

These types of organisations are founded or associated with a religious belief and can sometimes also be approached to provide funds for CSOs. Some faith-based organisations also provide grants through calls for proposals.

Embassies

Some foreign embassies have small grants programmes for CSOs. Embassies might issue calls for proposals on particular issues. These types of grants are usually more flexible.

Source: Adapted from Different Types of Funds Available for NGOs | Artemis, 2020.
URL <https://artemis.im/different-types-of-funds-available-for-ngos/> (accessed 9.21.21).

Exercise 3

Discover your funding sources.

7.2.4 Roles and Responsibilities in Resource Mobilisation

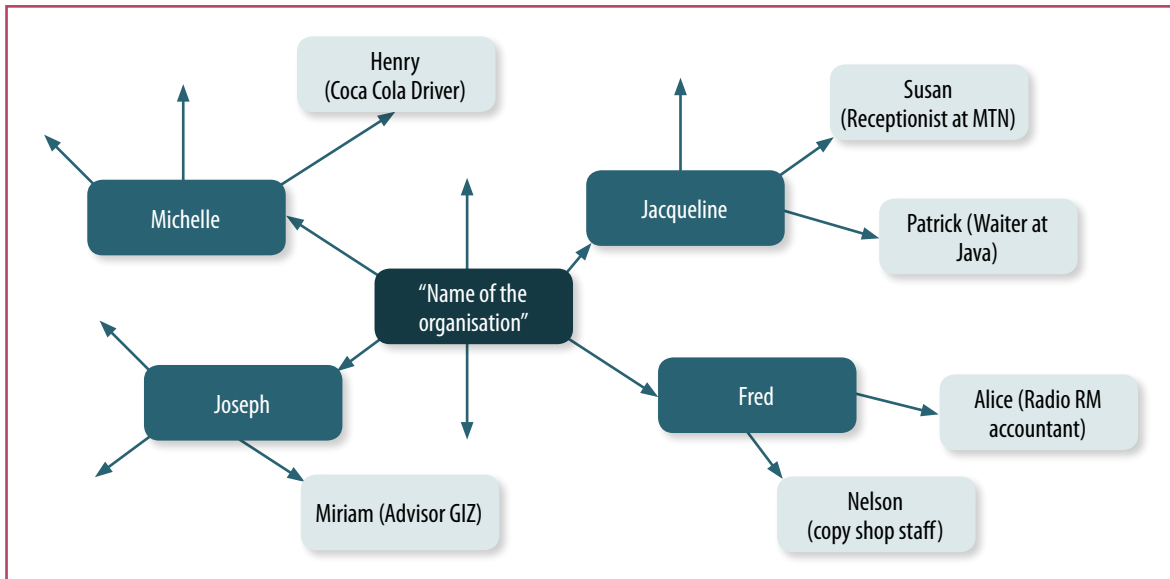
Resource mobilisation is not just the responsibility of the executive director. Everyone working for or with a CSO can contribute to resource mobilisation, because each individual connected with a CSO is part of a greater network of friends, family, colleagues, business partners, acquaintances, community groups, schools, organisations, etc. and would be able to relate their own individual network of contacts with the CSO concerned.

The linking of individual networks creates a very large community network, which may be utilised to mobilise resources for a CSO. The network may be able to support a CSO with access to resources, donating resources (financial, physical or human), or within the network individuals may share information on others who are interested in providing CSO support. This effect is even catalysed through virtual social networks (social media).

Network mapping

Network mapping is a tool to visualise a community network, and to identify how each potential person could support the CSO.





Network mapping – method:

- ⇒ Write the name of your organisation in the centre of the map (dark blue).
- ⇒ Write the name of each person working for the organisation around the name of the organisation (blue). That includes everyone from the executive director to the volunteers.
- ⇒ Everyone working for the organisation then writes down his or her network (light blue) and thinks about if or what these people could contribute to the work of the organisation.
- ⇒ Finally, make a list of all people who could support the organisation and how. For example, set up a table with a “names” column of the people in the network and another column with the “potential support” they could provide (e.g. financial donations, access to physical resources such as land or equipment, volunteering their time for the organisation, providing further contact to a resource provider).

Example:

1	Jaqueline	Likes to cook, would organise the catering at events
2	Henry	Provides his car and driving services at weekends (volunteer, fuel must be paid)
3	Alice	Will check the bookkeeping (volunteer)
4

Exercise 4

Check your network.

Financial sustainability committees

Some CSOs create designated **financial sustainability committees** to help mobilise resources. A financial sustainability committee is usually formed by persons from a community, staff and board members who can provide advice on available sources of resources, laws and regulations. The committee can also introduce relevant contact persons and help with grant applications.

It is not necessary in any case to establish a financial sustainability committee in addition to a network. If a board of directors, for example, has taken on this role, there is no need for another committee to perform the same task. If a CSO is in one of the following three situations, a financial sustainability committee is beneficial:



- ⇒ If staff members regularly spend more time trying to acquire resources for the CSO than doing the jobs they were hired for, it is an indicator of a need for a financial sustainability committee.
- ⇒ If the board of directors is not supporting resource mobilisation, a financial sustainability committee should be established.
- ⇒ If, from network mapping, resource mobilisation does not generate sufficient resources, a financial sustainability committee is needed.

An alternative to creating a financial sustainability committee might also be to create a subgroup in the board of directors.

Establishing a financial sustainability committee

There is a simple method to determine who should be on the committee:

Brainstorm	<ul style="list-style-type: none"> Who should be on the committee? Who has a good network and access to resources or knows how to get them? Who knows about laws and regulations that might affect you? Who has skills in grant applications or acquiring alternative sources of funding?
Recruit	<ul style="list-style-type: none"> Develop TORs on what the committee members are expected to do Create incentives for people to be part of the committee Reach out to contacts you would like to recruit
Meet	<ul style="list-style-type: none"> Set a date for the first meeting and prepare logistics Onboard committee members and share TORs and materials that will help them understand your organisation's needs and their role in the committee Organise regular meetings and check-ins

Source: "Chapter 42. Getting Grants and Financial Resources | Section 3. Developing a Committee to Help with Financial Sustainability | Main Section | Community Tool Box." Accessed April 15, 2020. <https://ctb.ku.edu/en/table-of-contents/finances/grants-and-financial-resources/financial-sustainability-committee/main>.

CSOs with strong financial management are better able to fulfil their mission and deliver high-quality services to their beneficiaries. An engaged, knowledgeable board is essential. Directors should oversee the organisation’s activities, assessing how it is meeting legal, financial and strategic needs.

Example: Members of the financial sustainability committee

Bankers, lawyers, key community members, business owners, and senior persons who have been working in civil society a long time are normally people with knowledge, contacts and access to money.

Useful link:

<https://herefordshireandworcestershireccg.nhs.uk/about-us/corporate/corporate-publications/governance-handbook>

Terms of reference of a financial sustainability committee.

7.3 Exercises on Resource Mobilisation for Civil Society Organisations

Exercise 1: Identify Resource Categories

Planning of the exercise

Identify whether each resource is monetary, physical or human.

Application of the exercise

Draw lines to connect the yellow boxes to the correct “resource” box.

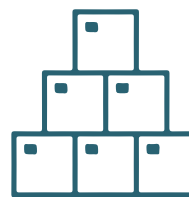
Project Funding	Staff	Institutional Funding
Office Space	Program Funding	Computers
Board of Directors	Volunteers	Vehicles
Advisors	Savings	Office Furniture



Financial



Human



Physical

Reflection about the exercise

Did you consider this categorisation of resources before? What did you learn from this exercise?

Exercise 2: Organise the Resource Mobilisation Strategy

Planning of the exercise

This exercise is to reflect on the organisation of a resource mobilisation strategy document. Take paper and a pen and start to sort out the document.

Application of the exercise

The line and text boxes are in a mess. Sort out the right order of headlines and descriptions.

<p>A list of current and potential partners which were identified in the partner mapping process, including all relevant information of the partner the CSO needs to know for the engagement.</p>	<p>3. Strategic Objectives</p>	<p>The purpose of the strategy, a description of the process, how it got developed and a brief overview of the contents of the document.</p>	<p>What the CSO wants to achieve by implementing the strategy.</p>	<p>Specifications on who will do what to carry out and coordinate the implementation of the strategy, how the progress of the implementation of the strategy will be monitored and how the success of the implementation will be evaluated.</p>
<p>6.1. Operational Plan</p>	<p>The budget developed by the CSO which lays out which resources are needed to carry out each activity of the operational plan and to implement the resource mobilisation strategy.</p>	<p>1. Introduction</p>	<p>6.3. Donor Mapping</p>	<p>5. Coordination, monitoring, evaluation of strategy</p>
<p>CSO's plan for performing activities to implement the resource mobilisation strategy and achieve strategic objectives determined by strategic priorities. The operational plan includes a timeline. Roles responsibilities are allocated to activities and targets to monitor and evaluate progress.</p>	<p>6.2. Budget</p>	<p>An analysis of the situation and environment in which the CSO will carry out the strategy. (This section is informed by the results of the SWOT analysis)</p>	<p>The strategies or interventions the CSO will use in order to achieve the strategic objectives.</p>	<p>6.5. SWOT</p>
	<p>2. Context Analysis</p>	<p>6.4. Partner/Donor Matrix</p>	<p>Identifying a CSO's current and potential partners and gathering information about the interests in relation to the CSO and what potential resources that partner could provide or help the CSO access.</p>	
		<p>Identifying the internal strengths and weaknesses of the CSO as well as the external opportunities and threats for resource mobilisation.</p>	<p>4. Strategic Priorities</p>	

Reflection about the exercise

Think about what is new to you when planning for resource mobilisation in a strategic way. What did you learn from this exercise for your organisation?

Exercise 3: Discover Your Funding Sources

Planning of the exercise

For this exercise, you brainstorm a little. Use paper and a pen for a mind-map or a brainwriting list.

Application of the exercise

From the list of funding sources, which funding sources could you imagine for your organisation? Write down what comes to mind.

Reflection about the exercise

Did you discover any funding sources you hadn't thought about before?

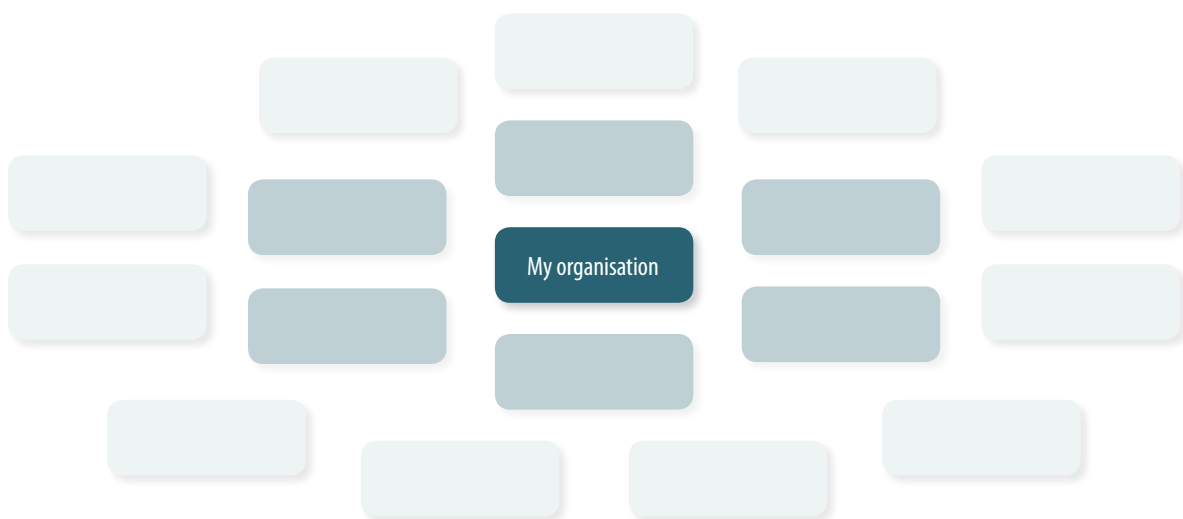
Exercise 4: Check your Network

Planning of the exercise

Prepare a network map, use a pen or paper or your computer. Use a network map like the one below or something similar, feel free to set up your own design. After you have finalised your network on the map, fill in a table (as in the example) describing what everyone in your network could contribute to your organisation.

Application of the exercise

Map your network:



Describe your network:

1	Jaqueline	Likes to cook, would organise the catering at events
2	Henry	Provides his car and driving services at weekends (volunteer, fuel must be paid)
3	Alice	Will check the bookkeeping (volunteer)
4

Reflection about the exercise

Which new resources did you discover through this exercise? Is there anything significant or new?

7.4 Closure and Evaluation of Learning Session

Feedback questions

The following questions are for you to check if you remember some of the main topics of the session. You can check at the end of this manual if your answers were correct.

1. Resource mobilisation means:	Tick ✓ the correct answer
a. Grant writing.	<input type="checkbox"/>
b. All the activities involved in securing new and additional resources and making better use of existing resources.	<input type="checkbox"/>
c. Fundraising.	<input type="checkbox"/>
2. What's the link between the strategic plan, the budget and resource mobilisation?	Tick ✓ the correct answer
a. The strategic plan outlines where the CSO wants to be in 2 to 5 years, the budget details what resources the CSO needs to carry out that plan and where funding gaps may be, and resource mobilisation is the process through which the CSO ensures that it has access to those resources.	<input type="checkbox"/>
b. Resource mobilisation is the plan for creating a strategic plan and an accompanying budget.	<input type="checkbox"/>
c. The strategic plan provides the foundation to carry out resource mobilisation, but the budget is only a part of resource mobilisation.	<input type="checkbox"/>
3. What is a resource mobilisation strategy?	Tick ✓ the correct answer
a. The same as a strategic plan.	<input type="checkbox"/>
b. A tool for carrying out partner mapping to identify potential international, long-term donors.	<input type="checkbox"/>
c. A detailed plan outlining why, how, when and from where the CSO will access the resources it needs.	<input type="checkbox"/>
4. How can a network contribute to the resource mobilisation of a CSO?	Tick ✓ the correct answer

a. Everyone in a network can contribute.	<input type="checkbox"/>
b. If the business community is part of the network.	<input type="checkbox"/>
c. You need to have your family members in that network.	<input type="checkbox"/>
5. What's one reason your CSO might consider creating a financial sustainability committee?	Tick <input checked="" type="checkbox"/> the correct answer
a. The board is mobilising resources for the CSO.	<input type="checkbox"/>
b. There is no reason to create a financial sustainability committee, the network will do.	<input type="checkbox"/>
c. Staff members regularly spend more time trying to acquire resources for the CSO than doing the jobs they were hired for.	<input type="checkbox"/>

Personal reflection

The following space allows you to focus on learning at the end of the session and reflect about what you have learned. The learning diamond gives space for two main types of learning:

- Your **personal learning** points, with a main focus on those aspects of learning which are new to you or important for you.
- Learning you find relevant for your organisation to apply. Thinking about this shifts the personal learning in the direction of **organisational learning**.

You can also write down which areas or topics you wish to investigate further.

The diagram is a diamond shape divided into four sections:

- Top section:** Main subjects of the session:
- Left section:** Major learning points I take away from this session:
- Right section:** Learning points I take back to my organisation:
- Bottom section:** Areas I wish to investigate further:

When you are done filling in the learning diamond, look at it and think about what stands out as the most important learning. Something really important? You can take this learning and move it to your treasure box described in Chapter 18.1 at the end of this manual.

8. Learning Session 3: Identifying Donors

8.1 Preparation and Introduction to Learning Subject

This learning session is about identifying donors. The session provides a basic understanding on how to identify relevant donors for a CSO using the donor map and the donor matrix. These are tools to identify donors for the understanding of potential donors.

The learning session is expected to take approximately 2 hours. This includes all parts of the session including feedback questions at the end of the session.

While reading through the chapter keep a pen and notepad ready or your computer at hand. Take note of whatever you deem important or when an idea comes to mind.

Each learning session starts with a small starter exercise followed by exercises throughout the text to check your learning. We will recommend when to undertake an exercise.

Learning objectives of this session

- You identify donors for your organisation.
- You spot donors and know exactly who or which organisations they are.
- You approach donors in an appropriate way.

Navigation and orientation along the training logic

This is the beginning of **Learning Session 3: Identifying relevant donors for a CSO through donor mapping and developing a donor matrix.**

Main topics covered by the session

- Identifying donors.
- Donor/Funding landscape mapping.
- How to create a donor matrix.
- Planning donor engagement.





The degree of difficulty of this session is “practitioner”. Through the first two sessions you have developed a basic understanding. Now it is time to start resource mobilisation work with donors.

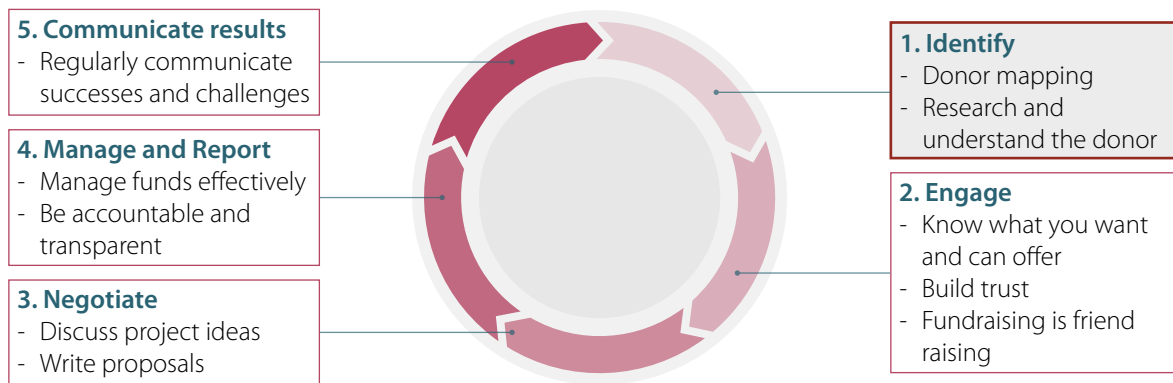
Learning session starter

Consider potential donors relevant for your CSO:

- Who or which organisations can you identify?
- How would they contribute to the funding of your CSO?

8.2 Input: Identifying Donors

Learning Session 1 introduced the fundraising cycle as a guide to understanding how to build and sustain good relationships with donors. In this learning session, we explore the first phase of the fundraising cycle: **identifying donors**.



CSOs typically invest a lot of time and resources in writing grant applications. CSOs, however, do not always respect the key aspect in approaching a potential donor: does the potential donor fit with the interests and goals of the CSO? Are the donor’s interests, goals and values in line with those of the CSO?




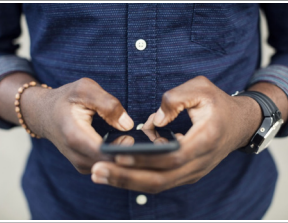
Donors and CSOs alike usually have missions and goals they want to accomplish, and strategies to reach those goals. Institutional donors might have strict policy frameworks that outline what kind of CSOs and activities they can fund. A corporate donor on the other hand might be interested in promoting the visibility of their brand through corporate social responsibility or sponsoring.

Therefore, identifying donors is about researching to find out whether a CSO’s goals, values and interests are aligned before approaching a donor. If the CSO and donor are a good match, creating a customised plan to engage with a potential donor may be rewarding.

8.2.1 Donor Mapping

Donor mapping, or funding landscape mapping, is the process of identifying potential donors that could be a good match to financially support your CSO. To identify potential donors, researching and gathering of relevant information is necessary.

There are many ways to find out facts about potential donors:

			
<p>An internet search is probably the first step to find the donor's website with information about their mission, previous projects, calls for proposals and contact information.</p>	<p>Search for information about a donor online or offline in newspaper articles or archives.</p>	<p>Ask business partners, other CSO contacts, friends, colleagues or acquaintances who might have worked with a donor before and try to continuously increase your network.</p>	<p>Call up a donor directly to ask for information and, if possible, to even arrange a meeting, so the donor may open doors for you to directly talk face-to-face. Establishing personal contact can be very valuable, but you have to be well prepared.</p>

This is a list of questions to ask before approaching a donor:

1. What are the donor's priorities? How do my organisation's goals and objectives fit into the donor's goals and objectives?
2. What are the values of the donor, and do they fit to our values?
3. How will this donor support my organisation's strategic priorities? Why should my organisation target this donor?
4. What is the range of funding and what is the timeframe?
5. What is my organisation's reputation with the donor?
6. What is the donor's reputation?
7. Who is my competition and what unique contributions and innovations does my organisation have to differentiate itself?
8. Why should the donor give my organisation money?
9. What are my chances of success to win the call for proposal?
10. Which staff person will be responsible for submission and follow-up?

When researching, it becomes obvious that various donors have different characteristics. These different characteristics can also help you plan your approach for engaging with each potential donor. Donors working on an international level, national level or local level, and public or private donors have different ways of operating. For example, international and national donors may be more difficult to

meet, and the competition for their funding is probably high compared to local donors. A private donor is typically more flexible and open to negotiation than a public donor with a stricter agenda.

Besides donors, there is another aspect to funding: friends, family and colleagues can also support a CSO to get financial, human or physical resources. For example, they can support with financial donations, in-kind donations or volunteering, as well as with physical resources, such as land or equipment. Big donors are not the only option a CSO has to mobilise resources.

Example: Mapping of Pacific Islands Forum Secretariat (PIFS)²

PIFS's work is programme-based, largely on the Pacific Plan. The Pacific Plan was endorsed by forum leaders at their Pacific Islands Forum Meeting in Port Moresby in October 2005. It is a "living document" that forms the basis of ongoing strengthening of regional cooperation and integration efforts. The Pacific Plan is reviewed on an annual basis. The Pacific Plan's four pillars are: economic growth; sustainable development; good governance; and security.

The overall focus is regionalism and sub-regionalism. Under these pillars, there are 13 strategic objectives:

Economic growth

1. Increased sustainable trade (including services) and investment
2. Improved efficiency and effectiveness of infrastructure development and associated service delivery
3. Increased private sector participation in, and contribution to, development

Sustainable development

4. Reduced poverty
5. Improved natural resource and environmental management
6. Improved health
7. Improved education and training
8. Improved gender equality
9. Enhanced involvement of youth
10. Increased levels of participation and achievements in sport
11. Recognised and protected cultural values, identities and traditional knowledge

Good governance

12. Improved transparency, accountability, equity and efficiency in the management and use of resources in the Pacific

Security

13. Improved political and social conditions for stability and safety.

... PIFS is funded by donors with AusAID and NZAID being among those giving annual contributions to PIFS while other donors provide programme- and activity-specific funds. PIFS members decide on the areas of activity and when PIFS requires partners, it usually looks for them and takes the initiative...

² "Review of Priorities and Programmes in the Pacific: Mapping of Donors and other Partners", ILO Tripartite Technical Meeting on Decent Work: Pacific Island Countries Nadi, Fiji 26-28 November 2007.

Donor map templates

Here are two examples of donor maps with different focuses:



The second map makes a distinction between public and private organisations, because they function in very different ways and have different organisational cultures. These differences mean the CSOs should also approach these types of organisations differently.

Exercise 1

Prepare a donor map.

Donor matrix

A matrix in which all the potential donors for an organisation are captured and the information needed to plan the engagement with them is called a donor matrix. Once a donor map has been drafted, the information about donors identified will feed into a donor matrix.

Name	Interest / Priorities	Geographic scope	Types of resources	Range of funding	Calls for proposals	History of engagement	Means of engagement	Ethical fit	Contact

Name: full name of the donor organisation.

Interest/priorities: this refers to the general interest of the donor's work and the strategic priorities of the donor.

Geographic scope: this outlines in which regions the donor is active. There is a need for some details such as continent, country, region/province/district.

Types of resources: this describes the type of resources the donor provides, such as project or programme funding, grants, donations, etc.

Range of funding: it describes the range of funding, that is, the amount of money provided. This has to be seen particularly in the context of your organisation's size, experience, history and capacity. Bigger funds normally go to bigger organisations with more experience. Smaller funds are provided for smaller organisations.

Calls for proposals: this informs about the nature and scope of calls for proposals and their frequency.

History of engagement: this informs about previous engagements between the CSO and the donor (previous projects worked on together, if any).

Means of engagement: this informs about the different ways the donor engages. Maybe some donors do not directly cooperate with CSOs, but fund via intermediary organisations.

Ethical fit: this is very important, because not all the owners represent an ethical attitude that fits to a CSO. It is basically a "yes" or "no" question. It is not always easy to answer and could cause some internal discussion in a CSO.

Contact: this is very important. It is good to have identified individuals in the donor organisation who are direct counterparts to address any issues or requests. There might well be more than one contact.

Exercise 2

Draft a donor matrix.

8.2.2 Approaching Donors

After you have created an overview of potential donors relevant to your CSO and their characteristics using the donor map and donor matrix, the next step is to plan how you will approach each potential donor by asking the questions listed in 8.2.1 Donor Mapping.

From the general knowledge gained about donors, the questions to ask before approaching a donor (p. 52) position the donor information against how a CSO is able to act or respond to gain a potential donor's interest. This is very important because it may already outline the course of a potential future cooperation with the donor. In another words: information gained through donor analysis is synthesised to a statement of possible cooperation.

Example: PIFS and ILO (International Labour Organisation)

This example relates to the example above: **Mapping of Pacific Islands Forum Secretariat (PIFS)**³

PIFS is funded by donors with AusAID and NZAID being among those giving annual contributions to PIFS while other donors provide programme- and activity-specific funds. PIFS members decide on the areas of activity and when PIFS requires partners, it usually looks for them and takes the initiative. In the past, there was limited collaboration between PIFS and ILO. Among others, ILO has collaborated with PIFS in organising sub-regional seminars on economic and social issues. ILO was also on the steering committee of the Asian Development Bank's (ADB) and PIFS's Regional Skills Development Study.

However, ILO could potentially provide technical expertise for projects coordinated by PIFS. The challenge is that ILO is seen as an executing agency by PIFS, rather than a development partner. PIFS requires collaboration with partners very early on in the process from the project design phase. PIFS has worked together with several partners in the area of economic growth including United Nations Development Programme (UNDP), ADB, World Bank, European Union (EU) and several Council of Regional Organisation in the Pacific (CROP) agencies. They are also engaging increasingly with international financial institutions.

"Mapping the donor experience is the process of designing, outlining and charting a donor's engagements, interactions and activities with your organisation. A map outlines the steps your organisation will follow to deepen your relationship with a donor."⁴

Exercise 3

Donor cooperation.

³ "Review of Priorities and Programmes in the Pacific: Mapping of Donors and other Partners", ILO Tripartite Technical Meeting on Decent Work: Pacific Island Countries Nadi, Fiji 26-28 November 2007.

⁴ "Mapping the Donor Experience is a Fundraising Best Practice", Sidekick Solutions, <https://www.sidekickolutionsllc.com/mapping-the-donor-experience-is-a-fundraising-best-practice>, last visited on 17 May 2021.

8.3 Exercises on Resource Mobilisation for Civil Society Organisations

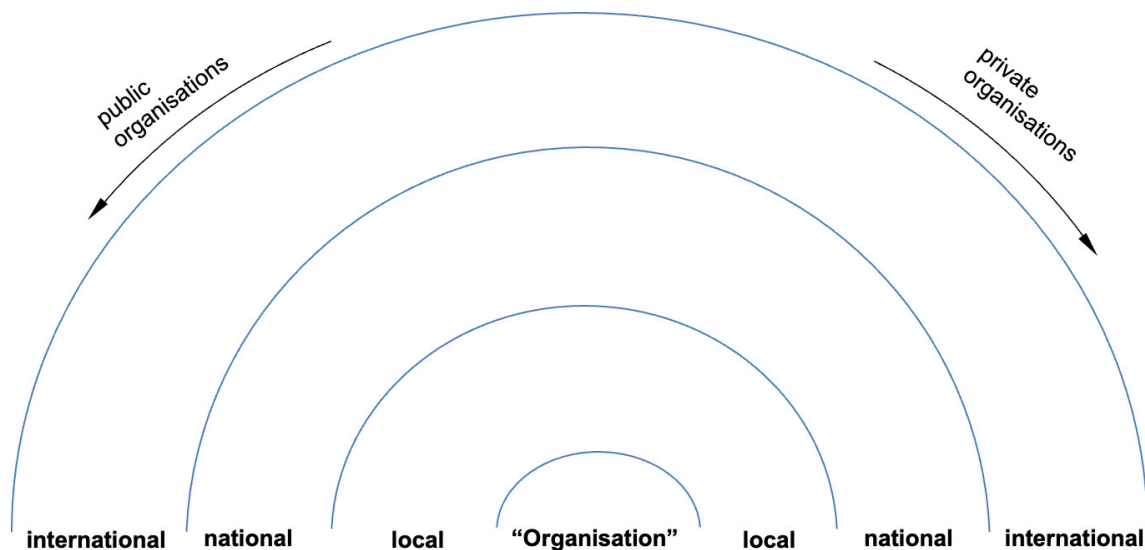
Exercise 1: Prepare a Donor Map

Planning of the exercise

For this exercise you need internet access to do a little research on donors. Draw a donor map or use a copy of the one below and write down the characteristics of donors on the paper.

Application of the exercise

Write on the map at least 3 donors you know and who are relevant to your organisation. Describe different characteristics of local, national and international donors as well as public and private organisations (get information through an internet search).



Determined characteristics of the donors identified:

- What is the way of working for each donor?
- What might their interests be?
- What might the scope of their mission be? Their geographic scope?
- What kind of funding might each donor typically be able to offer? What range?
- How difficult would it be to approach each donor?
- Would there be high or low competition to access each donor?

Reflection about the exercise

Was it easy for you to match donors with your organisation? If not, what was the problem? If yes, what would be the next steps for you with these donors?

Exercise 2: Draft a Donor Matrix

Planning of the exercise

For this exercise you may need internet access as well to intensify your research on donors. Draft a donor matrix according to the table template below.

Application of the exercise

Use identified potential donors from Exercise 1 to draft your donor matrix.

Name	Interest / Priorities	Geographic scope	Types of resources	Range of funding	Calls for proposals	History of engagement	Means of engagement	Ethical fit	Contact

Reflection about the exercise

Think about your experience with the donor matrix. What was difficult, what was easy to do? What do you need to regard specifically when drafting a donor matrix?

Exercise 3: Donor Cooperation

Planning of the exercise

All you need is a little bit of brainstorming about how your organisation could cooperate with a donor. Take notes.

Application of the exercise

Select one of the donors identified through mapping and the donor matrix. Answer all these questions and describe what opportunities could open up for your CSO with this specific donor:

1. What are the donor's priorities? How do my CSO's goals and objectives fit into the donor's goals and objectives?
2. What are the values of the donor, and do they fit to our values?
3. How will this donor support my CSO's strategic priorities? Why should my CSO target this donor?
4. What is the range of funding and what is the timeframe?

5. What is my CSO's reputation with the donor?
6. What is the donor's reputation?
7. Who is my competition? What unique characteristics and innovations does my CSO have to differentiate itself?
8. Why should the donor give my CSO money?
9. What are my chances of success to win a call for proposals?
10. Which staff person will be responsible for submission and follow up?

Reflection about the exercise

What means will you use to engage the potential donor? What steps could you take right now?

8.4 Closure and Evaluation of Learning Session

Feedback questions

The following questions are for you to check if you remember some of the main topics of the session. You can check at the end of this manual if your answers were correct.

1. What's one aspect of determining whether a potential donor is a good fit to financially fund your CSO?	Tick <input checked="" type="checkbox"/> the correct answer
a. Whether the donor has a website where I can find relevant information about them.	<input type="checkbox"/>
b. Whether the donor is public or private.	<input type="checkbox"/>
c. Whether the goals, interests, and values of my CSO align with those of the donor.	<input type="checkbox"/>
2. What's one way an international donor differs from a local donor?	Tick <input checked="" type="checkbox"/> the correct answer
a. The international donor will have its own goals and interests, whereas a local donor won't.	<input type="checkbox"/>
b. The competition to access a local donor might be lower than for an international donor.	<input type="checkbox"/>
c. A local donor can offer a larger amount of funding than an international donor.	<input type="checkbox"/>
3. What is the normal way to find out more information about a potential donor?	Tick <input checked="" type="checkbox"/> the correct answer
a. Research utilising different channels such as news, internet, social media.	<input type="checkbox"/>
b. Engage a consulting company.	<input type="checkbox"/>
c. Wait until the donor contacts you.	<input type="checkbox"/>
4. What's one question you should ask before approaching a potential donor?	Tick <input checked="" type="checkbox"/> the correct answer
a. No questions are necessary. I'll just request a meeting with the donor and ask them what I need to know.	<input type="checkbox"/>
b. How can we persuade the donor that our interests are more important than theirs?	<input type="checkbox"/>

c. How will this donor support my CSO's strategic priorities? Why should my CSO target this donor?	<input type="checkbox"/>
5. Why is it important to create a donor map?	Tick <input checked="" type="checkbox"/> the correct answer
a. Researching and gathering information about potential donors before approaching them is critical to planning a successful engagement.	<input type="checkbox"/>
b. It helps in identifying which donors are the wealthiest, so that my CSO can get the most amount of long-term funding possible.	<input type="checkbox"/>
c. It is important to know what the funding will be from the donor, so we can add it to our funding diagram.	<input type="checkbox"/>

Personal reflection

The following space allows you to focus on learning at the end of the session and reflect about what you have learned. The learning diamond gives space for two main types of learning:

- Your **personal learning** points, with a main focus on those aspects of learning which are new to you or important for you.
- Learning you find relevant for your organisation to apply. Thinking about this shifts the personal learning in the direction of **organisational learning**.

You can also write down which areas or topics you wish to investigate further.

Main subjects of the session:

Major learning points I take away from this session:	Learning points I take back to my organisation:

Areas I wish to investigate further:

When you are done filling in the learning diamond, look at it and think about what stands out as the most important learning. Something really important? You can take this learning and move it to your treasure box described in Chapter 18.1 at the end of this manual.

9. Learning Session 4: Understanding Donors and Proposal Writing

9.1 Preparation and Introduction to Learning Subject

This learning session is an introduction to understanding donors and proposal writing. It explains the needs and interests of donors. Furthermore, it is about learning practical skills for writing successful proposals and to understand how donors evaluate proposals.

This learning session is expected to take 2 to 2.5 hours. This includes all parts of the session including feedback questions at the end of the session.

While reading through the chapter keep a pen and notepad ready or your computer at hand. Take note of whatever you deem important or when an idea comes to mind.

Each learning session starts with a small starter exercise followed by exercises throughout the text to check your learning. We will recommend when to do an exercise.

Learning objectives of this session

- You determine the nature of proposals.
- You draft a theory of change and results chain.
- You draw up a logical framework.
- You analyse proposals.

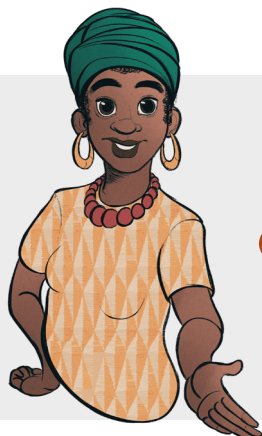
Navigation and orientation along the training logic

This is the beginning of **Learning Session 4**: Understanding donors and proposal writing.

Main topics covered by the session

- What donors do not communicate.
- Writing a good proposal.
- Developing a results chain.
- Results chain framework for proposals.
- How donors evaluate proposals.





The degree of difficulty of this session is “practitioner”. In this chapter, technical issues of proposals are discussed, which require mindful application of skills.

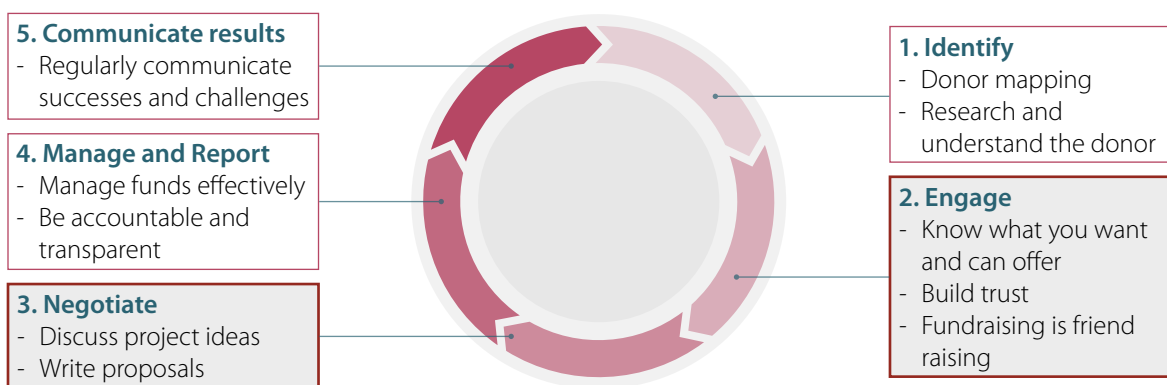
Learning session starter

Reactivate your knowledge about proposal writing, donors, results and budgets. Reflect about the following:

- What is a results chain?
- How do you formulate outputs and outcomes?
- How do you develop a logical framework?
- How do you structure a budget?
- How do donors evaluate proposals?
- What are the things you think donors do not tell you?

9.2 Input: Understanding Donors and Proposal Writing

In this session, the second and third phases of the fundraising cycle, **engage** and **negotiate**, are explained. In the first phase, you identified donors who would be a good fit to support your organisation and did your research about their needs and interests. This enables you to begin the second phase, where you take the first steps towards approaching a donor, already knowing what you want and what you have to offer. In this phase, it is critical to build trust with the donor. Once you have established a relationship of trust, you can move to the third phase, where you begin discussing and negotiating project ideas and proposals with the designated donor.



