

Synopsis - Ph.D. Thesis

Social Marketing Strategies of Successful NGOs- A Strategic Perspective with Reference to Selected NGOs in the States of Karnataka & Tamil Nadu

Vimala Parthasarathy*

Rationale

Governments, especially in developing and emerging economies, are limited in their capacity to promote social development, due to scarcity of resources to handle such a formidable task. The tax base is too narrow to generate adequate funds for a multitude of competing needs. Governments do not have sufficient number of trained staff with a focused approach who can implement social marketing programs effectively at the grass roots level. An important drawback with governments in developing countries is their "multi-layer" or hierarchical approach, characterized by bureaucracy and delay in decision making, which reduces their effectiveness in implementing programs. Unlike the NGOs, which have the capacity to work closely with their beneficiaries, governments are far removed from their beneficiaries.

These circumstances have offered opportunities to NGOs to play an increasingly important role in socio-

economic development. Based on experience in other parts of the world, NGOs in developing countries can enhance their effectiveness by applying marketing practices for socio-economic development. While much research has been done in the West in the area of social marketing, the subject is still relatively unexplored in India.

While NGOs in western countries have reached a certain level of maturity and are more preoccupied with larger issues such as awareness of cancer, promotion of a nutritious diet and non-smoking, to name a few, the voluntary sector in India and some Asian economies is still grappling with the more basic issues of poverty reduction, awareness and prevention of AIDS, family planning and availability of clean water. This growing sector and its effectiveness as a supplement to governmental efforts is an important area for study.

The biggest advantages of NGOs as compared to the government and private sectors are their potential to

**Research Scholar, Manipal University, Manipal 576 104. The thesis was prepared under the guidance & co-guidance of Dr. N.S. Viswanath & Dr. T.V. Raju respectively. The author is grateful to her parents (Smt. Indra & Sri N.S. Parthasarathy) for their total support & encouragement. The thesis was highly commended by the referees for the award of Ph.D. degree in Management. The scholar was posthumously awarded Ph.D. degree in May 2013 by Manipal University.*

contribute in terms of their coverage, their participatory methods of functioning and their ability to reach out to underprivileged sections of the community. NGOs could become highly specialized, in the sense that they could focus on problems that are unique to each community within the country. They can help to make the development process more transparent and accountable. It remains to be seen whether this potentially powerful instrument of social development is able to function to its potential, using social marketing principles to achieve its objectives, as has been done successfully in other parts of the world.

There is a paucity of research on the functioning and role of NGOs as such, and on the application of social marketing practices. This was revealed by enquiries with the Heads of Departments of Management Studies of the universities of Madras, Mysore, Annamalai and Vishakapatnam (December 2008). This study therefore seeks to research and explore an area that does not seem to have received much attention so far.

Area Chosen for Study

The study will focus on the southern states of Tamil Nadu and Karnataka, based on talks with experts that indicate that these are fairly representative of NGOs across the country. Based on available statistical information from the website of the Planning Commission (indicating a total strength of 16976 NGOs in the country), Tamil Nadu, with 1209 functioning NGOs, ranks among the first four states and Karnataka with 727 NGOs, ranking eighth in India, is positioned neither among the intensive NGO active states, nor among the low activity states. It is positioned somewhere in the upper middle of the national spectrum. Therefore, taking Karnataka and Tamil Nadu for the study was considered by experts who were consulted, to represent a good profile of the active and potentially active areas of the country.

Research Objectives

The primary objectives are as follows -

- i. To analyze the traits and marketing strategies of NGOs and assess their relative impact upon the organization's effectiveness, resource utilization and overall achievement.

- ii. To evolve from the above, the success factors, benchmarks of effectiveness and a social marketing model.

The secondary objectives are as follows -

- i. To assess and measure to the extent feasible, the cost of delivery of services, in relation to the objectives of social programs.
- ii. To identify operational aspects that are sensitive to socio-cultural factors peculiar to each area and to indicate adaptive measures needed for social marketing of programs under different situations.

Hypotheses

Wiebe, G.D. (1952)¹⁸⁹ and Kotler (1971) in their early studies on social marketing, stated that "market-like circumstances" are necessary for the application of marketing principles to social development activities. Therefore, hypothesis 1 may be stated as two sub hypotheses as follows –

Hypothesis 1

If "market-like" circumstances are prevalent, marketing principles will be relevant and applicable to social marketing by NGOs.

Sub-hypothesis 1

"Market-like circumstances, namely, the 4 Ps (Product, Price, Promotion, Place), are prevalent in certain NGO activities involving behavior change and promotion of technology, ideas and concepts."

Sub-hypothesis 2

"If market-like circumstances are prevalent, marketing principles will be relevant and applicable to such NGO activities."

The second hypothesis is a generalization of the viewpoint of Walsh, D.C. et al (1993) ¹⁷⁹, based on a study of development in the field of public health. Their finding is that programs for public health in the voluntary sector cannot transplant the marketing strategies used in the commercial sphere. What is needed is not standardization but adaptation of marketing strategies

in social marketing, since the circumstances involved in the marketing of ideas and concepts are considerably different from those involved in the marketing of products. Hypothesis 2 may thus be stated as follows -

Hypothesis 2

What determines success in social marketing is not *transfer* but *adaptation* of strategies to suit the circumstances involved in the "marketing" of concepts, ideas and behavioral change.

Social marketing, more than commercial marketing, is all about change of habits, according to Jha, Mithileshwar in *A Manual on Culturally Adapted Social Marketing*, edited by Epstein, Scarlett T. (1999)⁸⁰. Bringing about social changes often means resistance to change which is strongly rooted in culture. Social marketing strategies must be adapted to cultural values, rather than try to change them. The concept of Culturally Adapted Social Marketing (CASM) involves use of marketing and communication strategies that can convincingly overcome cultural barriers to social behavioral change.

Hypothesis 3

Cultural barriers come in the way of behavioral change. Assimilating cultural forces increases the effectiveness of social marketing.

