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Facing the Bullet? Non-Governmental Organisations’ (NGOs’) Responses to the Changing Aid Landscape in Ghana

Albert A. Arhin1,2 · Emmanuel Kumi3,4 · Mohammed-Anwar Sadat Adam5

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Abstract There is growing evidence suggesting that non-governmental organisations (NGOs) in lower-middle-income countries and emerging economies are facing challenges about their sustainability due to changing aid patterns for development. While the changing development context and the challenges posed to NGOs are increasingly receiving research attention, an understanding of how organisations are responding remains very limited. This article draws on 65 qualitative interviews and presents findings about how NGOs in Ghana, West Africa, are responding to the emerging concerns about their sustainability in the context of the changing aid landscape. Findings suggest that NGOs in Ghana are combining at least six main strategies to attain sustainability. We have categorised these as: (1) eggs-in-multiple-baskets; (2) cost-cutting; (3) strength-in-numbers; (4) security-under-partnership; (5) credibility-building; and (6) visibility-enhancing strategies.

Keywords Civil Society Organisations · NGOs · Aid reduction · Sustainability · Lower-middle-income country · Ghana

Introduction

In 1995, Ghana embarked on an ambitious national policy vision to become a lower-middle-income country (LMIC) by 2020 (Government of Ghana 1995). Five years after, the deadline for this vision was revised to 2015 following a change of government (Government of Ghana 2003). In 2009, the vision to become a middle-income country was reverted to 2020 after another government (democratically elected) had taken power (NDPC 2010). While the ‘deadline politics’ showed no signs of going away, Ghanaians were greeted with the breaking news on 5th November 2010 that Ghana’s economy had attained a LMIC status following the upward revision of gross domestic product (GDP) by more than 60% (Jerven and Duncan 2012).

Like Ghana, many other hitherto poor countries such as Angola, Fiji, Nigeria and Zambia were reclassified by the Bretton Woods Institutions (i.e. World Bank) as lower-middle-income countries following a process of upward revision of their GDP which recorded average incomes ranging from $1006 to $3975 (United Nations 2012). Fast-forward to 2016, growing evidence suggests that NGOs in many of these LMICs are facing sustainability challenges due, in part, to a changing aid landscape that accompanied the reclassification of these countries (Mawdsley 2012, 2014; Dubochet 2012; INTRAC 2014). This changing aid architecture manifests in ways such as gradual withdrawal of several traditional donors who have supported NGOs, general dwindling of volume and pattern of aid to NGOs, and new priorities and emphasis by donors to
achieve value for money (Marinkovic 2014; GACC, WACSI, and CIVICUS 2014; Kumi 2017a).

Given the implications of the changing aid architecture on the operations of wider CSOs including NGOs, the topic of civil society sustainability has gained traction over the past few years. Several international conferences (and panels) have been held under its pretext; journals have dedicated special issues to explore different themes (e.g. Pratt 2016; Tandon and David Brown 2013, the present special issue on aid reduction and local CSOs), while numerous research, trainings, webinars and workshops have all been organised to explore implications, possibilities and pathways for NGOs (e.g. World Economic Forum 2013; Lewis et al. 2015; Arhin et al. 2015). These events have informed our understanding of the nature and dynamics of the challenges and opportunities presented by the changing aid architecture for NGOs (see Hayman 2016). Yet, empirical research on how different organisations are responding to and strategically repositioning themselves to remain sustainable is limited and continue to deserve further attention (see for examples, Rajarajeswari 2013; Arhin et al. 2015; Kumi 2017b). Given this background, the central question of the article is: how are NGOs responding to the changing aid architecture? In the sections that follow, the article draws on Ghana and shows some of the strategies and efforts being made by NGOs to overcome the challenges of financial sustainability in the context of the changing aid architecture. Specifically, the article discusses six main strategies that are at the centre of how NGOs in Ghana are responding to the changing aid architecture. We have called these: (1) eggs-in-multiples-baskets strategy; (2) cost-cutting strategy; (3) strength-in-numbers strategy; (4) security-under-partnership; (5) credibility-building strategy; and (6) visibility-enhancing strategy.

The focus of this article is limited to the strategies rather than describing whether the organisations have been successful or otherwise with these approaches. The article does not also go as far as describing which of these strategies are more effective and vice versa, and how they have affected the sustainability of organisations. Moreover, we are interested in a general understanding of the broad strategies employed by NGOs rather than accounting for commonalities, variations and the underlying factors driving the choice of the strategies. This will be the focus of another paper. The aim is to respond to calls by some authors (e.g. Elbers and Arts 2011; Mitchell 2014:90) for further research on the effectiveness and identification of additional variables and factors that explain the choice of strategic responses by NGOs.

The article proceeds in the following manner. In the next section, we provide an overview of the changing aid architecture in Ghana and its challenges for NGOs. This is followed by an elaboration of the conceptual and analytical frameworks of the study and then discusses the methodology of the research. The succeeding sections, then focus on the findings of the research outlining the combination of strategies being employed by NGOs to remain sustainable in the context of the changing aid architecture in Ghana. A discussion and conclusion sections follow this.