CSOs write proposals when donors call for submission of proposals. Sometimes, CSOs approach donors for budget requests. In both cases, CSOs have to describe their organisation, why they want to spend funds or implement a project, how they use the funds and how much money they request.

It is inevitable to consider the specific needs of a donor. Many donors have clear proposal guidelines tied to specific document requirements and formats for submission, which have to be followed. Also, it is important to understand that donors sometimes do not have sound knowledge about the subject area you are writing about.

A brief explanation about your area can help them understand the situation well. It is also necessary to convince them that the problem and issue you want to address is very critical and indicate the consequences of the problem or issue if it is not tackled.

At the same time, most donors want a clear explanation of requested budget items. Last but not least, if you imagine yourself into the shoes of a donor, reflect about what your organisation is proposing from an opposite point of view, which makes the review on your proposal holistic.

What donors usually do not communicate

After potential donors are identified, the next step is to engage with the donors and establish a successful working relationship. The key to engaging with a donor is sound understanding of how the donor and the donor organisation, respectively, think and work.

From prior research, basic information about the donor is already known. However, maybe even more interesting is the information you do not find out so easily, because nobody tells you, particularly not the donors themselves.

What donors usually do not communicate:

1. **They need you** (make yourself unique and distinguish yourself from others!): donors are looking for opportunities to engage and they cannot do all the work themselves; therefore, they need good and trustworthy partners to get things done. That is why they might need your organisation.
2. **They are open to negotiation:** not all decisions regarding a project are non-negotiable. It's important to understand which aspects are negotiable, and to keep advocating where there is room to do so.
3. **They often accept unsolicited proposals:** proactively submitted proposals and concept notes may stimulate ideas and thoughts on the donor's part.
4. **"No" often means "Not now":** agendas are often set, but new agendas will be set in the future. If at a certain point in time a proposal is not welcome, it does not mean it will not be welcome in the future.
5. **They know things can go wrong:** you do not have to lie about failures of the past. Everybody has a history of failure, and it is not a shame when things have gone wrong sometimes in the past.
6. **They spot if you are not transparent and not following accountability criteria:** being non-transparent makes your organisation suspicious. Donors know how they could be cheated; therefore, it does not make sense to hide things from them.
7. **They talk about you and either recommend you or not:** if your organisation is trusted, you do not have anything to fear; it is the opposite, donors will rather put in a good word for you. However, if you really jeopardise cooperation and relationship, you will hardly be allowed back to the negotiation table with a donor. And word gets around.
8. **They know you talk about them too:** it is important for donors to keep a good image. Therefore, they also want to make a good impression on you, which implies a source of openness to your approaches.



”
Sometimes what is not said is more interesting than what is.
”

Approaching donors

Subsequent to these analytic statements, we formulate how to adjust your attitude towards donors:

- ⇒ Your organisation’s competence makes you trustworthy and a partner to negotiate with.
- ⇒ Good ideas are welcome.
- ⇒ Don’t be shy to knock on donors’ doors again once in a while.
- ⇒ Don’t be afraid to talk about failures of your organisation and the lessons learned from that.
- ⇒ Be transparent, be open and do not hide inconvenient things about your organisation, but rather address them openly.
- ⇒ Indicate that your organisation is taking responsibility and makes itself accountable.
- ⇒ Build trust and show your trust to the donor as well.
- ⇒ Respect the donor’s time. Come to meetings on time, be well-prepared and let the donor know that you value their time.
- ⇒ Take the time to genuinely get to know the donor. Learn names, find out about interests, how they tick and what values drive their work.
- ⇒ Communicate proactively. Don’t wait for the donor to come to you. Keep them updated, call or write to thank them if you’ve been able to meet.
- ⇒ Put yourself in the shoes of the donor. Think about the engagement and potential partnership from their perspective. Show the donor what they gain by working with you.
- ⇒ Be transparent. Tell the whole story. If there are problems, communicate early and clearly. You can even invite the donor to visit you and see your work.
- ⇒ Be honest, **even** if that sometimes means saying “No.”
- ⇒ Let the donor know you appreciate their support, input and partnership!
- ⇒ Remember, sustainable fundraising is about FRIENDraising. Invest in relationships with donors, and don’t treat them as just transactional or as a means to a financial end.

A Spectrum of Reasons for Failure

BLAMEWORTHY

DEVIANCE

An individual chooses to violate a prescribed process or practice.

INATTENTION

An individual inadvertently deviates from specifications.

LACK OF ABILITY

An individual doesn't have the skills, conditions, or training to execute a job.

PROCESS INADEQUACY

A competent individual adheres to a prescribed but faulty or incomplete process.

TASK CHALLENGE

An individual faces a task too difficult to be executed reliably every time.

PROCESS COMPLEXITY

A process composed of many elements breaks down when it encounters novel interactions.

UNCERTAINTY

A lack of clarity about future events causes people to take seemingly reasonable actions that produce undesired results.

HYPOTHESIS TESTING

An experiment conducted to prove that an idea or a design will succeed fails.

PRAISEWORTHY

EXPLORATORY TESTING

An experiment conducted to expand knowledge and investigate a possibility leads to an undesired result.

Catalano, Allison & Redford, Kent & Margolis, Richard & Knight, Andrew. (2017). Black swans, cognition and the power of learning from failure. Conservation Biology, 32, 10.1111/cobi.13045.

Learning from failure

Useful link:

<https://www.youtube.com/watch?v=j3SJoXfBAR0>

An interesting short video about people admitting their failures and why it is important to do so.

Exercise 1

Talk to the donor.

9.2.1 Writing a Good Proposal

No matter whether it is a business, a project or any other type of proposal, proposals have the same goal: to convince the recipients to choose the bidder. Therefore, a proposal has to be persuasive.

Foremost, all communication, including writing, is persuasion. Words written for an audience are formulated to influence people's decisions, in particular the decisions of potential clients or teams in partnership.

Before writing a proposal, it is important to understand a few things about the recipients:

- They care first and foremost about their own needs.
- They want to spend as little time as possible reading a proposal.

With this in mind, there are a few established rules for proposal writing:

- **Proposals are not about you:** proposals should solve a problem or the problems of a potential donor. Therefore, focus on the problem solution and benefit.
- **Sell the benefit:** there are potential wins in what you suggest, so highlight these.
- **Be extremely specific:** specific means to display the change or improvement you are able to achieve and – as far as possible – detailed parameters regarding the desired quantity, quality, target group and location where you will be active.
- **Keep it as brief as possible, but not briefer than necessary:** redundancy is disturbing and makes people disinterested, but essential and substantial information must be presented. Clean your proposal of unnecessary wording and phrases.
- **Spoon-feed the recipients:** use the wording and the terminology of the recipients, and don't try to impress them by your eloquence in making your proposal a piece of literature rather than a useful technical document.
- **Focus on the action:** a proposal lists the activities necessary to achieve the goal of the proposed project or programme. Activities are what needs resources and funds respectively. Activities justify the utilisation of funds.

Planning and writing a proposal

For writing successful proposals, follow this scheme:



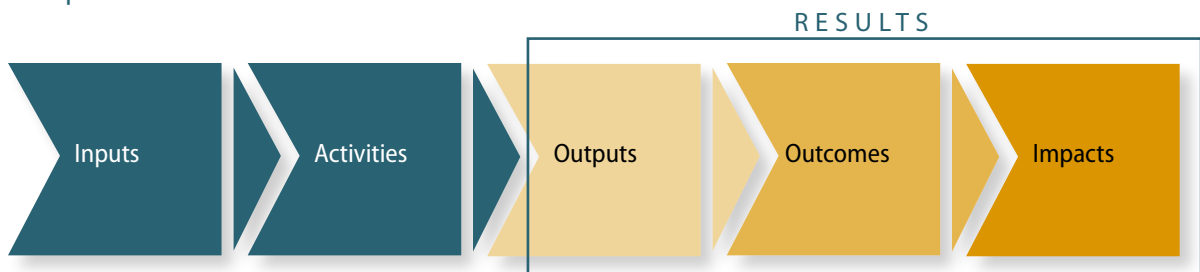
Exercise 2

Readiness for proposal submission.

9.2.2 Results Chain and Theory of Change

A crucial factor in writing a good proposal is to develop a results chain and a logical framework (log-frame). With a results chain you are able to explain logically what a project will achieve and how the funds needed for the project are justified. A results chain and a logical framework summarise the whole project in a handy format that ideally everybody can understand.

Components of a results chain



Inputs	<p>Resources are generally called inputs. These are “things put in”, because they are utilised, like material and infrastructure or infrastructure access. These are the resources an organisation needs to implement a project.</p> <p>Human resources are not inputs but what they provide, which is staff time, know-how, skills, professionalism and commitment.</p> <p>Generally speaking, inputs equal financial resources, because the latter are the resources all other resources can be obtained with.</p>
Activities	<p>Activities are operations, actions, processes, tasks or procedures. It is what and how it is happening to transform inputs into outputs.</p> <p>Usually, a project requires a large number of activities to be carried out.</p>
Outputs - Results	<p>Outputs are the immediate results of completed activities delivered during the implementation phase of a project.</p> <p>It is the result created by people “working”, i.e. using their time, know-how, skills, professionalism and commitment, utilising resources.</p> <p>Outputs are the direct result of activities.</p>
Outcomes - Results	<p>An outcome of a project reflects what happens subsequent to outputs. It always refers to a change of behaviour or a situation (if it is causing people to act or experience something differently). When things are done differently, the situation has changed.</p> <p>An outcome is more difficult to influence than an output, because it depends on people or other factors, if real performance change occurs. But outcomes can be influenced rather than impacts.</p>
Impacts - Results	<p>Impact is a long-term effect. When outcomes (changes in behaviour) become effective on a broader base after time, fundamental change has been achieved.</p> <p>Normally impact is linked to technological, social, cultural, economic, institutional, political or environmental changes in the lives of people – or more specifically in the lives of the beneficiaries of a project.</p> <p>Management for impacts is hardly reasonable, because impacts are phenomena occurring at later stages, sometimes years after a project. However, they represent a vision and with results-based management the realisation of a vision becomes more realistic.</p>

Example:

Results	Goal / Impact	CSOs in Uganda significantly influence the national political dialogue
	Outcome	CSOs are financially sustainable and extend their level of activities and participation
	Output	Managers of CSOs have skills in resource mobilisation and have developed strategies for the financial sustainability of their organisation
Activity		Train managers from CSOs on resource mobilisation
Input		Training manual and materials development, trainers, training venues and logistics



“
**Note: Inputs and activities are not results;
 results are outputs, outcomes and impacts.**
 ”

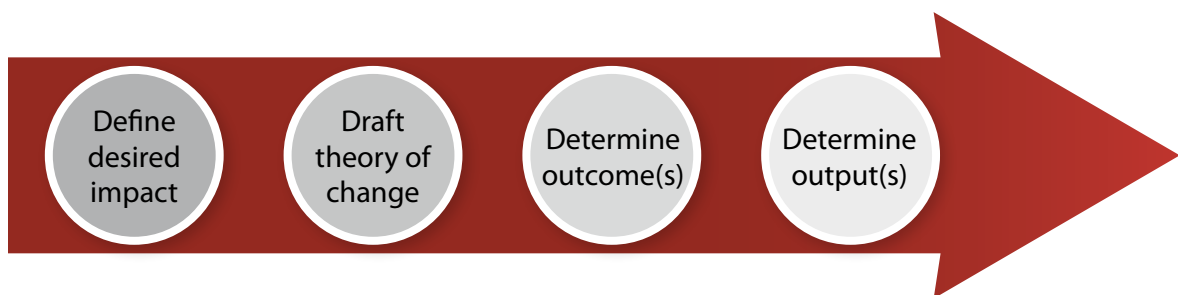
Exercise 3

Determine input, activity, output, outcome.

Developing a results chain

When we develop a results chain, we apply a so-called “theory of change”. The theory of change is the underlying logic of the results chain. The results chain never starts with the determination of activities, because it would not be able to determine that specific activities lead to the desired impact. However, it is possible to assess from determining the impact first which activities would be necessary to achieve the impact.

For that reason, **first of all, the desired impact will be determined**. The theory of change then figures out which outcomes are needed to enable impact, then which outputs are needed to enable outcomes. Only then does it become clear which activities are needed to achieve outputs.



Here we want to exemplify the development of the results chain assuming the following problem, to which we want to contribute to its solution:

Problem: Through teenage pregnancies, the numbers of female school dropouts are very high. The consequences are that young women do not receive sufficient education, will have problems with labour market integration, and therefore will have low future income, very often to descend into poverty.

Solution: Avoid or deal with teenage pregnancies to minimise related education problems and other negative effects for young women.

IMPACT

The desired impacts are better integration of young mothers into the labour market, an increase in young mothers' income, a reduction in young mothers' poverty and better qualification of young mothers for the labour market.

The impact is to support **young mothers (includes expectant mothers)**, in particular those who do not have a chance to complete an education, because they drop out from school (or are forced

to leave from schools) caused by **early pregnancy (teenage pregnancy)**, and therefore (because of missing education) **do not have chances in the labour market** to find a qualified job.

From here we develop our theory of change:

THEORY OF CHANGE	<p><i>Narrative of theory of change:</i></p> <p><i>Context: The labour market suffers from a very low or unqualified labour force, which is a reason why many people are poverty stricken, have very low income and no chances for better jobs in the future. One of the root causes for this situation is the low level of education of a large workforce, i.e. they are lacking basic educational qualifications, which are a constraint to better qualifications. The main problem seems to be that young people are dropping out of school without graduation and thus are not permitted to the next level of education (higher or tertiary education). In particular, young women are concerned and, as research shows, this problem can that be traced back to teenage pregnancies in a majority of cases of female high school dropouts...</i></p>
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This is just the top of a narrative, which of course will provide further detail. We assume this narrative is based on evidence, and we will receive more information in the course of its text. But it should be clear how it flows from a general description of the situation (in the labour market) to the specific situation of teenage pregnant women.

The next step is the determination of the outcomes that – according to our theory of change – support the achievement of an impact.

OUTCOMES	<ul style="list-style-type: none"> · <i>Reduced dropout rate of pregnant schoolgirls and young mothers.</i> · <i>Young women at high schools use contraception.</i> · <i>High schools integrate young single mothers according to their maternal schedules and enable them to complete their education.</i> · <i>Families support and encourage their young pregnant family members with the completion of their education.</i> · <i>Young single mothers use career guidance services.</i> · <i>Young single mothers plan their careers.</i> · <i>Young single mothers use the daycare offers of kindergartens.</i> · <i>And so on...</i>
-----------------	--

Last step is to brainstorm what outputs are related.

OUTPUTS	<ul style="list-style-type: none"> · <i>Young women at high schools are aware of the benefits of education based on graduation.</i> · <i>Young women at high schools are aware of the social risks of early pregnancies.</i> · <i>Young women at high schools are aware of contraception.</i> · <i>High schools have the capacity to respect the specific situation of pregnant young women and single mothers.</i> · <i>High schools know how to support single mothers with the completion of their education.</i> · <i>Families are aware of the value of education for their young pregnant family members.</i> · <i>Young pregnant women and single mothers are able to decide on the completion of their education.</i> · <i>Career guidance for young single mothers is available.</i> · <i>Young single mothers are aware of their career chances.</i> · <i>Kindergarten places (daycare) for the children of young single mothers are available.</i> · <i>And so on...</i>
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Now, for those who want to be active and do something, who want to implement activities, they could find a lot of activity fields in this little project as outlined:

Activity 1: awareness campaign for young women at high schools on social risks of early pregnancies and contraception.

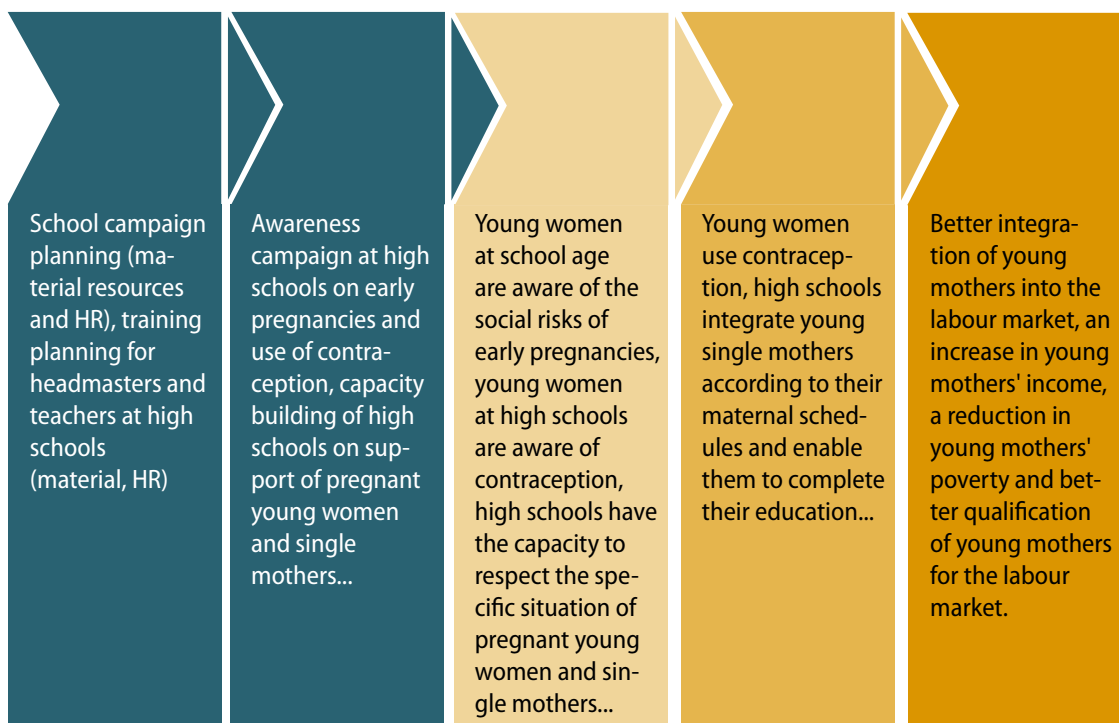
Activity 2: capacity building of high schools in dealing with young pregnant women and single mothers.

Activity 3: awareness campaign targeting families on education and support for young pregnant family members.

Activity 4: establishment for career guidance services for single mothers.

Activity 5: creation of kindergarten places for children of young single mothers.

Finally, the now drafted theory of change has to be put into a chain of results. This is an example from the above:



We already added some inputs and activities to the flowchart. Once you have your results sorted out according to your theory of change, you can begin to consider **activities and inputs** these require. And the latter require resources to be mobilised.

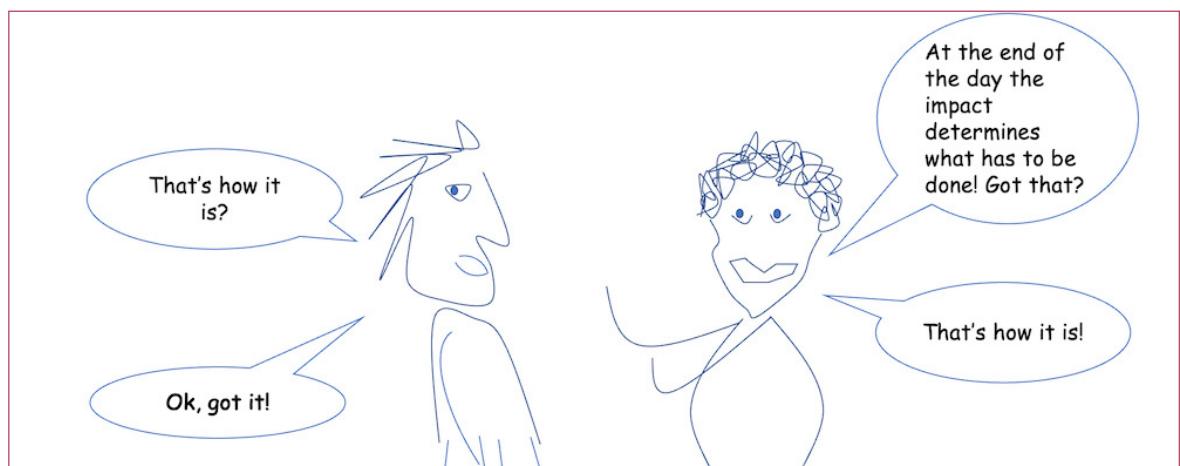
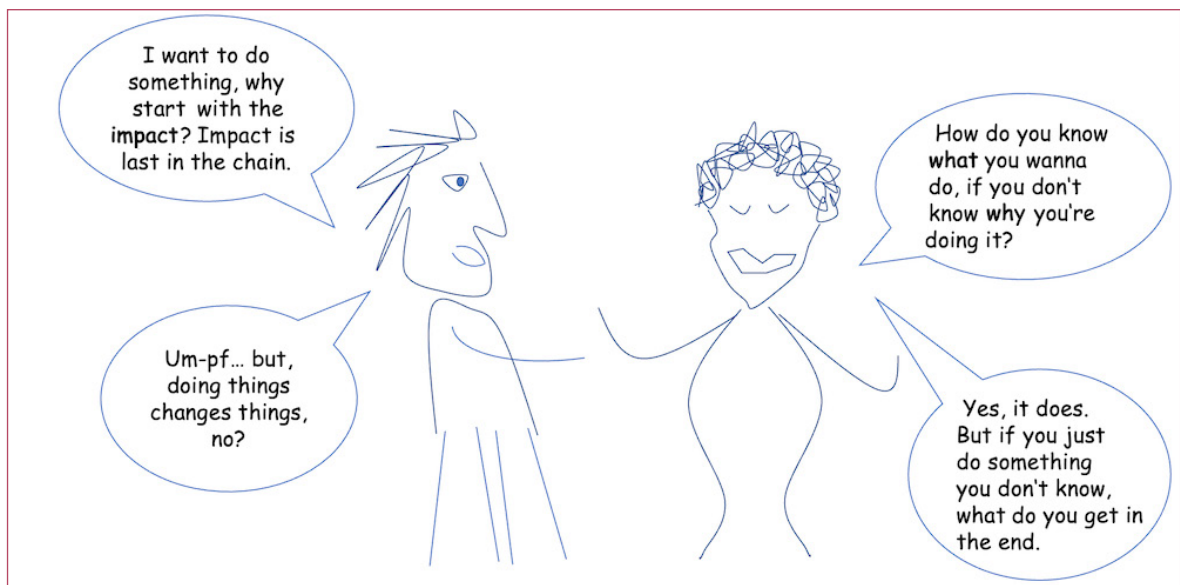
Exercise 4

Understand a theory of change.

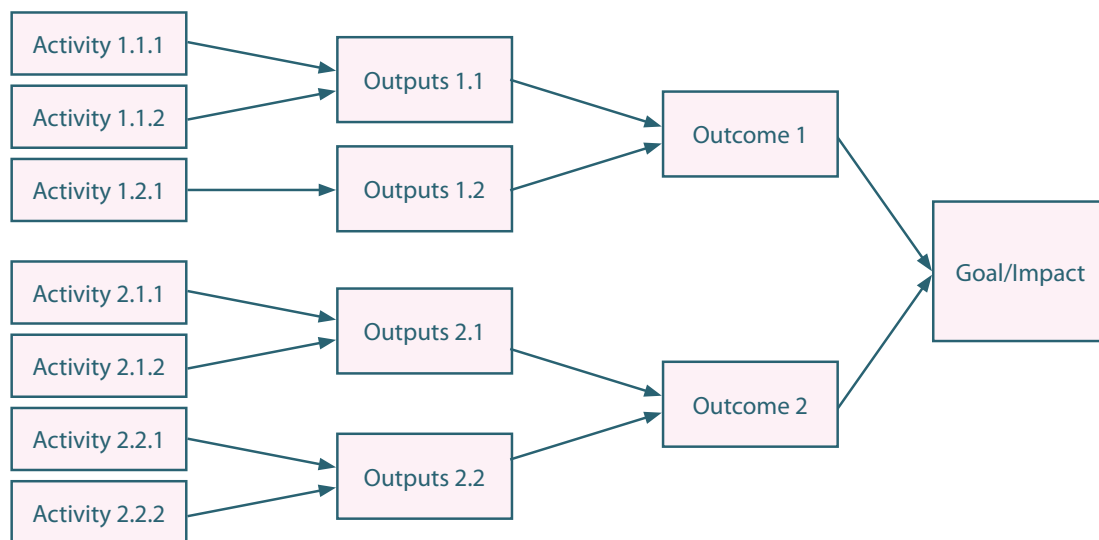
Useful link:

<https://www.theoryofchange.org/library/toc-examples/>

Check this website for examples on theory of change and variations of it.



Use this diagram to provide a better overview of your results chain:



As you can see, all the activities and outputs and outcomes are numbered at this later foundation for a working plan once the project has started.

In the results chain the outcomes are numbered first. Next are the outputs numbered as a subset of the related outcome to which they contribute, so the output contributing to “Outcome 1” is labelled “Output 1.1.” and the second output is labelled “Output 1.2” and so on.

We continue the same logic to number the activities. Activities which contribute to “Output 1.1.” are labelled “Activity 1.1.1.” and “Activity 1.1.2” and so on.

When writing results – impact, outcome, output – change language is used:

- ⇒ Describe changes in the condition and/or quality of people’s lives.
- ⇒ Describe success and achievement.
- ⇒ Describe results and not methods as to how to achieve those results.

Useful link:

<https://winderl.net/use-change-language-in-reports>

Here you will find a very brief explanation of change language.

9.2.3 Logical Framework

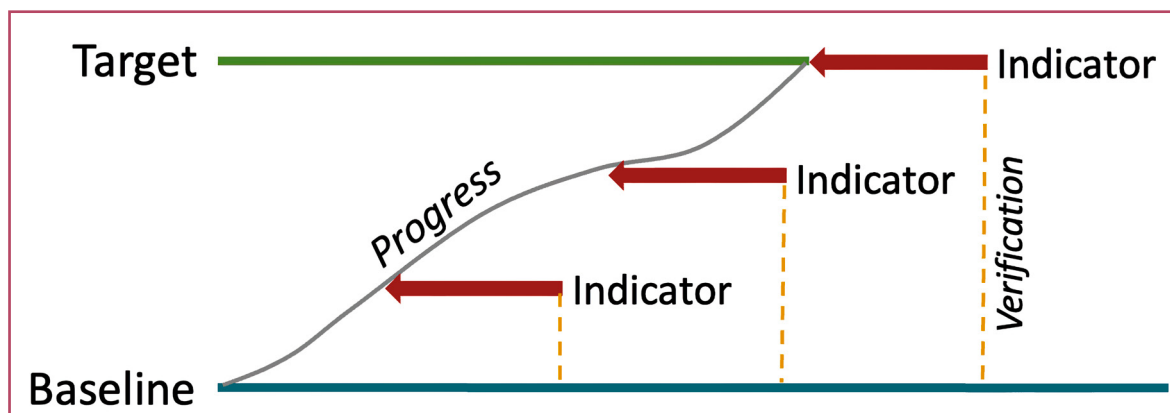
The logical framework is the table summarising results and ways to achieve the results. This is an important feature of the proposal. Only a table consists of:

- ⇒ Results – describes impact outcomes and outputs.
- ⇒ Indicators – this a measurement indicator of the quality and quantity to be achieved by the results (see Indicators section below).
- ⇒ Means and sources of verification – this column informs about how and where we find evidence for achievement of results.
- ⇒ Activities – this column describes which activities are necessary to achieve outputs.
- ⇒ Total budget – this is an estimation of the budget needed to implement activities and achieve results (see also Budget section below).

Results	Indicator	Means of Verification / Source of Information	Activities	Total budget
Impact				
Outcome 1	⌈			
Outcome 2				
Output 1.1			Activity 1.1.1 Activity 1.1.2	
Output 1.2			Activity 1.2.1	
...				
Output 2.1				
Output 2.2				
...				

Indicators

There are three conditions that make indicators work. Without these conditions met, indicators do not work. The requirements are baseline, target and means of verification.



The baseline reflects the situation at the beginning of a project or an intervention. The baseline is the status of an indicator at the start. It is a reference point against which progress is measured.

Example:

A baseline of the primary education project could be the low enrolment rate of 70%. The project works towards the increase in enrolment, which would ideally lift the baseline value.

For some indicators, baselines are zero.

Examples:

An education programme focuses on building the teaching capacity of secondary school teachers. The output indicator “the number of teachers trained” is zero.

The indicator target is what we hope to achieve. Targets help to establish clear expectations of what is expected from a project. And they are guideposts for the monitoring of progress being made.

Example:

The target in the case of a primary education project wants to reach 90% enrolment for school-aged children.

For each indicator, the project should identify a source of verification and means of verification. Sources of information are the persons, beneficiaries or organisations from whom information will be collected to inform initial baselines and measure progress from there.

Example:

In a public health programme, sources of information may be those affected by HIV represented by organisations in communities or the department concerned in the Ministry of Health.

The most direct source of information related to the indicator should be selected. Means of verification describe methods used to collect data to inform the indicators. Data collection is normally on a regular basis and uses typical ways, such as surveys, administrative data, statistics, public records, reports of implementing partners and project report data gathered directly by CSO staff during implementation, surveys of beneficiaries taken directly at the point of service provision by the CSO, publicly available survey data from larger organisations and so on.

Example:

The annual enrolment figures of primary schools reported by the schools to the department of education are data stating the development of enrolment year after year. They show, held against the number of children at school entry age, a percentage of the enrolment development.

An indicator has to be objectively verifiable. It is not formulated like an indicator target, but neutral without a value.

Example:

Indicator target/expected result: "80% of the healthcare personnel at the urban hospital trained in tracing infections." 80% is an objective, not an indicator.

Indicator: "percentage of" or "number of" healthcare personnel at the urban hospital trained in tracing infections. This is because we do not know in advance how many staff members will finally be trained, because some will not attend training for individual reasons. Or a training expert is not available.

In other words: expected results or indicator targets refer to a numeric value, while an indicator is a neutral formulation without a specific figure, number or percentage attached to it.

Indicators are SMART formulated:

► Specific:

Specific indicators should include detailed parameters regarding the desired quantity, quality, target group and location of your results.

► Measurable:

Measurable indicators can be assessed objectively and independently. They should produce the same results no matter who is performing the assessment.

► Achievable:

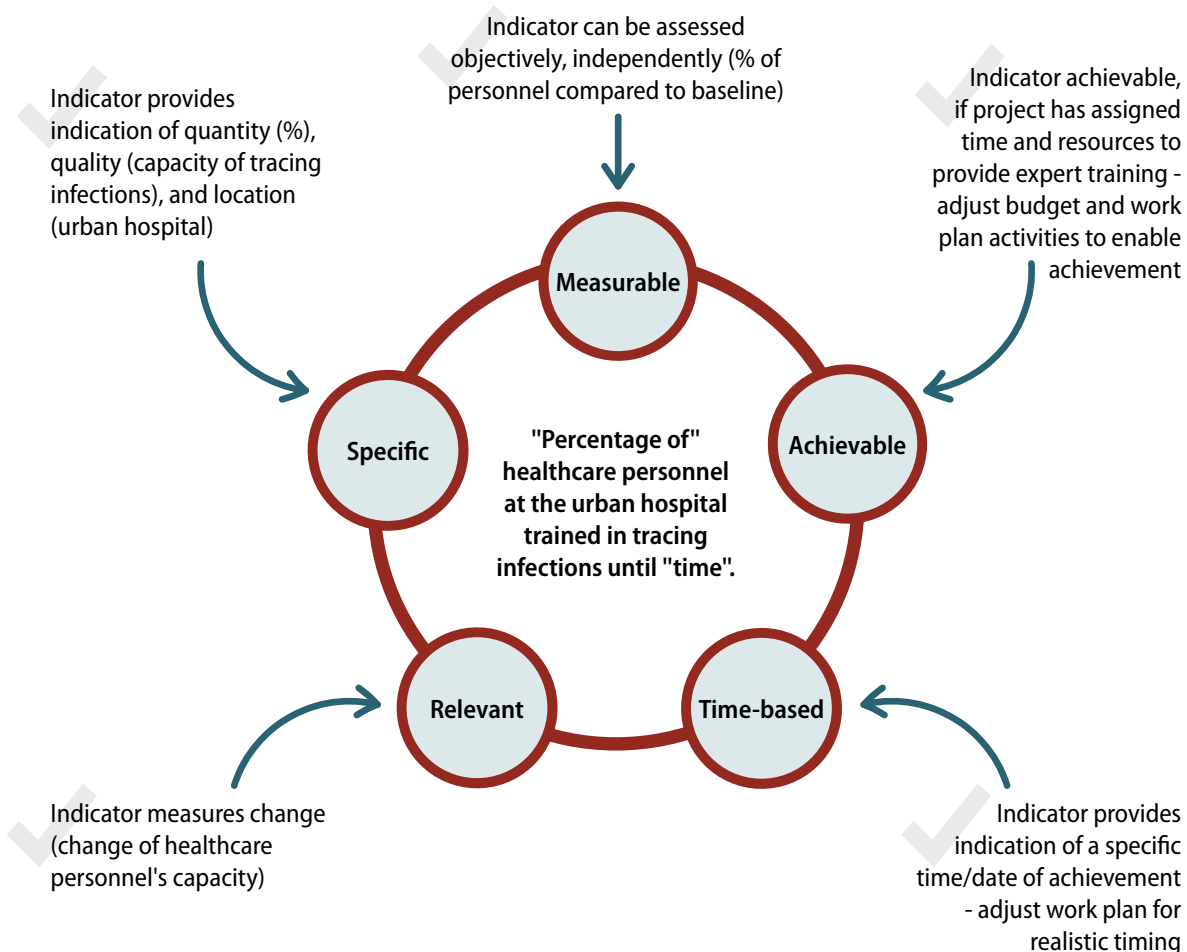
Are your indicators realistic, given the project's time, cost and scope? That's how you know whether they are achievable.

► Relevant:

Indicators must accurately measure the change the project aspires to bring about.

► Time-based:

Each indicator should identify a specific time and date by when you'd like to achieve a certain result. Make sure it's realistic.



It is very important to keep in mind what kind of data you will realistically be able to gather and have access to. At the same time, be aware of what kind of methods you will be able to use to gather data. Surveys of the whole beneficiary population might be ideal, but they can be prohibitively costly to implement for small CSOs.

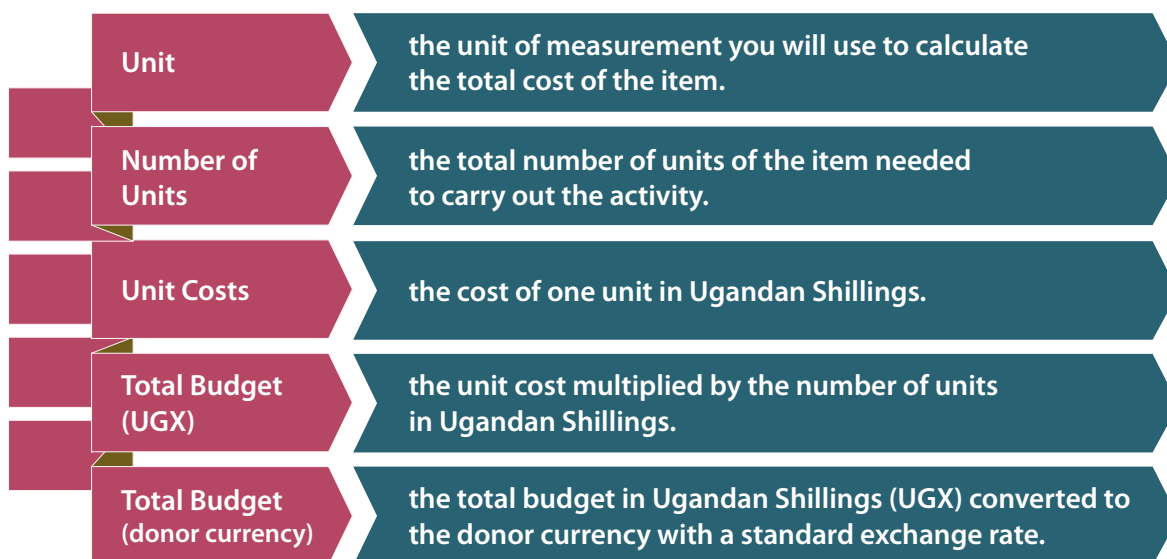
Make sure that data about what you are trying to measure are available and that the method of collecting that data would be within your CSO’s budget.

One way to do this would be to only formulate indicators for which your CSO already has direct access to carry out measurements.

Budget

In order to determine the values of the column “Total budget”, a detailed look at the cost of each activity is due. The cost of each activity should be broken down per item required for its implementation.

Cost item per activity	Unit	Number of units	Unit rate in UGX	Total budget in UGX	Total budget in donor currency
Activity 1.1.1					
Item 1					
Item 2					
...					
Activity 1.1.2					
Item 1					
Item 2					
...					
Activity 1.2.1					
...					



The currency specified for the budget is normally stated in the “call for proposals”, so it does not necessarily have to be a country-specific currency, but very often it is US dollars or Euro. For EU projects, for example, there is a monthly standard exchange rate provided by EU authorities.

Once you have calculated the total budget for an item (also: subtotal), calculate the total budget for each activity by summing up the budget for each item under each of the activities. Each activity total will be transferred into the logical framework table.

Process (example):

Very often, capacity building training is a core activity of most projects. For training, development experts are hired who work for a daily fee to develop and design training. The costs are listed as “expert days”. The training itself is very often stated as “person-day”, which includes all costs of training such as material production, trainer fee, venue rent, catering and all other logistics. Furthermore, we assume that the training later on will be available as e-learning online, which requires an IT expert, who programs e-learning software accordingly, and who is also paid per working day.