While the first three hypotheses are concerned more with the effectiveness of the social marketing strategies of NGOs, the fourth hypothesis argues that the best predictors of the organization's sustainability through its ability to raise funds are its institutional image, reputation for effective delivery of services and its legal identity. This hypothesis is based on the findings of Tandon, Rajesh (2002)¹⁵⁸, who pointed out some of the difficulties faced by Indian NGOs in raising funds. Currently the NGOs that are registered under the Society and Trust Act are clubbed along with other voluntary organizations such as clubs, schools and hospitals. They do not enjoy a separate legal identity that demands compliance with reporting and disclosure standards.

Hypothesis 4

The fund raising ability of NGOs is a function of identity with societal forces and the status of legal recognition.

Hypothesis five links the fixed costs of an NGO to the effectiveness of their social programs. As a thumb rule, the incidence of fixed cost is an indicator of the cost of delivery, heaviness of its overheads and marketing efficiency. This inference seems permissible, based on the findings of Vaidyanathan, R (2005)¹⁷⁵ regarding NGO accountability, costs and expenditure. He is of the opinion that due to high fixed costs of Indian NGOs, much of the money is being absorbed for their overheads, instead of being spent on the beneficiaries, thereby reducing the effectiveness of the social programs.

Hypothesis 5

High fixed costs of NGOs adversely affect the effectiveness and continuation of social programs.

Yet another success factor that remains to be tested by the study is the nature of the relationship maintained by the NGO with its stakeholders. The primary stakeholders of an NGO are the government, the beneficiaries of the social programs and the benefactors, or the funding sources. Raval, Dinker et al (2007)¹³⁴ advocate what they call "relationship oriented" social marketing strategies, which in their opinion are more durable and sustainable than strategies that are "transaction based."

Hypothesis 6

Performance of successful NGOs is influenced by the quality of relationship they have with their stakeholders.

Apart from identifying success factors, one of the main objectives of the study is to determine some of the traits of successful NGOs. Successful NGOs are characterized by style of leadership.

Hypothesis 7

The success of an NGO is due to its leadership style.

The next hypothesis makes an assumption that successful NGOs are those whose marketing strategies are developed within the framework of the overall corporate strategy and which take into consideration factors in the macro environment. These include social, economic, cultural, political and legal factors. In other words, marketing strategies cannot be formulated in isolation.

Hypothesis 8

Strategies of successful NGOs are drawn from the organizational and societal framework.

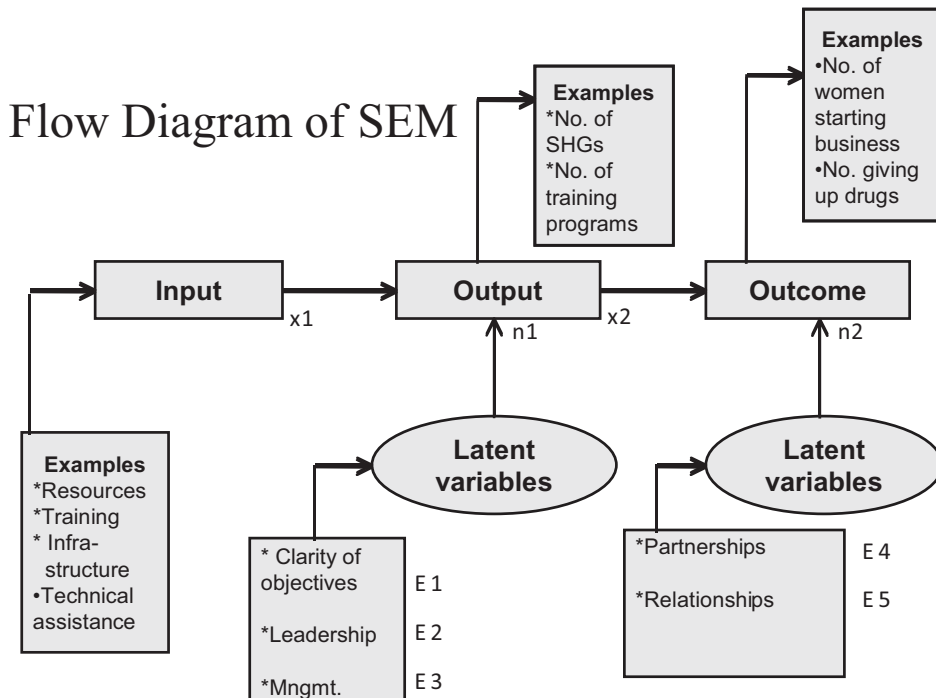
Since formulating the above mentioned hypotheses, based on an extensive survey of available literature and research studies, it has been possible to develop specific hypotheses related to factors affecting performance effectiveness of socio-economic projects, following the "Structural Equation Model". The starting point for developing this model is the LogFrame (Logical Framework) Matrix or Analysis, used by many international financing institutions for assessing performance of socio-economic projects. There are three components in the Matrix – 1) Input, or what is put into the organization (for example, resources, training, infrastructure, technical assistance), 2) Output, or what the organization puts out (for example, number of brochures or training programs, or number of Self Help Groups formed) and 3) Outcome, or impact created by the Output or what comes out of the Output (for example, number of loans received, women starting businesses, or children enrolling in schools). According to the Matrix, Input influences Output, which

in turn influences Outcome. Ideally, according to the LogFrame model, NGOs need to measure performance effectiveness not only in terms of Outcome, but also in terms of Output. Output measures the immediate (short-term) effectiveness in terms of means adopted to create the desired impact and Outcome measures the eventual (long-term) impact, which, ideally, is sustained even after the project support is withdrawn.

The Structural Equation Model was developed in three stages – i) Identifying the relevant variables, including quantitative variables, dependent and independent variables and latent or unobserved variables that have a bearing on any of the three components described above. ii) Developing a flow diagram to illustrate how the variables are linked together and iii) Developing equations indicating the relationship between these variables, from which hypotheses could be derived.

The flow diagram below shows the different variables and how they are linked –

The following hypotheses are made, based on the flow diagram –



Hypothesis 1

Input size significantly influences output.

This implies that the amount of resources in terms of funds or expenditure would determine both the quality and quantity of output, as measured by the quality and number of training sessions, for example.

Hypothesis 2

Output significantly influences outcome.

For example, it is expected that the number of SHGs formed would determine the number of women entrepreneurs starting their own businesses.