The Changing Aid Architecture and Challenges for NGOs

Ghana has, for a long time, been considered a ‘donor darling’ country for bilateral and multilateral donors (Hughes 2005; Opoku 2010). Following seven successive peaceful elections, vibrant space for CSOs and NGOs, relatively strong governance institutions and accountable systems, Ghana has enjoyed massive support from public aid over the past 20 years since it returned to civilian rule. For example, Official Development Assistance (ODA) constituted about 6% to its GDP in 2009 (Government of Ghana 2015). Equally, research has shown that NGOs in Ghana obtain at least 70% of their sources of funding from foreign donations and assistance from Ghana’s bilateral and multilateral partners (See Arhin et al. 2015). For example, Kumi (2017a) found that external donor funding constituted between 80% and 90% of the total budgets of NGOs in three regions (i.e. Upper West, Northern and Greater Accra) of Ghana. This is because the contribution of domestic resources in terms of internally generated funds to annual budget was less than 10% for most NGOs. Indeed, it was such a massive inflow of ODA that saw Ghana achieving the Goal 1 of the Millennium Development Goals (MDGs) of halving poverty in 2006—9 years ahead of the target date of 2015 (Government of Ghana 2015). But the nature and inflow of aid to Ghana have been changing since the country was classified as a LMIC. The 2015 MDG report succinctly captures this state of affairs. It states that:

Since Ghana attained lower middle-income status in 2010, aid inflows have been dwindling. In nominal terms, net ODA inflows rose from US$1.24 billion in 2006 to US$1.81 billion in 2012, representing a 6.4 percent average annual increase over the period. However, inflows dropped by 26 percent to US$1.3 billion in 2013. As a percentage of GDP, net ODA declined steadily from 6.1 percent in 2009 to 2.8 percent in 2013 (Government of Ghana 2015, 64).

This statement is in tandem with available data from the Organisation for Economic Co-operation and Development (OECD) which suggests that the pattern of aid to Ghana
has generally been declining in recent years. It is important to mention that ODA inflows into Ghana and other sub-Saharan African countries are volatile as highlighted in the literature (Adams and Atsu 2014; Kumi et al. 2017). For instance, ODA inflows into Ghana experienced a substantial increase from US$ 1.7 billion to US$ 2.1 billion between 2005 and 2009, but this declined drastically from US$ 1.8 billion to US$ 1.1 billion between 2010 and 2014 following the country’s transition to a LMIC status (OECD 2017).

Among the factors accounting for this decline include Ghana’s offshore discovery of oil in 2007 which led to a commercial production in 2011. The expectation for many donors was that the discovery of oil will increase government’s revenue by about US$800 million. In addition, Ghana’s graduation to LMIC status makes it difficult to obtain support from the International Development Assistance (IDA) and other bilateral donors (Moss and Majerowicz 2012, 4). For instance, many of Ghana’s main bilateral donors such as the Department for International Development of the UK (DFID), the Danish Agency for International Development (DANIDA) and the Global Affairs Canada (formerly CIDA) have been re-prioritising their operations, reducing aid and, at times, withdrawing aid for both government agencies and NGOs. DFID Ghana, for example, indicated that it was reducing the level of general support for the country from UK£36 million (approximately US$ 57.6 million) in 2010/11 to around UK£10 million (approximately US$ 15.5 million) by 2014/15 (DFID Ghana 2012).¹

The changing aid architecture and the decreasing levels of aid are producing an uncertain context for many NGOs, as well as some opportunities. For example, as part of the changing aid architecture, donors are changing their funding modalities and have a high preference channelling their support through international non-governmental organisations (INGOs) rather than local NGOs. In the case of Ghana, Kumi (2017a) using a disaggregated OECD data on ODA inflows to NGOs reports that about US$ 661.1 million of funds were channelled through INGOs compared to US$68.2 million for local NGOs. Changes in donor funding modalities create uncertainty about the short-term survival and long-term sustainability of NGOs (see for example, Kumi 2017b for details). In a recent research paper published by the West Africa Civil Society Institute (WACSI), many NGOs in Ghana reported of just surviving or are struggling to survive financially and operationally, in light of the increasingly competitive environment brought about, in part, by the changing aid architecture (Arhin et al. 2015). The research further suggested that organisations were struggling to generate income and mobilise new financial resources; pay competitive emolument to recruit and maintain qualified technical staff; build institutional capacity and infrastructure base to sustain programmes; and to maintain quality and continuity of programmes and projects. Further research by Arhin (2016) shown that the potential roles of NGOs in service delivery, advocacy and facilitation to help achieve the seventeen globally agreed Sustainable Development Goals (SDGs) could be undermined due to challenges that organisations face in funding, capacity and identity as not-for-profit organisations.

These challenges reflect the broader concerns threatening the sustainability of many NGOs across LMICs and other emerging economies (Pousadela and Cruz 2016; Pallas and Nguyen 2018; Appe 2017; Kumi 2017c). However, as we show below, NGOs are not just experiencing these challenges passively but are rather responding strategically to these challenges. Before we discuss these strategies, we make a brief clarification of some of the concepts and frameworks that guided our research.