Cost item per activity	Unit	Number of units	Unit rate in UGX	Total budget in UGX	Total budget in Euro
Activity 2.1.2				38.76 mio	8,690
2.1.2.1 Training development	Expert day	10	650,000	6.5 mio	1,500
2.1.2.2 Classroom training	Person-day	120	130,000	16.6 mio	3,590
2.1.2.3 E-learning development	IT Expert day	18	870,000	15.66 mio	3,600

Logical Framework Budget

Eventually, with the budgets calculated, the logical framework/budget part of the proposal is complete.

9.2.4 The Donor's Perspective

How donors evaluate proposals

When looking at a proposal, donors assess:

- Whether the project fits to their requirements and goals
- The impact and relevance of the project
- The sustainability of the project
- The feasibility of the project
- The logical framework
- The relevant knowledge and skills of the team and organisation
- Organisational capacity (including financial management) and track record
- The precision of the budget
- How well structured and well written a proposal is

Fundraisers, executives and board members can fall into the trap of believing that every donor thinks and feels the same as they do. Smart fundraisers are always trying to see things from the perspective of their donors, looking for problems with online donation forms and more, and trying to implement processes that enable them to find out how donors really think and feel. The most effective fundraisers make the time and effort to find out what their supporters like and dislike. Most importantly, they try to find out the motivation of their potential supporters.

It is more likely that a better donor response will be received when fundraising communication is tailored to each donor's particular interests. Some organisations run regular donor care surveys to scan donors' thinking. The most successful practitioners run surveys and regularly talk face-to-face with a variety of potential donors in order to gain deeper insights.

Lack of donor focus is the most frequently repeated mistake in fundraising and, arguably, the largest cause of fundraising failure.

Useful link:

<https://www.askright.com/successful-fundraising-campaigns-donors-shoes/>

This webpage explains the rule "Be donor-centric in everything you do".

Exercise 5

Grant application.

9.3 Exercises on Understanding Donors and Proposal Writing

Exercise 1: Talk to the Donor

Planning of the exercise

Take a little time to reflect on how to approach donors adequately.

Application of the exercise

What is true, what is false? Tick the right answer.

		True	False
1	Your ideas are not needed, donors have their own.	<input type="checkbox"/>	<input type="checkbox"/>
2	Show your organisation is accountable.	<input type="checkbox"/>	<input type="checkbox"/>
3	Trust does not matter, business is important.	<input type="checkbox"/>	<input type="checkbox"/>
4	Competence makes trustworthiness.	<input type="checkbox"/>	<input type="checkbox"/>
5	Know your potential donor well.	<input type="checkbox"/>	<input type="checkbox"/>
6	You cannot say "No" to a donor.	<input type="checkbox"/>	<input type="checkbox"/>
7	It is all about funds.	<input type="checkbox"/>	<input type="checkbox"/>
8	You cannot talk about failure.	<input type="checkbox"/>	<input type="checkbox"/>
9	Transparency of my organisation matters to a donor.	<input type="checkbox"/>	<input type="checkbox"/>
10	You cannot just talk to a donor; you have to wait until they call you.	<input type="checkbox"/>	<input type="checkbox"/>

Reflection about the exercise

Did you find the right answers? If not, why did you think the wrong way?

Exercise 2: Readiness for Proposal Submission

Planning of the exercise

This exercise is on reflection about your organisation in terms of its readiness to submit proposals and having a chance to win. It is using a very comprehensive template providing you with an intense opportunity to consider your organisation's situation.

You may copy the template and fill it in for yourself or use the support of members of your organisation.

Application of the exercise

Criteria:

- **Complete and available:** this is excellent, maintain this state.
- **Improvement needed:** find ways to improve the situation. You will find a solution within your organisation and your team(s).
- **Resources needed:** to improve the situation you might need external support; you probably cannot solve this problem within the organisation.
- **N/A:** mark this box if an item does not have any relevance to your organisation or a planned grant application.

Mark according to your organisation's readiness in the table:

GRANTS READINESS CHECKLIST

Readiness Component	Complete and Available	Improvement Needed	Resources Needed	NA
Rule 1: KNOW YOURSELF – Culture and Infrastructure				
Visionary leadership				
Continuity of vision regardless of leadership				
Solid board support; clear board roles and responsibilities				
Clear lines of decision-making within the organisation				
Solid reputation in the community				
Credible track record: <ul style="list-style-type: none"> - Organisational accomplishments AND/OR - Credentials of key individuals (board members, key staff, consultants, partners, etc.) 				
Focus on long-term change, not short-term fixes				
Effective ongoing communications – formal and informal <ul style="list-style-type: none"> - Internal (<i>audiences?</i>) - External (<i>audiences?</i>) 				
Clearly stated policies: <ul style="list-style-type: none"> - Ethical principles for marketing and fundraising - Donor rights - Grants management, reporting outcomes and results - External communications - Gift solicitation - Gift acceptance - Gift management 				
Rule 1: KNOW YOURSELF – Resources and Documentation				
Mission statement				
Vision statement				
Values statement				

Case statement: <ul style="list-style-type: none"> - Organisation history - Programme descriptions (needs, priorities, clients, services, location, staffing, etc.) - Future goals and strategies (strategic plan) 				
Prioritised wish list				
Rule 2: BUILD TRUE PARTNERSHIPS – Culture and Infrastructure				
A culture that values collaboration over competition				
Existing networks of potential partners				
Existing active collaboration project(s)				
Methodology to approach potential partners				
Rule 2: BUILD TRUE PARTNERSHIPS – Resources and Documentation				
Letters of agreement detailing partnership roles and responsibilities				
Working agreements with partners are: <ul style="list-style-type: none"> - Communications - Decision-making protocols - Lines of authority and responsibility - Resources 				
Rule 3: PLAN, PLAN, PLAN – PLAN! – Culture and Infrastructure				
Long-term strategic planning process				
Organisational process for review and update of: <ul style="list-style-type: none"> - Mission, vision, values - Strategic plan - Case statement - Mid- and short-range goals 				
Sound accounting practices and systems: <ul style="list-style-type: none"> - Accountant - Audited financial statements - Fund accounting capability 				
A master grants plan (as part of the overall fund development plan)				
Effective programme tracking and recordkeeping systems				
Commitment to evaluation as a tool for project management, quality control, success monitoring and programme improvement				
Environmental scan or SWOT analysis				
Rule 3: PLAN, PLAN, PLAN – PLAN! – Resources and Documentation				
Budget planning checklist				
Programme budget				
Letter of determination for tax exemption				
Board list – names and community affiliations				
Resumes of key personnel				

Operating budget				
Others				
Rule 4: KNOW YOUR FUNDER – Culture and Infrastructure				
Processes in place for: <ul style="list-style-type: none"> - Identifying potential A-list funders - Developing funder profiles - Securing funder guidelines and application materials 				
Sound plan for ongoing development of funder research and relationships				
Clear understanding of funders as mission partners (not cheque writers)				
Commitment to clear, honest, ethical, timely and helpful communications with funders and potential funders				
System for tracking: <ul style="list-style-type: none"> - Communications with funders - Proposals submitted - Responses received - Necessary action steps and follow-up 				
Rule 4: KNOW YOUR FUNDER – Resources and Documentation				
Access to credible current funder information (print or online)				
Internet access				
Detailed records of previous funders/grants awarded				
“Who do you know?” documentation (pre-existing connections between your organisation’s board members, staff, volunteers, and clients and people affiliated with the funding entity)				
Rule 5: CREATE A WINNING PROPOSAL – Culture and Infrastructure				
Effective grants development “team” (installed throughout the organisation), with clear understanding of roles and responsibilities				
Ability and commitment to plan the proposal development effort effectively, in order to: <ul style="list-style-type: none"> - Meet the deadline - Meet the technical requirements - Present a solid project plan - Clearly demonstrate “mission match” 				
Rule 5: CREATE A WINNING PROPOSAL – Resources and Documentation				
Project information worksheet				
Project planning and review guide				
Current copies of common appendices and attachments				
Grants Management				
Plan for thanking funders and partners				

Project review plan (to review/revise project targets, budget and timelines as needed)				
Project communication plan (staff, media, partners, etc.)				
Project accountability plan (accounting and reporting systems)				
Ongoing evaluation process for quality control, project management, assessment and improvement				
Project sustainability plan (how project will be funded in the future)				

Source: GRANTSUSA (2004): "Grants readiness: the culture and practices of successful grantseeking organization"

Reflection about the exercise

What did you learn about your organisation when you worked through the table?

Exercise 3: Input, Activity, Output, Outcome

Planning of the exercise

Determine input, activity, output, outcome.

This exercise will not take long. You need a pen to connect the text boxes with the correct boxes of the results chain (draw lines). Maybe use an extra sheet of paper for the exercise.

Application of the exercise

This is just another example of a results chain (without impact statement). Connect the steps to the boxes in the right order.



Reflection about the exercise

1. Have you ever thought about your organisation's impact?
2. Can you recall a major impact your organisation achieved or contributed to?

Exercise 4: Theory of Change and Results Chain

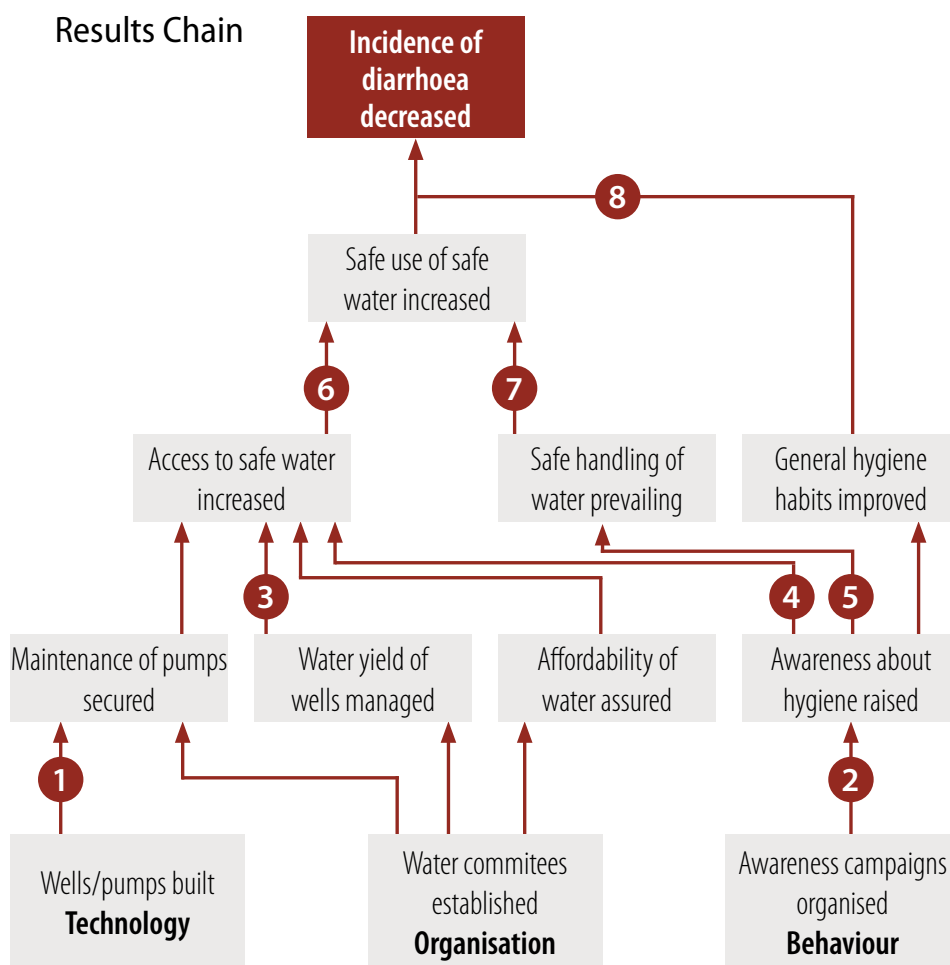
Planning of the exercise

Remember what we said about the results chain, in particular outputs and outcomes. Sometimes the results chain is not as straight as we are suggesting. For example, the results chain concerning children’s sickness due to diarrhoea. There are outputs and outcomes a little bit mixed up. Have a second look at it and decide what is output and what is outcome.

Take a pen to choose the right answer.

Application of the exercise

Can you determine what the outputs and the outcomes are?



		Output	Outcome
1	Wells/pumps built	<input type="checkbox"/>	<input type="checkbox"/>
2	Water committees established	<input type="checkbox"/>	<input type="checkbox"/>
3	Awareness campaign organised	<input type="checkbox"/>	<input type="checkbox"/>
4	Maintenance of pumps secured	<input type="checkbox"/>	<input type="checkbox"/>

5	Water yields of wells managed	<input type="checkbox"/>	<input type="checkbox"/>
6	Affordability of water assured	<input type="checkbox"/>	<input type="checkbox"/>
7	Awareness about hygiene raised	<input type="checkbox"/>	<input type="checkbox"/>
8	Access to safe water increased	<input type="checkbox"/>	<input type="checkbox"/>
9	Safe handling of water prevailing	<input type="checkbox"/>	<input type="checkbox"/>
10	General hygiene habits improved	<input type="checkbox"/>	<input type="checkbox"/>
11	Safe use of safe water increased	<input type="checkbox"/>	<input type="checkbox"/>

Reflection about the exercise

What is your experience with the mixed up outputs and outcomes? How did it confuse you concerning the results chain?

Exercise 5: Grant Application

Planning of the exercise

In this exercise you put yourself in the shoes of the donor and evaluate a proposal. The proposal of the CSO "Help Global" is submitted in response to a call for proposals issued by the "Addressing Root Causes (ARC) Fund." The organisations and the proposal are fictitious.

The exercise will take a little longer and requires thorough study of the documents.

Application of the exercise

Read the documents A1 and A2 of the Chapter 17: Annex.

After reading the donor guideline documents, answer the following questions:

1. Did Help Global address all the areas required in each section of the proposal?
2. What are the weaknesses of the proposal?

After answering these questions, go ahead and read Annex A3 and continue with the next two questions:

3. How was your assessment similar or different to the donor's assessment?
4. Did any aspect of the donor's assessment surprise you?

Reflection about the exercise

What will you do differently or the same the next time you write a proposal?

9.4 Closure and Evaluation of Learning Session

Feedback questions

The following questions are for you to check if you remember some of the main topics of the session. You can check at the end of this manual if your answers were correct.

1. Which of the following should you avoid in a good proposal?	Tick ✓ the correct answer
a. Develop a results chain framework.	<input type="checkbox"/>
b. Review the proposal before you submit it.	<input type="checkbox"/>
c. Frame your proposal around your CSO's need.	<input type="checkbox"/>
2. What's the purpose of the results chain framework?	Tick ✓ the correct answer
a. To show the donor how effective your CSO's project will be.	<input type="checkbox"/>
b. To understand and show how the project will achieve results.	<input type="checkbox"/>
c. To create an accurate budget for the project.	<input type="checkbox"/>
3. What is an indicator?	Tick ✓ the correct answer
a. A numeric value.	<input type="checkbox"/>
b. A measurement of the quality and quantity to be achieved by the results .	<input type="checkbox"/>
c. It indicates a budget.	<input type="checkbox"/>
4. Which of the following is not an aspect of how donors evaluate proposals?	Tick ✓ the correct answer
a. Relevant knowledge and skills of the team and organisation.	<input type="checkbox"/>
b. The precision of the budget.	<input type="checkbox"/>
c. Organisational prestige.	<input type="checkbox"/>
5. What is one of the mistakes CSOs make when dealing with donors?	Tick ✓ the correct answer
a. They believe every donor thinks and feels the same as they do.	<input type="checkbox"/>
b. They focus on the donor.	<input type="checkbox"/>
c. They talk face-to-face with donors.	<input type="checkbox"/>

Personal reflection

The following space allows you to focus on learning at the end of the session and reflect about what you have learned. The learning diamond gives space for two main types of learning:

- Your **personal learning** points, with a main focus on those aspects of learning which are new to you or important for you.
- Learning you find relevant for your organisation to apply. Thinking about this shifts the personal learning in the direction of **organisational learning**.

You can also write down which areas or topics you wish to investigate further.

Main subjects of the session:

Major learning points I take away from this session:

Learning points I take back to my organisation:

Areas I wish to investigate further:

When you are done filling in the learning diamond, look at it and think about what stands out as the most important learning. Something really important? You can take this learning and move it to your treasure box described in Chapter 18.1 at the end of this manual.

10. Learning Session 5: Managing Relationships with Donors

10.1 Preparation and Introduction to Learning Subject

This learning session focuses on managing relationships with donors, which relies on creating, building and sustaining good relationships with donors. That is why understanding of donors' interests and their ways of working is important in order to develop trust and good partnerships.

The learning session is expected to take 1 hour. This includes all parts of the session including feedback questions at the end of the session.

While reading through the chapter keep a pen and notepad ready or your computer at hand. Take note of whatever you deem important or when an idea comes to mind.

Each learning session starts with a small starter exercise followed by exercises throughout the text to check your learning. We will recommend when to do an exercise.

Learning objectives of this session

- You define donor relationship management.
- You indicate effectiveness in funding management.
- You determine how to manage and report to donors.
- You analyse the importance of communicating with donors.

Navigation and orientation along the training logic

This is the beginning of **Learning Session 5**: Managing and building relationships with donors.

Main topics covered by the session

- Managing good relationships with donors.
- Managing and reporting.
- Communicating results.
- Summing up the fundraising cycle.





“The level of difficulty of the session is “practitioner”. What we discuss here is easy to implement; however, it needs an advanced degree of detail and accuracy.”

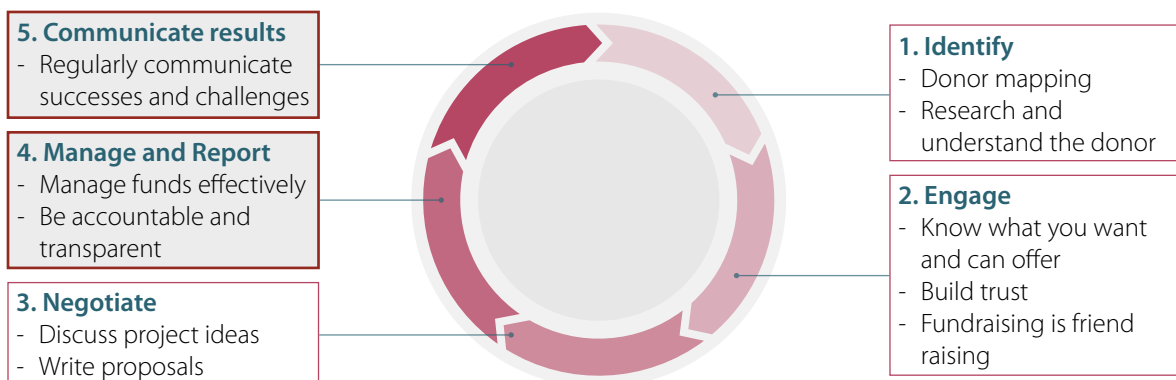
Learning session starter

Recap what you already know about the relationships. Reflect about these statements:

- ▶ Identifying potential donors is about finding a partner whose needs, interests, values and goals align with your organisation’s needs, interests, values and goals.
 - In which way did you increase the number of potential donors or cross out other donors who do not fit?
- ▶ Finding such a partner is possible by conducting research on potential donors before approaching them.
 - Have your research activities been successful?
- ▶ When your organisation shares the same values and goals as a potential donor, the basis is provided for building a sustainable partnership based on mutual trust and benefit.
 - Which of your donors could you list as partners of mutual trust and benefit?

10.2 Input: Managing Relationships with Donors

The last two phases of the fundraising cycle, **managing and reporting** and **communicating results**, are in focus in this learning session. Managing good relationships and maintaining good communication with donors is critical to a CSO’s reputation. Building and sustaining good relationships increases your credibility and track record, making it easier to get support in the future. Also, remember from Learning Session 4, engaging and negotiating with donors in the right way is critical for a CSO to be recommended.



In the second phase of the fundraising cycle, **engage**, a CSO approaches the donor to generate interest about the CSO, learn more about the donor and communicate with the donor directly about the mutual benefits of partnership. You need to know what you want from the donor, and what you can offer (mutual benefit). Building trust with the donor is crucial in this phase.

In the third phase of the fundraising cycle, a CSO begins to **negotiate** with the donor. In this phase, you might discuss project ideas with the donor, write proposals and make your results chain framework.

These steps help both your organisation and the donor to reach a **transparent** and **concrete** agreement about the way forward together and about what each side expects the other to contribute to the partnership, and provides a basis for accountability of both partners. As in any relationship, transparency, honesty and expectation management play a key role in ensuring the partnership grows.

Donor relationship management is the process of thoughtfully and proactively cultivating **relationships** with new **donors** and stewarding current **donors** in order to maximise **donor** retention, engagement and investment.

Most CSOs have a range of donors, from large foundations or corporations to government agencies, individual philanthropists and individual donors on a small scale. While all donors are important, their significance can vary greatly, as can their motivations and needs. Effective relationship management enables CSOs to determine the level and type of action towards each individual donor to achieve the best possible (funding) results. Effective practices yielding strong relationships with donors support these efforts.

Specific donor relationship strategies will depend on the organisation's funding model and priorities; however, non-profits seeking to employ donor relationship management may follow these **general guidelines**:

- ⇒ **Segment donors:** grant size and other funder characteristics vary. Segmentation of donors in relevant categories based on such factors as level of giving (or potential giving), donor type and key needs is the first step in donor relationship management.
- ⇒ **Encourage involvement:** for each donor group, CSOs should determine the level of engagement necessary to effectively manage the relationship and seek to involve donors accordingly. For larger donors (e.g. foundations, high-net-worth individuals), that is pursuing a relationship going beyond the provision of capital to become a partnership to achieve shared goals. For smaller donors (e.g. online donors), that is finding opportunities for more informal engagement (e.g. through fundraisers, volunteering or social media).
- ⇒ **Establish goals and frequent channels of communication:** it is important to establish goals for donations and maintain frequent communication with donors of all sizes. For larger donors, that may be providing frequent updates on programme progress to gather input, while for smaller donors it may be monthly newsletters or annual reports.
- ⇒ **Gather and incorporate feedback:** CSOs should seek feedback from donors about their satisfaction with the relationship. For example, organisations may ask smaller donors how often they would like to receive emails. For larger donors, CSOs may establish written and face-to-face reporting and updating, encouraging open channels of communication for donors' feedback.

Exercise 1**Donor relationship management.**

10.2.1 Manage and Report

The first three phrases of the fundraising cycle are about preparing good relationship management and communication between a CSO and a donor. All of the principles of partnering based on common ground and goals, and establishing transparency, trust and accountability are carried over and utilised in the final two phases of fundraising cycle.

In the fourth phase, **manage and report**, a CSO implements a project by managing the provided funds and regular updating of a donor through reports, thus demonstrating that funds are resulting in the desired results.

Actively building and sustaining trust with the donor continues in the fourth phase with a CSO confirming:

- Effectiveness in managing funds
- Transparency
- Accountability

Effectiveness in managing funds

Funding effectiveness is displayed through evidence of achievement of results, as they are provided in project proposals and other documents used by the project as guidance (e.g. inception reports, work plans).

This is what to look after to ensure fund management effectiveness:

Observe project start and end dates for spending	All invoices must be dated between the official start and end dates of a project. Expenses before or after the project cannot be accounted for.
Meet project targets within the approved budget	Make sure the activities covered in the project proposal and inception report match the activities carried out and the amount of money spent. Hold regular meetings with stakeholders and staff to discuss the donor's conditions, and to review progress compared to the project plans agreed with the donor. Stick to the number of agreed activities and budgets for each activity (no overspending).
Avoid underspending	Too much deviation from budgets – like not spending enough money in the same way as spending too much money – raises concerns about your ability to manage budgets and activities.
Monitor donor-by-donor expenditure	Do not mix up donors' budgets in an overall budget of your organisation if you work for several donors. Better to keep separate accounts for each funding source.
Spend capital expenditure budgets as early as possible	Money should be spent as early as possible in the project. Donors do not generally allow expenditure in the closing months.

Keep clear contract files and budget notes	Put dates and notes on all papers relating to the grant. It will always be clear to whoever manages the project which is the latest version of the contract and the final budget, and what changes have been requested and agreed by the donor.
Set aside time to prepare the report for the donor	A financial report always takes time. This is especially true if you need information from busy project managers. Delayed reporting from the field and poor follow-up at head office to chase reporting often leads to under or overspending.
Make sure reports are complete and accurate	Make sure all expenditure is reported in the correct period: <ul style="list-style-type: none"> - Do not allow working advances to remain unreconciled for longer than necessary. - Do not change previously reported budget or actual figures. - If a previously reported figure is wrong, do not change the figures. It is better to make an adjustment to the current figures – and use notes to explain what you have done.
Donors do not like surprises	If you cannot meet reporting deadlines or fulfil other conditions, warn the donor as soon as possible. You may be able to negotiate on unrealistic terms and conditions. For example: <ul style="list-style-type: none"> - Reporting deadlines may not be realistic because a lot of spending takes place in remote areas of the field, where there is no internet access, so reports have to be physically delivered when field staff return to base. It is better to explain this to donors in advance and they will often respond favourably. - If certain budget items are going to cost more than budgeted due to unforeseen changes, give the donor advance notice. - Explain risks that are kicking in and causing problems with delays and budgets and clarify why risk mitigation was not possible or why the risk was unforeseen.

Source adapted from: FundsforNGOs. "10 Top Tips for Grant Management," September 26, 2013. <https://www.fundsforngos.org/all-listings/10-top-tips-grant-management/>.

10.2.2 Communicate

Transparency and accountability

Accountability is the obligation or willingness to take responsibility for one's actions. It is also to experience the consequences of one's actions. Transparency means that business is done in an open and non-secretive way.

These are the mechanisms to ensure transparency and accountability:

Registration	Make sure your organisation has a legal status and is registered under a relevant legal framework. The chances of getting financial support and assistance will increase.
Accreditations and certifications	Accreditation ensures that your organisation has been evaluated by a third party and fulfils nationally or internationally recommended standards and policies.
Annual report	The annual report provides the readers with details about all the activities your organisation undertook in a particular year.

Financial reports	These reports clearly indicate your income and expenditure on a monthly, quarterly and annual basis. Donors and supporters always trust organisations that show transparency in their financial transactions.
Auditing	The external audit helps you to analyse whether you are complying with industry standards and norms. It may also be published.
Public relations	Display your organisation's activities. Public relations (PR) plays a very important role in gaining public trust. Develop communication channels to share impact stories with a larger audience (press releases, blogs, newsletters, magazines and social media updates).
Set of self-regulation procedures	Develop policies for keeping records, formats for reports, trip and field reports, internal minutes. You can also start internal auditing every three months to monitor all activities.
Stakeholder feedback reports	Understand viewpoints of beneficiaries and their perceptions about a project. This way you can immediately respond to their issues and develop long-term trust.
High-profile partnering	Partnering with well-established organisations helps in getting recognition and trust of people. Conduct in-depth research on a new partner before entering into a partnership and select reliable partners with a clean background.
Work recognition	Send in your organisation's entry for various award functions and competitions. Getting awarded for a social cause will make you appear more accountable and will also enhance your public presence.
Ethical fundraising	Ethical fundraising policies should be adopted while accepting funds. Make sure that you adhere to proper guidelines and report everything transparently to the donors.

Source adapted from: FundsforNGOs - Grants and Resources for Sustainability. "How to Make Your Organization Accountable?," February 29, 2016. <https://www.fundsformgos.org/featured-articles/how-to-make-your-organization-accountable/>.

Communicate results

Communicating results with a donor is about both **successes and challenges** during and after a project has been implemented. CSOs may have a tendency to only communicate about successes to the donor. However, sometimes failure happens!

There is always space for learning and improving, on the part of both the CSO and the donor. Maintaining transparency and accountability in the last phase of the fundraising cycle is to be honest about things that did not work according to the plan.

Finally, it is also important to keep communicating with the donor after the project ends and to stay in touch for eventual new opportunities. One project can be the start of a longer-term relationship.

Exercise 2

Managing, reporting and communicating: make a match.

10.3 Exercises on Managing Relationships with Donors

Exercise 1: Donor Relationship Management

Planning of the exercise

Recall what is supportive when managing donor relationships.

Application of the exercise

What would you say? Select what you think is appropriate.

1	Relationships with donors should be built proactively.	<input type="checkbox"/>
2	Relationships with big donors are better than with the smaller ones.	<input type="checkbox"/>
3	Donor retention is a success of cultivated relationships.	<input type="checkbox"/>

Reflection about the exercise

Why is the relationship to donors more than just money or business?

Exercise 2: Managing and Reporting: Make a Match

Planning of the exercise

In this exercise you bring a little order into the mess. Match the statements on managing funds effectively with transparency and accountability in the correct way.

Application of the exercise

Match the headlines in the left to the expression in the right column.

1	Meet project targets within the approved budget	A	Expenses before or after the project cannot be accounted for.
2	Make sure reports are complete and accurate	B	A financial report always takes time.
3	Annual reports	C	Stick to the number of agreed activities and budgets for each activity.
4	Observe project start and end dates for spending	D	Keep separate accounts for each funding source.
5	Ethical fundraising	E	PR plays a very important role in gaining public trust.
6	High-profile partnering	F	Explain risks that are kicking in and causing problems with delays and budgets.
7	Public relations	G	Partnering with well-established organisations helps in getting recognition and trust of people.
8	Donors do not like surprises	H	Ethical fundraising policies should be adopted while accepting funds.

9	Monitor donor-by-donor expenditure	I	Do not change previously reported budget or actual figures.
10	Set aside time to prepare the report for the donor	J	The annual report provides details about all the activities your organisation undertook in a particular year.
11	Financial reports	K	Donors and supporters always trust organisations that show transparency in their financial transactions.

Reflection about the exercise

1. What are key aspects of managing funds effectively? Think about the perspective of the donor.
2. How can your CSO demonstrate accountability and transparency to a donor?

10.4 Closure and Evaluation of Learning Session

Feedback questions

The following questions are for you to check if you remember some of the main topics of the session. You can check at the end of this manual if your answers were correct.

1. The fundraising cycle is:	Tick ✓ the correct answer
a. The process of applying for grants.	<input type="checkbox"/>
b. The yearly phases of calls for proposals.	<input type="checkbox"/>
c. A cyclic expression of each phase of the relationship between CSOs and donors.	<input type="checkbox"/>
2. Key aspects of the manage and report phase include:	Tick ✓ the correct answer
a. Only communicating successes to the donor.	<input type="checkbox"/>
b. Being transparent and accountable.	<input type="checkbox"/>
c. Writing reports that make the CSO look good.	<input type="checkbox"/>
3. What is donor relationship management?	Tick ✓ the correct answer
a. It is caring for current donors in order to maximise donor engagement and investment.	<input type="checkbox"/>
b. It is finding friends in donor organisations.	<input type="checkbox"/>
c. It is subject to delegation to an external company.	<input type="checkbox"/>
4. Why is it important to keep complete files of contracts on budget notes?	Tick ✓ the correct answer
a. It's not important, but it looks nice.	<input type="checkbox"/>

b. Because the donor wants to check all the files and see, if they are alright.	<input type="checkbox"/>
c. Then it is clear which is the latest version of a contract or a final budget, and what changes have been made.	<input type="checkbox"/>
5. Why are public-relations important for a CSO?	Tick <input checked="" type="checkbox"/> the correct answer
a. Because a CSO must become popular to raise more funds.	<input type="checkbox"/>
b. Public trust may grow through PR.	<input type="checkbox"/>
c. Because the chief executive officer (CEO) of a CSO is a celebrity.	<input type="checkbox"/>

Personal reflection

The following space allows you to focus on learning at the end of the session and reflect about what you have learned. The learning diamond gives space for two main types of learning:

- Your **personal learning** points, with a main focus on those aspects of learning which are new to you or important for you.
- Learning you find relevant for your organisation to apply. Thinking about this shifts the personal learning in the direction of **organisational learning**.

You can also write down which areas or topics you wish to investigate further.

The diagram is a diamond shape divided into four sections:

- Top section:** Main subjects of the session:
- Left section:** Major learning points I take away from this session:
- Right section:** Learning points I take back to my organisation:
- Bottom section:** Areas I wish to investigate further:

When you are done with filling the learning diamond, look at it and think about what stands out as the most important learning. Something really important? You can take this learning and move it to your treasure box described in Chapter 18.1 at the end of this manual.

11. Learning Session 6: Visibility as a Strategy for Resource Mobilisation

11.1 Preparation and Introduction to Learning Subject

This learning session creates understanding of why visibility is crucial for resource mobilisation and explains how to improve the visibility of a CSO. Furthermore, the session explains how to utilise visibility strategically.

The learning session is expected to take 2 hours. This includes all parts of the session including feedback questions at the end of the session.

While reading through the chapter keep a pen and notepad ready or your computer at hand. Take note of whatever you deem important or when an idea comes to mind.

Each learning session starts with a small starter exercise followed by exercises throughout the text to check your learning. We will recommend when to do an exercise.

Learning objectives of this session

- You understand visibility and its importance.
- You learn visibility as a strategy for resource mobilisation.
- You learn different tools for visibility.
- You understand social media a tool for visibility.

Navigation and orientation along the training logic

This is the beginning of **Learning Session 6**: Visibility as strategic approach for a CSO's resource mobilisation.

Main topics covered by the session

- What is visibility? Why is it important?
- Increasing visibility.
- Social media as a strategy for increasing visibility.
- Writing a social media post.
- Pitching as a strategy for increasing visibility.
- "The Golden Circle" by Simon Sinek.





The level of difficulty of the session is “practitioner”. What we discuss here is easy to implement; however, it needs an advanced degree of detail and accuracy.

Learning session starter

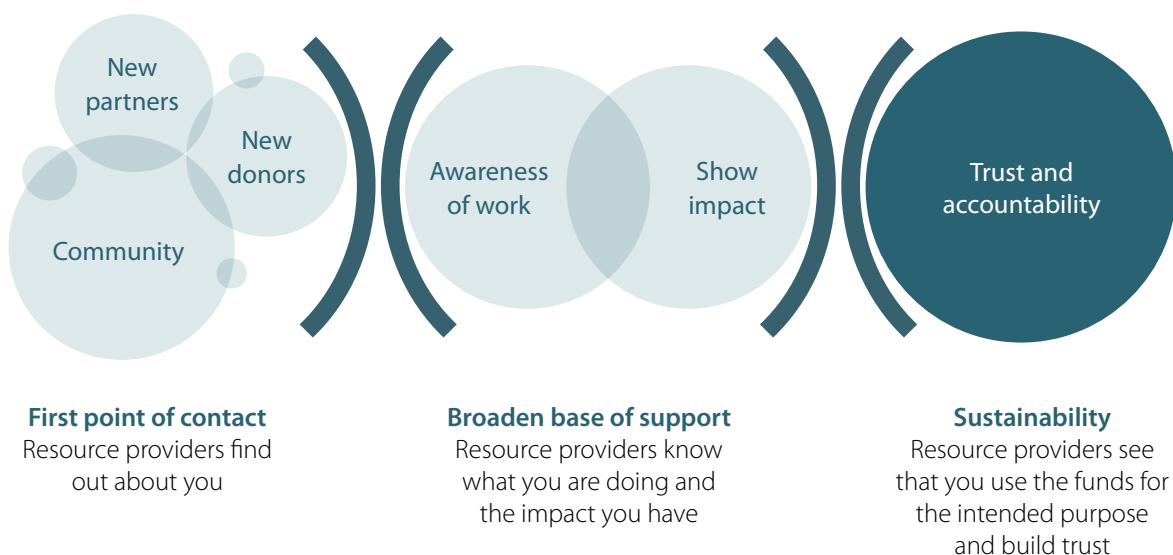
Reflect on what you already know about tools for visibility a CSO can use.

11.2 Input: The Importance of Visibility

Visibility is a critical aspect of mobilising resources. The more people know about your CSO, the easier it is to get support. In the context of resource mobilisation, visibility refers to people knowing your CSO, understanding what it does, recalling which communities it serves, knowing from where it operates and how it can be contacted.

Visibility can help your CSO mobilise resources in three ways:

1. **First point of contact:** potential new partners, new donors and communities can easily find your CSO. Branding helps to recognise your organisation better.
2. **Broaden base of support:** visibility helps you build a broader base of support of resource providers by raising awareness of your CSO’s work and showing its impact. As a general rule, the bigger the base of resource providers’ support is, the broader the potential access to resources.
3. **Sustainability:** show trust and accountability. If stakeholders and donors see the results of your organisation’s work, they recognise that resources are being used for intended purposes, it builds trust and credibility and enhances the chances for future funding.



11.2.1 Strategic Visibility

If nobody hears about your CSO, nobody knows it exists. This is when a visibility strategy is needed, but also for maintaining the popularity of a CSO. So, visibility is an ongoing task.

This guide lists components necessary for pulling together a visibility strategy. They are: objectives and key messages, target audiences, communication channels, activity planning, budget and monitoring.

I. Objectives of the CSO

A short summary or statement of your CSO.

You do not need to restate the full objectives. This should be the publicity "pitch" for your organisation: concise, clear, engaging and user friendly/understandable.

State:

- ▶ What you do?
- ▶ What you stand for?
- ▶ Who will benefit?

II. Visibility objectives and key messages

A clear detailed statement of the objectives in communicating the principles underpinning this strategy and your key messages. These should be aligned with the objectives of the organisation.

State:

- ▶ A SMART objective of what you want to achieve through visibility.
- ▶ The key messages of your organisation (main points of information you want your audience to hear, understand and remember).
- ▶ Possible: the takeaway headline of an issue you want to communicate.