In addition to the variables in the LogFrame Matrix, there are other "latent" variables that could also have a bearing on either output or outcome, as specified in the flow diagram. These latent variables include marketing related traits, some of which are specific to social marketing. The following hypotheses are based on these latent variables.

Hypothesis 3

Clarity of objectives leads to significant output.

Specifying objectives is a part of marketing planning and is applicable to social marketing as well. Unless the social marketing organization is clear about what they want to achieve, they cannot design the right number and quality of training programs, message leaflets, etc. to be able to achieve success.

Hypothesis 4

Leadership style significantly influences output.

The quality and quantity of output are both affected by the type of leadership, which may range from a democratic to an autocratic style of leadership.

Hypothesis 5

Quality of management significantly influences output.

Similarly, the way the organization is run would decide how quickly and efficiently the outputs are created.

Hypothesis 6

The purpose of the partnership significantly influences outcome.

Partnership is one of the important Ps of social marketing and refers to networking and alliances with other organizations. Alliance with another NGO, private sector, or the government will lead to better geographical coverage and functional sharing, if the purpose is to combine strengths to create better impact.

Hypothesis 7

The type of stakeholder relationship influences outcome.

This refers to "Publics", which is another important "P" for the success of social marketing. A relationship based on involvement of stakeholders, particularly the community, opinion leaders and local bodies, would go a long way in creating better impact through unity of message and an environment favorable for success. This would involve using a participatory approach, whereby the NGO works in close consultation with the community in designing and implementing their programs.

The hypotheses identified above will be tested separately and linked with the overall hypotheses stated earlier.

Definition and Scope of Social Marketing (SM)

SM is engaged in the complex task of transforming human behavior and practices. Two concepts underlying SM are "sustainability" and "institutionalization."

Sustainability means that the change has to voluntarily be maintained without the prop or support of the organization. It is easy to bring about a one-time change in behavior, but more difficult to sustain that change.

Institutionalization means getting local organizations (e.g. village panchayats or groups) to take over the social marketing process, so that it continues even when there is no financial and strategic support from outside agencies. It involves capacity building or training local staff and organizations in critical marketing skills.

Hoffman, Jeffery (2006)⁶⁹ defines SM in terms of the following eight “P”s by citing the example of a water management project.

- a) Product – The “product” is the concept of using water in a conserved manner. The target audience must be made to realize that there is a problem and to “buy” the habit of careful use of water as a solution to the problem.
- b) Price – It refers to the “cost” of obtaining the product, which could include the time, effort and inconvenience involved in adopting the new practices.
- c) Place – This refers to how the target audience is reached with relevant information or training.
- d) Promotion – In social marketing, the integrated use of advertising, personal selling, sales promotion techniques and public relations helps to create greater awareness and sustain behavior.
- e) Publics – These are the internal and external stakeholders involved in the social marketing campaign. The external publics include the government and policy makers, the beneficiaries of the program and the funding sources. The internal publics are those who are involved in the implementation of the social marketing program. Their commitment to the marketing program increases the chances of success.
- f) Partnership – The task of bringing about social change is too complex to be undertaken by a single organization. Therefore, social marketers need to partner with other agencies and organizations with similar goals, so as to achieve maximum impact.
- g) Policy – Social marketing programs may be successful in bringing about change in the short run. However, unless the policy environment is conducive, it is unlikely that the behavior change will sustain over the long term. Therefore, social marketers need to assess the current policy environment and try to either adapt to the current policy environment, or lobby for policy changes, to enhance the success of their social marketing programs.

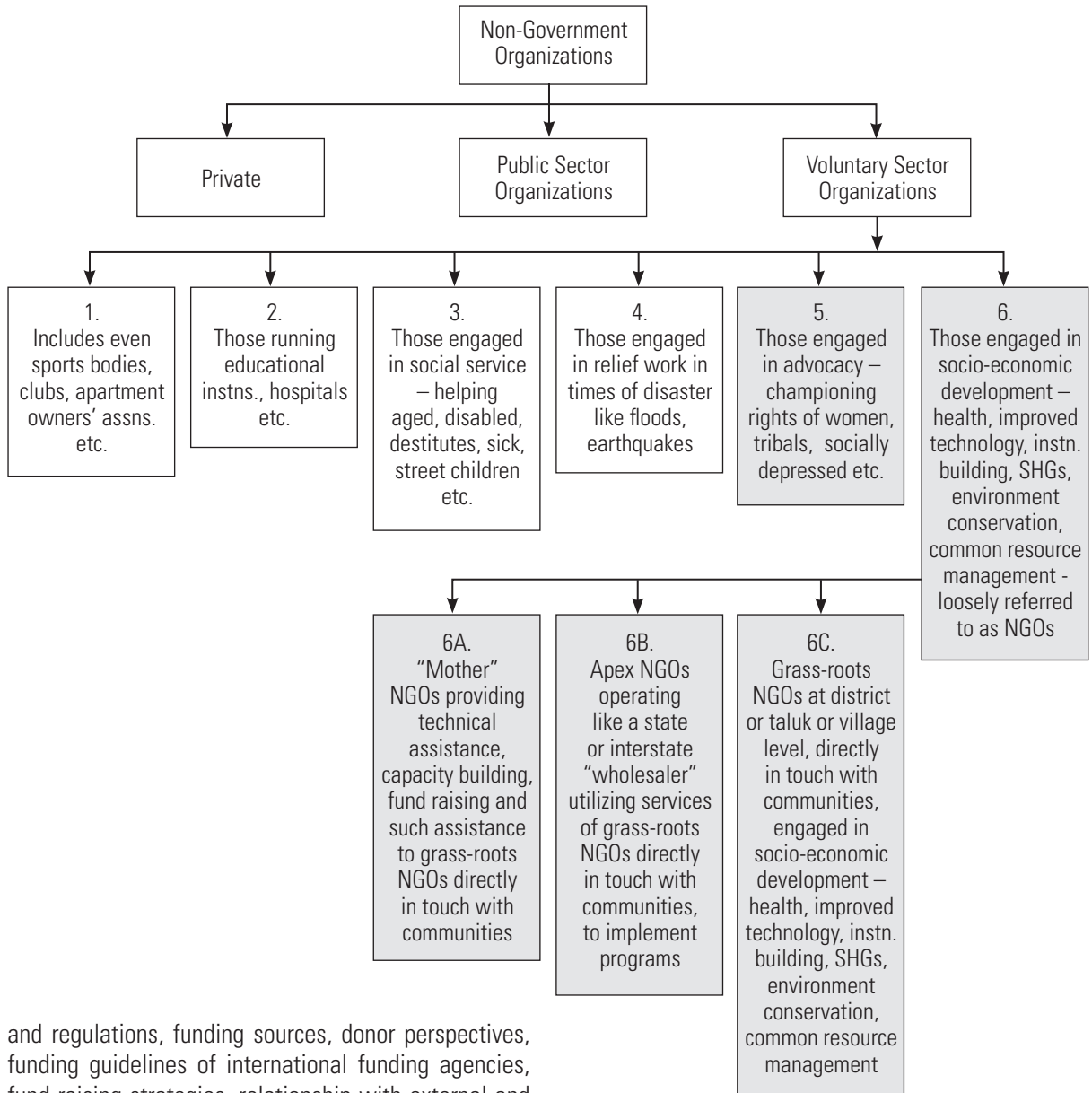
- h) Purse – The success of the social marketing program depends largely on the extent of funds available, as well as the continuity of funds. Social marketers need to develop effective fund raising strategies.