Conceptual and Analytical Frameworks

Understanding Sustainability of NGOs in a Changing Global Economy

It is important to clarify that the focus of this article is on professionalised NGOs which is a subset of CSOs and forms part of the international aid ecosystem. The definition of an NGO is a contested exercise (see Najam 1996). The frequent references to related terms such as ‘third sector’, ‘non-profit’, ‘charity’, ‘voluntary’ and ‘Civil Society Organisations’ further complicate a clear definition. In this article, we define NGOs as organisations that exhibit the five key characteristics proposed by Salamon and Anheier (1992), that NGOs should be formal (institutionalised to regular meetings, having office bearers and some form of organisational permanence); private (institutionally separate from government, even if it receives some support from government) and non-profit distributing (where financial surplus is not distributed among the owners or directors). NGOs should also be self-governing (having the ability to control and manage its own affairs) and voluntary (at least some degree of voluntary participation in the conduct or management of the organisation). While the study proceeded with this understanding, we have used non-governmental organisations and CSOs interchangeably although we recognise the diversity of forms, features and functions which define them conceptually. In our view, this interchangeability does not, in any way, affect the findings reported in this research. Our focus

¹ The average interbank exchange rate between 2010/2011 and 2014/2015 was at UK£ 1 = US$ 1.60 and US$ 1.55, respectively.
on professionalised NGOs is also justified given the known inclination of donors for working with ‘Western-style professionalized’ organisations as well as the tendency of donor reporting requirements to incentivise professionalisation (Pfeiffer 2004; Kamstra and Schulpen 2015).

Just like the concept of NGOs, there is no agreed definition of what sustainability means in practice. Notwithstanding, recent works have emphasised on the holistic and multidimensional nature of NGOs’ sustainability (see Arhin et al. 2015; WACSI 2015; Hailey and Salway 2016; Hayman 2016). This present article follows Hailey and Salway (2016, 581) and defines sustainable NGOs as an organisation ‘that can continue to fulfil its mission over time and in so doing meets the needs of its key stakeholders—particularly its beneficiaries and supporters’. What becomes evident in this understanding is that sustainability is as an ongoing process rather than an end in itself; and as a multidimensional construct comprising elements such as financial, social, operational and identity forms of sustainability. A recent publication by the West Africa Civil Society Institute (Arhin et al. 2015) outlined four main challenges of sustainability for Ghanaian NGOs. These included (1) financial sustainability where several organisations were facing difficulties in meeting their revenue targets and raising financial resources; (2) operational sustainability where institutional infrastructure and capacity to sustain programmes as well as continuity of expected quality of programmes were challenging for organisations; (3) identity sustainability where the relevance of mission and the identity of some organisations were fading and (4) interventions sustainability where some organisations were struggling to continue or expand programmes beyond their existing or already secured funding arrangements.

In this paper, the focus has predominantly been on financial sustainability—how organisations can mobilise resources to continue to operate in the context of the changing aid architecture where most of the principal sources of funds are declining. This focus is not meant to downplay the importance of the other dimensions of sustainability such as the operational, identity and interventions described above (WACSI 2015) or the social and political dimensions (Devine 2003; Hayman 2016). Instead, it is because financial sustainability has been the most expressed concern and the major sustainability risk facing many NGOs operating in Ghana (Marinkovic 2014; Arhin et al. 2015; Kumi 2017a) and elsewhere as evidenced in the USAID Civil Society Organisations Sustainability Index (USAID 2018). Also, the other forms of sustainability are deeply tied to financial sustainability.

Resource Dependency Theory and NGOs’ Strategic Responses

This article drew on perspectives from resource dependency theory to piece together the story of how NGOs in Ghana are responding to the changing aid landscape. Postulated by Pfeffer and Salancik (2003), resource dependency theory has become a useful framework for examining the relationship between an organisation and its external environment. Factors such as resource criticality (a measure of an organisations’ ability to function in the absence of a resource) and concentration (availability of alternative sources for the same resource) as well as ability of external powers to determine resource allocation are central to understanding the external environment of organisations (Cho and Gillespie 2006). Research on resource dependency theory has advanced the view that actors who have control of resources exert power especially when there is a high dependency. In this regard, the relationship between NGOs and donors is mostly supplied which reflects a type of relationship where donors set the goals of programmes because of NGOs’ high dependence for funding (AbouAssi 2013). This relationship also reflects the situation that makes NGOs closer to their donors rather than the communities they claim to support (Banks et al. 2015). This follows that, because many NGOs in Ghana have for a long time, depended significantly on foreign donors, the reported changing aid architecture and the associated withdrawal, decline and re-prioritisation of foreign aid could have a threatening effect on their continued existence and programmes.

Studies on resource dependency further show how organisations do not passively comply with conditions in their external environment; instead, they try to manage their dependence by adopting several strategies in order to influence their demand for resources with the aim of becoming autonomous or independent (Oliver 1991; Elbers and Arts 2011; Mitchell 2014). Resource dependency theory, therefore, aligns with a range of perspectives on how NGOs obtain resources from their external environment and the exercise of control by donors over NGOs because of their resource dependence. Dependency on an actor creates power especially when there are asymmetrical exchange relationships. Resource dependency theory, therefore, sheds light on the effect of power on NGOs behaviour and how they adopt strategies to safeguard organisational autonomy. Interestingly, Pfeffer and Salancik (2003) highlight that although resource dependence results in the exertion of power and control, the role of organisational management is to devise strategies for managing such dependence in order to ensure resource stability, organisational autonomy and interest.
According to Pfeffer and Salancik (2003), organisations employ strategies of avoidance and adaptation in order to absorb, diffuse and co-opt external pressures and influences in their operating environment. The specific strategies include resource diversification, formation of alliances through mergers and acquisition, co-option and compliance to the demands of resource actors. Several authors have used insights from resource dependency theory to explain strategic organisational responses and behaviour (see Oliver 1991; Kumi 2017b). For instance, Oliver (1991:152) integrated resource dependency theory and institutional theory to identify five main strategies: acquiesce, compromise, avoid, defy and manipulate employed by organisations in response to institutional pressures within their operating environment. Similarly, Kumi (2017b) integrated Oliver’s typology of strategic responses, neo-institutional theory and resource dependency to understand how NGOs respond to uncertainty in their operating environment.