Useful links:

<https://sbccimplementationkits.org/sbcc-in-emergencies/identify-a-set-of-smart-communication-objectives/>

Determining SMART communication objectives.

https://mskctc.org/lib/docs/KT_Toolkit/Key_Message_Development_508.pdf

Developing key messages.

III. Key audiences/Target groups

A detailed description of your key audience and target groups.

Include what they already may know about you. Break up the target audience into sub-categories and list contacts already made.

State:

- ▶ Who are you communicating with?
- ▶ Who is your priority audience (e.g. donors)?
- ▶ What do you think they should know?

IV.A. Target audience ranked by significance	IV. B. Channel of communication
<p>State:</p> <ul style="list-style-type: none"> ▶ Who is the most significant target group and why? ▶ Who is second rank target group? ▶ And so on. <p>(see also 10.2 Input: Managing Relationships with Donors)</p>	<p>What are the most appropriate communication channels?</p> <p>Examples: phone call, meeting, personal letters, newsletter, conference, networking lunch, charity event, workshop, evening reception, email alerts, press release, social media (which?), website, promotional literature, leaflets, regional seminars, etc.</p>

5. Work plan

Create a work plan with activity details, responsibility deadlines, budgets and indicators (key milestones, achievements).

Visibility plans are living documents and will need regular reviewing and updating (extend the table as needed).

Activity	Responsibility/ HR	Deadline/ timeframe	Budget	Success indicators
General PR				
Branding				
Media relations				
Publicity materials				
Events				

Website				
Social media				

6. Evaluating Success

Set success indicator targets and measure against achievement.

Example:

Indicator: "Number" of new followers on Facebook by "date" (baseline 0).

Indicator target: 2,000 new followers on Facebook by 31 December 2021.

- ▶ That means that your social media strategy will focus on gaining 2,000 new followers in one channel (Facebook) by the end of 2021. If you reach this target or even surpass it, then you are fine, and your strategy has worked. If not, the evaluation needs to find out why that did not happen.

Only when there is a strategic approach for visibility in place does it makes sense to plan activities accordingly. Remember the results chain: it is important to first determine the desired goal (impact) for knowing how to approach it (activities).

Related quote: ”

“A man who stops advertising to save money is like a man who stops a clock to save time.”

Henry Ford

Exercie 1

Visibility indicators.

11.2.2 Activities for Visibility

Here are some suggestions on activities for visibility (this is not an exhaustive list):

- Be proactive and regularly share **success stories and updates** with your stakeholders.
- Regularly **update your website**.
- Write **posts for your social media** channel.
- Send out **regular news updates** (they do not have to be newsletters but can be limited to short “breaking news”-like updates).
- Create meaningful **outreach materials** such as banners, brochures, flyers, business cards, etc.
- Be a member of relevant **networks, platforms, fora or jours fixes**.
- Participate at relevant **events**, for example, network events, conferences, symposiums, donor meetings, fairs.

- Arrange **stakeholder visits**, for example, to sites or communities where your organisation has achieved impact or to places where other problems have not yet been solved, but where you could make an impact in the future.
- Develop **innovative ways of communication** that are appropriate for the different groups of your stakeholders, for example, flash mobs, product placements (or alike), video stories and miniseries (documentary).

Killing the party – often neglected issues

The most ambitious plans very often cannot be realised because human resources are not available or do not have the capacity to implement a keen work plan.

Whenever planning a campaign with a number of activities, in particular when those have to be consistently performed, have a good human resources (HR) plan along with it. From experience, very often website or social media updates fail because nobody has thought about planning for an editor or editors to maintain the content. Content management can be very time-consuming. And if content is not updated on regular basis, people will stay away and website and social media are useless.

Similarly, event planning and implementing should not be underestimated. Events need careful preparation to make them successful and to make a difference. Nothing is more boring and likely to be avoided in the future if you cannot convince event participants about the benefit of being there. It is better to discard an event than to come up with something that is unfledged.

Don't kill the party. Whatever is being done, it should not be done just for the sake of doing things, but to create a benefit and an added value for the recipients or participants. That needs good people to do it. Then communication and visibility will succeed.

Online media

Nowadays, visibility predominantly relates to an internet presence. Investing in the development and maintenance of an organisational website, therefore, is paramount for a CSO to increase its legitimacy for potential donors, partners, community members and even beneficiaries. Your website must include:

- ▶ The CSO vision and mission
- ▶ What the CSO does and how
- ▶ Up-to-date contact information
- ▶ Links to related social media channels
- ▶ Profiles of the CSO team
- ▶ Information about how funds are used
- ▶ Current projects
- ▶ A donation link on the website

In addition to an organisational website, your CSO should be active on social media, for example, Twitter, YouTube, Instagram, etc. to maintain a continuous flow of information for stakeholders and to gain new followers and supporters. This means regularly working on success stories, pictures from activities, news updates, beneficiaries' comments, recommendations and other. This can also be a way to demonstrate to current donors how you are using the funds you have been given.

Website and social media presence have to be updated at all times and have a professional standard and user-friendly navigation.

Check website and social media regularly for out-of-date information and typos. You can also check out the websites and social media platforms of others to get inspiration.

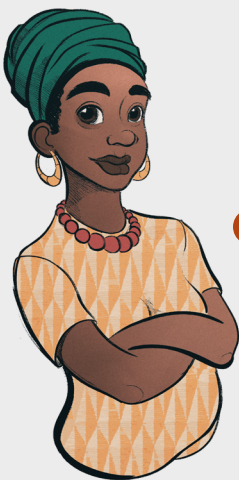
Social media

Social media can be a great tool for increasing visibility. It is free to use, and simultaneously allows you to be discovered by potential new supporters, partners, donors, community members, beneficiaries, etc. and to interact with and update current and former stakeholders. Social media platforms can also help you increase traffic on your organisation's website.

The first step in using social media as a strategy for increasing visibility is to determine which platforms are the best fit for your CSO's needs. Choose the social media platform(s) which (1) your target audience uses and (2) fits the amount of time you are able to budget to maintain your social media presence (different platforms require different levels of input).

As with an organisational website, keeping your social media platforms up to date is key. Try to be consistent with how often you post, posting once a day or every other day. In addition, engage with others' content, and especially with your followers: respond to messages and react or reply to comments in a timely manner. Remember that your social media channels are not just for broadcasting but for *interacting* with your stakeholders.

Particularly for social media, it is important to keep in mind that this is an interactive medium, a two-way channel; therefore, at least once or twice per day, users' comments have to be reviewed.



You never know when a storm happens! Even some minor angry attack of a disappointed user expressing his/her dislike can make an unpleasant impression on other recipients. You have to deal with it. You have to comment. But stay away from a counterattack, because pressure just causes more pressure. Mediate, facilitate the conflict, take out the emotional heat. Argue logically. Show evidence for your statements and opinions. Remember: "stormers" are people who seek recognition and acknowledgement. You may acknowledge them as people, though you do not have to accept their opinions.

If your CSO is new to social media, start out with just one or two platforms until you get the hang of it. Take the time to get to know and utilise all of the features a social media platform has to offer (e.g. organising events, donation link, etc.).

Social media posting

When writing a post for social media, there are a few key guidelines to follow:

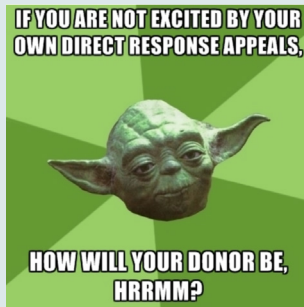
1. Bring value to your audience (inform, inspire, entertain, engage).
2. Write in active voice.
3. Keep it short.
4. Keep the tone conversational.
5. Don't go overboard on emojis, slang or abbreviations.
6. Include a quality, non-pixelated image (be sure you have the consent to take and post any pictures of another person).

You do not have to write a social media post as an article, but you can. However, collecting and editing information should not be underestimated, it needs time and HR. Therefore, better be short on posts, catch a single idea and rather cut off redundant information when expecting too much of your recipients, who probably do not have much time and just want to catch essential information to be updated. This way, you save your time and the time of your readers or followers.

When more time and resources are available, think about expanding the scope and variety of your social media posts. What you can do, for example, is:

- Video posts
- Podcasts
- Photos
- Write about your staff and experts
- Present interesting development data statistics
- Write longer background articles
- Enable behind-the-scenes looks describing how you work or how things work
- Present user contests
- Link to or post influencer blogs
- Encourage users to post content
- Stories and photo stories
- Inspirational quotes
- Infographics
- Memes
- Client or stakeholder photos
- Feedback
- Tips and tricks
- Event announcements
- Press mentions

Example: Memes



Useful link:

<https://datareportal.com/reports/digital-2021-uganda#:~:text=Social%20media%20statistics%20for%20Uganda,total%20population%20in%20January%202021.>

[Read about Internet usage in Uganda.](#)

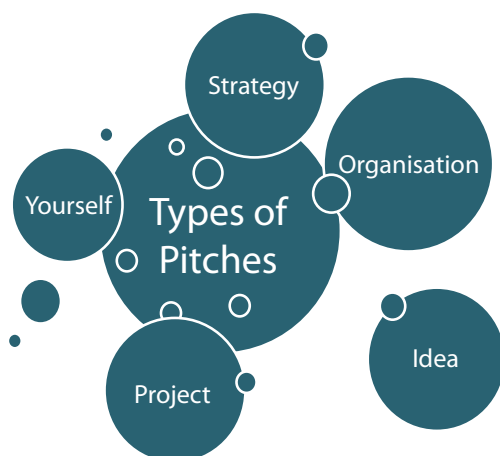
Exercise 2

Online visibility competence.

Pitching

Part of increasing your CSO's visibility offline includes making a pitch at an event, e.g. during networking, or as part of a meeting. A pitch is a short persuasive speech that generates interest in an idea, project, person, strategy or organisation. A pitch is usually around 1-3 minutes in length. A pitch closes with a call to action, request or ask of the audience.

In the context of resource mobilisation, the pitch can be a useful tool for generating support from community members, potential or current donors, or potential or current partners.



Examples are:

- ▶ Pitching to community members to ask for in-kind donations or volunteers.
- ▶ Pitching a project idea to a potential donor during the engage phase of the fundraising cycle.
- ▶ Pitching a proposal for collaboration with a potential partner.

The first step in crafting a good pitch is to identify who your audience will be. Customise your pitch to your target audience.

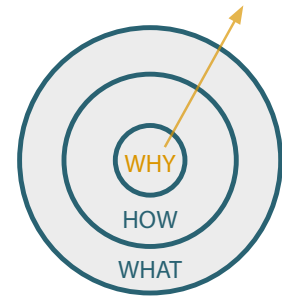
- Who are you pitching to?
- What are your audiences' interests, values and background?
- Why should they care about your idea?

The second step of crafting your pitch is to develop your content.

In your pitch, you have a very short time to convince others to respond to your call to action. How can you ensure that your pitch is persuasive?

One method of preparing a persuasive pitch is the Golden Circle by Simon Sinek. The concept of the Golden Circle is to start your pitch with "Why":

- Why are you doing what you're doing? What's your mission?
- What belief, cause or purpose is driving you?



Example WHY: We believe every woman and girl has the right to safe, healthy, and happy relationships and the right to shape her environment and be heard.

The purpose of starting with "Why" is to **inspire** others to take action, rather than try to convince them by first explaining only "What" you are doing, and "How" you are doing it:

"People don't buy What you do. They buy Why you do it." (Sinek)

After you've formulated the "Why" of your pitch, it's time to communicate "How" you are doing what you're doing.

- How do you do things? What's unique about it?
- What's different about you, your idea, your CSO?

Back up your "How" with examples, stories of impact and stats.

Example HOW: We work every day to change the attitudes, behaviours, and practices that lead to violence against women and girls through storytelling.

The next part of developing the content is to communicate the "What":

- What's the actual thing you are doing?
- What programme/project/activity are you carrying out to achieve your "Why"?

Example WHAT: We help women and girls to tell their stories. Our project amplifies the voices of women and girls in Uganda and provides platforms for them to be heard in their communities and to lead the national dialogues about gender based-violence and how to prevent it.

Finally, end your pitch by telling your audience what action needs to be taken. Do you need:

- Volunteers?
- Partnership?
- Help accessing physical resources?
- Financial support?

Example PITCH: We believe every woman and girl has the right to safe, healthy, and happy relationships and the right to shape her own environment and be heard. We work every day to change the attitudes, behaviours, and practices that lead to violence against women and girls through storytelling. Our project amplifies the voices of women and girls in Uganda and provides platforms for them to be heard in their communities and to lead the national dialogues about gender based-violence and how to prevent it.

We help women and girls to tell their stories and make a safer world. Will you join us?

Useful link:

https://www.ted.com/talks/simon_sinek_how_great_leaders_inspire_action?language=en

To watch Simon Sinek's TED Talk on the Golden Circle and learn more about how to formulate a persuasive pitch, follow this link.

AIDA

AIDA is short for **attention, interest, desire, action**. This is also a support tool for pitching. It comes from marketing and advertising and follows the principle that with a client or customer you first have to raise their attention, get their interest for a product or service, then wake a desire to have it, and finally cause the client or customer to take action (in a case of product or service marketing the letter would be the act of buying).

If we look at a CSO's work as provision of services, we may apply the same principle, raise interest and desire of donors or partners and get them to take action of cooperating with us.

Exercise 3.

Golden Circle utilisation.

11.3 Exercises on Visibility as Strategy for Resource Mobilisation

Exercise 1: Visibility Indicators

Planning of the exercise

In this exercise you reflect about indicators for visibility. Take some time to think about the indicators given and decide which ones are good to indicate the visibility of your organisation and which ones are poor.

Application of the exercise

Mark suitable visibility indicators.

	Good	Poor
More than 1,000 page views on our website each month.	<input type="checkbox"/>	<input type="checkbox"/>
The ratio of registered users of our website compared to the baseline.	<input type="checkbox"/>	<input type="checkbox"/>
Our 5,000 followers like the content posted yesterday.	<input type="checkbox"/>	<input type="checkbox"/>
The number of users who shared the news update of last week on social media.	<input type="checkbox"/>	<input type="checkbox"/>

Reflection about the exercise

Do you evaluate the success of the online media of your organisation?

Exercise 2: Online Visibility Competence

Planning of the exercise

This exercise is rather a checklist for yourself and your organisation than a real exercise. However, think about the online competence of your organisation in terms of visibility.

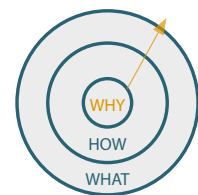
Application of the exercise

Answer the questions and find your score in the exercise solution area. Mark "Yes", if you have a strong tendency to do what is described, mark "No", if your efforts are rather poor, and mark "Somehow" if you are not really sure or if they are still things to improve.

		Yes	Some-how	No
1	Our website tells our supporters, partners, and constituents clearly how they can work with us.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Our website tells clearly why we are doing what we are doing.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	We are posting regularly on social media.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	We know exactly who our supporters, partners, and constituents are.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	We are active in online groups where our ideal supporters, partners, and constituents are present.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	We are using at least 2 social media platforms to reach our supporters, partners, and constituents.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	We are engaging with our potential supporters, partners, and constituents consistently, e.g. using an email list or other online-based contact tools (messengers).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	We know exactly what our visibility strategy is for our organisation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	We regularly create engaging social media content that sparks conversation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	We created signature content on our website that is easy to share on social media and brings traffic to our website.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	We regularly update meaningful photo, video or graphic material online.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12	We frequently evaluate our online visibility strategies and try to maximise our visibility.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Reflection about the exercise

What was your perception about your online visibility before? Is there a big difference after the test?



Exercise 3: Golden Circle Utilisation

Planning of the exercise

Write your own pitch using the Golden Circle method. Take your time. Writing a good pitch can take days or even weeks of writing, reviewing, and rewriting.

Application of the exercise

Write your pitch:

Reflection about the exercise

Share your pitch with others and get their feedback: is there anything in the pitch that needs to be adjusted? Additionally, if you have a phone with recording capabilities, you could record yourself giving the pitch, watch it, and look for ways to improve.

11.4 Closure and Evaluation of Learning Session

Feedback questions

The following questions are for you to check if you remember some of the main topics of the session. You can check at the end of this manual if your answers were correct.

1. Why is visibility important?	Tick ✓ the correct answer
a. People want to see good social media posts.	<input type="checkbox"/>
b. If nobody hears about our CSO, nobody knows it exists.	<input type="checkbox"/>
c. Because showing what we do and achieve makes our organisation a leading CSO in the country.	<input type="checkbox"/>
2. What do you need to have in order to evaluate the success of the visibility strategy?	Tick ✓ the correct answer
a. To write cool key messages.	<input type="checkbox"/>
b. To have a well-designed website.	<input type="checkbox"/>
c. To have an indicator.	<input type="checkbox"/>
3. What's one offline way your CSO can increase its visibility?	Tick ✓ the correct answer
a. Developing meaningful outreach materials.	<input type="checkbox"/>
b. Visibility is not relevant for resource mobilisation.	<input type="checkbox"/>
c. Posting stories of impact on Facebook.	<input type="checkbox"/>
4. In the context of CSOs and resource mobilisation, visibility means	Tick ✓ the correct answer

a. Degree of clearness.	<input type="checkbox"/>
b. People know about your CSO, what you do, what communities you serve, where you are and how to contact you.	<input type="checkbox"/>
c. The scope of your CSO's online presence.	<input type="checkbox"/>
5. What's the first step in crafting a good pitch?	Tick <input checked="" type="checkbox"/> the correct answer
a. Writing down why you are doing what you are doing.	<input type="checkbox"/>
b. Identifying your target audience.	<input type="checkbox"/>
c. Writing down how you are doing things.	<input type="checkbox"/>

Personal reflection

The following space allows you to focus on learning at the end of the session and reflect about what you have learned. The learning diamond gives space for two main types of learning:

- Your **personal learning** points, with a main focus on those aspects of learning which are new to you or important for you.
- Learning you find relevant for your organisation to apply. Thinking about this shifts the personal learning in the direction of **organisational learning**.

You can also write down which areas or topics you wish to investigate further.

The diagram is a diamond shape divided into four sections:

- Top section:** Main subjects of the session:
- Left section:** Major learning points I take away from this session:
- Right section:** Learning points I take back to my organisation:
- Bottom section:** Areas I wish to investigate further:

When you are done filling in the learning diamond, look at it and think about what stands out as the most important learning. Something really important? You can take this learning and move it to your treasure box described in Chapter 18.1 at the end of this manual.

12. Learning Session 7: Fundraising from Corporates

12.1 Preparation and Introduction to Learning Subject

This learning session creates a deeper understanding of how CSOs can find corporates to receive funds, how corporates “talk business” differently and how to prepare for meetings with corporates. Furthermore, the concept of the unique selling point (USP) will be discussed.

The learning session is expected to take 1.5 hours. This includes all parts of the session including feedback questions at the end of the session.

While reading through the chapter keep a pen and notepad ready or your computer at hand. Take note of whatever you deem important or when an idea comes to mind.

Each learning session starts with a small starter exercise followed by exercises throughout the text to check your learning. We will recommend when to do an exercise.

Learning objectives of this session

- You identify a unique selling point (proposition).
- You learn how to find corporate sponsors.
- You learn motivation of corporate sponsors to support CSOs.
- You learn how to prepare for corporate fundraising.
- You learn to speak corporate language.

Navigation and orientation along the training logic

This is the beginning of **Learning Session 7**: Corporate funding for CSOs.

Main topics covered by the session

- Finding corporate sponsors.
- Motivation of corporate sponsors to support CSOs.
- Preparing for corporate fundraising.
- Finding a unique selling point (USP).
- Speaking corporate language.





This is another “practitioner” level session. We assume your organisation has already had contact with corporates before. However, this is to help you refine your approaches to corporates.

Learning session starter

Brainstorming: how is fundraising from corporate sponsors for CSOs different from fundraising from traditional donors?

Write down your thoughts.

12.2 Input: Fundraising from Corporates

In addition to traditional donors, such as INGOs or foundations, CSOs can also fundraise from corporate sponsors, such as large companies or banks. To approach corporate sponsors, CSOs can reach out to either the marketing department or the corporate social responsibility (CSR) department of the potential corporate sponsor.



Alternatively, while there might be a small fee attached, having an intermediary who is already connected to the corporates can make your job much easier. There are many companies and establishments that help CSOs get funding for their projects from corporate donors.

Examples:

"It's our goal to help organisations generate the funding that's necessary to focus on their core missions of education, community enrichment, scientific research or charitable giving." – Double the Donations.

"The Good Exchange is one of the few online funding and fundraising platforms that is wholly owned by a charity. Greenham Trust runs The Good Exchange to help funders in its local area (along with partner funders in its funding area and surrounding locations) to give and receive grants more quickly and efficiently and to also enable all charitable organisations from anywhere in the UK to run cost-effective crowdfunding appeals." – The Good Exchange.

12.2.1 Finding Corporate Sponsors and Preparing for Fundraising

As with traditional donors, it is important for CSOs to research potential corporate donors before approaching them and to understand their needs and interests. Find out as much as you can: what would motivate a corporate sponsor to support a CSO?

Generally, a potential corporate sponsor (marketing departments, CSR departments) might be interested in:



Marketing Departments

- Making the business visible to potential new customers
- Reaching target groups interested in their products and services
- Increasing sales



CSR Departments

- Presenting a social face to the outside and building a good reputation
- Attracting customers and employees by fostering a social image of the business
- Taking up responsibility

When preparing for corporate fundraising, there are three main points to keep in mind.

1. Know what you want.

Know what kind of support (financial, human, physical) you want to ask for from the corporate sponsor. Besides financial donations, you might also ask for support organising fundraising events, in-kind contributions, volunteers who can provide pro bono (free of charge) mentoring or skills-sharing with your staff, or free products and services.

2. Know what you can offer.

Corporate sponsors will be much more likely to engage with you if you can offer something to them as well. You could offer advertising space by including their branding and logos on promotional materials, promote them by highlighting their sponsorship on your CSO website or newsletter, implement a project that dovetails with their corporate strategy, help them get in contact with new target

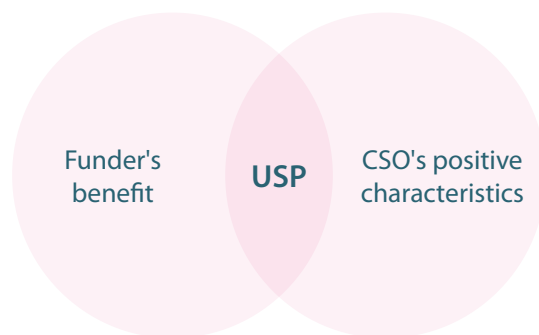
groups or provide a space for corporate volunteering for their staff. Again, find out as much as you can about the potential corporate sponsor so that you know what they might be interested in. You can also research what kind of CSO initiatives they have supported in the past, and what motivated them to do so.

3. Know your unique selling point (USP).

Competition for corporate sponsorship can be high, so you need to know and highlight what makes your CSO different and unique from all the others who approach them asking for support. Your USP might be related to a thematic area, geographic area, your beneficiary group, the methods you use or your expertise. USP sometimes is also called “unique selling proposition”.

Unique selling point

A USP is very often the reason for funders to decide in favour of a certain organisation they want to support. It is probably not a basic condition, but it is extremely supportive and a slight advantage when displaying the difference to other organisations. The thinking of a potential funder ideally is like: ‘We know this organisation, we know why they are doing things and how they’re doing things and what they are doing, and they know that they are very unique in [...], and that makes them special.’ A USP is the hook to catch the funder’s interest opening them up to discover more of a CSO’s positive features.



A compelling USP is assertive but defensible. It is a particular position which allows a CSO to make a case against competing organisations and is more memorable than a generic standpoint, such as “we care for people” or “we change the world”.

Exercise 1.

Determine a USP.

12.2.2 Speaking Corporate

The difference between approaching a corporate donor and a traditional donor is in the way of communicating, using language accordingly. A corporate donor is normally using a business language different from that of the civil society sector. While traditional donors and CSOs share their “field language” and understand each other quite well, the corporate donor may not. Words like “capacity building”, “empowerment”, “beneficiaries”, “logical framework” and so on are often not habitual in a business environment (and even less are specific development cooperation acronyms). For that reason, CSOs have to translate the terminology to make it understandable. So “capacity building” may become “personnel development” and “beneficiaries” become “clients”. But this is not only about translating expressions but speaking in a clear and simple language that businesspeople can understand.

However, besides the wording, the attitude taken when talking to corporate funders is probably even more important. CSOs are not begging for money. CSOs make an offer that is beneficial for both sides; at the end of the day it will even pay off for funders running businesses. Furthermore, a CSO has to make

its point, because time is money, in particular for the corporate partners. Highlighting how they will benefit from cooperating with your CSO and having all the figures and budgets of a proposal at hand is paramount when approaching corporate funders. All that information needs to stand on strong feet.

Avoiding making promises which may not be fulfilled is also a significant aspect. Promises not kept will turn away a potential corporate funder forever.

Meeting a corporate sponsor

When meeting with a potential corporate sponsor, there is mostly only one chance to make an impression, and likely a very short time in which to do so. Especially meeting with a corporate sponsor for the first time, there might be 5 to 10 minutes at most to convince a corporate counterpart to support.

The first step is to decide which company to approach. As with traditional donors, research is due to find companies that have missions or values aligning with the CSO searching. There is a lot of online information which help to find out which companies are active in which field of sponsorship: companies' websites and in particular social media accounts.

First contact

- ⇒ Once you have identified which company or company department is in charge, reach out to them and ask for a 10-minute meeting to discuss opportunities for sponsorship.
- ⇒ When you ask for a meeting, be sure to express why you think they would be a great fit to partner with your CSO (alignment).
- ⇒ Show them that you have already done your homework and tried to understand their needs and interests.
- ⇒ Prepare your USP so you can communicate to the corporate donor why they should sponsor your CSO.
- ⇒ The meeting is an opportunity for you to bridge the gaps of your research and customise a proposal.
- ⇒ If possible, you could also try to meet people from that company through relevant networks or events.
- ⇒ Don't get discouraged if it takes time or several tries to land a meeting with a potential corporate sponsor – keep trying and don't give up!

Meeting preparation

- ⇒ Once you have scheduled a meeting with a potential corporate sponsor, it is time to prepare. By this point, you should have already conducted as much research about the company as possible. The following steps can serve as a guide for preparing to meet a potential corporate sponsor.
- ⇒ Identify which knowledge gaps you have about the donor in terms of their needs, values, interests, strategies, brand, etc. Prepare questions to ask the corporate donor to fill in the gaps.
- ⇒ Agree on what you want to get from the donor: financial contributions? Sponsorship for an event? Volunteers?
- ⇒ Based on your research, decide what you can offer the company: promotion of their brand? Outreach to new target groups? Implementation of a project aligned with their corporate strategy?
- ⇒ Prepare all the figures and finances of your proposal.
- ⇒ Anticipate what questions the corporate donor could ask you and prepare your responses.

⇒ Decide who from your CSO will take part in the meeting, and who will say what.

⇒ Agree on how you follow up with the corporate donor after the meeting.

11 tips for good meeting etiquette

Follow these common rules for proper meeting etiquette:

- Be punctual.
- Come prepared.
- Dress professionally.
- Speak loud enough.
- Actively listen and participate.
- Take turns speaking.
- Follow the agenda.
- Ask questions at the appropriate time.
- Be attentive to your body language.
- Put away technology.
- Eat and drink appropriately.

Exercise 2.

Funding tendencies.

Meeting Notes

Name of Company:

Department:

Company Profile

Questions to Corporate Donor

- 1.
- 2.
- 3.

What You Want

What You can Offer

Your Unique Selling Point

Relevant Figures and Finances

Questions Corporate Donor Might Ask

1.

Answer:

2.

Answer:

3.

Answer:

Roles and Responsibilities in the Meeting

Follow-up Actions to Take

12.3 Exercises on Fundraising from Corporates

Exercise 1: Determine a USP

Planning of the exercise

This is a thinking exercise. Follow the steps and figure out the USP of your organisation. If you already have one, go directly to step 5.

Application of the exercise

1. Make a list of what you know about your target audience.
2. Make a list of all the (beneficiaries') needs that your services satisfy.
3. Screen these against trends and competitors. Now remove the selling points that are already being well met by competitors. Do not forget that your USP is a *unique* selling proposition so you are looking for a gap only you can fill.
4. Match each potential USP against what you and your CSO are especially good at, and how you want to be seen.
5. What distinguishes your CSO from other CSOs?
6. Double-check that you have the right USP.
 - o Does it convey one strong benefit?
 - o Is it memorable?
 - o Is it clear who you are targeting from the USP?
 - o Can you deliver what it promises?
 - o Is it really unique – or could a competitor claim the same thing?

Reflection about the exercise

Did your organisation already have a USP and has it changed at times?

Exercise 2: Funding Tendencies

Planning of the exercise

This exercise is a little reflection on what is happening in the landscape of NGO (CSO) funding. Find out the key points and realise new funding tendencies.

Application of the exercise

Read the following text slowly, and write down the key points. In case there are any terms or words which are new to you, take the time to stop, ask a friend or colleague, or do a quick Google search of the word before moving on to the rest of the text.

NGOs and Impact Investing - KPMG Global

Several trends are disrupting the traditional funding sources relied upon by many non-governmental organisations (NGOs). Some government donor agencies that fund NGOs have threatened to sharply cut their budgets, as in the US, where 30% cuts have been proposed, while the UK has signalled that it could start to impose tougher funding restrictions. At the same time, liquid global capital markets and a greater risk appetite among financial managers has expanded the landscape for private financing flows to include social and environmental programmes – for example, the growth of green bonds and Sustainable Development Goal (SDG)-linked equity funds. In relative terms, private foreign direct investment flows, remittances and philanthropic giving far exceed the flow of official government aid to developing economies.

With this junction of trends, many donors are thinking more like professional investors. “Private sector donors are becoming more sophisticated”, says Trish Tweedley, Senior Director, KPMG Development and Exempt Organisations, US. “Many are seeking better value for money and returns on investment in terms of social outcomes and expecting NGOs to be more accountable and transparent than ever”. Similarly, public sector donors are looking for new ways to leverage their limited funding with mixed (public-private) finance mechanisms that add to declining public dollars with private funds.

To adapt to a sparing and return-driven market for donor resources, many NGOs have taken a fresh look at their funding models. Some have seen this as an opportunity to add impact investing to their operations by pivoting towards activities that have social and environmental impact (doing good) while generating financial returns (creating value).

The promise of an impact-investing approach for NGOs is to provide a new funding stream that diversifies them away from the problems of more traditional sources of finance – donations and grants, for examples. Currently most NGOs live on the ‘cliff-edge’ as their financial resources are awarded for a fixed period and then drop off, leaving them with the continual issue of finding new funding sources. They are also at the mercy of the changing tides of fashion as donors or philanthropists decide to shift strategies or just move on, leaving the recipient organisation either underfunded or struggling to find new sources of finance. Impact investing offers the prospect of enabling NGOs to plan ahead with a more diversified pool of resources.

However, the change in funding strategy also requires NGOs to provide greater transparency and accountability to their investor partners.

The cornerstone of impact investing is that it is driven by measurable results. Organisations have to think more intentionally about what they want to achieve and how they will achieve it. Dr Ruth Lawrence, Head of the KPMG Global Impact Investing Institute, gives an example of the wide-reaching effects of social impact bonds, which are one kind of impact investment vehicle. In the case of a not-for-profit organisation in Australia, the payment-by-results nature of social impact bonds “encouraged them to think much more clearly about how to define their programme, the client group and the cohort they wanted to work with”, says Lawrence. “The not-for-profit organisation had to think in the same way about the intervention, its inputs, achievements, how well it aligns with its mission and how it would measure success” ...

... An investor, which could be an individual, trust, foundation, bank or community development institution, provides capital to a service provider to achieve an agreed social outcome. In many cases, the service provider is an NGO. The contract usually specifies a time limit and metrics for success. The service provider then delivers the programme, and the more successful the delivery against *measurable* outcomes, the higher the return for the investor.

This means that organisations and investors that are often distant from the process can have greater certainty that their funds are providing a positive outcome.

Source: Adapted from NGOs and Impact Investing - KPMG Global [WWW Document], 2020. . KPMG.
URL <https://home.kpmg/xx/en/home/insights/2018/09/ngos-and-impact-investing.html> (accessed 9.9.21).

Reflection about the exercise

Is your organisation doing better with corporate sponsors? Have you ever considered that?

12.4 Closure and Evaluation of Learning Session

Feedback questions

The following questions are for you to check if you remember some of the main topics of the session. You can check at the end of this manual if your answers were correct.

1. Which department(s) should a CSO reach out to when trying to engage a corporate sponsor?	Tick ✓ the correct answer
a. Marketing and CSR departments.	<input type="checkbox"/>
b. Logistics and HR departments.	<input type="checkbox"/>
c. Product development department.	<input type="checkbox"/>
2. What's a Unique Selling Point?	Tick ✓ the correct answer
a. Corporate jargon.	<input type="checkbox"/>
b. What distinguishes a CSO and makes it different.	<input type="checkbox"/>
c. A list of characteristics about your CSO.	<input type="checkbox"/>
3. Which is <i>not</i> an aspect of "Speaking Corporate"?	Tick ✓ the correct answer
a. Highlight how the corporate will benefit from cooperating with your CSO.	<input type="checkbox"/>
b. Use CSO jargon and acronyms.	<input type="checkbox"/>
c. Know your USP.	<input type="checkbox"/>
4. What is important when you approach a potential corporate donor?	Tick ✓ the correct answer
a. Take your time to explain what your CSO does.	<input type="checkbox"/>
b. Know what you can offer.	<input type="checkbox"/>
c. Talk business: tell the corporates that you know someone that knows someone that knows their CEO.	<input type="checkbox"/>
5. What is interesting for private sector companies when funding?	Tick ✓ the correct answer
a. To beat down the price.	<input type="checkbox"/>
b. That you beg for money.	<input type="checkbox"/>
c. How they will benefit from cooperating with a CSO.	<input type="checkbox"/>

Personal reflection

The following space allows you to focus on learning at the end of the session and reflect about what you have learned. The learning diamond gives space for two main types of learning:

- Your **personal learning** points, with a main focus on those aspects of learning which are new to you or important for you.
- Learning you find relevant for your organisation to apply. Thinking about this shifts the personal learning in the direction of **organisational learning**.

You can also write down which areas or topics you wish to investigate further.

Main subjects of the session:

Major learning points I take away from this session:	Learning points I take back to my organisation:

Areas I wish to investigate further:

When you are done in filling the learning diamond, look at it and think about what stands out as the most important learning. Something really important? You can take this learning and move it to your treasure box described in Chapter 18.1 at the end of this manual.

13. Learning Session 8: Social Enterprises

13.1 Preparation and Introduction to Learning Subject

This learning session provides an understanding of what a social enterprise is and reflects on opportunities and challenges that come with establishing social enterprise. We explain the concept of social enterprises, raise awareness that establishing a social enterprise does not solve all the financial problems, enlighten the long process to establish a successful social enterprise and discuss why most of them are not profitable by themselves.

The learning session is expected to take 1.5 hours. This includes all parts of the session including feedback questions at the end of the session.

While reading through the chapter keep a pen and notepad ready or your computer at hand. Take note of whatever you deem important or when an idea comes to mind.

Each learning session starts with a small starter exercise followed by exercises throughout the text to check your learning. We will recommend when to do an exercise.

Learning objectives of this session

- You learn what a social enterprise is.
- You learn social enterprise models.
- You learn different financing mechanisms of social enterprises.
- You learn the difference between social enterprises and CSOs.
- You learn the legal frameworks and implications for social enterprises.
- You learn how to start a social enterprise.

Navigation and orientation along the training logic

This is the beginning of **Learning Session 8**: social enterprises.

Main topics covered by the session

- What is a social enterprise?
- Social enterprise models.
- Financing mechanisms of social enterprises.
- Social enterprises and CSOs. Legal frameworks and implications for social enterprises.
- Starting a social enterprise.





” This session we labelled “advanced”. Social enterprises are a very sophisticated way to increase the funds of CSOs. It requires the mindset of an entrepreneur and thinking “business” in the first place rather than approaching it with a charity attitude. ”

Learning session starter

Think about what a social enterprise is. Mark "Yes" if you think the following statements apply to social enterprises, and "No" if you do not think the statement applies.

		Yes	No
1	There is a market demand for goods and services of social enterprises.	<input type="checkbox"/>	<input type="checkbox"/>
2	A social enterprise provides cheaper goods and services than other enterprises.	<input type="checkbox"/>	<input type="checkbox"/>
3	The majority of profits are reinvested in the organisation.	<input type="checkbox"/>	<input type="checkbox"/>
4	Social enterprises have a clear social goal.	<input type="checkbox"/>	<input type="checkbox"/>
5	Social enterprises primarily donate money.	<input type="checkbox"/>	<input type="checkbox"/>

Follow the text to find the answers.

13.2 Input: Social Enterprises

Social enterprises are “organisations that address a basic unmet need or solve a social or environmental problem through a market-driven approach” (Social Enterprise Alliance). In a market-driven approach, an organisation offers products or services the customer is willing and able to buy.

There can be both for-profit and non-profit and hybrid social enterprises. Non-profits which have a social enterprise model reinvest all the profits from the sale of their products or services into their mission to increase their impact.