As opposed to commercial marketing, SM has to overcome negative demand in the sense of resistance to an idea. Social marketers often deal with highly sensitive social issues, which are likely to offend cultural sensitivities. In order to be successful, they have to understand and adapt strategies to cultural norms. Social marketers bring about changes that lead only to invisible benefits and that too in the relatively longer run. SM does not always lead to direct benefits. Energy conservation and observance of traffic rules are examples of change that lead to benefits to society at large, of which the individual is a part.

The scope of this study is limited to those organizations that are engaged in socio-economic development and not in social service. See diagram Next page.

Literature Review

The study was initiated with an extensive survey of available literature on the subject to gain insights into the various aspects of social marketing and the activities, problems and practices of the voluntary sector, as dealt with in scholarly articles, research findings, case studies, reports of institutions concerned with this sector and news items. This preliminary exercise helped to identify ideal practices for success, as well as the pitfalls that lead to failures. The exercise also became the basis for designing the questionnaires for the field survey. A wide range of social marketing aspects and the functioning of the voluntary sector was covered by the literature survey, as indicated by the following list – history and growth of the voluntary sector, legislative requirements under Indian conditions, typical structure of NGOs, role of NGOs in rural development as visualized in the Five Year Plans, trends in NGO activities, NGO role in water issues, micro financing and poverty alleviation, strengths and weaknesses of NGOs in India, scope and potential for involvement of NGOs in World Bank activities, relevance of social marketing in the voluntary sector, various service delivery models, government policies



and regulations, funding sources, donor perspectives, funding guidelines of international funding agencies, fund raising strategies, relationship with external and internal stakeholders, success and failure factors, success stories, models and case studies.

A few other aspects requiring special emphasis are dealt with in the following paragraphs.

Types of NGOs

In developing countries, the types of NGOs in the voluntary sector are broadly as follows – (a) grassroots, or frontline NGOs are those that work directly with

local communities (b) larger or apex NGOs that deal with communities through grassroots NGOs (c) support NGOs provide services such as capacity building to grassroots NGOs (d) funding NGOs focus on funding grassroots and support NGOs.

Measuring Performance

Measuring performance in SM is more difficult than in commercial marketing, since the result to be evaluated

is collective behavioral change. Expectations and results in commercial operations can be quantified as sales, profits, costs or similar measurable values. The absence of standard and established performance indicators for NGOs makes the task difficult. A tool developed in the US and adapted by several donors is the Logical Framework Analysis. This model breaks up different components of socio-economic projects into inputs (resources) outputs (activities) and outcome (achievements).

Funding and Accountability

Corruption and poor efficiency in use of funds have been one of the main obstacles to receiving funds from international donors (World Bank Report 1995¹⁹²). Accountability is one side of the coin and is system oriented. On the other side, what is needed is a constant flow of information and images that strengthen the stakeholders’ perception of the NGO. This calls for “image marketing”, which is the other side of the same coin. Image marketing is in effect, “backward marketing”, as opposed to the “forward” part, which engages in behavior transformation among the target segment. Scholars emphasize that “building a donor constituency” is an important marketing function of the voluntary sector.

Scholarly articles cite poor image and lack of credibility of NGOs in developing countries as one of the biggest obstacles to fundraising. Good governance, combined with accountability and image building is needed to ensure continuous fund flow. Image marketing is crucial

for financial sustainability. Image marketing to potential donors is as important as marketing new practices to the target community to bring about behavior change. (for sustainability aspects see Figure 4, paragraph 14.13)

The stakeholders’ perception of accountability is summarized below, on the basis of the model provided by Keating and Frumkin (2000)⁸⁵

Culturally Adapted Social Marketing

The concept of CASM suggests that marketing strategies should be adapted to the cultural context in which they are developed, since cultural barriers are one of the biggest obstacles to social behavioral change. This process of adaptation calls for pre-project research to understand the needs, beliefs and practices of the target community and incorporate them into the program theme, design and implementation.

Sustainability

There are two different aspects of sustainability for NGOs. First, the objective of NGOs is to bring about sustainable social change. This means that the changed practice (for example, giving up smoking or adoption of prescribed sexual habits) has to sustain without the support of the external organization in the post-program phase. In other words, the change should be permanent. The second aspect of sustainability relates to the sustained ability of the NGO itself to continue to pursue its mission.