Among the combination of strategies used by NGOs to adapt and manipulate changing circumstances of the external environment, in this case, relates to formation of alliances with other stakeholders to manipulate their external environment. These alliances take the form of collaboration. Collaboration among NGOs gives them easy access to resources including funding, people and information. Other studies have further highlighted how revenue diversification where NGOs seek funding from different sources including social enterprise and social investment are central to the ways NGOs adapt in view of changing circumstances in their external environment (Hailey and Salway 2016; Kumi 2017a). Of interest to this article relates to the various strategies and approaches that are being employed by the NGOs in Ghana given the much-publicised changing aid landscape (Mawdsley 2014; Hayman 2016). Given this context, the article drew on resource dependency theory as a framework to understand how NGOs in Ghana are constrained by the changes in their external environment and the various attempts being made to obtain resources in ensuring their survival. The next section turns attention to the methodology employed for the research.

Research Methodology

This article adopted a qualitative approach for understanding how NGOs in Ghana are responding and adapting to their ever-changing operating environments. We found qualitative research methods more relevant as they allow researchers to make in-depth investigations from its research subjects about how they interpret and make sense of a particular phenomenon under study (Atkinson et al. 2001; Creswell 2007). Qualitative research methods also focus on not just the ‘what’ but also the ‘why’ behind experiences, opinions and responses (Denzin and Lincoln 2011).

The findings reported in this article draw on two distinct data collection exercises gathered from 65 NGOs conducted between August 2013 and June 2015 in Ghana. The first was conducted with leaders of 22 NGOs (20 local NGOs and two international NGOs) which took place between August and September 2013 in Accra, Ghana. Data collection for the second phase took place between September 2015 and March 2016. The second phase consisted of a larger sample of 43 local NGOs operating in the Northern, Upper West and the Greater Accra Regions in Ghana. Also, five further interviews (two donor agencies, and three informants with extensive knowledge of the NGO sector and donor funding in Ghana) were conducted during the second stage. All the sampled NGOs varied in size in terms of their annual budget and year of establishment as well as their thematic and geographical areas of operations.

Data were collected through semi-structured interviews with NGO leaders: mainly executive directors or program managers. The rationale was that these individuals were essential keepers of organisational stories and core members of ideas, decisions and efforts being made by the respective organisations to meet the sustainability concerns brought about by the changing landscape. Interviewing NGO leaders helped us in understanding the motivations and the challenges faced and how they were manoeuvring around such obstacles in ensuring their organisational survival. Using semi-structured interviews provided an in-depth knowledge of respondents’ perspective, beliefs and understanding of the strategic responses used in ensuring their sustainability. All interviews took place in the NGOs’ offices and were conducted in English. The collected data were subjected to a content analysis and further analysed thematically and for the logic of argumentation. This article also draws partly on secondary data from the findings of a national study on civil society sustainability in Ghana commissioned by WACSI between November 2014 and March 2015. The authors of this article were members of the core research team that undertook this research which explored different dimensions and state of NGOs’ sustainability among 100 NGOs and CSOs in Ghana (see 2 The Northern and Upper West Regions were chosen because of the high level of poverty and underdevelopment. According to the Ghana Statistical Service (2015), the Upper West Region and the Northern Region have the highest (70.7%) and the third highest (50.6%) poverty incidence rates in Ghana. The underdevelopment of Northern Ghana has attracted a high presence of NGOs and donor interventions. Tamale the capital of Northern Region is considered as the ‘NGO and donor hotspot of Ghana’. On the other hand, many NGOs have their headquarters in Accra which is part of the Greater Accra Region. The selection of the regions also reflects the different geographical differences of Ghana.

2 Springer
In the succeeding sections, we report on the findings of the combination of strategies being employed by NGOs to enhance their sustainability.

Results

NGOs Strategies for Advancing Sustainability

The research identified six main strategies that NGOs were employing to adapt to the changing development landscape. These have been elaborated hereunder.

**Eggs-in-Multiple-Baskets Strategy**

The idea of eggs-in-multiple-baskets refers to the practice whereby organisations were shifting from one dominant donor or source of funding to diverse and multiple principal donors or sources. In Ghana and elsewhere, the challenges related to sustainability currently facing many NGOs can partly be attributed to inadequate attention paid to the repeated signs of aid uncertainty and considerations for ‘life beyond aid’ (Fowler 2000a; Janus et al. 2015). Even when many NGOs valued the essence of resource diversification and mobilisation, over-dependency on aid from foreign donors continued to be the dominant source of a fund-raising effort for the operations of many organisations. However, this is changing in response to the changing aid architecture.

Our findings suggest that some organisations were repositioning themselves for foreign aid (even if it is dwindling) to be an important but not the dominant component of their overall funding portfolio. As a corollary, many organisations were beginning to vigorously pursue old and new models of financial resource mobilisation so as to diversify their revenue streams and reduce their high dependence on foreign aid in favour of local resources. This was emphasised by one leader of an NGO, who stated:

> [A challenge of sustainability] is a reminder of the danger of putting all our eggs in one basket. Moving forward, our plan is to be more proactive and explore different sources so as to diversify our dominant reliance on donor assistance.