Social Enterprise Business Models:

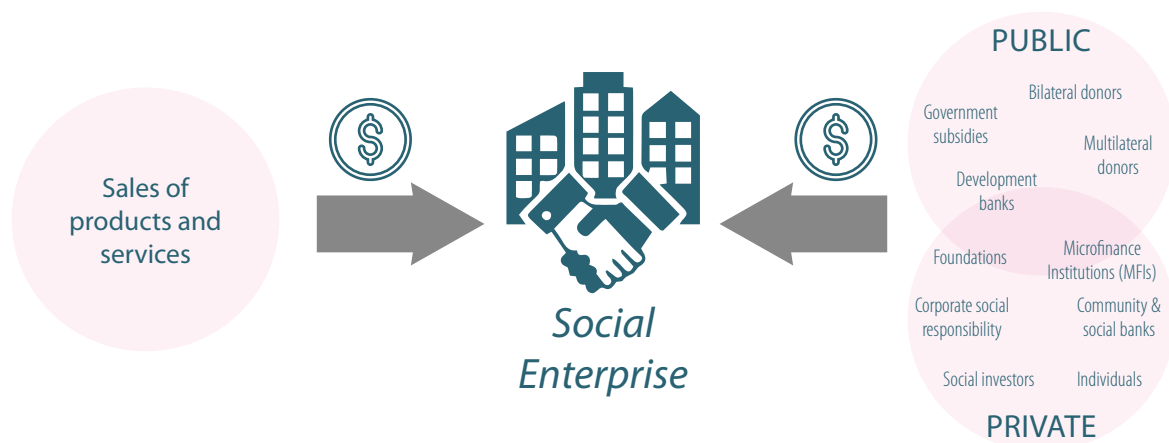
 <p>Model 1: Opportunity Employment</p> <p>Organisations that employ people who have significant barriers to mainstream employment.</p>	 <p>Model 2: Transformative Products or Services</p> <p>Organisations that create social or environmental impact through innovative products and services.</p>	 <p>Model 3: Donate Back</p> <p>Organisations that contribute a portion of their profits to non-profits that address basic unmet needs.</p>
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Source: “Social Enterprise Alliance. “What Is a Social Enterprise?” Accessed September 2, 2020. <https://socialenterprise.us/about/social-enterprise/>

Though social enterprises get some income from the sale of their products or services, most social enterprises cannot fund themselves through this financing mechanism alone. This is because there is usually an additional cost to “addressing a basic unmet need or solving a social or environmental problem”.

For example, a social enterprise that employs persons living with a disability might have additional training costs for staff, but they are still competing to sell their product on the same market with businesses who do not have that cost. A social enterprise that sells green energy might have higher production costs than a regular energy business, so their customer base is narrowed to those who can afford to pay a premium for energy without an environmental footprint.

As a result, most social enterprises survive through a mixture of different financing mechanisms. These can include public donors such as governments or development banks, or private donors such as corporate donors or individual philanthropists.



1	There is a market demand for goods and services of social enterprises.	Yes
2	A social enterprise provides cheaper goods and services than other enterprises.	No
Social enterprises are operating under the same rules of supply and demand as regular private sector companies.		

Social enterprises and CSOs

Social enterprises can be a powerful complement to other activities for CSOs.

⇒ **They can advance a social mission...**

If the product or service you sell is within your CSO's mandate.

If you involve your target group/beneficiaries in the business model.

⇒ **They can help an organisation to become financially sustainable...**

If the social enterprise is profitable.

If you have a clear plan for financing the social enterprise.

If a social enterprise is not within an CSO's mandate, the CSO can still consider a cross-financing model through a separate entity. This would mean the creation of a second, separate organisation which would operate as a social enterprise selling products and services in a competitive market and donating back its profits, or a large part of its profits, to a related CSO.

3	The majority of profits are reinvested in the organisation.	Yes
4	Social enterprises have a clear social goal.	Yes
5	Social enterprises primarily donate money.	No

The purpose of social enterprises is to fund a social goal, so social enterprises have of course social goals according to the mandate of the related CSO. They do not primarily donate money, only in cases where they are clearly an enterprise in a competitive market with the goal of giving back to society.

13.2.1 Legal Frameworks and Implications for Social Enterprise Models

When considering a social enterprise model, CSOs should also keep in mind legal and regulatory requirements. With the exception of faith-based and social marketing organisations, social enterprises are not recognised in the policies of the Ugandan government, and do not have special legal status distinguishing them from for-profit businesses or NGOs. This means that social enterprises have to be registered within the existing legal framework.

However, the NGO Act of 2016 foresees the possibility of NGOs having a social enterprise model.

Article 46: Business operations of organisations

(1) An organisation (...) shall not use the organisation directly or indirectly to engage in any gainful activities for individual interest, except for the economic interest of the organisation or in fulfilling its objectives.

(5) Any sum of money received from the sale of any goods or services (...) in excess of the administrative costs incurred in the sale shall be reinvested in the project or as directed by the organisation.

In addition, **NGOs have to pay taxes on their income**, though the Income Tax Act of 1997 also foresees the possibility of an NGO generating tax-free income if it meets all of the following requirements:

- (1) The organisation is considered a charitable institution of a public character.
- (2) The organisation is issued with a written ruling by the Commissioner currently in force stating that it is an exempt organisation.
- (3) None of the income or assets privately benefits a person.
- (4) The income is non-property income that is not (1) rent being used exclusively for the organisation's existence or (2) business income not related to the function constituting the basis for the organisation's existence.

It is important to keep up to date with any regulatory changes that might occur regarding social enterprises, NGOs, businesses, etc. depending on how the CSO chooses to operate.

Starting up a social enterprise

Though adopting a social enterprise model can seem like the answer to all of a CSO's financial challenges, it is important to keep in mind the difficulties of starting and operating a profitable social

enterprise. The first hurdle is coming up with a product or service that customers are both able and willing to buy. 99% of all business ideas never become profitable.

Useful link:

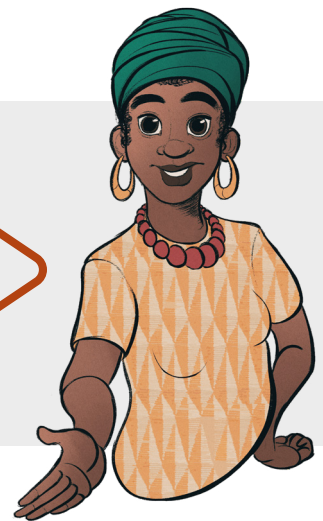
<https://www.thesedge.org/socent-spotlights/22-awesome-social-enterprise-business-ideas>

Social enterprise business ideas.

There are several steps to starting a social enterprise:

1. Come up with an **idea** (that falls under your organisation's mandate).
2. Develop a **business plan**.
 - a. Analyse the market.
 - b. Plan the execution.
 - c. Think about the legal and registration requirement and tax implications.
 - d. Develop a financial plan.
 - e. Analyse risks.
3. **Launch** the enterprise.
4. **Market** and **scale** the enterprise.

Note: Developing a good business plan takes as much time as writing a good proposal. You have to do research, talk to different stakeholders, exchange ideas and make plans within your team, develop a budget, etc. Don't forget: trust your ability!



13.3 Exercise on Social Enterprises

Exercise: Allocate Social Enterprise Business Models

Planning of the exercise

Reflect on the social enterprise business models and what they could mean or how they could be interpreted.

Application of the exercise

Allocate the description in the yellow boxes to the social enterprise business models.



Reflection about the exercise

What business model would you consider for a social enterprise you think about founding?

13.4 Closure and Evaluation of Learning Session

Feedback questions

The following questions are for you to check if you remember some of the main topics of the session. You can check at the end of this manual if your answers were correct.

1. Non-profits which have a social enterprise model...	Tick ✓ the correct answer
a. Give all their profits to their beneficiaries.	<input type="checkbox"/>
b. Reinvest all the profits from the sale of their products or services in their mission to increase their impact.	<input type="checkbox"/>
c. Create profits which are used to the benefit of the owners of the organisation.	<input type="checkbox"/>
2. A social enterprise survives...	Tick ✓ the correct answer
a. Through the profit generated by products and services.	<input type="checkbox"/>
b. Government subsidies.	<input type="checkbox"/>
c. A mixture of different financing mechanisms.	<input type="checkbox"/>
3. What's <i>not</i> a model of social enterprises?	Tick ✓ the correct answer
a. Donating back.	<input type="checkbox"/>
b. Subsidised government commodities.	<input type="checkbox"/>
c. Transformative product or service.	<input type="checkbox"/>
4. What are two pieces of legislation in Uganda that are relevant for CSOs interested in a social enterprise model?	Tick ✓ the correct answer

a. NGO Act of 2016 and Income Tax Act of 1997.	<input type="checkbox"/>
b. Social Enterprise Act of 2015 and For-Profit Businesses Act of 2002.	<input type="checkbox"/>
c. CSO Act of 2016 and the Social Award Act of 2013.	<input type="checkbox"/>
5. How do you start a social enterprise?	Tick <input checked="" type="checkbox"/> the correct answer
a. You write a proposal.	<input type="checkbox"/>
b. You ask for a loan.	<input type="checkbox"/>
c. Your draft a business plan.	<input type="checkbox"/>

Personal reflection

The following space allows you to focus on learning at the end of the session and reflect about what you have learned. The learning diamond gives space for two main types of learning:

- Your **personal learning** points, with a main focus on those aspects of learning which are new to you or important for you.
- Learning you find relevant for your organisation to apply. Thinking about this shifts the personal learning in the direction of **organisational learning**.

You can also write down which areas or topics you wish to investigate further.

The diagram is a diamond shape divided into four sections:

- Top section:** Main subjects of the session:
- Left section:** Major learning points I take away from this session:
- Right section:** Learning points I take back to my organisation:
- Bottom section:** Areas I wish to investigate further:

When you are done filling in learning diamond, look at it and think about what stands out as the most important learning. Something really important? You can take this learning and move it to your treasure box described in Chapter 18.1 at the end of this manual.

14. Learning Session 9: Financial Sustainability and Risk Management

14.1 Preparation and Introduction to Learning Subject

This learning session focuses on financial sustainability and risk management. The session is to assist you to know the risks that can threaten the organisation's financial sustainability and have an understanding on how to manage risks.

The learning session is expected to take 1.5 hours. This includes all parts of the session including feedback questions at the end of the session.

While reading through the chapter keep a pen and notepad ready or your computer at hand. Take note of whatever you deem important or when an idea comes to mind.

Each learning session starts with a small starter exercise followed by exercises throughout the text to check your learning. We will recommend when to do an exercise.

Learning objectives of this session

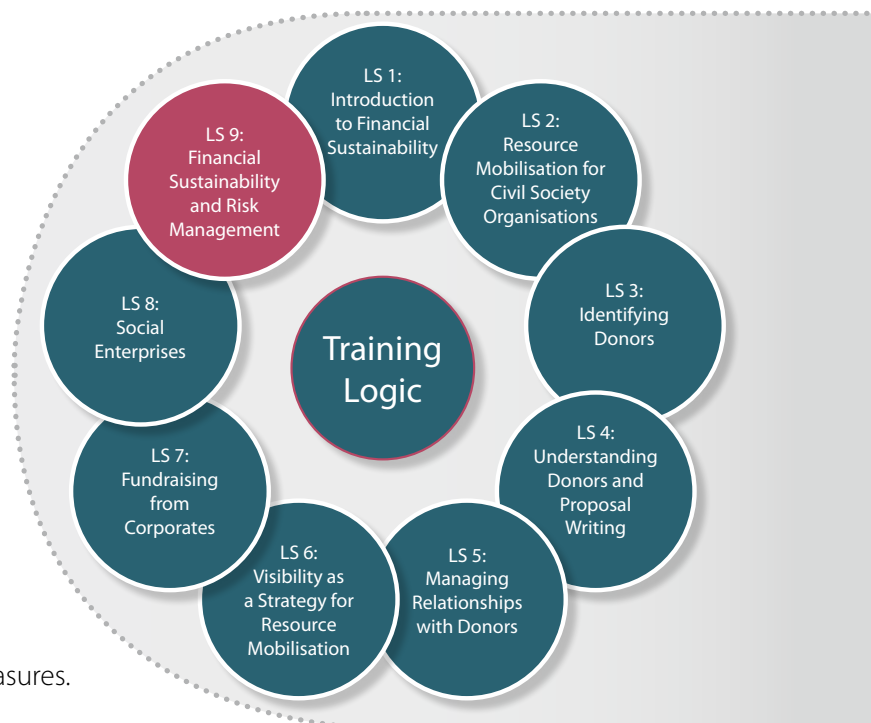
- You understand risks and the importance of risk management.
- You learn benefits of risk management.
- You learn the risk management cycle.
- You understand risk assessment framework.

Navigation and orientation along the training logic

This is the beginning of **Learning Session 9**: Understanding and managing risks.

Main topics covered by the session

- Risks and the importance of risk management.
- Benefits of risk management.
- The risk management cycle.
- STEEP analysis.
- Risk assessment framework.
- Controlling for risk.
- Reviewing risks and control measures.



This session we labelled “advanced” because financial sustainability and risk management determine the success of a CSO.



Learning session starter

Read the statements in the table and tick “Yes”, if you recognise the risk (otherwise tick “No”):

Is this a risk?		Yes	No
1	The membership decrease of our organisation has reached 8% last month.	<input type="checkbox"/>	<input type="checkbox"/>
2	Economic problems in our country had a negative effect on donations.	<input type="checkbox"/>	<input type="checkbox"/>
3	The interest rates of banks are high.	<input type="checkbox"/>	<input type="checkbox"/>
4	The weather conditions are stable.	<input type="checkbox"/>	<input type="checkbox"/>
5	The political stability in our country is reliable.	<input type="checkbox"/>	<input type="checkbox"/>

Let us check:

- The membership decrease of our organisation has reached 8% last month.**
This is certainly an important risk, because it means the supporter base diminishes significantly, if you lose 8% of your members within just one month.
- Economic problems in our country had a negative effect on donations.**
This is a risk. A well running economy means that money for support is available.
- The interest rates of banks are high.**
We wish for. Or not. It depends, if you have huge savings in the bank or to pay back a loan.
- The weather conditions are stable.**
Under normal circumstances stable weather conditions are favourable and not a risk. This might mean for example that no flooding or droughts occurred, which disrupted your organisation.
- The political stability in our country is reliable.**
Political instability is a risk many organisations have to tackle. So, political stability is the opposite.

14.2 Input: Financial Sustainability and Risk Management

Often, when we think of risk, we only think of “what might go wrong”, but “potential risks come and go, or evolve, as an organisation’s internal dynamics change, and as the external environment in which it operates changes”.⁵

The world around us is uncertain and constantly changing, but we still need to be there for our beneficiaries: we need to achieve our objectives despite uncertainty. To effectively manage risk and be there for our beneficiaries in the long term, we need to anticipate possible events and plan for uncertainty.

⁵ Source: Risk Management Unit. “Risk Management for NGOs.” United Nations Somalia, n.d. https://www.undp.org/content/dam/unct/somalia/docs/rmu/Risk%20Management%20For%20NGOs_English.pdf

14.2.1 Risks and the Importance of Risk Management

Sometimes, CSOs as well as other organisations think risk management is not that important. However, risk management is a key part of a CSO's financial sustainability. Without taking risk management seriously, a CSO can jeopardise its resources and long-term survival.

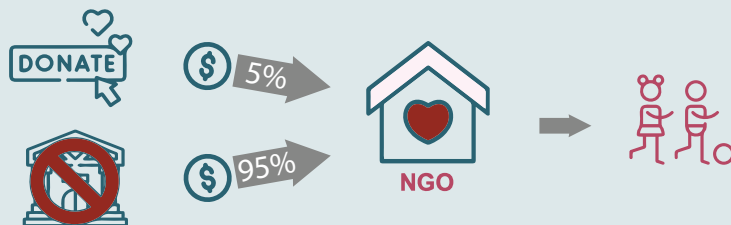
Example:

A CSO's mission is to provide after-school games and activities to disadvantaged children in their community. The CSO has one primary institutional donor, who has been supporting them for the last 10 years. This institutional donor operates on the international level. 95% of the CSO's funding comes from this donor. The other 5% of the CSO's funding comes from online donations via the CSO's website.

One day, the executive director receives an email from the donor informing that the entire international donor institution will be suspending all funding for 2 years in order to re-evaluate and improve their strategy, and make sure their priorities fit current needs. Current funding from the donor will cease in 30 days.

The changing priorities of the institutional donor affect CSO staff (threat of dismissals or short-time work), the beneficiaries (ceased activities), and the community (loss of social institution).

Risk management could probably have helped to avoid this situation.



The example shows the CSO has not anticipated the uncertainty of its funding strategy (risk management) **relying on only one main donor funding almost the whole organisation!**

With higher probability the CSO will have to stop its core activities as a result of losing the donor's financial support and may even have to liquidate its organisation. Staff will lose their jobs, and most importantly, the children who rely on the CSO will no longer be able to take part in after-school games and activities, which will probably harm their opportunities, affect their mental health, and have long-term negative consequences for their future development, and the community as a whole.

The CSO could have avoided this situation by having a risk management strategy in place. Some risk management strategies the CSO could have used include:

- ⇒ Diversifying its sources of income not to be reliant on only one donor.
- ⇒ Building up savings to be able to continue core activities during periods of reduced funding.

With these two strategies in place, the CSO would have had time to search for a new donor, keep staff employed and, most importantly, maintain support for the children: the CSO would have been able to continue meeting its objectives.

The benefits of risk management

Though risk management takes time and resources, it is a worthwhile investment in the long-term.

Risk management can help your CSO to...



Source: Risk Management Unit. "Risk Management for NGOs." United Nations Somalia, n.d. https://www.undp.org/content/dam/unct/somalia/docs/rmu/Risk%20Management%20For%20NGOs_English.pdf.

14.2.2 The Risk Management Cycle

Losing donors is not the only risk a CSO has to manage. Risk management, like tackling funding risks, occurs in a cycle.

The first step of that cycle is to **identify** all the risks that could affect your CSO.

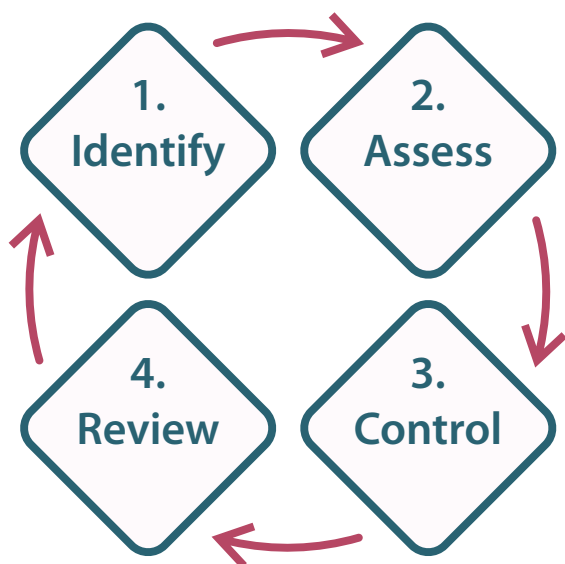
- ▶ What factors could negatively affect your organisation's ability to mobilise resources in the future?

The second step is to **assess** how likely it is that each of those risks might occur, and the level of impact that each risk would have.

- ▶ Which risks would have the highest negative impact on your organisation?
- ▶ Which risks are the ones most likely to occur?

The third step is to create **controls** that would, to the best of the CSO's ability, mitigate or lessen the impact of the risks.

The final step is to **review** the controls periodically, as well as after a risk occurs, to determine if the controls are effective or need to be adapted. This is called the risk management cycle.



Identify - STEEP Analysis



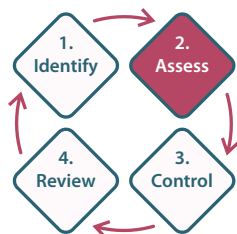
STEER analysis, a tool designed to help us brainstorm social, technological, economic, environmental and political risks, supports the first step: to identify all of the risks that could negatively affect a CSO’s ability to mobilise resources in the future.

Each risk category represents types of external risks that could disturb a CSO’s ability to mobilise resources:

Social	Technological	Economic	Environmental	Political
<ul style="list-style-type: none"> • Religion • Values • Population growth • Behaviour • Lifestyle • Health consciousness 	<ul style="list-style-type: none"> • Technological innovation • Energy • Internet or mobile phone penetration • Transport 	<ul style="list-style-type: none"> • Economic growth • Availability of jobs • Interest rates • Exchange rates • Taxes • Inflation 	<ul style="list-style-type: none"> • Water • Food • Soil • Pollution • Weather 	<ul style="list-style-type: none"> • Laws and policies • Diplomatic relationships • Political stability • Laws and policies

Exercise 1.
Identify risks.

Assess - risk assessment framework



The second stage of the risk management cycle is to assess the likelihood and potential level of impact for each risk you identified. We will try to answer the following questions using the **risk assessment framework** shown below:

- How likely is it that each risk will actually occur?
- What level of impact would the risk have if it occurred?

Type of Risk	Description	Likelihood	Impact	Threat Assessment
Economic	Donors cut funding due to global recession	Very likely	Severe	Very high
<p>For each risk you identified in the STEEP analysis, you categorise the risk type and describe the risk.</p>		<p>Assess the likelihood of the risk occurring:</p> <ul style="list-style-type: none"> - very likely - likely - moderately likely - unlikely - very unlikely 	<p>Assess the impact of the risk occurring:</p> <ul style="list-style-type: none"> - Negligible - Minor - Moderate - Severe - Critical 	See next table

The final step of the risk assessment framework is to determine the **level of threat** the risk represents using this assessment matrix.

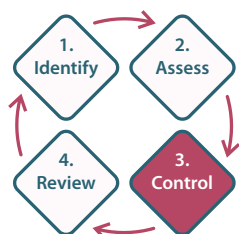
Impact/ Likelihood	Negligible	Minor	Moderate	Severe	Critical
Very Likely	Low	Medium	High	Very High	Unacceptable
Likely	Low	Medium	High	Very High	Very High
Moderately Likely	Very Low	Low	Medium	High	High
Unlikely	Very Low	Low	Low	Medium	Medium
Very Unlikely	Very Low	Very Low	Very Low	Low	Low

For example, if you assess the likelihood of a risk as “very likely”, and the impact as “moderate”, the level of threat represented by the risk would be “high”.

Exercise 2.

Assess risks.

Control – measures taken against risks



The third step of the risk management cycle is to put control measures in place to protect the CSO from the risks identified in the STEEP analysis and assessed in the risk assessment framework.

In this step, focus on the risks which represent the highest level of threat to your CSO’s ability to mobilise resources.

The control measures should aim to mitigate or lessen the impact that the risk would have on the CSO if it were to occur.

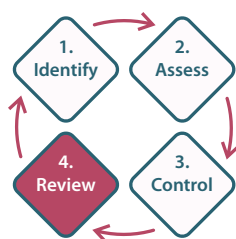
It is important to say that measures taken against risks should be implemented by your organisation directly and should avoid expenses, for example, for external support or consulting. Risk management is a skill that can be acquired.

Exercise 3.

Control risks.

Review – check risks and control measures

The final stage of the risk management cycle is to periodically reassess the risks to your CSO’s ability to mobilise resources and review the controls measures you have put in place to mitigate or lessen the impact of each risk.



Create a plan for the regular review of risks and control measures. The plan should include a timeline, who is responsible and what actions to take.

As mentioned at the start of the session, risks may come and go or evolve. Some of the risks you identified previously may no longer be a threat to your CSO, or the risks' likelihood and impact might have changed. Reducing risks to your CSO's ability to mobilise resources should be a process of continual adaption and improvement.

When reviewing risks to your CSO's resource mobilisation:

1. Reassess the risks you initially identified.
 - a. Is the risk still a threat to your CSO?
 - b. Has the risk evolved or changed?
 - c. Are there any additional risks which have arisen?
2. Review the control measures.
 - a. Are the control measures effective?
 - b. Are the control measures put in place still necessary?
 - c. Do the control measures need to be adapted or improved?
 - d. Are there any new control measures that should be put in place?

If you assess your risks and come up with control measures, but then those measures are never reviewed or turn out to be ineffective, the previous risk management steps are negated.

14.3 Exercises on Financial Sustainability and Risk Management

Exercise 1: Identify Risks

Planning of the exercise

This exercise relates to the first step in the risk management circle.

Application of the exercise

Use the STEEP analysis template to identify the risk for your organisation. Fill in each identified risk and one of the fields of the table. Number the risks (S1, S2, etc.). Extend the table, if needed.

STEER Analysis

Social	Technological	Economic	Environmental	Political
S1	T1	EC1	EN1	P1
S2	T2	EC2	EN2	P2
S3	T3	EC3	EN3	P3

Reflection about the exercise

Did you discover any new risks you haven't thought about before?

Exercise 2: Assess Risks

Planning of the exercise

This exercise relates to the second step in the risk management circle.

Application of the exercise

Now, assess each risk you identified through the STEEP analysis of your organisation's funding using the tables step by step:

Type of Risk	Description	Likelihood	Impact	Threat Assessment

Impact/ Likelihood	Negligible	Minor	Moderate	Severe	Critical
Very Likely	Low	Medium	High	Very High	Unacceptable
Likely	Low	Medium	High	Very High	Very High
Moderately Likely	Very Low	Low	Medium	High	High
Unlikely	Very Low	Low	Low	Medium	Medium
Very Unlikely	Very Low	Very Low	Very Low	Low	Low

Reflection about the exercise

What would you do when the likelihood of a risk is low? What would you do when it is very high?

Exercise 3: Control Risks

Planning of the exercise

This exercise relates to the third step in the risk management circle.

Application of the exercise

1. Looking at your risk assessment framework, identify the top two highest rated risks.
2. For both risks, brainstorm control measures that your CSO could put in place right now to mitigate or lessen the impact of both risks.
3. Write down one control measure for each of the two risks. The control measures should be:
 - a. Detailed
 - b. Concrete
 - c. Capable of being implemented by your CSO immediately.

Reflection about the exercise

Do you remember when you once took measures to mitigate risk before?

14.4 Closure and Evaluation of Learning Session

Feedback questions

The following questions are for you to check if you remember some of the main topics of the session. You can check at the end of this manual if your answers were correct.

1. What is risk?	Tick ✓ the correct answer
a. When things go wrong.	<input type="checkbox"/>
b. When no one takes responsibility.	<input type="checkbox"/>
c. The effect of uncertainty on a CSO's objectives.	<input type="checkbox"/>
2. What does the "T" stand for in the acronym STEEP?	Tick ✓ the correct answer
a. Telegram.	<input type="checkbox"/>
b. Technological.	<input type="checkbox"/>
c. Time-based.	<input type="checkbox"/>
3. How are risks assessed in the risk assessment framework?	Tick ✓ the correct answer
a. According to the level of threat.	<input type="checkbox"/>
b. According to negativity, opportunity and level of threat.	<input type="checkbox"/>
c. According to likelihood, impact and level of threat.	<input type="checkbox"/>
4. What is the purpose of creating control measures for risk?	Tick ✓ the correct answer
a. To demonstrate accountability to the donor.	<input type="checkbox"/>
b. To mitigate the impact of the risk.	<input type="checkbox"/>
c. To be prepared when the risk kicks in.	<input type="checkbox"/>

5. Why is it necessary to review risks and control measures periodically and after a risk occurs?	Tick ✓ the correct answer
a. To ensure that the CSO is constantly adapting to changing risk landscapes and that control measures are effective.	<input type="checkbox"/>
b. To ensure that the CSO can be completely protected from all risk at all times.	<input type="checkbox"/>
c. To ensure that the CSO is protected from risks that were identified previously.	<input type="checkbox"/>

Personal reflection

The following space allows you to focus on learning at the end of the session and reflect about what you have learned. The learning diamond gives space for two main types of learning:

- Your **personal learning** points, with a main focus on those aspects of learning which are new to you or important for you.
- Learning you find relevant for your organisation to apply. Thinking about this shifts the personal learning in the direction of **organisational learning**.

You can also write down which areas or topics you wish to investigate further.

Main subjects of the session:

Major learning points I take away from this session:	Learning points I take back to my organisation:

Areas I wish to investigate further:

When you are done filling in the learning diamond, look at it and think about what stands out as the most important learning. Something really important? You can take this learning and move it to your treasure box described in Chapter 18.1 at the end of this manual.

15. End of Training Assessment

The post-training assessment has been developed to assess your knowledge about RM at the end of the self-learning process. These are the same questions as in the entry pre-training assessment. In that way you can measure your progress.

Please answer the following questions as best as you are able. If you are not sure of the answer, tick the box labelled "I am not sure".

Tick the correct answer(s) for each question.

No.	Question	Answer
1	Restricted funding means	<p>A. <input type="checkbox"/> Donated funding that CSOs are able to use for any purpose.</p> <p>B. <input type="checkbox"/> Funding that CSOs are not able to access for legal reasons.</p> <p>C. <input type="checkbox"/> Funding given by the government to CSOs.</p> <p>D. <input type="checkbox"/> Funding given to CSOs that can only be used for donor-specified purposes.</p> <p>E. <input type="checkbox"/> I am not sure.</p>
2	Resource mobilisation is	<p>A. <input type="checkbox"/> The same as fundraising.</p> <p>B. <input type="checkbox"/> Writing grant proposals to international non-governmental organisations (INGOs).</p> <p>C. <input type="checkbox"/> Raising human, financial and physical resources.</p> <p>D. <input type="checkbox"/> Raising awareness and support for a project.</p> <p>E. <input type="checkbox"/> I am not sure.</p>
3	The five steps of the fundraising cycle are:	<p>A. <input type="checkbox"/> 1) identify, 2) engage, 3) negotiate, 4) manage and report, 5) communicate results.</p> <p>B. <input type="checkbox"/> 1) identify, 2) assess, 3) apply, 4) accept, 5) implement.</p> <p>C. <input type="checkbox"/> 1) engage, 2) assess, 3) negotiate, 4) manage, 5) report.</p> <p>D. <input type="checkbox"/> 1) negotiate, 2) manage and report, 3) engage, 4) communicate, 5) report.</p> <p>E. <input type="checkbox"/> I am not sure.</p>
4	Before approaching a donor, it's important to:	<p>A. <input type="checkbox"/> Purchase all the equipment necessary for completing the proposed project.</p> <p>B. <input type="checkbox"/> Research their vision, mission and strategic priorities.</p> <p>C. <input type="checkbox"/> Submit your completed grant proposal.</p> <p>D. <input type="checkbox"/> Tweet at the donor organisation.</p> <p>E. <input type="checkbox"/> I am not sure.</p>

No.	Question	Answer
5	Donors evaluate grant proposals based on: (Tick all that apply)	<p>A. <input type="checkbox"/> Track record.</p> <p>B. <input type="checkbox"/> Alignment of interests.</p> <p>C. <input type="checkbox"/> Current trends.</p> <p>D. <input type="checkbox"/> Persistence of applicants.</p> <p>E. <input type="checkbox"/> Theory of change.</p> <p>F. <input type="checkbox"/> I am not sure.</p>
6	Network mapping helps a CSO to: (Tick all that apply)	<p>A. <input type="checkbox"/> See how each staff person could contribute to resource mobilisation.</p> <p>B. <input type="checkbox"/> Find out where beneficiaries are located.</p> <p>C. <input type="checkbox"/> Identify all organisational stakeholders.</p> <p>D. <input type="checkbox"/> Identify potential wealthy supporters in the community.</p> <p>E. <input type="checkbox"/> I am not sure.</p>
7	The stages of risk management are:	<p>A. <input type="checkbox"/> Identify, monitor, eliminate.</p> <p>B. <input type="checkbox"/> Assess, accept, react.</p> <p>C. <input type="checkbox"/> Identify, assess, control, review.</p> <p>D. <input type="checkbox"/> Monitor, control, eliminate, review.</p> <p>E. <input type="checkbox"/> I am not sure.</p>
8	Corporate donors financially support CSOs because doing so: (Tick all that apply)	<p>A. <input type="checkbox"/> Gets them a tax deduction.</p> <p>B. <input type="checkbox"/> Makes them look good.</p> <p>C. <input type="checkbox"/> Broadens their customer base.</p> <p>D. <input type="checkbox"/> Helps their marketing strategy.</p> <p>E. <input type="checkbox"/> I am not sure.</p>
9	Increasing the overall visibility of your CSO online and offline means:	<p>A. <input type="checkbox"/> Make a strategic plan for the future.</p> <p>B. <input type="checkbox"/> Write a Facebook post.</p> <p>C. <input type="checkbox"/> Market your organisation's brand.</p> <p>D. <input type="checkbox"/> Keep your social media updated.</p> <p>E. <input type="checkbox"/> I am not sure.</p>
10	The number one key to a successful social enterprise is:	<p>A. <input type="checkbox"/> Making a product or service customers want.</p> <p>B. <input type="checkbox"/> Making a sound financial plan.</p> <p>C. <input type="checkbox"/> Who you know.</p> <p>D. <input type="checkbox"/> Setting key metrics.</p> <p>E. <input type="checkbox"/> I am not sure.</p>

If you want to check how you have done in the test, you can find the result sheet in the next chapter at the end of this manual.

16. Answers to Exercises, Feedback Questions and Pre- & Post-training Assessment

Learning Session 1: Financial Sustainability (01 LEARN RM)

Exercise 1 (p.29)

Financial sustainability needed	No financial sustainability needed
Mission: To reduce childhood poverty.	Mission: To collect donations of 1,000 new books for the secondary school.
Mission: To improve access to potable water in rural areas.	Mission: To vaccinate all children in one village against Yellow Fever within one year.
Mission: To end the institutionalisation of children.	Mission: To provide short-term food support to one region during a season of draught.
Mission: To increase awareness of HIV prevention measures and support those living with HIV.	Mission: To teach 100 women working in the agricultural sector how to drive and use a tractor.

Exercise 2 (p. 30)

The solution for this exercise is individual for each organisation. Please refer to the examples presented in the text.

Exercise 3 (p. 30)

The solution for this exercise is individual for each organisation. Please refer to the examples presented in the text.

[Answers to feedback questions:](#) (p. 31)

1. What is Financial Sustainability?	Tick ✓ the correct answer
a. Making money from fundraising.	<input type="checkbox"/>
b. Sufficient financial resources and a funding strategy which enables its long-term existence.	✓
c. Independence from donors.	<input type="checkbox"/>
2. What is meant by “institutional funding”?	Tick ✓ the correct answer
a. Institutional funds may invest for a variety of purposes, including CSOs.	✓
b. Institutional funds are funding of clearly determined projects.	<input type="checkbox"/>

c. Institutional funds are generated in large part from general funding.	<input type="checkbox"/>
3. An organisation's member fees are...	Tick <input checked="" type="checkbox"/> the correct answer
a. Restricted funding: the money should be only spent on things the members want.	<input type="checkbox"/>
b. Unrestricted, long-term funding: members' fees contribute to savings.	<input checked="" type="checkbox"/>
c. Project funding: members pay money for a project.	<input type="checkbox"/>
4. Which rule-of-thumb statement is right?	Tick <input checked="" type="checkbox"/> the correct answer
a. General funding makes up at least 10% of the annual budget.	<input checked="" type="checkbox"/>
b. Institutional funding makes up at least 80% of the annual budget.	<input type="checkbox"/>
c. Programme funding makes up no more than 10% of the annual budget.	<input type="checkbox"/>
5. Which answer is wrong?	Tick <input checked="" type="checkbox"/> the correct answer
a. To increase funds and financial sustainability it is important to increase the amount of unrestricted and long-term funding.	<input type="checkbox"/>
b. To increase funds and financial sustainability it is important to rely on one stable source of income.	<input checked="" type="checkbox"/>
c. To increase funds and financial sustainability it is important to use and manage all your available resources strategically.	<input type="checkbox"/>

Learning Session 2: Resource Mobilisation for Civil Society Organisations (02 LEARN RM)

Exercise 1 (p. 45)

Financial	Human	Physical
Project Funding	Staff	Office Space
Institutional Funding	Board of Directors	Computers
Programme Funding	Advisors	Vehicles
Savings	Volunteers	Office Furniture

Exercise 2 (p. 46)

1. Introduction	2. Context Analysis	3. Strategic Objectives	4. Strategic Priorities	5. Coordination, monitoring, evaluation of strategy	6.1. Operational Plan	6.2. Budget	6.3. Donor Mapping	6.4. Partner/Donor Matrix	6.5. SWOT
The purpose of the strategy, a description of the process, how it got developed and a brief overview of the contents of the document.	An analysis of the situation and environment in which the CSO will carry out the strategy. (This section is informed by the results of the SWOT analysis)	What the CSO wants to achieve by implementing the strategy.	The strategies or interventions the CSO will use in order to achieve the strategic objectives.	Specifications on who will do what to carry out and coordinate the implementation of the strategy, how the progress of the implementation of the strategy will be monitored and how the success of the implementation will be evaluated.	CSO's plan for performing activities to implement the resource mobilisation strategy and achieve strategic objectives determined by strategic priorities. The operational plan includes a timeline. Roles responsibilities are allocated to activities and targets to monitor and evaluate progress.	The budget developed by the CSO which lays out which resources are needed to carry out each activity of the operational plan and to implement the resource mobilisation strategy.	Identifying a CSO's current and potential partners and gathering information about the interests in relation to the CSO and what potential resources that partner could provide or help the CSO access.	A list of current and potential partners which were identified in the partner mapping process, including all relevant information of the partner the CSO needs to know for the engagement.	Identifying the internal strengths and weaknesses of the CSO as well as the external opportunities and threats for resource mobilisation.

Exercise 3 (p. 47)

The result of this exercise is very individual. Take the result and carry it to your organisation to discuss it further.