Stakeholder	Accountability Perception
Donor	Effective use of funded resources - ensuring there is no diversion – Sustainability of the impact in the post-project phase
Government	Monitoring for ensuring that funds are not used for non-authorized purposes – Ensuring that there is no incompatibility with public policies and schemes
Target Beneficiaries	Voice in designing the Program – Program contents are culturally compatible – adoption of new behavior is worth the change
Field and Management Staff	Training to handle the “marketing” – adequate support facilities and tools are available – participation in designing the Program – realism in objectives and targets
NGO Promoter	Ensuring continuity and adequacy of funding – reasonable freedom in programming and operation – acquiring good image through creating sustainable impact

Methodology

Secondary and primary researches were used as part of the research methodology. Various secondary sources such as related books, journals, theses and dissertations of both Indian and foreign universities, websites of NGOs, NGO federations and organizations, the World Bank and NGO directories were consulted. Discussions were also held with experts in areas relevant to the study. As a result of the secondary research, in addition to accessing 60 websites, it was possible to gather well over 200 references, out of a search of over 300 references of scholarly articles, papers presented at conferences, reports, books and articles. These references were then listed and numbered.

Secondary research was used to compile the universe and select the sample. As a first step in sample selection, the universe of NGOs in the selected States of Tamil Nadu and Karnataka had to be compiled. This proved to be a difficult task, since there is no single, reliable, authentic and consistent source of information on NGOs in India. From available data, voluntary organizations engaged in socio-economic development were isolated. The number of such NGOs in Tamil Nadu and Karnataka, was 365 and this formed the initial universe of NGOs. Since the proposed study focuses only on organizations doing social marketing, this list had to be further narrowed down, by excluding those organizations that were engaged in social service. The final sampling frame boiled down to 67.

For the selection process, a multiple factor profile, based on seven main criteria, was prepared for the NGOs, assessed and weighted by 40 experts – 20 academicians and 20 management professionals. These NGOs were rated on these criteria and scores were computed as a basis for the final sample. They assigned relative weightages to these criteria. The average weightage for each of the seven criteria was calculated and this formed the basis for profiling the NGOs.

The next step in the sample selection procedure was to rate the NGOs in the universe on each of these criteria. This was an elaborate exercise, which was carried out by searching websites to gather detailed information. An objective five point rating/classification

scale was developed for this purpose. The average weightage for each criterion was then applied to the rating of each NGO on each criterion, in order to arrive at a score for each NGO. Thus, for each NGO, a total score was computed. The coefficient of variation was then calculated for each NGO, in order to assess the degree of balance in the overall effectiveness of each NGO on the various criteria. The NGOs were ranked in descending order from the highest score to the least score (with the highest score being the best) and from the lowest coefficient of variation to the highest coefficient of variation (with the lowest coefficient of variation being the best). The two rank values were then combined. Based on the combined rank value, the NGOs were finally re-arranged, from the least combined rank value to the highest combined rank value (with the least combined rank value being the best). The ranking procedure allowed enough flexibility, without introducing bias, in selecting the sample for the study. Such flexibility was needed to deal with possible reluctance of the selected respondent to cooperate in sharing information and to avoid going through the whole selection procedure all over again. Fortunately, in actual practice, all the selected respondents extended cooperation in providing and sharing information within the constraints of their policy on such matters.

The profiles of the ten NGOs selected by the sampling procedure detailed above are in the main text in tabular form.

Primary Research

The primary research included both quantitative research in the form of a survey using a structured questionnaire with closed ended questions, as well as qualitative research using techniques such as observation and depth interviews. Since the study is a three dimensional one that involves assessing the perceptions of NGOs, donors and experts, both the quantitative and the qualitative research had to be designed in such a way as to gather information from all these three respondent categories.

Questionnaire Design

The questionnaire was minutely tested against what was “promised” in the protocol submitted to the

university. The hypotheses, objectives of the study and other outcomes listed in the synopsis were extracted and formed the basis for design and test of the questionnaire. These issues were then grouped under various categories - background information on the respondent, role, objectives, programs, measuring program effectiveness, application of social marketing practices (if any), relationships, image of the organization, leadership and management, capacity building, fund raising, sustainability and accountability.

As a next step, the questionnaire was pre-tested with four NGOs/experts, for both contents and interview methodologies. Based on the feedback, refinements were carried out. A copy of the final modified questionnaire is attached.

A separate, simpler questionnaire was also prepared for donors/funding agencies and for experts, in order to assess their perception of various aspects covered in the main questionnaire. This is also attached.

Qualitative Research

While the questionnaire and interviews helped to shed light on the various aspects of functioning of the NGOs in the sample, they did not record information on qualitative aspects emerging at the interviews, such as the attitude of the respondents, their personality traits, body language and some indication of the type of leadership style. In this connection, it may be mentioned that fortunately, access to the CEO or equivalent senior level official was possible on behalf of every respondent. Extensive field notes made by the interviewer in the course of the interviews on such aspects were incorporated, by developing a comprehensive, numerical five point rating scale, which would enable the data to be quantified.

Depth Interviews

In addition to the questionnaires developed for the NGOs, experts and donors that generated a lot of discussion and rich information, a question guide for conducting separate one-to-one depth interviews with NGO experts/donors was designed. The purpose of these interviews was to incorporate "phenomenological" research into the qualitative research design, whereby

the experts were asked to describe their personal experiences of phenomena related to the NGO sector. These interviews included probing questions to gain additional insights into the sector from the experts. The responses were analyzed and integrated with the quantitative data.

Integration of Qualitative and Quantitative Research

Since social marketing is primarily concerned with behavioral change, research into its effectiveness would not be complete with gathering data of a quantitative nature from surveys and structured questionnaires. In order to gain deeper insights into complex behaviors and unconscious motives, qualitative methods such as focus groups, depth interviews and observation would be needed to supplement quantitative research and to extract rich information. An integration of the two approaches is advocated, especially for socio-economic situations, by Weinrich, Nedra Klein, (1996)¹⁸⁴ in a scholarly article, for their very divergence of approaches which has the effect of complementing each other.

Although quantitative and qualitative researches have their relative strengths and weaknesses, combining the two methods in a single research study helps to get the best of both approaches. Quantitative research has the ability to measure opinions, facts, awareness, and other data which can be gathered through pre-determined questionnaires, quantified and analyzed through statistical tests for proving or disproving various hypotheses regarding the relationship between variables. The results of the sample may also be generalized to a larger population. However, the disadvantage of this research method, according to Weinrich, is that it "decontextualizes" human behavior, or studies it in an artificial context, ignoring the influence of variables other than those specified.