Another respondent stressed that:

The most credible option for us now is to reduce over-dependence on foreign donor assistance and be more serious with other local resource mobilisation ideas. I believe this will help us to be more sustainable.

Thus, organisations were responding to the changing aid architecture by seeking to ‘put their eggs into multiple baskets’ rather than predominantly relying on foreign donor aid. As part of the new challenge of diversifying dominant sources of funds, many organisations were seeking to broaden their funding base, deepening relationships with diverse set of actors and donors and building internal capacities (also see WACSI 2015; Kumi 2017c). Throughout the research, the following models of resource mobilisation emerged quite strongly:

- Intensified local and external public giving: Many organisations were seeking to intensify fund-raising efforts from individuals, both in Ghana and elsewhere, through avenues such as open appeals and online giving using social media (e.g. Facebook and Go fund me).
- Social enterprises: In reflection of the global trend, the study also identified what we call the “social enterprise craze,” as part of the mix of strategies to generate funds from different sources as possible. Some organisations showed that they were adapting themselves as social enterprises which would enable them to promote their social mission but with attention to generating revenue from their work. For example, an NGO in Northern Ghana has established a health centre and a school as part of its social enterprise project.
- Setting up subsidiary enterprises: This involves organisations setting up subsidiary businesses and enterprises to generate a proportion of income to fund programme work. Some NGOs mentioned that they had introduced subsidiary financial NGOs providing micro-finance service to the poor and generating profit from their operations to support core cost of the NGOs. These self-generated funds are used to run the NGOs but largely focused on organisational development. For instance, SEND Ghana has established a subsidiary SEND Financial NGO (SENDfingo) that provides microfinance to beneficiary communities in the eastern corridor of Northern Ghana through the cooperative credit union. Others also mentioned the establishment of research and consultancy wings that carry out either independent for-profit activities or in collaboration with think tanks.

A critical appraisal of the risks, challenges, opportunities and potentials of these sources of funds goes beyond the scope of this research. However, it is a demonstration of how organisations were beginning to pursue financial sustainability as being more of mobilising resources from diverse sources and less of depending on handful of foreign donors even if inflows from the latter were predictable.

**Cost-Cutting Strategy**

Studies have shown that NGOs are under increasing pressure to demonstrate efficient use of resources (e.g. Ebrahim
Particularly, the greater scrutiny by several stakeholders in relation to the proportion of NGOs’ budgets that are spent on administration and other indirect expenses has ignited several cost-cutting measures. Compounded by the changing development landscape, this research also identified cost-cutting measures as one of the strategies being adopted by many NGOs in response to the changing aid landscape to meet the challenge of sustainability. As explained by a respondent:

One thing we are doing is to cut as much cost as possible. Because we do not have more programmes running nowadays, we are hoping to make some savings by reducing the number of staff.

From the responses gathered, there were three main areas where the cost-saving measures were being applied. First, some organisations were reducing their number of core staff for administration and operations. This has seen redefinition of job responsibilities in a way that staff can take on several tasks simultaneously. As explained by one respondent: ‘unlike in the past, we have merged human resource and financial management. What we have now is a business system manager who performs the functions of these two critical functions (i.e. human resources and financial management). In effect, we have a single manager effectively doing the work of two people’. Such staff-restructuring measures were expected to provide organisations the opportunity to streamline administrative costs and free up funding for other costs and projects.

Second, influenced partly by the narrative of value for money (BOND 2015) championed by donors such as the DFID, many organisations were also making strenuous efforts to develop organisational systems and procedures that reduce excessive waste and leakages. Part of this strategy has involved bid analysis for contracted services and procurement and a strong emphasis on ‘receipts’ for all transactions and introduction of capping schemes for program management costs as a percentage of total program cost. Through these cost-saving measures, organisations expect to make effective use of available resources for operations. Additionally, such measures to reduce cost also help the organisations to maintain public and donor confidence about efficient management of resource.

The third area where NGOs were seeking to cut cost of operations was through a reduction in the number of geographical areas of operations. For example, one respondent emphasised that the NGO it represents was going to focus almost exclusively on ‘poverty-endemic areas’ such as the three Northern regions of Ghana rather than ‘trying to reduce poverty across the whole country’. Such a redefinition of operational areas is expected to help reduce cost of operations.

**Strength-in-Numbers Strategy**

The strength-in-numbers strategy was about organisations forming and joining networks, alliances and coalitions to pursue common objectives. In this strategy, organisations were coming together voluntarily not only to work on common projects but to collectively seek funds from diverse sources rather (than as individual entities). Formation of networks and alliances is certainly not new among NGOs in Ghana and also elsewhere (Sell and Prakash 2004; Ashman and Sugawata 2013; Appe 2016; Kumi 2017b). NGOs have increasingly formed, nurtured and worked in networks and coalitions since the early 1990s. What is new in contemporary times is the motives that underlie the formation of these networks and alliances. Whereas the formation and membership of network had previously been grounded largely by the need to pool resources to avoid duplication of efforts, the practice means more than this objective in contemporary times.