Answers to feedback questions: (p. 48)

1. Resource mobilisation means:	Tick ✓ the correct answer
a. Grant writing.	<input type="checkbox"/>
b. All the activities involved in securing new and additional resources and making better use of existing resources.	✓
c. Fundraising.	<input type="checkbox"/>
2. What's the link between the strategic plan, the budget and resource mobilisation?	Tick ✓ the correct answer
a. The strategic plan outlines where the CSO wants to be in 2 to 5 years, the budget details what resources the CSO needs to carry out that plan and where funding gaps may be, and resource mobilisation is the process through which the CSO ensures that it has access to those resources.	✓
b. Resource mobilisation is the plan for creating a strategic plan and an accompanying budget.	<input type="checkbox"/>
c. The strategic plan provides the foundation to carry out resource mobilisation, but the budget is only a part of resource mobilisation.	<input type="checkbox"/>
3. What is a resource mobilisation strategy?	Tick ✓ the correct answer
a. The same as a strategic plan	<input type="checkbox"/>
b. A tool for carrying out partner mapping to identify potential international, long-term donors	<input type="checkbox"/>
c. A detailed plan outlining why, how, when and from where the CSO will access the resources it needs	✓
4. How can a network contribute to the resource mobilisation of a CSO?	Tick ✓ the correct answer
a. Everyone in a network can contribute.	✓
b. If the business community is part of the network.	<input type="checkbox"/>
c. You need to have your family members in that network.	<input type="checkbox"/>
5. What's one reason your CSO might consider creating a financial sustainability committee?	Tick ✓ the correct answer
a. The board is mobilising resources for the CSO.	<input type="checkbox"/>
b. There is no reason to create a financial sustainability committee, the network will do.	<input type="checkbox"/>
c. Staff members regularly spend more time trying to acquire resources for the CSO than doing the jobs they were hired for.	✓

Learning Session 3: Identifying Donors (03 LEARN RM)

Exercise 1 (p. 57)

The solution for this exercise is individual for each organisation. Please refer to the examples presented in the text.

Exercise 2 (p. 58)

The solution for this exercise is individual for each organisation.

Exercise 3 (p. 58)

The solution for this exercise is individual for each organisation. Please refer to the examples presented in the text.

Answers to feedback questions: (p. 59)

1. What's one aspect of determining whether a potential donor is a good fit to financially fund your CSO?	Tick ✓ the correct answer
a. Whether the donor has a website where I can find relevant information about them.	<input type="checkbox"/>
b. Whether the donor is public or private.	<input type="checkbox"/>
c. Whether the goals, interests, and values of my CSO align with those of the donor.	✓
2. What's one way an international donor differs from a local donor?	Tick ✓ the correct answer
a. The international donor will have its own goals and interests, whereas a local donor won't.	<input type="checkbox"/>
b. The competition to access a local donor might be lower than for an international donor.	✓
c. A local donor can offer a larger amount of funding than an international donor.	<input type="checkbox"/>
3. What is the normal way to find out more information about a potential donor?	Tick ✓ the correct answer
a. Research utilising different channels such as news, internet, social media.	✓
b. Engage a consulting company.	<input type="checkbox"/>
c. Wait until the donor contacts you.	<input type="checkbox"/>
4. What's one question you should ask before approaching a potential donor?	Tick ✓ the correct answer
a. No questions are necessary. I'll just request a meeting with the donor and ask them what I need to know.	<input type="checkbox"/>
b. How can we persuade the donor that our interests are more important than theirs?	<input type="checkbox"/>
c. How will this donor support my CSO's strategic priorities? Why should my CSO target this donor?	✓
5. Why is it important to create a donor map?	Tick ✓ the correct answer

a. Researching and gathering information about potential donors before approaching them is critical to planning a successful engagement.	✓
b. It helps in identifying which donors are the wealthiest, so that my CSO can get the most amount of long-term funding possible.	<input type="checkbox"/>
c. It is important to know what the funding will be from the donor, so we can add it to our funding diagram.	<input type="checkbox"/>

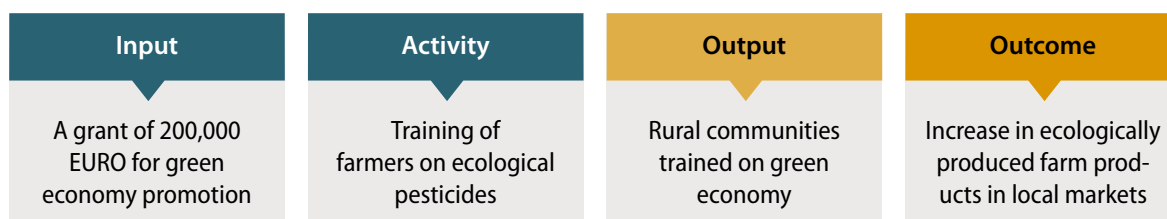
Learning Session 4: Understanding Donors and Proposal Writing (04 LEARN RM)

Exercise 1 (p. 78)

		True	False
1	Your ideas are not needed, donors have their own. - Your ideas are welcome.	<input type="checkbox"/>	X
2	Show your organisation is accountable. - Accountability is very important.	X	<input type="checkbox"/>
3	Trust does not matter, business is important. - Only trust builds long-term business relationships.	<input type="checkbox"/>	X
4	Competence makes trustworthiness. - Yes, absolutely.	X	<input type="checkbox"/>
5	Know your potential donor well. - Indeed, knowing how they think makes it easier to build relationships.	X	<input type="checkbox"/>
6	You cannot say "No" to a donor. - Even sometimes a "no" is accepted.	<input type="checkbox"/>	X
7	It is all about funds. - No, it is about friend-raising.	<input type="checkbox"/>	X
8	You cannot talk about failure. - You can talk about failure and what you learned from it.	X	<input type="checkbox"/>
9	Transparency of my organisation matters to a donor. - Transparency is important to build trust.	X	X
10	You cannot just go and talk to a donor; you have to wait until they call you. - Being proactive means you can approach a donor without waiting for them to call.	<input type="checkbox"/>	X

Exercise 2 (p. 78)

The solution for this exercise is individual for each organisation.

Exercise 3 (p. 82)**Exercise 4** (p. 83)

		Output	Outcome
1	Wells/pumps built	X	<input type="checkbox"/>
2	Water committees established	X	<input type="checkbox"/>
3	Awareness campaign organised	X	<input type="checkbox"/>
4	Maintenance of pumps secured	<input type="checkbox"/>	X
5	Water yields of wells managed	<input type="checkbox"/>	X
6	Affordability of water assured	X	<input type="checkbox"/>
7	Awareness about hygiene raised	X	<input type="checkbox"/>
8	Access to safe water increased	X	<input type="checkbox"/>
9	Safe handling of water prevailing	<input type="checkbox"/>	X
10	General hygiene habits improved	<input type="checkbox"/>	X
11	Safe use of safe water increased	<input type="checkbox"/>	X

Exercise 5 (p. 84)

The solution can be taken also from the annex (Chapter 17), the assessment of the proposal. This is the summary:

Context analysis & actor mapping

- **1.1.: Context analysis** is a bit complex and the specifics of the socioeconomic and political dynamics in the targeted areas and at the regional level are not worked out well and remain quite vague.
- **1.2.: Actor mapping is** relatively short, and it is not totally clear what all the actors contribute to the main problem; a good analysis of the power structure is missing, especially in regard to men-women.
- **1.3.: Problem analysis** is the weakest part: the problem is not clearly defined, and the applicant only mentioned a lot of problems related to each other, which is rather confusing since the assessor does not know where to begin and where to end trying to define the problem.

Theory of change

- **2.1.:** The relationship between the two outcomes and the root causes are not clear. The assumptions made are not explained well, for example, how sustainable livelihoods for males and females (outcome 1) and capacity of male and female members strengthened (outcome 2) will lead to tackling the root causes; Help Global focuses too much on its activities.

- **2.2.:** No description of **complementarities** of the programme outcome with other activities, NGOs and multilaterals.
- **2.3.:** It is unclear to the assessor if this programme is **sustainable** since the applicant does not describe this in detail and one must read between the lines.
- **2.4.:** It is unclear how the programme incorporates the aspects of gender and **gender equality** within its intervention.

Conflict-sensitivity

- **3.1.:** The **knowledge and expertise** around conflict-sensitive programme planning and management is weak and lacks quality; Help Global does not explain how its staff is supported mitigating the negative aspects of conflicts and which methodologies and indicators are used to make certain that conflicts are identified at the start and the running and evaluation of the programme.
- **3.2.:** The applicant does not explicitly describe the way it limits **market distortion**; however, they explain in some detail the way they set up their programme in conjunction with others (for example DAIL) in the annex.

[Answers to feedback questions:](#) (p. 85)

1. Which of the following should you avoid in a good proposal?	Tick ✓ the correct answer
a. Develop a results chain framework.	<input type="checkbox"/>
b. Review the proposal before you submit it.	<input type="checkbox"/>
c. Frame your proposal around your only CSO's need.	✓
2. What's the purpose of the results chain framework?	Tick ✓ the correct answer
a. To show the donor how effective your CSO's project will be.	<input type="checkbox"/>
b. To understand and show how the project will achieve results.	✓
c. To create an accurate budget for the project.	<input type="checkbox"/>
3. What is an indicator?	Tick ✓ the correct answer
a. A numeric value.	<input type="checkbox"/>
b. A measurement of the quality and quantity to be achieved by the results .	✓
c. It indicates a budget.	<input type="checkbox"/>
4. Which of the following is not an aspect of how donors evaluate proposals?	Tick ✓ the correct answer
a. Relevant knowledge and skills of the team and organisation.	<input type="checkbox"/>
b. The precision of the budget.	<input type="checkbox"/>
c. Organisational prestige.	✓

5. What is one of the mistakes CSOs make when dealing with donors?	Tick ✓ the correct answer
a. They believe every donor thinks and feels the same as they do.	✓
b. They focus on the donor.	<input type="checkbox"/>
c. They talk face-to-face with donors.	<input type="checkbox"/>

Learning Session 5: Managing Relationships with Donors (05 LEARN RM)

Exercise 1 (p. 92)

1	Relationships with donors should be built proactively.	X
2	Relationships with big donors are better than with the smaller ones. - No, because all donors are important.	<input type="checkbox"/>
3	Donor retention is a success of cultivated relationships.	X

Exercise 2 (p. 93)

Observe project start and end dates for spending	4 A	Expenses before or after the project cannot be accounted for.
Meet project targets within the approved budget	1 C	Stick to the number of agreed activities and budgets for each activity.
Monitor donor-by-donor expenditure	9 D	Keep separate accounts for each funding source.
Set aside time to prepare the report for the donor	10 B	A financial report always takes time.
Make sure reports are complete and accurate	2 I	Do not change previously reported budget or actual figures.
Donors do not like surprises	8 F	Explain risks that are kicking in and causing problems with delays and budgets.
Annual report	3 J	The annual report provides details about all the activities your organisation undertook in a particular year.
Financial reports	11 K	Donors and supporters always trust organisations that show transparency in their financial transactions.
Public relations	7 E	PR plays a very important role in gaining public trust.
High-profile partnering	6 G	Partnering with well-established organisations will help in getting recognition and trust of people.
Ethical fundraising	5 H	Ethical fundraising policies should be adopted while accepting funds.

Answers to feedback questions: (p. 94)

1. The fundraising cycle is:	Tick <input checked="" type="checkbox"/> the correct answer
a. The process of applying for grants.	<input type="checkbox"/>
b. The yearly phases of calls for proposals.	<input type="checkbox"/>
c. A cyclic expression of each phase of the relationship between CSOs and donors.	<input checked="" type="checkbox"/>
2. Key aspects of the manage and report phase include:	Tick <input checked="" type="checkbox"/> the correct answer
a. Only communicating successes to the donor.	<input type="checkbox"/>
b. Being transparent and accountable.	<input checked="" type="checkbox"/>
c. Writing reports that make the CSO look good.	<input type="checkbox"/>
3. What is donor relationship management?	Tick <input checked="" type="checkbox"/> the correct answer
a. It is caring for current donors in order to maximise donor engagement and investment.	<input checked="" type="checkbox"/>
b. It is finding friends in donor organisations.	<input type="checkbox"/>
c. It is subject to delegation to an external company.	<input type="checkbox"/>
4. Why is it important to keep complete files of contracts on budget notes?	Tick <input checked="" type="checkbox"/> the correct answer
a. It's not important, but it looks nice.	<input type="checkbox"/>
b. Because the donor wants to check all the files and see, if they are alright.	<input type="checkbox"/>
c. Then it is clear which is the latest version of a contract or a final budget, and what changes have been made.	<input checked="" type="checkbox"/>
5. Why are public-relations important for a CSO?	Tick <input checked="" type="checkbox"/> the correct answer
a. Because a CSO must become popular to raise more funds.	<input type="checkbox"/>
b. Public trust may grow through PR.	<input checked="" type="checkbox"/>
c. Because the CEO of a CSO is a celebrity.	<input type="checkbox"/>

Learning Session 6: Visibility as Strategy for Resource Mobilisation (06 LEARN RM)

Exercise 1 (p. 105)

	Good	Poor
More than 1,000 page views on our website each month.	<input type="checkbox"/>	X
- Page views do not mean much and are not really a good indicator, because each page view is counted, even if one user clicks on the website several times. More than that, the indicator does not give a clear figure, but is very weak by saying "more than a thousand".		

The ratio of registered users of our website compared to the baseline. - This is indeed a good visibility indicator, because it measures precisely the increase (or in the negative way, the decrease) in users of the website.	X	<input type="checkbox"/>
We have 5,000 followers. - This indicator is not really good, because it doesn't say anything about what these followers are doing. Maybe many of them are not even active anymore.	<input type="checkbox"/>	X
The number of users who shared the news update of last week on social media. - This is a good visibility indicator, because use of sharing content distributes content beyond the group of usual users and potentially generates more users.	X	<input type="checkbox"/>

Exercise 2 (p. 106)

Four points for each “yes”, two points for each “somehow”, and zero points for each “no”.

40-48 points: you are looking quite good. Maybe there are a few little things you can improve, but in general your performance is great.

26-38 points: you are doing already something online, but there are still gaps in your performance. You can boost your visibility by considering working on the so far neglected aspects. That may be to refine your visibility strategy, to engage a little bit more on social media, to open up another social media channel, etc.

0-24 points: you really need to consider a complete overworking of your current online visibility. Most probably, you do not have a strategy and/or the human resources to perform the tasks properly. You have to face it, there is room for development.

Answers to feedback questions: (p. 108)

1. Why is visibility important?	Tick ✓ the correct answer
a. People want to see good social media posts.	<input type="checkbox"/>
b. If nobody hears about our CSO, nobody knows it exists.	✓
c. Because showing what we do and achieve makes our organisation a leading CSO in the country.	<input type="checkbox"/>
2. What is important about evaluating the success of the visibility strategy?	Tick ✓ the correct answer
a. To write cool key messages.	<input type="checkbox"/>
b. To have a well-designed website.	<input type="checkbox"/>
c. To have an indicator.	✓
3. What's one offline way your CSO can increase its visibility?	Tick ✓ the correct answer
a. Developing meaningful outreach materials.	✓
b. Visibility is not relevant for resource mobilisation.	<input type="checkbox"/>
c. Posting stories of impact on Facebook.	<input type="checkbox"/>

4. In the context of CSOs and resource mobilisation, visibility means	Tick ✓ the correct answer
a. Degree of clearness.	<input type="checkbox"/>
b. People know about your CSO, what you do, what communities you serve, where you are and how to contact you.	✓
c. The scope of your CSO's online presence.	<input type="checkbox"/>
5. What's the first step in crafting a good pitch?	Tick ✓ the correct answer
a. Writing down why you are doing what you are doing.	<input type="checkbox"/>
b. Identifying your target audience.	✓
c. Writing down how you are doing things.	<input type="checkbox"/>

Learning Session 7: Fundraising from Corporates (07 LEARN RM)

Exercise 1 (p. 117)

The solution of this exercise is individual for each organisation. But here are some USP examples:

- Airbnb: "Book unique places to stay and things to do" – summarising what makes them different from their competitors, in just a single phrase they advertise the uniqueness of their accommodation.
- The Economist: "You've seen the news, why not discover the story?" – a unique selling proposition around storytelling emphasising their extraordinary strength in telling good background stories.
- Nerd Fitness: there are probably tens of thousands of fitness clubs, but only one to cater for the fitness of so-called nerds, people who are not normally associated with being extremely sporty.

Exercise 2 (p. 117)

Key points. NGOs and Impact Investing

- ▶ Government donor agencies cut their budgets.
- ▶ Global capital markets and financiers expanded private financing flows to include social and environmental programmes.
- ▶ Private foreign direct investment flows, remittances and philanthropic giving far exceed the flow of official government aid to developing economies.
- ▶ Many donors are thinking more like professional investors seeking better value for money and returns on investment in terms of social outcomes and expecting NGOs to be more accountable and transparent.
- ▶ Public sector donors are looking for new ways to leverage their limited funding with public-private funds.
- ▶ NGOs have taken a fresh look at funding models: impact investing, generating financial returns (creating value).

- ▶ NGOs diversify sources of finance away from traditional funding.
- ▶ “Cliff-edge” existence of NGOs and “funding fashion” dependency.
- ▶ Greater NGO transparency and accountability required.
- ▶ Measurable results for impact requested from NGOs: achievement orientation.
- ▶ The higher the delivery of measurable outcomes, the higher the return for the investor (donor).
- ▶ Evidence of funds generating positive outcomes.

[Answers to feedback questions:](#) (p. 119)

1. Which department(s) should a CSO reach out to when trying to engage a corporate sponsor?	Tick ✓ the correct answer
a. Marketing and CSR departments.	✓
b. Logistics and HR departments.	<input type="checkbox"/>
c. Product development department.	<input type="checkbox"/>
2. What’s a Unique Selling Point?	Tick ✓ the correct answer
a. Corporate jargon.	<input type="checkbox"/>
b. What distinguishes a CSO and makes it different.	✓
c. A list of characteristics about your CSO.	<input type="checkbox"/>
3. Which is <i>not</i> an aspect of “Speaking Corporate”?	Tick ✓ the correct answer
a. Highlight how the corporate will benefit from cooperating with your CSO.	<input type="checkbox"/>
b. Use NGO jargon and acronyms.	✓
c. Know your USP.	<input type="checkbox"/>
4. What is important when you approach a potential corporate donor?	Tick ✓ the correct answer
a. Take your time to explain what your CSO does.	<input type="checkbox"/>
b. Know what you can offer.	✓
c. Talk business: tell the corporates that you know someone that knows someone that knows their CEO.	<input type="checkbox"/>
5. What is interesting for private sector companies when funding?	Tick ✓ the correct answer
a. To beat down the price.	<input type="checkbox"/>
b. That you beg for money.	<input type="checkbox"/>
c. How they will benefit from cooperating with a CSO.	✓

Learning Session 8: Social Enterprises (08 LEARN RM)

Exercise 1 (p. 125)

Inclusion creates opportunities for everyone. Transformative products and services are trending to be sustainable. Responsibility for the community is taking care of solving problems.



**Model 1:
Opportunity
Employment**

organisations that employ people who have significant barriers to mainstream employment.



**Model 2:
Transformative
Products or
Services**

organisations that create social or environmental impact through innovative products and services.



**Model 3:
Donate Back**

organisations that contribute a portion of their profits to nonprofits that address basic unmet needs.

Answers to feedback questions: (p. 126)

1. Non-profits which have a social enterprise model...	Tick ✓ the correct answer
a. Give all their profits to their beneficiaries.	<input type="checkbox"/>
b. Reinvest all the profits from the sale of their products or services in their mission to increase their impact.	✓
c. Create profits which are used to the benefit of the owners of the organisation.	<input type="checkbox"/>
2. A social enterprise survives...	Tick ✓ the correct answer
a. Through the profit generated by products and services.	<input type="checkbox"/>
b. Government subsidies.	<input type="checkbox"/>
c. A mixture of different financing mechanisms.	✓
3. What's not a model of social enterprises?	Tick ✓ the correct answer
a. Donating back.	<input type="checkbox"/>
b. Subsidised government commodities.	✓
c. Transformative product or service.	<input type="checkbox"/>
4. What are two pieces of legislation in Uganda that are relevant for CSOs interested in a social enterprise model?	Tick ✓ the correct answer
a. NGO Act of 2016 and Income Tax Act of 1997.	✓
b. Social Enterprise Act of 2015 and For-Profit Businesses Act of 2002.	<input type="checkbox"/>
c. CSO Act of 2016 and the Social Award Act of 2013.	<input type="checkbox"/>
5. How do you start a social enterprise?	Tick ✓ the correct answer
a. You write a proposal.	<input type="checkbox"/>
b. You ask for a loan.	<input type="checkbox"/>
c. Your draft a business plan.	✓

Learning Session 9: Financial Sustainability and Risk Management (09 LEARN RM)

Exercise 1 (p. 134)

The solution for this exercise is individual for each organisation, but here is an example:

Social	Technological	Economic	Environmental	Political
S1: Low community attachment may cause lack of visibility and acceptance of our organisation preventing a higher number of memberships and formations.	T1: Outdated software applications jeopardise automated data processing and tie up too many human resources.	EC1: One of our donors is pulling out of the country.	EN1: Increasing bad weather phenomena make work in remote areas extremely difficult causing delays in results achievement.	P1: Political changes impose pressure on CSOs causing restriction through the administration such as higher fees and charges.

Answers to feedback questions: (p. 136)

1. What is risk?	Tick ✓ the correct answer
a. When things go wrong.	<input type="checkbox"/>
b. When no one takes responsibility.	<input type="checkbox"/>
c. The effect of uncertainty on a CSO's objectives.	✓
2. What does the "T" stand for in the acronym STEEP?	Tick ✓ the correct answer
a. Telegram.	<input type="checkbox"/>
b. Technological.	✓
c. Time-based.	<input type="checkbox"/>
3. How are risks assessed in the risk assessment framework?	Tick ✓ the correct answer
a. According to the level of threat.	<input type="checkbox"/>
b. According to negativity, opportunity and level of threat.	<input type="checkbox"/>
c. According to likelihood, impact and level of threat.	✓
4. What is the purpose of creating control measures for risk?	Tick ✓ the correct answer
a. To demonstrate accountability to the donor.	<input type="checkbox"/>
b. To mitigate the impact of the risk.	✓
c. To be prepared when the risk kicks in.	<input type="checkbox"/>

5. Why is it necessary to review risks and control measures periodically and after a risk occurs?	Tick <input checked="" type="checkbox"/> the correct answer
a. To ensure that the CSO is constantly adapting to changing risk landscapes and that control measures are effective.	<input checked="" type="checkbox"/>
b. To ensure that the CSO can be completely protected from all risk at all times.	<input type="checkbox"/>
c. To ensure that the CSO is protected from risks that were identified previously.	<input type="checkbox"/>

Answers to the pre- and post-training assessment

Correct answers for the pre-training assessment (Chapter 5) and the end of training of assessment (Chapter 15).

No.	Question	Answer
1	Restricted funding means	D. Funding given to CSOs that can only be used for donor specified purposes
2	Resource mobilisation is	C. Raising human, financial, and physical resources
3	The five steps of the fundraising cycle are:	A. 1) identify, 2) engage, 3) negotiate, 4) manage and report, 5) communicate results
4	Before approaching a donor, it's important to:	B. Research their vision, mission, and strategic priorities
5	Donors evaluate grant proposals based on: (Tick all that apply)	A. Alignment of interests E. Theory of change
6	Network mapping helps a CSO to:	C. Identify all organisational stakeholders
7	The stages of risk management are:	C. Identify, assess, control, review
8	Corporate donors financially support CSOs because doing so:	A. Gets them a tax deduction B. Supports building a good reputation C. Broadens their customer base D. Has a potential to increase their sales
9	To increase your visibility as a CSO means to:	C. Market your organisation's brand
10	The key to a successful social enterprise is:	A. Making a product or service customers want

17. Annex

17.1 Annex A1: Addressing Root Causes Fund

The following exercise and text were written prior to August 2021. Text does not reflect the current situation in Afghanistan. The proposal and assessment documents have been partially adapted from real examples and anonymised with fictional organisational and person names.

Concept Note

Name applicant/lead party	Help Global
If applicable: Name(s) co-applicant(s)	Not Applicable
Contact person applicant/lead party	Johnny Appleseed, Country Director
Title proposal	Peace for Afghanistan
Chosen target country	Afghanistan
Chosen country-specific goal(s)	5.1 Government institutions, (local) civil society and the private sector increase sustainable employment opportunities in a conflict-sensitive manner, working towards inclusive development and social cohesion. 3.1 Political decision making at different levels is participatory, representative and inclusive of all social groups.

1. Context analysis and actor mapping concerning the proposed target intervention area(s)

Political and Social Dynamics

Afghanistan has suffered from instability and conflict during its modern history. Its economy and infrastructure are destroyed and many people are refugees. The government has experienced many types of government in the last 100 years. Currently, President Ashraf Ghani, winner of the 2014 presidential elections is ruling. On September 21st 2014, the country's two rival presidential candidates, Ashraf Ghani and Abdullah Abdullah, the current Chief Executive, signed a powersharing agreement, a deal brokered by the US Secretary of State, ending 6 months of political deadlock and following the election results, both candidates vowed to form a government of national unity following an unprecedented audit of the vote. The audit found fraud on both sides.

A stronger Taliban and continuing instability remain serious challenges. Additionally, the uncertainty created over the transition of the responsibility of security to Afghan forces and the withdrawal of international troops in 2014 means that the likelihood of fragmentation of the state and continued internal conflict remains very high. In 2015, conflict and insecurity also intensified in the North East which became increasingly volatile, particularly in Badakhshan Province. Takhar Province was also affected. By the end of 2015, Help Global Afghanistan had to suspend programming in Raghistan District, Badakhshan Province due to prevailing insecurity. After the fall of Kunduz to the Taliban at the end of September

2015, Help Global Afghanistan provided support to Kunduz internally displaced persons (IDPs) in Talaqan. The cost of insecurity has been and continues to be high. By January 2015, in all of Afghanistan, approximately 92,000 lives had been lost since 2001; 26,000 of these were civilians who experienced violent deaths from cross fire, assassinations, bombings, night raids, etc. Nearly 100,000 have been injured.

With political instability and on-going insecurity, Afghanistan struggles to deliver basic services, limiting social and economic development. Furthermore, Afghanistan's diverse cultural and ethnic mix, as well as resistance to change driven by external influences, also hinder development. Poor governance and corruption undermine people's trust in the government, while weak public sector capacity hinders service delivery. As a result, Afghanistan remains one of the poorest countries in the world with millions of Afghans living in extreme poverty. Living standards are among the lowest in the world and the vast majority of people continue to suffer from a chronic lack of housing, clean water and sanitation, electricity, access to health services and jobs.

Afghanistan is an Islamic country with approximately 80% Sunni Muslim and 20% Shia Muslim. Islamic practices and religious traditions pervade and have an important role in personal conduct and dispute settlement. Afghan society is largely based on kinship groups, which follow traditional customs and religious practices. Women are particularly discriminated against, as women's poverty is rooted in traditional practices with huge disadvantages in the areas of political participation and decision making. Poverty and vulnerability further entrench women's development with widespread forced marriage and gender based violence. In 2014, Afghanistan ranked 171/188 countries on the Gender Development Index.

Political and Socio-Economic Power Structures

Although Afghanistan has made considerable political, judicial, security, economic and developmental progress over the past decade, the gains made are fragile and the government's difficulty in extending rule of law to all parts of the country pose challenges to future economic growth. Afghanistan is a country with a complicated power structure from local level to national government level; however the reach of the national government remains largely limited to the capital. Socio-economic conditions in Afghanistan are well illustrated by the country's placement as 171/188 in the UNDP 2015 Human Development Index. In addition to the widespread poverty, the government has the challenge of dealing with security threats, weak capacity, corruption, and the effects of a large and expanding narcotics industry. The lack of security in some parts of the country has continued to create conditions in which poppy cultivation flourishes, feeding a growing narcotics industry that both funds terrorist activity and feeds public corruption. Social and economic development will be severely curtailed if the current insecurity from an increase in Taliban attacks in numerous provinces is not resolved. Further confounding the security problems is the rise and expansion of the Islamic State in the eastern and southern parts of Afghanistan, which are traditionally Taliban stronghold areas.

Due to weak governance to mitigate local level disputes, conflicts are common. The nation's power still lies in the mountainous countryside. This hugely rural country still largely functions on the basis of its traditional social structures and is still committed to its traditional values as people predominantly turn to local informal institutions such as Shura (local village councils) to resolve their problems.

Cross Border Influence and Political and Socio-Economic Dynamics

From a regional perspective, Afghanistan's central location forms a crossroads between the East and West and has been an ancient focal point of migration and trade. Historically, its geographic location has made it vulnerable to invasion, and this position continues to exercise considerable influence today. Pakistan, India, Russia, and China are sizeable regional actors that are affected by and have

influence on the developments in Afghanistan. Iran and Turkey also play a significant role. These states have the ability to influence both negatively and positively the course of developments in Afghanistan and there is a high degree of suspicion, mistrust and competition in the whole region. Although Afghanistan is landlocked and resource poor, it is at risk from unwelcome external influences and its' extensive borders are problematic. Being relatively porous, these borders have allowed illegal armed groups to operate with relative impunity. While the deteriorating security situation is the driving force in the recent increase of Afghans fleeing to neighbouring countries and Europe, the stagnant economy and a lack of employment opportunities are also contributing factors.

Both Takhar and Badakhshan Provinces border neighbouring countries. Badakhshan borders Pakistan, Tajikistan and China and Takhar borders Tajikistan. These remote border areas are threatened by insecurity, illicit cross-border activities and narcotics trafficking, creating a scene of insecurity and conflict. However, these borders are also a potential route for legitimate trade and access to markets to boost the economy and enhance the sustainable livelihoods of the poor. Out-migration is significant to these border countries. The estimated number of Afghan out-migrants is as follows; Iran (840,000 in 2011), Pakistan (1,649,630 in 2013) and Tajikistan (58,816 in 2010).

Influence of National Context on Political and Socio Economic Dynamics in Badakhshan and Takhar Provinces

The changing nature of the conflict in Afghanistan and the transfer of military power from international to national control have left state security forces with the challenging task of ensuring a degree of central government control in remote districts and provinces. There are a number of ethnic divides crossing Afghanistan and with poor road infrastructure and large territory; the geographical conditions limit the ability of the state to govern effectively from the centre to the periphery. The mountainous terrain in provinces such as Badakhshan and Takhar has, furthermore, made it difficult for governmental authority to extend into these isolated rural communities. Furthermore, Provincial governments have limited authority, budgetary resources or technical skills to facilitate development and the over-centralization of administrative processes has impeded the timely and effective delivery of services to local rural communities. While services such as education and health care have improved in urban areas, rural populations remain largely vulnerable. As such, poverty rates are higher in the remote rural and mountainous areas and amongst the Kuchi population. Poverty severe in the Northeast, with Badakhshan Province having one of the highest poverty rates in the country at 61%, with Takhar Province being 25%.

The Problem Definition; Root Causes of Armed Conflict, Instability or Migration.

Afghanistan is one of the most ethnically, culturally and linguistically diverse regions in the world. The region has experienced recurrent inter and intra-state conflict which have destabilized the entire region. The conflict in country is both complex and protracted with the present internal conflict stemming from the post-Soviet withdrawal, the Taliban regime and 9/11. Analyses of recent conflicts highlights two dominant patterns; the first involving civil war with separate movements and terrorist activities opposing the government with the second stemming from localized land ownership, religious and ethnic riots along with homicides and other crimes. Afghanistan has served as a battlefield for proxy wars involving the British, Union of Soviet Socialist Republics (USSR), Iran, Pakistan, US and Saudi Arabia during its recent history. Repeated invasion has led to a legacy of defending oneself from international aggressors and subsequent suspicion of foreign forces in country. Although state to state conflict has declined over the last decade intra-state has increased with an upward trend in insurgency, terrorist incidents and separatist movements. In order to better understand the root causes of conflict in Afghanistan, they can be viewed in four broad categories, as shown below.

1. Insecurity

Porous borders, high proliferation of small arms, the presence of illegal armed groups and a lack of proficiency in the national security force has created a need for individual protection using personal arms or from insurgent groups. A low level of trust exists between communities and the Afghan Security and Police forces, largely stemming from the lack of professionalism within police forces and corruption. In response, insurgency groups and local warlords offer protection to communities in return for recognition or support. Where no form of protection is available migration internally or externally is extensive. After three decades of conflict there are a large numbers of Afghan refugees and IDPs. Mobility is a central aspect of Afghan history with many migrating for centuries, primary to neighbouring countries. It is well understood that migration is a key coping strategy for Afghans, of whom 76% have had some experience of displacement in their lifetime. With limited economic prospects, Afghans travel to neighbouring countries to provide a short-term solution to the lack of revenue at home. The result is a highly mobile labour force, crossing the Pakistani, Iranian or Tajikistan borders recurrently for a limited timeframe, without plans for residency or stable employment.

Political:

Poor governance, terrorism, narcotics trading, militarization of peace building and the mobilization of people through the use of ethnicity, religion and regionalism have all helped prolong conflict in-country. Developing a professional and trusted government has been hampered by weak governance. When coupled with widespread repression and systematic poverty, it has led to a discontented and volatile population which fosters an environment for violent confrontations.

Social:

The protracted conflict has not only led to high levels of physical devastation, it has also damaged intellectual patterns and behaviours. Physical destruction has coincided with immense suffering due to the scale of casualties, loss of loved ones, persistent fear and anxiety, accumulated anger, ethnic hatred and extreme poverty. Traditional conflict resolution, decision-making and problem solving structures have been extremely disrupted. Without democratic social structures, social security is largely determined by family, tribe, clan or ethnicity. Prolonged hostility transforms identity from a relatively neutral organizing principle to an influential tool in the provocation of mass violence. Vehicles facilitating ethnic repression and political exclusion include monopoly/inadequate ethnic or part representation in government leadership, denying the right to employment and access to higher education and the domination of media by one group. Despite three decades of conflict, out migration, refugee movement and resettlement, village organisation continues to play a strong role in many communities. Traditional village structures typically include a Shura (community council), a Mullah (religious leader) and Malik (village representative). Programmes such as the National Solidarity Programme (NSP) have sought to introduce new democratic structures into villages across the country. The concept of Community Development Committees (CDCs) was established as part of the NSP and adapted by government to build local and accountable governance capacities while also replacing pre-existing governance structures.

Economic/environmental:

After three decades of continuous conflict, Afghanistan has become one of the poorest countries in the world. The resulting weak economy is reflective of these limitations along with drought and other effects of global warming, high rates of unemployment and extensive corruption within government. Although there have been some gains from cotton and dried fruit exports prolonged conflict has prevented producers from competing in the global markets and adequately capitalizing on these

resources. Despite the over-dependence on agriculture in Afghanistan, there is a clear scarcity of natural resources i.e. water, arable land, pastures and wood in country.

Youth Unemployment:

Afghanistan's youth face challenges related to unemployment and low wages. As more than 400,000 young people enter the job market annually, Afghanistan has an increasing need to generate employment opportunities. According to the National Risk and Vulnerability Assessment (NRVA) 2007/2008 report, Afghanistan's youth unemployment rate was 10% for young men and 15% for young women, significantly higher than the national unemployment rate of 7.1% (NRVA, 2009). Young people tend to occupy temporary and precarious positions (63.8 %) and work as daily labourers (17.6%) because of the lack of education, skills, and experience and the limited job opportunities available in the community. Many young Afghan males out-migrate to neighbouring countries such as Iran, Pakistan and Tajikistan. Such unemployment, can lead youth to work for the narcotics industry, illegally armed groups and terrorist organizations. Therefore, youth employment is a key concern in the development and stability of Afghan society. The situation of Afghan girls is of particular concern. Traditional pressures, such as early marriage, make them more likely to drop out of school, which in turn makes it difficult to find decent jobs. Women earn 51% less than men in non-farm occupations and Afghanistan's employment-to-population ratio (aged 15-64 years) shows a large gender difference: 80% for males and 43% for females (ILO, 2012). Moreover, young, educated women (18%) are approximately twice as likely to be unemployed as young, educated men (8%).