Qualitative research on the other hand helps to understand the target audience's psyche. Since it is unstructured and is conducted in a more free-wheeling manner, it helps to provide richer information on situation specific behavior and the meanings that people assign to social phenomena. The disadvantage of qualitative research is that the data gathered cannot

be quantified and analyzed and that measurement of data is subjective, depending on who conducts the research. It requires highly trained investigators to conduct the research in a skilful manner.

The current study aims at a holistic approach by integrating both the above types of research for greater depth of understanding and a higher degree of generalizability to a larger population.

Procedure for Developing Benchmark Matrix

One of the main objectives of the current study is to identify the traits of successful NGOs, with a view to establishing benchmark practices and a social marketing model for others to follow. In this regard, fifteen different marketing related traits or benchmark criteria were identified – Marketing Concept, Market Analysis, Marketing Planning, Social Marketing Strategy – Product (Program), Social Marketing Strategy - Promotion, Social Marketing Strategy – Place (Delivery of Services), Social Marketing Strategy - Policy (Government Relations), Social Marketing Strategy - Publics (Stakeholder Relations), Social Marketing Strategy – Purse (Funding), Social Marketing Strategy – Partnerships (Networking and Alliances), Institutional Image, Marketing Capacity Building, Marketing Evaluation, Monitoring and Control (Performance Measurement), Sustainability and Management and Leadership.

The above traits were based on research findings elsewhere, including other parts of the world, scholarly articles, World Bank recommendations, as well as the insights of a senior marketing expert. In addition, nearly ninety different checkpoints or sub-traits were identified for all the criteria.

The second step in developing the Benchmark Matrix was to connect each of the checkpoints or sub-traits to the responses from the questionnaires for NGOs, the observation chart and the post interview notes that were developed for each NGO after the interview. This way, the quantitative data and the qualitative data were integrated.

Next, a scoring method was devised for the answers to the different types of questions – dichotomous or

yes/no questions, the questions that involved checking multiple options and the open-ended questions, thus converting responses into numerical values.

The scores for all the ten NGOs in the sample were calculated for the different traits, through a build-up of values for each sub-trait.

The entire procedure is set out in the following flow diagram.

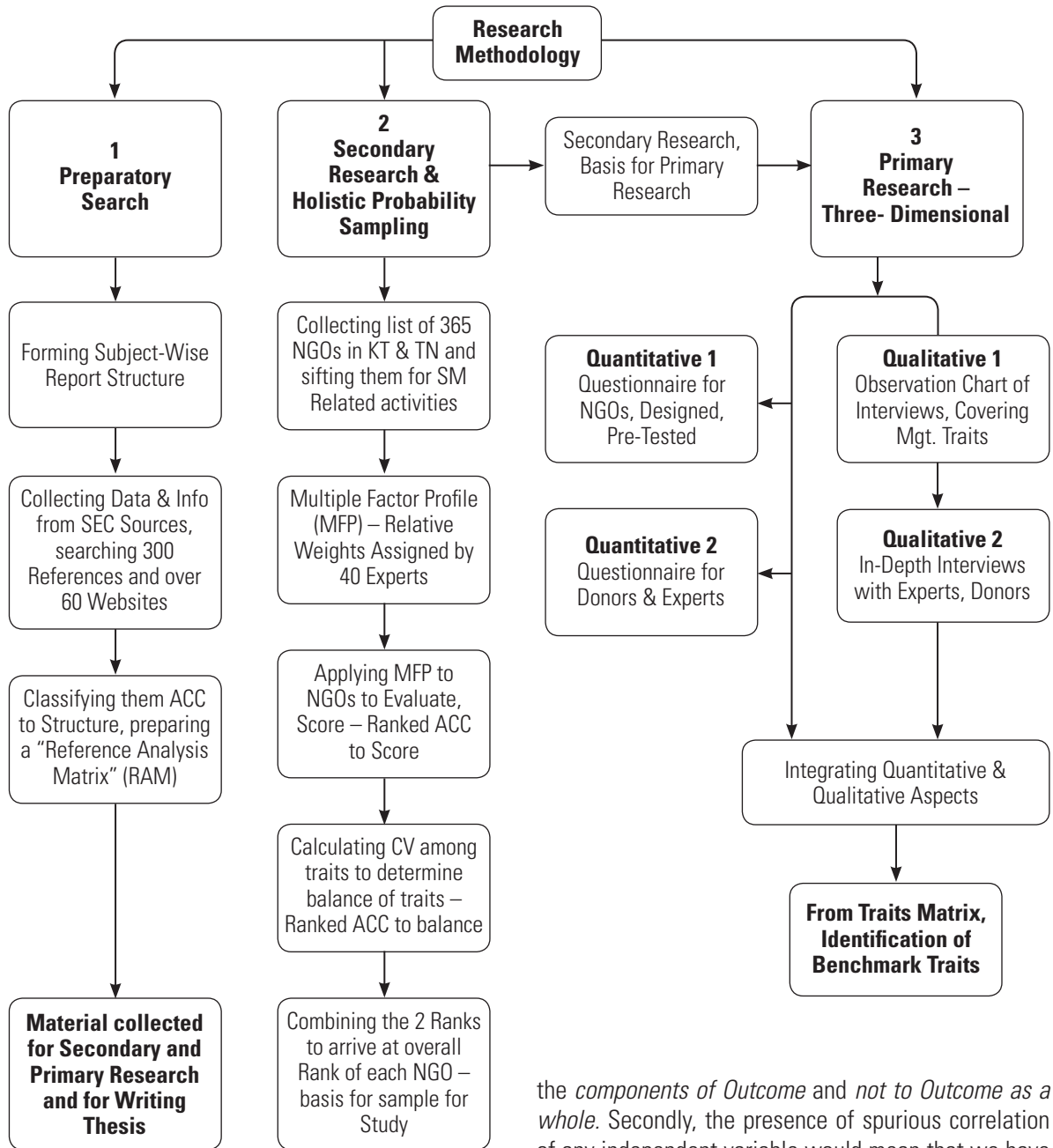
Test Results of Hypotheses and Interpretation

The information in the available data sets including the Benchmark Matrix, the Observation Charts with their qualitative data, the post interview notes and the questionnaire response matrix was subject to statistical tests covering regression, correlation, t test, F test and collinearity, using the SPSS 17.0 statistical software package.