Our research shows that the formation of networks and coalitions have become a central strategy and response to the challenges of sustainability posed by the changing aid architecture-rather than just harmonising activities to achieve a particular goal. Quite instructively, our research found a similar move towards network formation for the purposes of accessing donor funding among international non-governmental organisations (INGOs). The research showed that many INGOs were forming loose consortia to access funding from external sources, influenced largely by the changing aid architecture and the demand by donors to reduce overhead costs of supporting several NGOs within the same geographical and thematic areas. For example, CARE, IBIS (i.e. INGOs) and ISODEC (i.e. a local NGO) have formed a consortium that has successfully accessed a USAID funded Governance and Social Accountability program in Ghana; CARE, ActionAid Ghana, West African Network for Peace (WANEP) and SEND Ghana have also formed a consortium which has been successful in winning a USAID funded Northern Ghana Governance Activity project. Similarly, OXFAM, CARE and five national NGOs have maintained a consortium that has successfully won a European Union funded Food Security Program in Northern Ghana. The research identified two main reasons underlining the drive towards (formation and joining of) networks, alliances and consortia. First, influenced, in part, by the changing aid architecture, membership to networks, alliances and coalitions is a response to demands made by donors before NGOs could be eligible to access funds. As explained by one respondent:

In an advocacy work, there is strength in numbers. That is why we work in networks and coalitions. But in recent times we have seen that most donors are
prioritising allocation of funds mostly to networks rather than single entities. This has contributed to the explosion of networks, coalitions and alliances that you see.

Second, networks and coalitions were platforms for achieving results which would leverage financial resources from donors who want to support particular courses. As a respondent working in health sector explains:

Although the funding environment has affected our work, networks continue to give us projects. If we succeed in our current project (run by the network), all the members can take credit for it. The success of the poor can actually be a major selling point for us as donors who want to support similar projects in the sector can consider us because of our track record.

In our research, several respondents discussed the tensions and the unequal power relations that often manifest in such networks and coalitions. These tensions manifest in a form of ‘one or two organisations hijacking the activities of the network’ and ‘inadequate accountability from leadership to members of the network’. Moreover, bigger NGOs tend to sideline smaller NGOs in the disbursement of funds after winning grant proposals. Concerns were also raised about the inadequate representation and participation of smaller NGOs in the decision-making processes of networks expressed mostly in the form of disrespect of their views by the so-called bigger NGOs. Despite the tension that often manifests in these networks, many organisations were ‘playing along’, as one respondent put it, as part of the suite of strategies to respond to the changing aid landscape.

Security-Under-Partnership Strategy

Many NGOs were also pursuing formalised partnership as a strategic response to the changing aid landscape in Ghana to remain sustainable. This strategy should be distinguished from the move towards networks, alliances and coalitions described earlier on. Partnerships (despite its contested definition) between Northern NGOs and Southern NGOs have a long history in international development (Lewis 1997; Fowler 2000a). Since the early 1990s, several international non-governmental organisations (INGOs) have entered different forms of partnerships with Ghanaian NGOs to finance their projects, build capacities and at times jointly work on some programmes and projects (Porter 2003; Elbers and Arts 2011). At the same time, some NGOs in Ghana, through proposals, have also sought funding from the private sector and government agencies. NGOs in Ghana, thus, have healthy working relationships with several organisations in the private sector.

However, a new form of such working relationships is emerging in the context of the changing aid landscape. Our study suggests that many NGOs were proactively seeking to enter forms of Memorandum of Understanding (MOU) and partnerships with a private sector, government agencies and other identifiable donors which they could work towards a common goal for specified number of years. This new move should be distinguished from the earlier approaches where NGOs simply make proposals to these bodies and expect one-off funding. We have called this changing strategy ‘security-under-partnership’ because many NGOs viewed such long-term partnership as offering security and near-predictable flow of material and non-material resources as the aid architecture changes. As argued by one respondent:

One key strategy for us is to demonstrate our capabilities to potential partners who can support us and work with us for a longer time. Committed partners can offer security in challenging times. We are focusing not only on foreign donors but also the private sector to get some MOUs.

Another respondent underscored the essence of this strategy:

We have worked with some partners for a long time. An advantage of this type of partnership is that they [partners] continue to support even in troublesome circumstances. We are hoping to deepen our relationship with some of these committed partners we have worked with and also bring new ones on board to push for the impacts we want.

What becomes clear through these comments are that through formalised partnerships and collaborations, the NGOs expect to obtain some financial and non-financial resources from their partners as part of the strategies to enhance their sustainability. A variant of this strategy observed was that many of the Ghanaian NGOs (especially operating predominantly at sub-national levels) were deepening relationships with INGOs who are deemed to have global credibility to leverage funding from other donors in-country and outside of Ghana.

Credibility-Building Strategy

The strategy of credibility-building is about activities, structures and systems that make organisations more trustworthy and ‘believable’. Hayman (2016) has argued that credibility-building is a foundation block for sustainability. This observation, in part, resonates our findings about the strategies that NGOs in Ghana were deploying to remain sustainable. Respondents narrated that perceived credibility and capacity of organisations were essential
characteristics for attracting financial resources or as Hai-ley and Salway (2016) and Kumi (2017c) note, investments from donors, individuals and philanthropists. As explained by one respondent:

Most donors, private firms and individuals we are targeting prefer supporting organisations that can be trusted and have the credibility to deliver on specific functions.