Actors Relevant to Solving the Problem

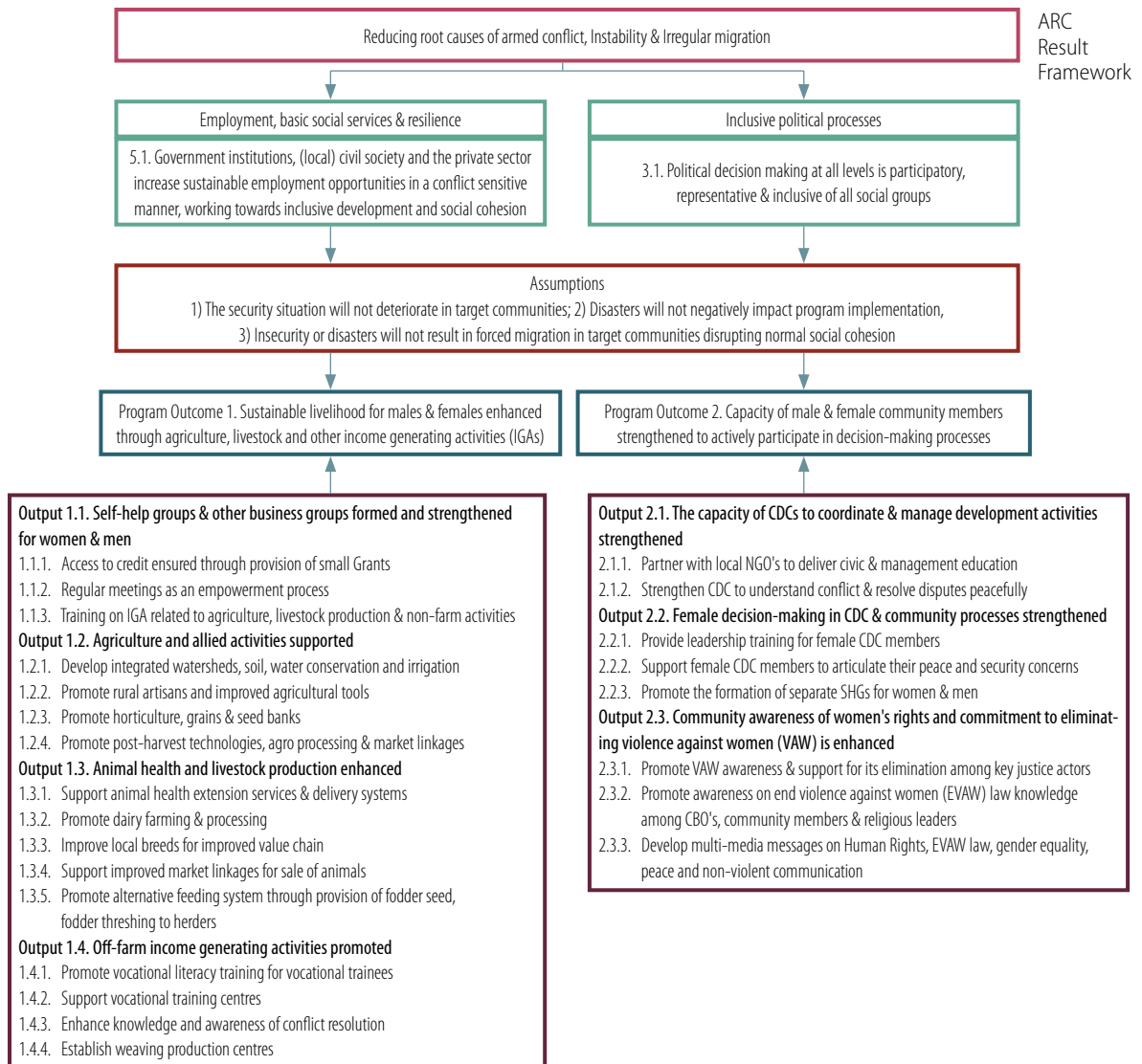
The proposed intervention has two outcomes designed to reduce the root cause of armed conflict, namely; 1) Promotion of sustainable livelihoods for males and females, 2) Strengthening of the capacity of male and female community members to actively participate in decision-making processes. Key actors include; the Provincial and District arms of the Ministries of Agriculture, Economy, Education, Interior and Justice, Labour, Refugees and Repatriation, Rural Rehabilitation and Development, and Women's Affairs. Local Ulema Councils and Mullahs are very important in promoting peace and stability. Local governance structures such as CDCs are central in promoting peace and security and resolving local disputes. An important aspect of peace and stability in Afghanistan is the creation of safe spaces for women both within and without the household and enhancing women's ability to take up employment and livelihood opportunities inside and outside their homes.

Position of Help Global in the Context

Help Global has been operating in Afghanistan since 2004. During this period the organisation has become a leading actor with a strong presence in the North-East. Help Global has implemented both development and humanitarian programming in country, all of which have been conflict sensitive. A majority of these interventions have focused on livelihoods focused on agriculture development and natural resource management. Help Global has recently successfully implemented EU Peace Kids project in Raghistan and Kohistan Districts, Badakhshan Province both of which are still experiencing ongoing hostilities and Conflict Resolution training has also been provided to CDCs through other Help Global initiatives.

2. Theory of change

Section I – Visualisation



Section II – Clarification of the theory of change

Connection between Programme Outcomes and ARC Overarching Goal:

This Action proposes two outcome areas to be implemented in North East Afghanistan, in Badakhshan and Takhar Provinces;

1. Sustainable Livelihoods for Males and Females Enhanced through Agricultural, Livestock and other IGA.
2. The Capacity of Male and Female Community Members is strengthened to Actively Participate in Decision-making Processes.

These outcome areas are designed to be mutually reinforcing, as communities are strengthened and stabilised through intensive work with Community Development Committees (CDCs) and Self Help Groups (SHGs) of men and women that in turn, are the interface and support for the agricultural and livestock

livelihood activities at community level. Villagers trust their local leadership mechanisms, and this becomes a key building block on which to strengthen livelihood and peace building activities. Strengthening communities' ability to replenish water supplies, arable land, pastures and wood through an integrated watershed management system addresses issues of environmental degradation over the past thirty years. Supporting improved agricultural and livestock production and processing linked to enhanced market access addresses the issue of rural poverty and unemployment. And strengthening off-farm livelihoods responds to the need to address youth unemployment and critical labour gaps. Well done, this can address female impoverishment through livelihood enhancement that addresses female's restricted mobility and household responsibilities. Given the past 30 years of war and insecurity in Afghanistan, aggressive and violent behaviour is common and often expressed at household level against women and children. Stabilising communities and enhancing a feeling of safety in life starts at home.

Connection between the Strategy and Programme Outcomes:

The strategy to support Programme Output 1 has mutually reinforcing approaches. Through strengthening agricultural and livestock activities, the resource base of target communities will be enhanced in a sustainable way supported by an integrated watershed system, horticulture and agro-processing. Animal health extension services will be strengthened, as well as dairy farming and the improvement of market systems for the sale of products and animals. At community level, the establishment of SHGs will strengthen members' business skills and build community capacity to undertake livelihood activities. The strategy to support Programme Output 2 is the strengthening of male and female CDC members to play an active role in coordinating all development work and play an active peace-building role in their communities. The SHGs, which have members from households participating in regular meetings, will be used as fora for the promotion of peaceful households addressed through strategies that reduce aggression and domestic violence. This will be achieved through the awareness-raising of religious leaders, the legal community and male and female CDC members.

Basis for the Assumptions:

The security situation will not deteriorate in target communities:

Any significant deterioration in security may impact on the project's ability to function. However, Help Global has worked in Afghanistan since 2004, and has been able to ride out the ongoing security ebbs and flows. Armed Opposition Group (AoG) activity has been intensifying in the North East and it is impossible to predict how the situation will unfold. Help Global will monitor the situation closely.

Disasters will not negatively impact programme implementation:

Badakhshan and Takhar experience regular natural disasters such as earthquakes, floods, landslides and avalanches. For example, there were severe floods and landslides in several districts in 2014 and in 2015, there were two earthquakes and multiple floods and landslides. As a humanitarian organization, Help Global responded to these disasters and will continue to respond to any disasters that occur in our area operation. In all communities where Help Global works, DRR strategies are integrated. But there are no guarantees that a disaster will not strike in the communities targeted by this action.

Insecurity or disasters will not result in forced migration in target communities disrupting normal social cohesion:

It is difficult to predict what will happen with regard to security, disasters and forced migration. With a serious escalation in AoG activity or a large-scale disaster, there could be a disruption to normal social cohesion. However, it is important to balance all these uncertainties in people's lives with initiatives to build and strengthen social cohesion.

Sustainability of Results:

District government departments will be strengthened to provide community services and community CBOs such as CDCs and SHGs will be strengthened to support sustainable livelihood and conflict-resolution responses. Furthermore, agricultural strategies are built on rehabilitation and conservation principles.

Gender:

Gender is addressed through strategies to support female livelihoods. Women's SHGs will be organised and regular meetings held to enable their personal, social and economic development through savings and credit activities. These as well as men's SHGs will be used as a platform to promote peace education and non-violent communication aimed at reducing aggression in the home. These messages will also be promoted among male and female CDC members, religious leaders and justice stakeholders.

Sphere of Influence:

Help Global enjoys excellent relationships with Provincial and District governments and UN and INGOs. Help Global has a strong District programme delivery structure with offices and staff teams in each of the six Districts of focus in Badakhshan and Takhar.

Connection between programme outcomes and specific context-relevant shortcomings:

In order to achieve sustainable livelihoods for males and females, the project will work both to enhance the supply side as well as mediating between supply and demand by addressing critical bottlenecks in a strategic manner. Detailed value chain analyses will have to be carried out in key agricultural, livestock and non-farm income generating items that will help clearly establish the issues related to supply and demand. For example, preliminary inquiry related to dairy products in Taloqan City (capital of Takhar Province) indicated that small businessmen collect milk from rural areas, which they process into yoghurt, cheese and ice cream, and these are sold in the city. There is a seasonal fluctuation, both due to the climate, but more importantly due to the supply variations. Takhar had over 260,000 cattle in 2003 (FAO 2003). These were local breed and on an average a cow would produce 3-4 litres of milk per day. Further discussion with former Department of Agriculture, Irrigation and Livestock (DAIL) staff indicated that artificial insemination was introduced into Takhar province for the first time in 2008 with the help of INGOs with two centres started in Taloqan and later one in Rustaq in 2011. These have used semen from Tajik and French breeds and the cross breeds have been able to produce 10-15 litres of milk per day. While there is growing demand for these services, the supply is very modest. The 2015 DAIL report states that 515 cows were inseminated artificially and 311 calves were born during the year. There is a great scope for expanding this further.

Connection between programme outcomes and stimulating the (central, regional and local) authorities to eliminate obstacles to creating a satisfactory labour market and business climate.

Secondary data analysis shows that 90% of the labour force is unskilled; 6.8 million working age population is unemployed of which 5.3m are women, the majority of whom are not gainfully employed due to deep conservative values. Discussions with traders and national staff have revealed that the tax regime for market produce coupled with corruption (at toll gates), is acting as a huge disincentive for marketing, which will also impact production as well. High costs will also dampen consumer participation. The overall security concerns are another factor that dampens investments. These are chronic issues and the project will engage the district and provincial authorities to address these issues. The project will lobby with the authorities to convene meetings between the chamber of commerce and other employers and vocational training centres to understand the labour demands and supply situation. This will help in ascertaining the immediate and medium term needs of skilled labour force, which will help in formulating some joint plans.

Programme Outcome 1:
Sustainable Livelihoods for Males and Females Enhanced Through Agricultural, Livestock and Other Income Generation Activities.

1.1 Self-Help Groups and other Business Groups Formed and Strengthened for Women and Men

1.1.1 Access to Credit Ensured Through Provision of Small Grants

As part of the Action Help Global proposes to form up to 400 SHGs in 100 target villages in Takhar and Badakhshan Provinces, with separate groups for especially the poor women and men in the targeted communities. The SHGs will be encouraged to undertake savings and credit activities. All income generating activities (IGAs) that Help Global proposes to undertake under this project will be channelled through the SHGs in the form of provision of grants. In turn, the SHGs will lend the funds to undertake IGAs. Help Global will identify, and provide needed technical training and other assistance so that the IGAs are taken up successfully. Based on the type of income generating activities, Help Global will carry out technical training related to these activities thereby minimising failure of these activities.

1.1.2 Regular Meetings as an Empowerment Process

Rural Afghanistan is deeply conservative, hierarchical and feudalistic coupled with very strict division of gender roles. These roles have undergone very little change over time. Any intervention that aims at changing these power structures and roles will need to understand these values which are deeply cultural, traditional as well as religious and addressing them becomes a very sensitive issue. Help Global has organised 70 women's Self Help Groups (SHGs) in its Afghanistan programme areas. These groups engage in savings and income generating activities. However, due to lack of qualified female staff to work with these SHGs as well as lack of sustained input in building their capacities their potential has not been realised, both in terms of enhancing incomes of these families and also more importantly in female empowerment. SHGs will contribute significantly to the empowerment of both women and men from among the extreme poor in target communities. The SHGs will undergo a number of training and awareness building sessions to support member empowerment. Such enabled members will be able to contest CDC elections, be more articulate, and actively participate in CDC meetings. As well, the SHGs will be able to hold the CDCs to account as part of the constituency that elects the CDCs.

1.2 Agriculture and Allied Activities Supported Background:

Agriculture and Livestock production in Afghanistan heavily suffered during the 80s and 90s due to civil war and neglect. According to the Afghanistan Living Conditions Survey (ALCS) 2013-14, agriculture, including farming and animal husbandry forms the backbone of the Afghan Economy. An estimated 61% of the households in Afghanistan have agriculture as a source of livelihood, 28% households have it as their main source of income, and 44% of the entire workforce is engaged in this sector. Farming and livestock contributed 25% of the national GDP in 2013-14. Despite this, only 12% of the total land area of 652 thousand square kilometres is arable and 46% is under permanent pasture. About 1.4 million households hold any irrigated land and the average landholding is less than 4 jeribs (1 jerib=0.2 Hectare). Despite a great potential, agriculture production has suffered due to lack of infrastructure such as roads, storage facilities, agro processing and markets.

1.2.1 Develop integrated watersheds, soil, water conservation and irrigation

Only 12% of the total land area in Afghanistan is arable and 46% is under permanent pasture. The topography in Badakhshan and Takhar is highly undulated and prone to natural disasters such as earthquakes, floods, landslides and avalanches. Agriculture is practiced on severe slopes due to lack of arable area and this increases erosion. Help Global proposes to undertake a holistic and integrated watershed development approach that helps in the treatment of land (in terms of soil and water conservation that increases

biomass production), introduce sustainable agriculture and pasture techniques through a participatory and inclusive community development approach. Where irrigation potential exists such as spring development or rivers, appropriate and low cost technologies will be used to harvest such water sources for irrigation. Water User Committees will be formed and capacities built to build such irrigation structures, manage water distribution in an equitable manner and manage the systems in a sustainable manner.

1.2.2 Promote Rural Artisans and Improved Agricultural Tools.

Farmers mainly use traditional farm tools and with some improvisation the efficiency can be increased and drudgery reduced. The project will support rural artisans such as black smiths and carpenters by linking them up with the Department of Agriculture, Irrigation and Livestock research stations to build their technical capacities and provide critical inputs that enable them to produce more efficient farm tools.

1.3 Animal Health and Livestock Production Enhanced Background:

No comprehensive livestock census has been carried out since 2001-3. All livestock estimates are based on projections made on these figures. According to the Afghanistan Living Conditions Survey (ALCS)-2013-14, the projections indicate a decline in the number of cattle owned but a significant increase in sheep production. The ALCS 2013-14 estimates show about 10m goats and over 20m sheep reared in the country. Poultry is also very commonly reared with about 43% of all households- both rural and urban rearing poultry. This is especially the responsibility of women who benefit directly from poultry products. Animal health services overall are very low with vaccination - an important factor to ensure healthy animals - is below 15% overall for sheep and goats. Often households only vaccinate part of their herds, which makes vaccination less effective overall. Access to credit and other services such as feed concentrates is also mixed with cost and market access being important inhibiting factors. Lack of awareness of health services is also a cause for not availing animal health and vaccination services.

1.4 Off-farm Income Generating Activities Promoted

1.4.1 Promote Vocational Literacy Training for Vocational Trainees.

Help Global Afghanistan's female beneficiaries persistently request literacy classes. Thus, an adult literacy programme considering the needs of women will go hand in hand with vocational learning classes. However, literacy classes will be provided for all Technical and Vocational Education and Training (TVET) students, males and females. The Adult Literacy Programme will run for nine months for each group. The project will use the formal and approved Adult Literacy Curriculum of the Ministry of Education (MoE) in coordination with the Literacy Department. To support this initiative, Teachers' Training will be conducted to ensure a teacher supply in line with the MoE's Literacy Teaching pack. The adult literacy students/weaving trainees will also be trained in bookkeeping, saving systems, financial management and leadership, through existing Help Global curricula.

1.4.2 Support Vocational Training Centres

Two TVTCs will be established/upgraded in Faizabad, Badakhshan Province and Talaqan, Takhar Province. Currently, the Afghan labour market faces an acute demand for skilled and semi-skilled people in order to cope with the massive reconstruction needs of the country. However, unemployment remains persistent among young Afghans because many do not have the technical skills that are urgently needed for reconstruction efforts as well as the overall economic development of the country. The low participation of girls in the labour market raises issues about the gendered social constraints they face and the relevance of the training opportunities offered to them. There is a real need to establish/upgrade Technical Vocational Education Training (TVET) Centres that offer high quality labour market-driven courses to support the preparation of Afghan youth in Badakhshan and Takhar Provinces for the labour market. These TVET Centres will be supported by quality trainers and relevant curriculum documents and training materials.

All training courses offered in the two Vocational Training Centres will be subject to rapid labour market surveys which will be carried out in the inception phase of the project. If needed, teachers will be recruited and trained and curricula/training materials developed prior to any student intake.

Programme Outcome 2:

Capacity of Male and Female Community Members Strengthened to Actively Participate in Decisionmaking Processes.

2.1 The Capacity of CDCs to Coordinate and Manage Development Activities is Strengthened.

2.1.1 Partner with Local NGOs to Deliver Civic and Management Education. As part of post-Taliban reconstruction efforts in Afghanistan the international community provided significant funds through the National Solidarity Programme (NSP) which was channelled through the Ministry of Rural Rehabilitation and Development (MRRD). The objective of the NSP was to build, strengthen and maintain Community Development Councils (CDCs) as effective institutions for local governance and socio-economic development. Between 2003 and 2015 the NSP formed 39,000 CDCs spent over \$US2 billion. The CDCs are responsible for identifying micro projects, plan the interventions, receive and manage funds and implement these projects. Where the Facilitating Partners (FPs) – such as Help Global Afghanistan - were able to mobilise other resources and work with the CDCs, the results were positive with CDCs becoming vibrant community institutions representing and realising the aspirations of the communities. As an NSP FP, Help Global has facilitated the election of 579 CDCs in Takhar and Badakhshan Provinces. These CDCs have implemented over 1,000 development projects. Where Help Global has mobilised additional resources to undertake various developmental as well as humanitarian activities, it has actively engaged the CDCs as the overarching CBO at the community level. Such CDCs have stayed functional and perform an important function in local governance and socio-economic development. By partnering with CDCs, this Action will be aligned with the GoAs development plan. Building on the successes of the NSP, the government has committed to ensuring the development rights of citizens through the Citizen's Charter. Under the Citizen's Charter, the Government seeks to improve service delivery and deepen the legitimacy of the Afghan state. Using CDCs as the entry point for both governance and development activities, and to plan and manage service delivery at the micro-level, the Charter will help reduce poverty and break the cycle of fragility and violence. Help Global will mirror this strategy and CDCs will be the entry point for all community activities under as this project.

2.1.2 Strengthen CDCs to Understand Conflict and Resolve Disputes Peacefully

A recent assessment of development cooperation in North East Afghanistan found that dispute resolution was mainly conducted by local nongovernmental institutions. Official courts play only a marginal role and have not increased their role over time. The assessment found that Afghan villagers trust societal institutions such as the CDCs or the more informal councils of elders or Jirgas much more than official state institutions when it comes to "just" dispute resolution. This assessment also found that villagers reported feeling increasingly insecure, reflecting their responses to insurgent and counter-insurgent violence. Accordingly, through this Action, all CDCs will be trained in conflict management and resolution and their role as dispute mediators in their communities will be strengthened. The intention is that communities will become more stable as local disputes are handled in an acceptable manner. CDCs will become a sound collaborative community-based dispute resolution mechanism. In tandem with CDC training, local government, religious and traditional leaders will also be trained in conflict resolution. The conflict resolution role of the CDCs will be complemented by peace-building workshops held in CDC villages with other CBO entities (Parent-Teacher Committees, Natural Resource Management and Disaster Risk Reduction (DRR) Committees, etc.).

2.2 Female Decision Making in CDC and Community Processes is Strengthened.

2.2.1 Provide Leadership Training for Female CDC Members.

One of the prerequisites of formation of the CDCs is to have equal representation of men and women. However, in reality this has mostly remained symbolic. For example Help Global has organized 579 CDCs comprising 2804 male and 2804 female representatives. None of the 579 CDCs holds meetings where their male and female representatives meet together. Help Global has male and female facilitating staff members who meet with the male and female members separately. Female members meet together and discuss their issue and their views are presented to the male CDC members who then make decisions. There is no recourse for any clarification or additional discussion as the women representatives are not present during the actual decision making. Despite the fact that power continues to reside in the male CDCs, two case studies of parallel women's CDC committees (Shura) in Balkh and Pawan Provinces found that the women had benefited substantially from their participation. The creation of a space where women could talk about such concerns as female literacy, domestic violence and health issues were cited as being valued by the female members. Increased confidence to speak up in public, even in front of men was another benefit mentioned. The women also became role models in their communities and accepted by men to have a role outside of their homes. After their Shura participation, the women visited each other's houses, something they had not done before. As part of this Action, Help Global will support training male CDC members in the importance of female participation in decision-making and will also support leadership training for female CDC members. Help Global will explore the establishment of a process where women's concerns are presented to the male CDCs.

2.2.2 Support Female CDC Members to Articulate their Peace and Security Concerns.

The study of the female CDCs in Balkh and Pawan Provinces found that one of the issues the parallel women's CDCs identified as important to them was the issue of domestic violence. This is not surprising. A recent survey on masculinities in Afghanistan found that masculinity is shaped by an almost universal view of men as breadwinners, as nafaqah providers (the man as husband and father is obliged to provide for all needs of the wife and children), as being due respect and authority within the family, as having to fulfil family needs at any cost, and having the last word. In this survey, 60% of male respondents and 57% of female respondents found wife beating acceptable. This Action will support leadership and advocacy skills for female CDC members and at the same time undertake gender sensitization training among male CDC members, working with Islamic principles that do not support violence against women and children. Over time, community members will become sensitized to violence against women issues.

3. Conflict-sensitivity

Conflict sensitivity in development assistance can serve not only to decrease levels of violent conflict or the potential for violent conflict, but also to increase the effectiveness of the assistance. Development assistance without conflict sensitivity can inadvertently encourage conflict, and lead to negative rather than positive outcomes. Within an Afghan context, thorough conflict analysis is an essential component of the project design, particularly in or close to areas with a history of hostilities. The conflict in Afghanistan plays a dominant role in society one of the main challenges faced by humanitarian agencies when attempting to access those in need of assistance. Help Global ensures conflict sensitive programming through three main steps. Firstly by understanding the operational context. Secondly by understanding the interactions between implemented interventions and the context, and finally by implementing conflict sensitive programming which recognises these interactions, and

are designed to avoid negative while maximising positive impacts. Help Global has had a presence in Afghanistan for 10 years and during this period the agency has gained an in-depth understanding of the context in which we work, along with an appreciation of the dynamics at play during inter- state and internal conflict. The agency recognises that designing appropriate interventions should consider both the identified needs and cultural/conflict sensitivities relevant to a specific context.

Conflict sensitivity of staff and partners

Given the extensive history of conflict in Afghanistan and the programming experience gained in country since 1998, staff have accumulated in depth contextual knowledge of the environment in which they operate. Similarly, substantial institutional knowledge has been retained within the organisation, all of which has helped design conflict sensitive interventions which have positively impacted the communities in which they were implemented.

4. Grant amount

	Applicant/Lead Party
Outcome 1	4,000,000 to 7,000,000 USD
Outcome 2	2,000,000 to 7,000,000 USD
Total	6,000,000 to 14,000,000 USD
% disbursed via partner organisations: some local NGOs will be partnered to deliver some specific outputs and the financial implications to be determined	
Duration in months: 60	
Requested starting date: 1 February 2017	

17.2 Annex A2: Application form and threshold check for the ARC Fund

I. General information

General information of the applicant and the application

a. Name of applying organisation/lead party	
b. Address	
c. Telephone number	
d. Email address	
e. Name(s) of director(s) (please provide title, i.e. Ms/Mr)	
f. Name and email address of contact person for the application (please provide title, i.e. Ms/Mr) and telephone number on which the contact person can be reached.	
g. Country in which the applicant/lead party has its registered office.	
h. Would you like the Ministry of Foreign Affairs to communicate with you via email, including formal documentation like grant agreements? If yes, then provide the correct email address that can be used for this.	
i. If you are the lead party of a consortium, indicate which other organisations participate as co-applicants in this application.	
j. Name of the bank and bank account number of the applicant/lead party ⁶	
k. Applicant's income (total amount of annual organisational budget), and in the case of a consortium also the income of each co-applicant (total amount of annual organisational budget per organisation).	2012: 2013: 2014:
l. Country for which the applicant/consortium requests a grant? (Afghanistan, Pakistan, Jordan, Lebanon, Syria, Ethiopia, Somalia, Sudan, South Sudan, Mali, Burundi or the Democratic Republic of the Congo). Please note: For each country for which the applicant/lead party applies for a grant, a separate application needs to be submitted. Applications that cover multiple countries will be rejected.	
m. Please indicate whether your organisation receives any other grant(s) from the Ministry of Foreign Affairs. If so, please indicate which grant(s), what amount, what is the duration of the grant(s) and for which activities the funding is received (activity number). You may provide this information in a separately numbered appendix.	

II. Threshold criteria

If an application does not meet one or more criteria the application will be rejected and will not be further assessed. These criteria are listed below and clarified where necessary.

⁶ Please provide your full EURO Account number (also known as IBAN) and BIC number.

The applicant/consortium⁷ needs to submit the first part only once (D.1. to D.6.), irrespective of the number of proposals that are being submitted by the applicant/lead party and co-applicants. The second part (D.7. to D.12.) needs to be submitted for each application.

The organisation meets all of the following criteria:

D.1.	<p>The applicant (or in the case of a consortium: the lead party), together with any co-applicants, must be a Dutch, international or local not-for-profit non-governmental organisation (NGO), which possesses legal personality.</p> <ul style="list-style-type: none"> • ‘NGO’ means: a not-for-profit organisation neither established by a public authority nor connected to a public authority either de facto or under its constitution, which possesses legal personality under civil law in the country where it has its registered office. • ‘Dutch NGO’ means: an NGO established in the Netherlands, subject to Dutch law and having its registered office in the Netherlands. • ‘Local NGO’ means: an NGO that has its registered office in the country where the intended activities will be carried out (target country). <p>Due to the conflict in Syria it has proven to be difficult for local NGOs to register themselves inside Syria. Therefore, the following definition applies for local Syrian NGOs: an organization having its registered office in Syria, Jordan, Lebanon or Turkey and only carrying out activities inside Syria.⁸</p> <p>For the abovementioned bullets the following clarification applies:</p> <p>The applicant/lead party must demonstrate this by adding a copy of the organisation’s constitution. In the case of a consortium the constitutions of the co-applicants must be added.</p> <ul style="list-style-type: none"> • ‘International NGO’ means: an NGO that has its registered office outside the Netherlands and the chosen target country, carries out activities in at least two countries, and has spent at least €500,000 per year outside the country of establishment in the 2013-2015 period, or in case the (draft) annual report and/or annual account of 2015 is not yet available, in the 2012-2014 period. <p>Clarification:</p> <p>The applicant/lead party demonstrates this by adding a copy of the organisation’s constitution. In the case of a consortium the constitutions of the co-applicants must be added. In addition, the applicant/lead party demonstrates that it has spent at least €500,000 per year outside the country of establishment in the 2013-2015 period by its expenditures in the 2013-2015 period as reflected in the annual accounts of those years. In case the (draft) annual account of the applicant/lead party of 2015 is not available, the applicant/lead party demonstrates this by its annual accounts in the 2012-2014 period. Add the accounts of your organisation for the respective years as annexe to the application and refer to the relevant pages (for 2015 it is allowed to submit the concept annual account). Furthermore, add the annual reports, indicating the experience with implementing programs in the 2013-2015 period outside the country in which you have your registered office, as annexe to the application and refer to the relevant pages. In case the (draft) annual report of the applicant/lead party of 2015 is not available, the applicant/lead party demonstrates this by its annual reports in the 2012-2014 period. If the fiscal year is not parallel to the calendar year, it is allowed to use the last three fiscal years for the calculation.</p> <ul style="list-style-type: none"> • Applications by a consortium must include a partnership agreement signed by all consortium members, specifying: (i) how each party will contribute to the activities of the consortium; (ii) how the consortium will make decisions; (iii) how the costs and risks are shared among the parties; and (iv) how the fulfilment of grant-related obligations towards the minister in respect of the grant is guaranteed, including responsibility for joint aggregated reports. <p>Clarification:</p> <p>In the case of a consortium a copy of a partnership agreement signed by all members of the consortium, which covers the four components as mentioned in D.1. must be submitted as annexe.</p>
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⁷ Applicants that act as lead party in multiple consortium applications are responsible for providing the requested information of all co-applicants of the consortia in which the organization acts a lead party.

⁸ This exception is made only for Syria, not for any other ARC Fund target countries.

D.2.	<p>In 2011–2015 period, or in case the (draft) annual report and/or annual account of the year 2015 is not yet available, in the 2010–2014 period, the applicant or the lead party must have had at least three years' experience with implementing programmes in the target country with a budget of:</p> <ul style="list-style-type: none"> • in the case of a Dutch or international NGO: at least €500,000 per year; • in the case of a local NGO: at least €200,000 per year. <p>Clarification:</p> <p>The applicant/lead party demonstrates and substantiates this by adding the expenditures of the 2011–2015 period as reflected in the annual accounts of those years as annexe to the application and refers to relevant pages (for the year 2015 you may include a concept annual account). In case the (draft) annual account of the applicant/lead party of 2015 is not available, the applicant/lead party demonstrates this through adding the annual accounts of the 2010–2014 period. In addition, the applicant/lead party adds its annual reports for the 2011–2015 period, indicating the experience of the organisation with implementing programs in the target country. In case the (draft) annual report of 2015 is not available, the applicant/lead party demonstrates this by adding the annual reports for the 2010–2014 period. If the fiscal year is not parallel to the calendar year, it is allowed to use the last five fiscal years for the calculation.</p>
D.3.	<p>The applicant must demonstrate that, as of 1 January 2016, at least 25% of its annual income derives from sources other than grants and/or contributions from the Ministry of Foreign Affairs (including embassies). Grants received from the ARC Fund will not exceed 75% of the organisation's total annual income. This must be plausibly demonstrated on the basis of financial reports over the 2012–2014 period.</p> <ul style="list-style-type: none"> • In the case of a consortium, this criterion applies to the whole consortium. Consequently if one organisation derives less than 25% of its annual income from sources other than the Ministry of Foreign Affairs, this can be offset by another party in the consortium. • Funds obtained directly or indirectly from the budget of the Ministry of Foreign Affairs (e.g. a grant or contribution from a Dutch embassy) do not count when determining the extent of an organisation's own income but do count towards its annual income. <p>Clarification:</p> <p>The applicant/lead party makes this plausible and substantiates this using the income of the 2012–2014 period as reflected in the annual accounts of those years. If the fiscal year is not parallel to the calendar year, it is allowed to use the last three fiscal years for the calculation. If the requested amount (on an annual basis) is higher than twice the average own income, the applicant/lead party needs to make plausible that the own income will be higher during the grant period; for example using already pledged amounts.</p> <p>The applicant/lead party adds the annual accounts of its organisation and co-applicants and, if applicable, firm commitments of donors for the grant period as annexes to the application and refers to the relevant pages.</p>
	<p>Income per 1 January 2015 excluding MFA contributions: €.....</p> <p>Annual total income in 2014: €..... Of which non-MFA: €.....</p> <p>Annual total income in 2013: €..... Of which non-MFA: €.....</p> <p>Annual total income in 2012: €..... Of which non-MFA: €.....</p>
D.4.	<p>A. The maximum remuneration of individual managers and board members of the applicant/lead party and co-applicants established in the EU does not exceed €168,000 per calendar year for a 36-hour working week, as from the start of the period for which the grant is being requested. This amount includes not only the total of periodically paid salary and bonuses, but also taxable fixed and variable expense allowances and amounts payable at a future date, such as holiday pay, a 13th month's salary and the employer's share of pension contributions. For EU member states that do not use the Euro applies that conversion of local currency to Euro is based on spot rates that are used by the ministry of 1 January 2016. The currency exchange list of these spot rates is added as annexe 2 to the policy framework.</p>

B. With reference to the purchasing power data published by EUROSTAT (GDP PPS),⁹ the following income ceilings apply to the senior management of applicants/lead parties and any co-applicants established in the following countries, based on the general income level in the countries concerned:¹⁰

a. Norway:	NOK 2,153,538	-	EUR 228,275
b. Switzerland:	CHF 227,547	-	EUR 207,750
c. Japan:	JPY 22,192,867	-	EUR 168,000
d. USA/Canada:	USD 207,205	-	EUR 189,800

C. The maximum remuneration of the individual members of the management and the board of the applicant/lead party and any co-applicants established in other countries (i.e. outside the EU, Norway, Switzerland, Japan, USA and Canada) must be in reasonable proportion to the seniority of their position and to the organisation's geographical location, size and complexity.

Clarification:

The applicant/lead party specifies the level of remuneration (salary, taxable fixed and variable expenses and benefits payable in time) of the individual members of the management and board of the organisation and any co-applicants, and indicate the size of the position to which the salary is connected. Organisations that fall under the scope of the Dutch Law on the 'Standardisation of the remuneration of leading officials in the public and semi-public sector' (WNT) can submit a reference to its electronic report of the WNT-data to the Ministry of Interior and Kingdom Relations, unless this information is no longer valid as of 1 January 2016 because of an adjustment in the remuneration. Organisations established in the other countries, listed under 'C', must elaborate on the relation between the remuneration and the seniority of their position and the organisation's geographic location, size and complexity.

D.5. The applicant must have access to an office in the country for which the grant is being requested – whether or not via partner organisations. In the case of a consortium, one or more consortium partners must have access to an office.

Clarification:

The applicant/lead party uses the text box below to demonstrate that it has access to an office in the target country – whether or not via partner organisations. In the case of a consortium, one or more consortium partners must have access to an office.

D.6. The applicant/lead party is capable of adequate financial management and must have sufficient experience and expertise to carry out the activities for which the grant is being requested efficiently and effectively.

Clarification:

- If the applicant/lead party is PARTOS ISO-9001 certified, the applicant/lead party is considered to be meeting threshold criterion D.6.;
- If the applicant/lead party has obtained a valid Framework Partnership Agreement (FPA) signed with the European Commission (DG ECHO), the applicant/lead party is also considered to be meeting threshold criterion D.6. provided that the FPA is valid both at the time of the submission of the application as at the start of the program activities.
- If the applicant/lead party is not PARTOS ISO-9001 certified nor has obtained a valid FPA signed with DG ECHO, the following applies:

⁹ EUROSTAT, <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tec00114&plugin=1>.

¹⁰ Calculated on the basis of the spot rates that are used by the ministry from 1 January 2016. The currency exchange list of these spot rates is added as annexe 2 of the policy framework.

	<p>d) Meeting D.6. is apparent from a valid (less than four years old) and positively assessed organisational check or COCA (Checklist Organisational Capacity Assessment) that has been carried out on behalf of the minister in the context of a grant application. The applicant is able to demonstrate this by referring to the activity number of the grant that has been obtained, or the policy framework and the submitted application, if the application is rejected on other grounds than the organisational capacity.</p> <p>e) If the facts and circumstances since the check as mentioned under b) have changed in such a way that the results of the check are fully or partly outdated, then the applicant needs to indicate below on which aspects the changes have occurred and, if necessary, submit additional documents.</p> <p>f) If the applicant already has a grant relationship with the Ministry of Foreign Affairs, but the positively assessed organisational check or the COCA that has been executed on behalf of the minister in the context of a grant application, is older than four years, the simplified organisational check form can be used (annexe 4). The applicant can indicate the grant relation by referring to the activity number of the grant that has been obtained.</p> <p>g) If the applicant does not have a positively assessed organisational check or COCA, nor PARTOS ISO-9001 certification, nor a valid FPA with DG ECHO, the applicant fills in the organisational check using the associated COCA format (annexe 3).</p>
D.7.	<p>The minimum grant period is three years (36 months) and the maximum five years (60 months), and the average minimum grant amount applied for is:</p> <ul style="list-style-type: none"> • €500,000 per year in the case of a Dutch or international NGO; • €200,000 per year in the case of a local NGO; • €1,000,000 per year in the case of a consortium. <p>For all applications, the maximum grant application is €10 million per country for a five-year duration of activities (2016-2021). If the application concerns a shorter period, the maximum grant application is €6 million for a three-year duration and €8 million for a four-year duration.</p> <p>Clarification:</p> <p>In the concept note (section five), the applicant/consortium indicates a minimum grant amount necessary to achieve the formulated programme outcomes. In addition, the applicant/consortium indicates the maximum requested grant amount. These amounts need to be presented per programme outcome, as formulated by the applicant/consortium, and in the case of a consortium per co-applicant. (N.B. take into account the minimum and maximum grant amounts as mentioned above). The grant amount does not need to be substantiated at this stage. The requested maximum grant amount is the maximum grant amount that the applicant/consortium <u>can</u> be awarded. In addition, the applicant/lead party must state the requested duration of the program in the concept note (section five).</p>
D.8.	<p>The activities must not start before 1 September 2016 but must start no later than 1 January 2017, and must be completed no later than 31 December 2021.</p> <p>Clarification:</p> <p>In the concept note (section five), the applicant/consortium indicates the requested start and end date.</p>
D.9.	<p>The applicant may submit only one grant application for the chosen target country. This may be an individual application <u>or</u> an application as part of a consortium, in which case no distinction is made between lead parties and co-applicants. If an applicant submits more than one application for a target country, or participates in several applications for the same target country, either as lead party or co-applicant, all these applications will be rejected.</p>

D.10.	<p>The grant application must focus on (1) the general goals of the ARC Fund, i.e. addressing the root causes of instability/conflict and/or irregular migration and (2) one or more country-specific goals as laid down in annex 1 of the policy framework.</p> <p>Clarification:</p> <p>This must be evident from the theory of change as presented in the concept note.</p>
D.11.	<p>The application must not relate to:</p> <ul style="list-style-type: none"> • initiatives aimed entirely or partly at proselytism; • funding of commercial services, investments or commercial activities; • activities that already receive funding directly from the Ministry of Foreign Affairs budget; • activities of local civil society organisations that already receive funding from the Ministry of Foreign Affairs budget; • activities of organisations that already receive core funding from the Ministry of Foreign Affairs budget during the period to which the application for the ARC-fund relates. <p>Clarification:</p> <p>This must be declared in the text box below and must be evident from the theory of change as presented in the concept note.</p>
D.12.	<p>The grant application must relate to activities that will be carried out in one of the following target countries: Afghanistan, Pakistan, Jordan, Lebanon, Syria, Ethiopia, Somalia, Sudan, South Sudan, Mali, Burundi and the Democratic Republic of the Congo.</p> <p>Clarification:</p> <p>This must be evident from the concept note.</p>

17.3 Annex A3: Assessment Form ARC Fund – Concept Note

Information

Applicant	Help Global
Co-applicant(s)	N/A
Country	Afghanistan
Country-goals	5.1
Members assessment team	Tom Tambarine and Molly O'Connor
Number of pages concept note	16

Assessor 1 – Signature + date	Assessor 2 – Signature + date
Tom Tambarine	Molly O'Connor
25/03/2016	25/03/2016

Introduction

Outline concept note

The concept note consists of five parts: (1) context analysis and actor mapping, (2) theory of change, (3) added value, (4) conflict sensitivity, and (5) the grant amount. The information below is also available for applicants in the policy framework:

1. Context analysis and actor mapping regarding the targeted intervention area(s)

The applicant/consortium must describe the intervention area(s) (national/provincial/local – dependent on the target intervention area) on which the application is focused. The applicant must draft an adequate contextual analysis leading to a logical problem definition (the root causes of the armed conflict, instability or irregular migration) in the target intervention area(s). If the applicant has chosen to focus on goal 5.1 (employment), the contextual analysis must include a market analysis. In addition, the applicant/consortium must give an overview (map) of the actors relevant to the problem, either in a positive or negative capacity, and the connections between these actors.