The objective was to test each of the six hypotheses derived from the Structural Equation Model (SEM) outlined earlier in the section on Hypotheses. These specific hypotheses were linked with the earlier list of General Hypotheses derived from a preliminary literature review.

The current data set was subject to validity and reliability tests, which yielded high coefficients as indicated by Cronbach's alpha of 92.6%. This denotes that the current data set used for the analysis is greatly reliable.

The following few observations are necessary as a guide before interpreting the results to test the SEM Hypotheses. First, the basic assumption of the SEM hypotheses that Outcome could be considered as one *consolidated* dependent variable needs to be refined. Since the primary concern is effectiveness of social marketing when we refer to Outcome, there is also need to define what we mean by effectiveness in terms of the individual components of Outcome. The components of Outcome represent the definition of effectiveness. Different independent variables could and indeed would have a different relationship and effect on *individual components* of Outcome and *not on Outcome as a consolidated entity*. If this is so, there are



bound to be situations that require the acceptance of the null in respect of some elements of Outcome and the alternate in the case of some others, depending on the relationship of the independent variable and the dependent variable component. It follows from the above, therefore, that each SEM hypothesis will have to be qualified and interpreted with reference to

the *components of Outcome* and *not to Outcome as a whole*. Secondly, the presence of spurious correlation of any independent variable would mean that we have to accept the null even if the F value indicates its rejection.

Applying the foregoing criteria, alternate hypotheses have to be rejected even if so indicated by the F value, if there is spurious correlation and consider it as null. Similarly, the alternate hypothesis would be acceptable only if it is accompanied by non-spurious correlation.

On the above basis, the test results of the SEM Hypotheses are as follows -

- a) Level of expenditure significantly influences social marketing effectiveness. As expenditure is dependent on fund availability, it underlines the importance of funds for successful marketing operations.
- b) There is no relationship between clarity of objectives and outcome or marketing effectiveness. A possible interpretation is that irrespective of the clarity in the formal statements, a certain sense of purpose and clarity at the actual operational level could influence social marketing effectiveness.
- c) Leadership style significantly influences social marketing effectiveness in respect of government relations, ensuring fund availability and striking strategic alliances – the three aspects that are peculiar to social marketing and perhaps indispensable for its success.
- d) Quality of Management, like leadership, significantly influences social marketing effectiveness in respect of policy, purse and partnership. As this indicates that management has only a selective influence, we may have to infer that perhaps there are factors other than management that affect the performance and success of other aspects such as program, promotion and service delivery.
- e) There is no relationship between connectivity across organizations and social marketing effectiveness. Connectivity being one of many factors, it may not be an important and exclusive influence on social marketing success. Even with good connectivity, weaknesses in other factors could adversely affect success.
- f) Relationship, as an independent variable, significantly influences social marketing effectiveness in respect of policy, program and partnership. Stakeholder involvement is important for program concept, design and implementation.

Reconciling General Hypotheses with SEM

Having dealt with the SEM Hypotheses, it is now necessary to explain how the General Hypotheses

formulated at the beginning of the study have been covered.

General Hypothesis 1 relating to the existence of “market-like” circumstances is not so much of an assumption to be tested, since it is explained in the section titled “Hypotheses” in the text that extensive survey of scholarly articles, experiences of the voluntary sector and research studies are forthright in stating that market-like circumstances are prevalent in the case of NGOs involved in bringing about behavior change for better health, etc. and in promoting technology (e.g. bio gas), ideas and concepts (e.g. rain water harvesting, self help groups, building rural institutions, environment conservation). In the case of such NGOs, their activities do have the elements of Product, Price, Place (Distribution) and Promotion. The responses to the questionnaire also show that all the NGOs interviewed do apply several marketing strategies, although many practise them informally and sometimes without being conscious of the fact that they are marketing related. The above being a well documented and recognized fact, this hypothesis has not been tested further.

Regarding General Hypothesis 2 relating to *adaptation instead of transfer* of strategies and General Hypothesis 3 concerning cultural adaptation, while data is available for the dependent variable in respect of these Hypotheses, gathering specific and detailed information on aspects of adaptation of commercial marketing practices and adjustment for local cultural needs for each of the ten NGOs was beyond the scope and capability of this study. Such detailed information is necessary to assess the extent of adaptation in each of ten cases, in order to be able to subject the data for the two variables to a statistical test. As such, these hypotheses could not be tested and these may well form an extensive and suitable subject by itself for a separate study.

Regarding General Hypothesis 4 on fund raising ability of NGOs, it is to be noted that NGOs registered under the Society and Trust Act are clubbed along with other voluntary organizations such as clubs, schools and hospitals. They do not enjoy a separate legal identity that demands compliance with reporting and disclosure standards. As such, there is neither legal distinction nor

a special status for NGOs engaged in socio-economic development. The assumption was that without this, funding agencies may be hesitant to provide substantial funds. It was also assumed that the fund raising ability of NGOs may depend on certain forces in the macro environment, notably political forces and the government. No reliable data is available on societal aspects for quantification. In these circumstances, an assessment of the effect of legal identity and impact of societal forces on fund raising capacity was not feasible.

General Hypotheses 5 relates to the impact of high fixed costs of NGOs. While the survey was able to collect an indicative range of administrative expenses (fixed costs, as an indicator of efficiency in operation) from the NGOs interviewed, due to the reluctance of the respondents to divulge information on donors and donations (for assessing continuation of social programs), it was not possible to put General Hypothesis 5 to a statistical test.

However, a similar Hypothesis tested conducted in the USA among 2359 NGOs over a few years utilizing information from IRS sources available in the public domain, came to some interesting conclusions. (Strategic Positioning and the Financing of Non-profit Organizations: Is Efficiency Rewarded in the Contributions Marketplace? By Peter Frumkin and Mark T. Kim, The Hauser Center for Non-profit Organizations and The Kennedy School of Government, Harvard University, October 2000, Working Paper No. 2)63

The results of the regression model in that study indicated that "reporting low administrative to total expense ratios and positioning an organization as efficient does not lead to greater success in garnering contributions. In none of the six fields of activity did we observe a statistically significant effect of efficiency on contributions..... They indicate that non-profit organizations that spend more marketing themselves to the donating public do better at raising contributed income".