From the interviews, the NGOs portrayed credibility-building as an essential strategy because it also served as an important determinant of ‘unsolicited’ inflows of funds. Here, the credibility-building strategy involves organisations paying serious attention to systems and practices that make them credible, trustworthy and believable to donors, private firms, government agencies and even individuals across the country who might, through such credibility, support their work. The research identified two main ways through which credibility-building strategy manifests. The first focuses on strengthening the internal systems of the organisations. These include: (1) strengthening accountable and transparent systems; (2) building transparent internal structures; (3) regularly publishing audited reports; and (4) making strategic plans. As a respondent emphasised:

We have not been able to publish our annual reports for the past two years because of the cost. But it has cost us more than if we published them because wherever we go [for fund-raising discussions]; they request our most-recent annual reports and audited accounts. Our inability to produce these reports becomes a disadvantage overall. We are now going to take that [publication of annual accounts] very serious.

Other respondents also stressed on how they were taking issues of accountability and transparency of their operations more seriously. As one respondent narrated:

We are in an era where you cannot compromise on accountability and transparent systems. We want to send a clear message that we meet these principles at all times so as to maintain our credibility in the eyes of whoever wants to support us achieve our mission and vision.

The second approach of enhancing credibility focuses on deepening donor, community and other external relations. Some specific activities include timely reports and briefings to donors, making copies of audited reports available to donors and acknowledging the support of donors in various platforms and publications including sending Christmas cards. Others include empowering community actors to be responsible for specific interventions, and closely working with communities to enhance legitimacy. As a respondent noted:

Over the years, we have established a level of credibility through our advocacy in the mining areas and how we take accountability issues serious. We have a unique approach to train and empower members from the communities to be in charge and make their voices heard. One of our trained members is now an Assembly woman, who never had a formal education. We will continue to invest in empowering communities to maintain our credibility. We are very much aware of the cost if we lose that credibility.

What emerges from the quotations above is that as the aid architecture changes and the funding environment becomes more competitive, many organisations were becoming more aware of the need to build strong credibility in the eyes of donors, private firms, individuals and communities who could support their programmes either through financial or non-financial contributions. Others were further demonstrating effectiveness in the fulfilment of their mandate, quality of impacts and value for money as well as responsiveness to beneficiaries. Still, other organisations sought to be credible to demonstrate independence and reliability of their organisational structures, role and composition of Board of Directors, human resource and financial management structures. Lastly, organisations were seeking to demonstrate legitimacy including being answerable to constituency, adherence to mission and ties to public as part of their strategies to be credible to enable them to attract funds from diverse sources.

Visibility-Enhancing Strategy

Many Ghanaian NGOs were also responding to the changing aid architecture through visibility-enhancement strategies. This is closely related to the credibility-enhancement strategy described earlier on. In this strategy, organisations were responding to the sustainability challenge through activities that make them visible (regarding what they do) and easily recognised by actors such as donors, private firms and governments. There were two main rationales behind this strategy.

First, organisations seek to ‘market’ their work, achievements and capacities to a wide range of actors with the hope that such actors can benevolently support their work. Some respondents, thus, mentioned of dedicating resources for inviting journalists for media reportage of their events; organising soiree for media professionals to enhance reportage of their activities; buying newspaper space or providing some incentives to journalists to do feature articles on their success stories. Second, through the visibility-enhancing strategies, organisations were seeking
to create a good public image about themselves and to assert their expertise and authority in particular sector of fields of knowledge. This has made some organisations to look for opportunities to make contributions to public discussions on radios, televisions and the mass media. As one respondent emphasised:

Policy influence is central to our work. One area we are considering [as part of remaining sustainable] is to enter sort of partnerships with various radio stations to be the preferred choice of contributors on discussions relating to the sectors we work. By this, we hope to shape policies in more positive ways; but we also hope to create a good public image about what we do and the impact we are making in this area so that other stakeholders who want to support us [financially] can come on board to push for the change we all want to see.

In Ghana, it is a common practice for radio programmes and news bulletins to seek opinions or views from ‘experts’ or organisations working on particular story under discussion. It is in this context that many NGOs consider it an opportunity to enhance their visibility in the changing aid architecture. As a respondent explained:

Regular contribution to news and radio programmes will enable “relevant bodies who have heard about us and have the resources to implement particular projects or programmes to contact us for discussion.

Other activities many were doing to enhance their visibility include intensifying printing and mass distribution of brochures and other programme and communication materials. What becomes clear through these activities was that creating a good public image to be recognised and visible is, therefore, being used as a conduit for attracting funding from diverse actors as organisations seek to broaden their resource base.

Discussion and Implications for Civil Society in Other Contexts

The literature on the high dependence of NGOs on foreign donors is well documented (Mitchell 2014; Kumi 2017a). As several studies have pointed out, there are enormous risks and perils of the over-reliance on foreign donor aid (AbouAssi 2013; Banks et al. 2015). Research evidence is growing that changing aid patterns for development are affecting the sustainability of organisations and their ability to function effectively and deliver on their vision and missions (Mawdsley 2012; Hayman 2016; Arhin 2016). This article has attempted to understand how NGOs in Ghana, West Africa, are responding to the changing aid landscape.