2. Theory of change

The applicant/consortium must depict the theory of change using the flow chart in the template for the concept note. A programme document will be developed based on the theory of change and the outcomes of the consultation process in phase II.

3. Added value and relevance

The applicant/consortium must convincingly demonstrate its added value and relevance for a grant in the selected target country.

4. Conflict sensitivity

The applicant/consortium demonstrates that it has adequate knowledge and expertise regarding conflict-sensitivity and ensures that staff, local partners and contractors operate in a conflict-sensitive manner and report back on any contextual changes and the interaction between programme activities and the context.

5. Requested grant amount – not to be scored

Template

For your information, the applicant was required to use the concept note template provided as an appendix to the application form and threshold check. The template refers to the five different parts of the concept note mentioned above and included a flow chart to be used for the theory of change. When the applicant refers to an appendix, it must refer specifically to the relevant page number and paragraph where the information referred to can be found. All information requested in the context of this policy framework, must be clearly included in the application. References to websites are not allowed.

If the application focuses on goal 5.1, a market analysis needs to be included in section one of the concept note (the contextual analysis and actor mapping). This analysis should be based on reliable sources documented in appendixes to the application.

Maximum page and penalty

The concept note is limited to 14 pages (15 pages if the application focuses on goal 5.1. employment); excluding the cover page, part 5 of the template (grant amount), clarifications and checklists in the template and mandatory annexes. If the applicant exceeds the maximum number of pages by more than two pages, 5% per extra page is to be deducted from the total score for the concept note. The

assessment team is responsible for checking if the total number of pages (excluding the different parts mentioned) exceeds 16 pages (of 17 pages if the application focuses on goal 5.1.) and, if necessary, deduct the % from the total score for the concept note in the table on the last page of this form.

Assessment

You are asked to assess four parts of the concept note (all parts mentioned excluding the subsidy amount). For each of the parts a number of criteria are formulated. These criteria are clustered together per theme; sometimes one theme (for example 1.3. problem definition consists of one criterion) and sometimes several per theme (criterion 1.1. consists of three criteria). For each of these themes one score is to be allocated, resulting in an end score per part of the concept note and a total score for the concept note as a whole.

Please take into account the guidelines for assessing the criteria. These guidelines have not been published in the policy framework and are, therefore, not known to the applicants. They should be used as points for consideration in the process of allocating a score to the criterion and/or clarification how a criterion should be interpreted/assessed. Ultimately, the criterion itself remains the determining factor: did the applicant fully, largely, not sufficiently or not at all satisfy the criterion. Thus, do not use the guidelines as a checklist for allocating a score to the criterion.

It is only possible to allocate scores of 6, 4, 2 or 0. It is not allowed to allocate, for example, a 1 or 5,5.

6	The criterion/criteria (for the respective theme) has/have been fully satisfied
4	The criterion/criteria (for the respective theme) has/have been largely satisfied
2	The criterion/criteria (for the respective theme) has/have not been sufficiently satisfied
0	The criterion/criteria (for the respective theme) has/have not been satisfied

In order to receive the maximum score, the information related to the criterion has to be (1) included and (2) well-argued. For example, this means it does not suffice if an organisation states that it is conflict-sensitive, it should convincingly demonstrate/explain why and how it is conflict-sensitive.

For a number of criteria (C.11 and C.15), it is possible to allocate the maximum score even though the applicant does not (fully) satisfy the criterion. When the applicant then gives a clear and convincing explanation why it has not (fully) satisfied the respective criterion, a maximum score can be awarded. Please see C.11. and C.15. for further information.

Include a motivation that clarifies the elements of the proposal motivating why the team allocated a certain score. Briefly summarize the strong and weak points and refer to the to the relevant page numbers in the application where the information critical for allocating a certain score was found.

The motivation should be convincing, clear and polite. Applicants must get the feeling that assessments were based upon careful consideration. Don't write down: "the criterion has been fully (partly, etc.) satisfied" but "this element of the context analysis is convincing because...". Also do not write "this is a very bad proposal" which is not polite and lacks substantiation. Remember, the final assessment forms signed by all assessors will be shared with the applicants. Moreover, the advisory committee must be able to make a sound decision based on the application formats and 2-pager.

Assessment form

1. Context analysis & actor mapping

	Criteria	Guidelines for the assessment – not known to the applicants!	Score
1.1. Context (and market) ¹¹ analysis	C.1. The extent to which the applicant/consortium refers to the socioeconomic and political dynamics in the target intervention area(s).	<p>➔ The applicant gives a comprehensive analysis of the most relevant socioeconomic and political trends, issues and opportunities¹².</p> <p><i>Relevant for the problem definition (1.3) and ToC (part 2).</i></p> <p><i>Comprehensive: The most important trends/issues/opportunities (remember, the applicant only has 14 or 15 pages for the whole concept note and can, therefore, not be exhaustive).</i></p> <p>➔ The applicant gives a comprehensive overview of the most relevant trends, issues and opportunities at the national/regional level (including relevant cross-border influences/forces) and convincingly explains how these trends, issues and/or opportunities influence the context of the target intervention area(s).</p> <p><i>Only applicable if the CN focuses on goal 5.1.</i></p> <p>➔ The applicant describes the relevant market dynamics (formal and informal) in the target intervention area.</p> <p><i>Relevant for the problem definition (1.3) and ToC (part 2).</i></p> <p>➔ Based on this overview, the applicant identifies relevant core drivers (root causes) of armed conflict/instability/irregular migration, contributing factors aggravating those core drivers and potential triggers in the target area(s).</p> <p><i>The difference between core drivers and contributing factors being that if a 'core driver' disappears or turns into a positive force the situation radically changes whereas a 'contributing factor' aggravates the impact of 'core drivers'. E.g. an organisation can work on reducing a 'contributing factor' without removing/altering the 'root causes'.</i></p> <p><i>Only applicable if the CN focuses on goal 5.1.</i></p> <p>➔ Based on the market analysis, the applicant identifies realistic opportunities and obstacles for employment for women and/or men in different age and ethnic categories. <i>Who are the target groups? Why is this target group chosen? How will the intervention influence (informal) power relations? How will the intervention contribute to social cohesion and inclusiveness? Skills training may be part of the intervention, but only in as far as the applicant convincingly demonstrates that there is a demand for these skills.</i></p>	4
	<p>C.3. The extent to which the applicant/consortium indicates how the national and regional context influences the socio-economic and political dynamics in the targeted intervention area(s).</p> <p><i>Only applicable if the CN focuses on goal 5.1.</i></p> <p>C.8. The extent to which the market analysis: (A) describes the market in the target intervention area(s); (C) identifies realistic opportunities and obstacles.</p>		
<p>Motivation for Scoring:</p> <ul style="list-style-type: none"> • In general the socio-economics and political dynamics are well described. However in the targeted areas specifics are not worked out well and remain quite vague. • National and regional context well described. International (regional) influences on the ongoing conflict within Afghanistan well described. • Market dynamics are reasonably well analysed and even put into an annex at the end of the concept note. Market analyses is conducted thorough and supported by figures and facts. • Realistic opportunities and obstacles well described in the annex. 			

11 Only when the application focuses on goal 5.1. employment.

12 Examples are: elections, reform processes, refugee/IDP flows, presence of armed forces, population growth, new infrastructure, and changes in unemployment rates, etc.

1.2. Actor mapping	<p>C.5. The extent to which the applicant/consortium lists the actors that are relevant to solving the problem, whether in a positive or negative capacity, and indicates the mutual relations between the actors in the target intervention area(s).</p> <p>C.2. The extent to which the applicant/consortium refers to socioeconomic and political power structures in the target intervention area(s), including in any case the power relations between men and women.</p> <p>C.6. The extent to which the applicant/consortium indicates the positions of the applicant/consortium and its partners in the context.</p> <p><i>Only applicable if the CN focuses on goal 5.1.</i></p> <p>C.8. The extent to which the market analysis: (B) lists the most important actors on the market.</p>	<ul style="list-style-type: none"> ➤ The applicant mentions all – for the problem definition and ToC – most relevant actors¹³ (individuals, groups and institutions) playing a negative (e.g. contributing to armed conflict/instability and/or irregular migration) <u>and</u> positive role (e.g. contributing to peace and stability) on the different relevant levels (grass roots/middle level/national level/regional level). <i>When the CN focuses on goal 5.1., the applicant also lists the most important formal and informal actors on the market (at least for the sector on which they are focusing) in the target area.</i> ➤ The applicant mentions the – for the problem definition and ToC – most relevant socioeconomic and political formal and informal power structures in the target area(s), including the positions/roles of women and men in the different (formal and informal) power structures in both the public (political and social institutions, the economy) and private sphere (domestic life and family). ➤ The applicant has analysed the basis for the (unequal) division of power (norms, values, laws, poverty, etc.). ➤ The extent to which the applicant (and, if applicable, co-applicants) understands its own position/role and that of its partner(s) in the context, in a positive and negative capacity. ➤ The applicant shows how the identified actors and power structures are interrelated/connected. 	4
<p>Motivation for Scoring:</p> <ul style="list-style-type: none"> • Although quite short, most of the actors are identified, Special attention went to the national actors and relevant Ministries. Local actors also well described such as the Shuras, the Mullahs and others. The importance of women groups in relation to national Action Plans received some attention. • It is not totally clear to the assessor what all these actors contribute towards the main problem definition identified at the start of the concept note. • A good analysis of the power structure is missing, especially in regard to men-women. • The position of Help Global is well described in the concept note, its track record as well as its involvement of the relevant districts. • The annexe of the concept note describes as well as supports all relevant actors with facts and figures. 			
1.3. Problem definition	<p>C.4. The extent to which the applicant/consortium formulates a clear problem definition that is in line with the context analysis and actor mapping.</p>	<ul style="list-style-type: none"> ➤ Based on the context analysis and actor mapping, the applicant formulates a clear and logic problem definition to be tackled by the ToC (part 2). 	2
<p>Motivation for Scoring:</p> <p>The applicant has not made it clear what the problem definition is but mentioned a lot of problems related to each other. This is all rather confusing since the assessor does not know where to begin and where to end trying to define the problem.</p>			
1.4. Sources	<p>C.7. The extent to which the context analysis and actor mapping are based on different reliable sources both inside and outside the target intervention area(s).</p> <p><i>Only applicable if the CN focuses on goal 5.1.</i></p> <p>C.8. The extent to which the market analysis: (D) Is based upon reliable sources.</p>	<ul style="list-style-type: none"> ➤ The applicant/consortium clearly demonstrates which sources¹⁴ were used for the context analysis, actor mapping and defining the root causes of armed conflict/instability and/or irregular migration. ➤ The applicant has based the context analysis, actor mapping and the problem definition on a set of diverse, relevant and reliable sources of information. 	6
<p>Motivation for Scoring:</p> <ul style="list-style-type: none"> • The Concept note is well documented with sources of information and footnotes. 			

¹³ E.g. national, provincial, local governments, security sector (military, police), armed groups, private sector/businesses (local, national, trans-national), donor agencies and foreign embassies, multilateral organisations, regional organisations, religious or political networks (local, national, international), peace groups, trade unions, political parties, neighbouring states, traditional authorities, diaspora groups, refugees/IDPs, etc.

¹⁴ E.g. project/organisation staff, communities, socioeconomic and political institutions, government authorities, academic sources, etc.

Part 1 Context analysis and actor mapping	<p>Summary and main findings:</p> <ul style="list-style-type: none"> The context analysis and the actor mapping of the Concept note of Help Global is in general satisfactory. Socioeconomic and political dynamics are well described, however the finesse misses at regional levels. This could have done better. Actor mapping was well done. Most actors were described well including their role in the programme. A better power relation among the actors involved (especially when it comes to men –women) is somewhat missing. Problem definition is the weakest part in this concept note. It is not clear what the problem definition is exactly. This will therefore score low. Reading through the lines one get an indication what the problem definition could look like, however it is not made explicit. The sources used to build the case of Help Global is well documented. Figures and facts are given to 'prove' their intervention. 	Total: 16
		Average: 4

2. Theory of change

	Criteria	Guidelines for the assessment – not known to the applicants!	Score
2.1. Relevance of the ToC	<p>C.9.¹⁵ The extent to which the theory of change (ToC) contributes to achieving: (1) the main goal of the ARC Fund: to address the root causes of armed conflict/instability or irregular migration and (2) the selected country-specific goal(s).</p>	<p>➔ The ToC as presented by the applicant logically contribute to achieving the main goal of the ARC Fund, namely to address the root causes of armed conflict/instability and/or irregular migration.</p> <p><i>E.g. Looking at the context analysis, actor mapping and problem definition and analysis, is the ToC convincing? Are the programme outcomes (blue boxes in flow chart) logically and convincingly contributing to the overall goal (black box in flow chart)?</i></p> <p>➔ The ToC as presented by the applicant logically contribute to achieving the, by the applicant, selected country-specific goal(s).</p> <p><i>The applicant gives a plausible explanation how the programme outcomes as defined in the flow chart (blue boxes) potentially contribute to the policy goals (green boxes) in the country on which the application focuses. In other words, it clarifies the links between the policy goals and the overall goal.</i></p> <p><i>Only applicable if the CN focuses on goal 5.1.</i></p> <p>➔ The programme outcomes formulated logically contribute to addressing the shortcomings/obstacles concerning demand, supply and/or mediation between demand and supply and tap into the opportunities as identified in the context analysis.</p>	4
	<p><i>Only applicable if the CN focuses on goal 5.1.</i></p> <p>C.16. (A) The extent to which programme outcomes address specific, context-relevant shortcomings concerning demand, supply and/or mediation between demand and supply.</p>		
	<p>Motivation for Scoring:</p> <ul style="list-style-type: none"> The assessor finds it difficult to see the relationship between the two outcomes and the root causes. The assumption is not made explicit. Sustainable livelihoods for males and females (outcome 1) and capacity of male and female members strengthened will certainly lead to tackling the root causes, but the assumption is not explained also due to the fact that increased levels of violence are the main causes of migration. The second part, addresses shortcomings concerning demand, supply and mediation between demand and supply is well formulated and supported. 		
2.2. Complementarity¹⁶	<p>C.11. The extent to which the programme outcomes are (1) complementary to other activities that are being implemented by the applicant/consortium and other NGOs and multilateral institutions in the target country, and (2) consistent with government priorities in the target country.</p>	<p>➔ The ToC demonstrates that it is aware of other programmes (focusing on similar goals/sectors) implemented in the target intervention area by the applicant/consortium and other NGOs/multilateral institutions.</p> <p>➔ The applicant/consortium satisfactorily demonstrates that and how this proposed programme outcomes complements or builds upon existing programmes and avoids overlap with existing programmes.</p> <p>➔ The applicant/consortium places the ToC into the local context; is the proposed programme in line with government priorities in the target country?</p>	2

¹⁵ Although connected to criterion C.18., criterion C.9. is not to be confused with criterion C.18. which focuses on the relevance of the application as a whole for the Dutch policy on Security & Rule of Law.

¹⁶ Although connected to 3.1. on added value, 2.2. focuses on complementarity of the ToC (programme outcomes/intervention strategy)

		<i>When the ToC/programme outcomes are not or partly complementary to other activities being implemented or consistent with government priorities in the target country, the applicant convincingly argues why this is more effective.</i>	
	Motivation of Scoring: <ul style="list-style-type: none"> Reading through the document/Concept Note, the assessor could not find a description of complementarity with others, including government priorities. Reading through the lines one can identify some links, however this needs more attention from Help Global 		
2.3. Feasibility of ToC	C.12. The extent to which the proposed strategy contributes to achieving the programme outcomes formulated by the applicant.	<ul style="list-style-type: none"> The applicant gives a plausible explanation how the strategy as described by the applicant contributes to achieving the programme outcomes formulated by the applicant. 	6
	C.13. The extent to which the assumptions are made explicit and are based on a robust analysis and/or the experience of the applicant/consortium.	<p><i>The applicant explains how the strategy (purple box) adopted by the applicant will result in achieving the programme outcomes (blue boxes).</i></p> <ul style="list-style-type: none"> The underlying assumptions of the relation between the strategy and programme outcomes and the programme outcomes and the selected country-specific goals are made explicit. The applicant convincingly demonstrates that assumptions are (potentially) plausible because they are based upon a robust analysis (e.g. research, evaluations, etc.) and/or previous experience of the applicant/consortium. <p><i>Meaning that the applicant indicates to what extent assumptions have already been 'tested' – because of earlier programmes and/or research – and they refer to the sources available.</i></p>	
	C.14. The extent to which the applicant/consortium demonstrates that the ToC lies within its sphere of influence.	<ul style="list-style-type: none"> The ToC formulated (programme outcomes, strategy) by the applicant is – at least in theory – achievable/realistic within the timeframe of the programme (maximum of five years). 	
	Motivation of Scoring: <ul style="list-style-type: none"> The applicant gives a plausible and robust analysis, explaining in detail its interventions and relations among the proposed activities and outcomes. The applicant provides the assessor with all the information needed, often very detailed, including its track record, to convince him that this project could succeed. All looks logical and raises the expectations that Help Global knows what it is doing and believes it its success. In addition to the above, the intervention lies certainly it Help Global Sphere of influence, content wise as well as organisation wise. 		
2.4. Sustainability	C.15. The extent to which the ToC includes a plausible strategy on sustainability, with a specific focus on the role of (local) authorities, local partners and the target group. <i>There are different types of sustainability:</i> 1) <i>Financial sustainability of partner organisations and/or groups of beneficiaries (civil society organisations) in terms of good financial management and fundraising.</i> 2) <i>Organisational sustainability of partner organisations and/or (groups of) beneficiaries (civil society organisations) in terms of program planning and management, strategic planning, employee performance and hiring (and being able to hold onto) good staff.</i> 2) <i>Legislative sustainability such as lasting changes in governmental structures and compliance with (newly adopted) policies, legislation, codes and standards.</i>	<ul style="list-style-type: none"> The extent to which the ToC is aimed at addressing/tackling the previously identified core drivers and contributing factors of the armed conflict/instability and/or irregular migration <i>in a structural way.</i> The applicant convincingly demonstrates that the ToC includes a plausible set of <i>preliminary</i> measures and/or a strategy enhancing sustainability of programme outcomes. <i>Take into consideration that, in this phase, we do not ask for a full programme proposal and therefore a fully developed set of measures/strategy is not yet possible.</i> Different actors (local authorities, local organisations, civil society and the target group, women and men) are (going to be), actively involved in (designing and implementing) a sustainability approach/strategy or exit plan. When relevant actors will not be involved in the sustainability approach/strategy/measures, there is a clear and convincing explanation as to why these actors were not involved. 	2

with other programmes being implemented in the same target area, whereas 3.1. focuses on added value of the application as a whole for (1) the country and its beneficiaries and (2) for the Dutch Ministry of Foreign Affairs/its policy on Security and Rule of Law.

	<p>3) Social sustainability such as lasting behavioural changes or more satisfaction with (basic) services and/or products.</p> <p>Types 1 and 2 are often within the direct sphere of influence of the applicant and therefore somewhat easier to achieve in a fragile context than types 3 and 4 which are outside the direct sphere of influence of the applicant and, therefore, hard(er) to achieve within a fragile context.</p> <p>Only applicable if the CN focuses on goal 5.1.</p> <p>C.16. (B) The extent to which programme outcomes stimulate (central, regional and local) authorities to eliminate obstacles to creating a satisfactory labour market and business climate.</p>	<p>Only applicable when the CN focuses on goal 5.1.</p> <p>➔ The applicant convincingly demonstrates that its ToC includes measures stimulating relevant authorities to eliminate obstacles to creating a satisfactory labour market and/or business climate.</p> <p><i>For income generating opportunities to be sustainable, a more systemic approach taking into account the multiplicity of factors (such as 'the ease to do business', fiscal policies, access to credit, the match between the education system and labour market requirements, etc.) needs to be adopted. Though this often lies outside the direct sphere of influence of NGOs, NGOs can (try to) stimulate authorities to take measures.</i></p>	
	<p>Motivation of Scoring:</p> <ul style="list-style-type: none"> It is (again) unclear to the assessor if this programme is sustainable since the applicant does not describe this in some detail. Sustainability is somewhat described under Sustainability of Results, however one must again read between the lines and assume sustainability is incorporated within the activities and two main outcomes. 		
2.5. Gender	<p>C.17. The extent to which the ToC tackles gender issues in an integrated and transformative way.</p>	<p>➔ The applicant convincingly demonstrates how the previously identified problems (in the context analysis, actor mapping and problem definition) in the power relations between men and women are effectively and credibly addressed/tackled by the ToC via gender transformative approaches.</p> <p><i>Gender transformative approaches are programmes and interventions that create opportunities for individuals to actively challenge negative gender norms, promote equal positions of social and political influence for women and men in communities, and address power inequities between persons of different genders, ages and other power differences. Transformative approaches on gender inequality should focus on community dynamics, the (power) positions and the relationship of the role of men and women in the society.</i></p>	2
	<p>Motivation of Scoring:</p> <ul style="list-style-type: none"> In relation to gender, it is unclear how the programme incorporates the aspects of gender and gender equality within its intervention. More information is needed to assess the quality of this. It is unclear how Help Global is addressing this aspect. 		
Part 2 Theory of Change	Summary and main findings:		16 Average 3.2

3. Conflict-sensitivity

	Criteria	Guidelines for the assessment – not known to the applicants!	Score
3.1. Knowledge and expertise	<p>C.21. The extent to which the applicant/consortium convincingly demonstrates that it has adequate knowledge and expertise regarding conflict-sensitivity</p>	<p>➔ The applicant/consortium (all of the consortium members) explains what knowledge and expertise it has on conflict-sensitivity (e.g. do no harm, avoiding/mitigating negative impacts or trying to create a positive impact on conflict dynamics) and how it makes use/tap into that knowledge and expertise for program design, implementation and evaluation.</p>	2
	<p>C.22. The extent to which the applicant/consortium ensures that staff, local partners and contractors operate in a conflict-sensitive manner and report to the applicant/consortium about contextual changes and the interaction between programme activities and the context.</p>	<p>➔ The applicant/consortium (all of the consortium members) convincingly explains <i>how</i> it ensures and (continuously) monitors whether its staff, partners, contractors consciously avoid/mitigate negative impacts/creating a positive impact on conflict dynamics. Program design and monitoring includes the use of a 'conflict lens', thus ensuring that the adequate adaptation of the program will take place when needed.</p>	

	Motivation of Scoring: <ul style="list-style-type: none"> • Help Global does not convincingly demonstrate its adequate knowledge and expertise regarding conflict sensitivity in this part. It does not go much further than mentioning that conflict sensitivity is important. All remain rather vague. No instruments, handbooks or guidelines are mentioned. • Help Global also does not explain how its staff is supported mitigating the negative aspects of conflicts. Which methodologies and indicators are used to make certain that conflicts are identified at the start, the running and evaluation of the programme? What kind of mechanisms are set in place to solve conflicts (manifest as well as latent) beforehand, during and after the implementation. 	2	
3.2. Limiting market distortion	<p><i>Only applicable if the CN focuses on goal 5.1.</i></p> <p>C.23. The extent to which the applicant/consortium demonstrates awareness of the impact that programme outcomes will have on local markets (in relation to the goal of minimising market distortion)</p>	<p><i>Only applicable if the CN focuses on goal 5.1.</i></p> <p>➔ The applicant identifies (other) local players in the target area focusing on similar services and/or products and convincingly demonstrates that the proposed programme outcomes are complementary/add value to the local market and, therefore, do not distort local markets (creating unfair competition for parties offering similar services without external support/subsidies), thereby possibly creating or adding to existing tensions/conflict.</p>	4
	Motivation of Scoring: <ul style="list-style-type: none"> • The applicant does not explicit describe the way it limits market distortion, however is explains in some detail the way it set up its programme in conjunction with others (for example DAIL) in the annex. 		
Part 3 c conflict-sensitivity	Summary and main findings:	5 Average 2 ½	

Total	Summary & Main Findings
Part 1 – 3	<ul style="list-style-type: none"> • Context analysis and Actor Mapping. In general satisfactory (score 4). Context analysis is thoughtful, however a bit complex. • Main problem is a good definition of the problem. It seems Help Global focuses too much on its activities but forgets to formulate a clear problem statement. • Theory of Change is worked out well and precise, but misses the link towards the root causes. This is not made explicit but remains an assumption. • Most of the elements within the Theory of Change remain vague and difficult to find. One needs to read between the lines (i.e. complementarity, sustainability and gender) • The added value and pitch of Help Global is strong. Help Global made it very clear that they have the capacity, knowledge and staffing to work in the designated province. • The knowledge around conflict sensitive programme planning and management is weak and lack quality. Help Global scores low and it needs to give this some thoughts. • Market distortion also scores low. Again Help Global does not explain this in some detail how it tries to avoid market distortion. However looking at their proposed interventions, one feels that Help Global tries to a just its interventions based on genuine community dialogues as well as in cooperation with government at national and districts levels.

18. Closure of Training

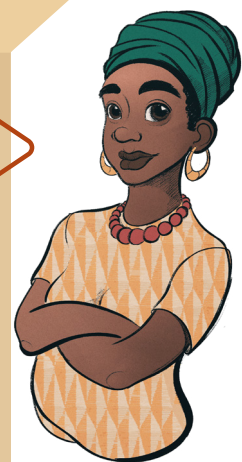
18.1 Treasure Box and Activity Plan

In this treasure box you can transform the learning points from each learning session (the learning diamond at the end of each chapter) into a synthesis of personal learning and organisational learning. You can also note down topics you wish to discuss with a friend or colleague.

My treasure box

<div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 5px; text-align: center;">List of personal learning</div> <div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 5px;">Takeaway:</div> <div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 5px; text-align: center;">For further reflection:</div> <div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 5px; text-align: center;">Discuss with a peer</div> <div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 5px;">Learning I need to discuss:</div>	<div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 5px; text-align: center;">List for my organisation</div> <div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 5px;">Takeaway to try out in my organisation:</div> <div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 5px; text-align: center;">For further reflection:</div>
<div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 5px; text-align: center;">Out of the box learning</div> <div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 5px;">Creative corner:</div>	

This is your treasure box, please add valuable thoughts, things you would like to follow up or keep alive.



We suggest that you list all important learning topics in the treasure box. At the end of the training this will be a complete list of important topics for your personal learning and for your organisation.

In order to help you to apply this learning we recommend you follow two more steps: first a prioritisation of the list, and secondly development of an action plan for applying the learning.

Prioritisation of learning:

Look at your list of learning you may apply at your organisation. Reflect on each task about:

- 1: how important is the learning to be applied in your organisation?
- 2: how urgent is it to apply this learning in your organisation?

You can now prioritise the list according to these two parameters.

High importance	Do first	Do next
Low importance	Do later	No need to do
	High Urgency	Low Urgency

After the prioritisation, the final step is to develop an **action plan**. You may use the following format for this or apply any other action plan format you know about.

Learning topic	Actions to be taken (Tasks/Areas where you will use the improved skills and knowledge).	Time Frame	Responsible	Indicators of Improvement	Status
1.					
2.					
3.					
4.					

18.2 Lifelong Learning

“Working life has extended so much in the last fifty years that it exceeds life expectancy of even the most successful businesses. Very few businesses are successful for more than 25 or 30 years. And yet most educated people who go to work in their early twenties will keep working until they are 70. And so, they had better be prepared for a second career whether it’s in another organization where they are doing what they have been doing or in a new line of work. They must be prepared to learn again. They must be prepared to position themselves. They must be prepared to want to learn- to see it not as something they need to do, but as something they enjoy doing. They will have to learn how to learn.”

– Peter Drucker

Initial education or training for a single lifetime qualification is no longer sufficient or effective. It is increasingly challenged in the global context of rapidly changing skill needs. Recognising the importance of lifelong learning, the “Education 2030 Framework for Action”¹⁷ has called on countries to provide lifelong learning opportunities for youth and adults, which encompass:

- Formal learning: This is a type of learning in which the goals and objectives are defined by a curriculum. Formal learning is also called structured learning or synchronous learning. Examples are classroom instruction, web-based training, remote labs, e-learning courses, workshops, seminars, webinars, etc.
- Non-formal learning: Learning outside the formal established system. Non-formal learning is often organised by an educational institution as a short-term voluntary programme, but falls outside the formal learning system. Non-formal learning is flexible in content, and it is adapted to the needs of the participants. It includes, but is not limited to, professional seminars, workshops, preparation courses, short courses, etc.
- Informal learning: It takes place away from formal or non-formal learning settings, like classrooms or workshops. It is often unplanned like learning from experience or it is self-directed by the learner.

What does that all mean to you? Personal growth, continuous improvement, lifelong learning seems to be the temporary paradigm. But as you read in the introduction to this manual, it seems to be the only way to tackle the complexity of life.

So, what is lifelong learning, exactly?

- It’s a self-initiated education for personal development.
- It’s learning as a process of building character and competence.
- It’s a life quality improvement enabling change and growth.

How do you adopt lifelong learning in your life?

1. Recognise your own personal interests and goals
2. Reflect on what you envision for your own future and what you are passionate about.
3. Make a list of what you would like to learn or be able to do
4. Explore what motivates you and what particular interest or goal you want to achieve.

¹⁷ “Education 2030 – Incheon Declaration and Framework for Action”, UNESCO, 2016

5. Identify how you would like to get involved and the resources available
6. Search for self-directed learning opportunities. Figure out how to get started. Reading about the interest and goal can help you formulate how to go about learning it.
7. Structure the learning goal into your life
8. Slotting a new learning goal into a busy life takes consideration and effort. Make space and time for it, so it can happen. Fit it in appropriately, because discouragement or quitting your learning initiative are threatening, when there is no time to breathe. Make some time every day, make some more time at least once or twice a week.
9. Make a commitment

Committing yourself to your new learning initiative is the final decision to start achieving. Avoid making excuses.

Here are some examples of lifelong learning commitments you can engage in:

- Develop new skills: Sewing, cooking, programming, public speaking...
- Self-taught study: Learning a new language, researching about a topic of interest, subscribing to a podcast or an online course...
- Learning a new sport or activity: Joining martial arts class, learning to climb a mountain, becoming a cricket player...
- Mastering new technology: Smart devices, new software applications...

A lifelong learning success story:

From housewife to minister

Sophie Oraka is a primary school teacher in a remote village in Gulf State, Papua New Guinea. I met her first in her early thirties when she was working as clerk at the inquiries counter in a local supermarket in Port Moresby, six days of work, miserable payment. We liked each other and had a quick chat every time I did my shopping. She always told me about the promotional offers.

I was new in town and my job was demanding. So, I looked up for a housekeeper for the chores, but could not find a reliable one. So, I came to see Sophie one day and asked her to grab a cup of coffee with me during her break. Getting her a latte I said, I was looking for someone I could trust to keep my house in order and offered her a better salary and less working time. She agreed telling me that would leave her more time to take care of her three children.

When she started, I found out that as a housekeeper she was not quite an achiever. It took me a few weeks of training until she was on top of things. I started to know her better and from time to time we had an after work drink together. We became friends and after some time she was confident enough to tell me how difficult life was for her with her boozing and violent husband, who took her money, messed around and occasionally beat her up - not an unfamiliar story in PNG. At the same time I started to give her more responsible tasks even at the computer. She was actually an informal learning trip and I realised she was smarter than what you would expect from a clerk.

Then we were thinking about getting her into some non-formal training to increase her chances on the labour market for a decent job, since she did not have a formal degree from high school. That happened

exactly at a time when the education administration launched a huge scholarship programme to boost the number of primary school teachers. I asked her why she would not become a teacher and that we should try to get her into this programme. She hesitated because of her missing high school degree. She had not taken the exams many years ago. I said they would desperately look for teachers, because nobody wanted to go to remote villages and teach in humble hovels in the bush. She said she would love to teach in her village and so I could convince her to enrol. Well, it took some time to overcome a few hurdles, but with tenacity and the support of a willing teacher college principal she could attend the upcoming first semester (leaving me with another housekeeper issue).

She had trouble keeping pace in class that time, because she was not used to classroom learning for years and years. But she worked hard. She improved. After three years, when her self-confidence as learner had grown enormously, she graduated as one of the best. The graduation was followed by her first assignment to her old village. Another problem occurred. The education administration decided that college students, who graduated, but did not have a high school degree, could not be paid as teachers. This was kind of a weird situation, because actually her college degree supersedes any high school degree. Anyway, the paradox of the situation was that she was obliged to teach in the remote village, but without pay for the time being. Yet, she could practically participate in a distant learning programme to make good for her missing degree.

Meanwhile she had no issue with learning anymore. So for another three years she was a student, while teaching a multigrade class and surviving through her pawpaw trees, chicken and the donations of the villagers.

The miracle happened when she graduated and eventually got her high school degree. She got paid for her three years of teaching retroactively.

I called her last Christmas and she said she would take the money and go to university to get her Master's degree in education. "And then, any further plans?" I asked. "Yes," she said laughing. "You are talking to the future Minister of Education."

- Allen Rider, 2020 -

In this true story, you may perceive that a quite hopeless high school leaver embarked on a career journey at a point of her life when many would have already surrendered to their fate, surviving on low-paying jobs, because hardly anybody would have given them a chance. It shows you can work on yourself by changing perspectives and viewpoints, thinking outside the box, asking the right questions, connecting and learning from others. You may also do so by being open to changes, experiencing different approaches, reflecting on professional and personal development, having visions and believing in yourself. With learning and being able to build your self-confidence, even the highest career peaks may become realistic.

"Everybody is a genius. But if you judge a fish by its ability to climb a tree, it will live its whole life believing that it is stupid."

- Albert Einstein

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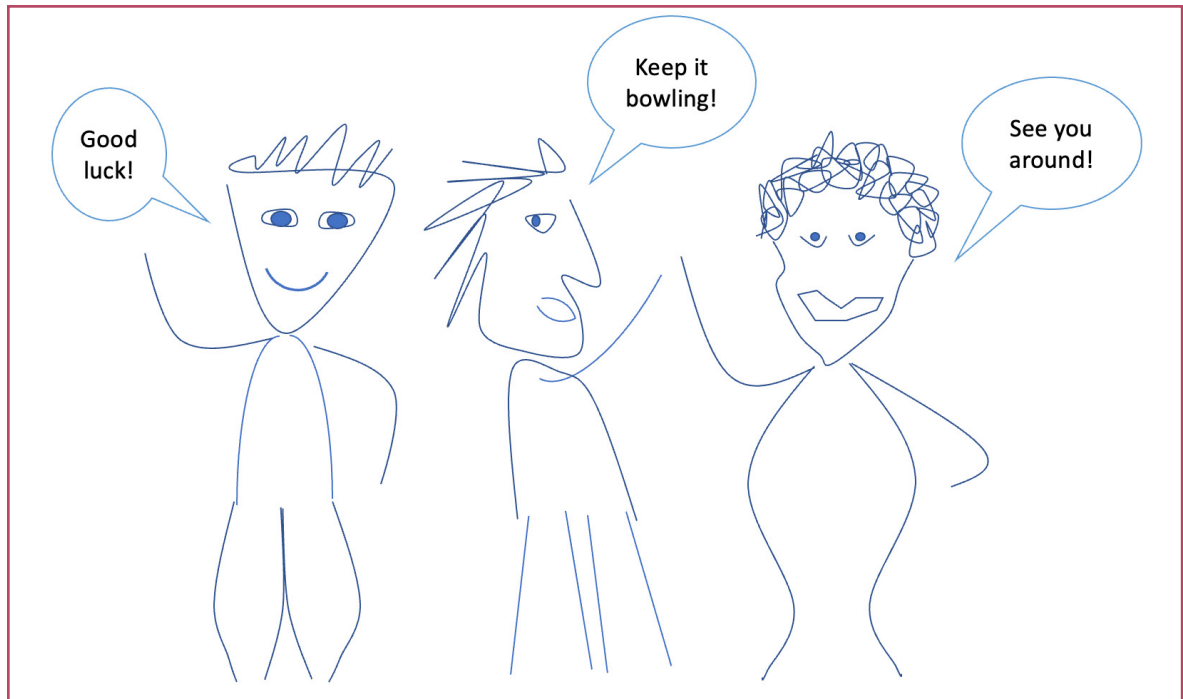
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Cartoon drawings of Moses, Akiki and Charity by courtesy of Michael Ellenrieder.