What emerges from the paper is that NGOs are not passive victims of the changing aid landscape. Similar to the observation by AbouAssi (2013) and Kumi (2017b), organisations are adapting, adjusting and responding to the changing landscape of aid in various ways. Quite instructively, NGOs are innovating and equally drawing on much longer historical discourses on ‘resource mobilisation’, ‘accountability’, ‘scaling up’, ‘eligibility criteria’, ‘value for money’ and others that have permeated the NGO sector over the past decades to inform their responses (Fowler 2000b; Ebrahim 2003; BOND 2015). Thus, the adjustments being made by the NGOs and the ensuing strategies are history-contingent, even as they are employed differently to achieve different purpose at present—in this case to meet sustainability goals. Thus, in many ways, the strategies being pursued as responses to the changing aid patterns reflect Lauterbach’s (2016) observation of ‘religious entrepreneurs’ among young Ghanaian pastors. She argues that many young pastors exhibit their entrepreneurial characters through ‘pastorship’ which helps them to fulfil their self-interest of becoming recognisable in society through the acquisition of wealth. Similar arguments have been made by Yarrow (2011) about the motivations for establishing NGOs by some development workers in Ghana. He maintains that the establishment of NGOs by development workers is largely motivated by a mixture of material, political incentives and ideologies. However, it is important to mention that although the NGOs in this study demonstrated some ‘entrepreneurial characteristics’, we find little evidence to suggest that the strategies they employed such as the establishment of social enterprises are driven largely by material incentives or to further their own interest. Quite instructively, the engagement of NGOs in entrepreneurial activities is largely motivated by the need for organisational and financial sustainability rather than personal gains as found by other researchers (e.g. Lauterbach 2016; Yarrow 2011).

A number of factors characterise the choice of the strategies being employed by the NGOs. First, the strategies were informed by considerations of creating new resources through to capturing existing funds. As such, the strategies such as visibility-enhancing, credibility-enhancing seek to make the NGOs more attractive and obtain a competitive advantage over other organisations so as to capture existing funding support from a wide range of donors, private firms, individual givers, philanthropic organisations and other bodies interested in providing finance to advance socio-economic development. In many ways, strategies such as eggs-in-multiple-baskets focus on identification and creation of new sources of incomes. One example in this area is social enterprise which was found to
be relatively new to the NGO community but other strategies like partnerships were not necessarily new approaches or efforts but that which have been intensified and given more prominence recently. Second, the choice of strategies being adopted is further informed by considerations of ‘solo-going’ which is often restricted to particular organisations as well as networking type of strategies where two or more organisations join together to pursue resources. For example, the eggs-in-multiple-baskets, cost-cutting and credibility-building strategies are being pursued without much collaboration or involvement of other organisations.

However, the strength-in-numbers, security-under-partnership and visibility-enhancing strategies were often done in conjunction with other organisations. Whether these strategies would be successful in drawing the needed resources for the organisations is a matter of future research. However, leadership and charisma of leaders of organisations could have important roles to play not only in pursuing reforms such as cost-cutting but also due to how inter-organisational relationships often develop out of personal (informal) connections in the country (Teamey 2010). The findings of this research have two important implications for NGOs and other development stakeholders. First, the changing aid landscape opens up space for NGOs to explore alternative domestic resources such as corporate philanthropy and government resources to ensure their long-term survival independent of donor resources (Kumi 2017c). This will also require the creation of an enabling environment that incentivises individuals to support the activities of NGOs. Second, the findings in this article points to the need for developing the organisational capacity of NGOs for them to be responsive and agile to changes in their operating environment. By building the capacity of NGOs, the aim here is to ensure their long-term sustainability. However, given the unwillingness of donors to provide overhead funding to support NGOs’ sustainability initiatives, it would be a daunting task. This therefore calls for a rethink of donor funding modalities that factor NGOs’ sustainability into their agenda.

**Conclusion**

This article has attempted to understand how NGOs in Ghana, West Africa, are responding to the changing aid landscape. This article has focused specifically on the diverse strategies that were being employed in combination by NGOs to ensure that they remain sustainable in the light of the changing aid patterns. The article has shown that NGOs in Ghana are employing a combination of six main strategies to attain sustainability. We have called these: (1) eggs-in-multiple-baskets strategy; (2) cost-cutting strategy; (3) strength-in-numbers strategy; (4) security-under-partnership; (5) credibility-building strategy; and (6) visibility-enhancing strategy.

The article makes two major contributions to the limited but growing literature on the sustainability of the NGOs in the context of the changing aid architecture. First, it has demonstrated that NGOs are not passive victims of the widely reported changing aid landscape. Instead, several NGOs are innovating, adjusting and responding in various ways to remain sustainable. Our second contribution, which follows from the first, is that the responses to the changing aid patterns are history-contingent; and therefore, calls for more research to understand the ways through which they would be successful in positioning organisations to meet sustainability goals. Despite these contributions, the research has some limitations which can inform future studies. Using NGO leaders and activists as sources of information on the NGO sector provided a critical window into understanding the challenges and innovations being pursued to address risks of financial sustainability in Ghana. However, this approach is also limited as attention to financial and other secondary records of the organisations could have added further insights into the analysis. Second, future research could examine the potentials and risks of specific strategies and whether their application by the NGOs has managed to help organisations overcome the challenges of sustainability. Third, future work could disaggregate and examine the dynamics of the responses by the NGOs according to geography (for example, rural-based organisations versus urban based), type (local, national and international), as well as by specific sectors (for example, environment, health, education, etc.) and by function (for example, advocacy and service delivery). Fourth, further work could also examine the extent to which organisational characteristics (e.g. leadership, staff, programme) influence the adoption, success and outcomes of specific strategies that are adopted by organisations.

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**Compliance with Ethical Standards**

**Conflict of interest** No potential conflict of interest is reported by the authors.

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