General Hypothesis 6 that success depends on stakeholder relationship and General Hypothesis 7 that success is due to leadership style are covered by SEM Hypotheses 6 and 3, respectively.

General Hypothesis 8 that strategies of successful NGOs are drawn from the organizational and societal framework is covered by SEM Hypotheses 3 to 6, which deal with different organizational and societal aspects - leadership style, quality of management, connectivity across organizations and relationship with stakeholders.

Benchmark Matrix and Interpretation

One of the main objectives of the current study is to identify the traits of successful NGOs, with a view to establishing benchmark practices and a social marketing model for others to follow. The Benchmark Matrix presents the following:

- Collective score for all sample NGOs for each of 15 marketing traits
- Collective score for all NGOs for each checkpoint (or sub-trait) under each marketing trait
- Scores of each NGO for each of 15 marketing traits
- Scores of each NGO for each checkpoint (or sub-trait) under each marketing trait

The following is a summary of the benchmark traits and responses to the Questionnaire

- a) The study indicates that NGOs are relatively weaker in the following aspects as reflected by scores only in the "satisfactory", "moderate" and "poor" ranges – marketing concept, sustainability, program, capacity building and delivery of services – where there is much room for improvement. Analysis of sub-trait scores reveals specific directions offering scope for improvement.
- b) Delayed and invisible benefits and their not being felt, although present, were cited as the main difference between commercial marketing and social marketing.
- c) The NGOs interviewed were aware of the criticality of overcoming social and cultural barriers, rating these as extremely important.
- d) Program theme, design and implementation are mainly influenced by internal management and field staff, community leaders and the general community.

- e) As regards communication media, emphasis is mainly on use of non-conventional media such as one-to-one and group meetings and posters
- f) The nature of relationship with the government is by and large cooperative
- g) In most cases, the time spent on fund raising is continuous throughout the year
- h) The reporting relationship is mostly to the Board of Management and funding sources
- i) Four of ten NGOs in the sample reported that there was no difficulty in fund raising capacity; where there was difficulty it was mainly due to lack of contacts
- j) The need for outside expertise was felt mainly for program impact measurement and communication methodologies
- k) Leadership and effective management, contact with community and clarity of objectives were rated the highest as being critical factors for success

Social Marketing Model

NGOs scoring the highest (Benchmark) in respect of each trait were identified and their practices were listed. No single NGO emerged as being the Benchmark model for all or most traits. In the case of the following traits, even the highest score was below the satisfactory level, indicating areas of deficiency –sustainability, program, capacity building and delivery of services.

The actual practices adopted by the concerned NGO for each of the benchmark traits have been specifically identified and listed in the text of the thesis.

Donor, Expert Responses

- a) All the twelve respondents (Questionnaire attached) confirmed that marketing practices are relevant to socio-economic development activities.
- b) A majority was of the view that funding, especially foreign funding, is determined by many factors and that the application of marketing principles to NGO activities is only one of them. According to one of the experts, the Regional Director of an international

NGO with a commercial marketing background, donors currently give more consideration to factors such as the goal of the project and the selection of the appropriate target audience, rather than the method or approach used to achieve that goal. Another factor considered by overseas donors, according to the same expert is partnership with the private sector. Since private sector participation in socio-economic development is likely to increase in future, the expert predicts that social marketing will play a bigger role and that donors may give this factor more importance than at present. A senior manager with the National Bank for Agriculture and Rural Development (NABARD), that provides funds to NGOs engaged in rural development, is of the opinion that factors such as the credibility of the NGO play a more important role in the decision to grant funds than the application of marketing methods.

- c) One expert with a Bangalore based NGO in the area of counseling believes that all NGOs apply marketing practices without knowing it and that those applying them in a systematic manner tend to attract more funds than those who do not. Apart from applying marketing principles in their activities, she also emphasizes the need for NGOs to market themselves, or to project the image of the organization more vigorously. This should be done through brand building strategies that make themselves more visible to funders, since high recall and visibility of the NGO, according to her, are factors that are given prime importance by funding agencies. This is particularly essential for the less established NGOs. Such brand building strategies should also focus on building the credibility of the NGO in the eyes of the funding agency. Credibility is particularly important in the Indian context, since Indian NGOs tend to suffer from low credibility and a reputation for misuse of funds. She adds that NGOs need to hire more marketing professionals for the systematic application of marketing principles and brand building strategies.
- d) The target group and government at different levels were ranked as the most important among stakeholders.

- e) The predominant view is that there is no distinguishing legal identity. There is no national parent body or licensing authority for NGOs. There is no legal framework that binds NGOs and makes them accountable to a central authority.
 - f) Experience and financial capabilities are rated as the most important traits considered by donors for an NGO.
 - g) Periodic measurement of impact (outcome) as well as input (LogFrame analysis) is one of the suggestions most often made for assessment of performance effectiveness.
 - h) For administrative expenses, a range of 8-20% was considered a reasonable limit.
 - i) Leadership, management and clarity of objectives have emerged as the most crucial factors for organizational sustainability.
 - j) The respondents were asked to rate the standard of the following specific aspects of management among NGOs in general, not specific to any or all of the NGOs that form part of the sample for this study – effective resource use, measurement of program impact, periodic comparison of progress vs. goals, efforts and systems to ensure cost effective operations and availability of a systematic tracking mechanism for the foregoing.
 - k) The average rating of around 3 on a 5-point scale showed that NGOs in general in this part of the country have not reached a satisfactory level. This is because while many of them have systems in position, they do not seriously pursue them as an important component of the management process.
- Assess and measure, to the extent feasible, the cost of delivery of service in relation to the objectives of social programs – The percentage of administrative expenditure to total expenditure was a good and readily available indicator of the cost of delivery of services. Out of the ten NGOs studied, only six were in the range of 10-20% and the others were higher. A range of 8-20% was considered by the experts interviewed to be a reasonable norm.
 - Identify operational aspects that are sensitive to social and cultural factors peculiar to each area and indicate adaptive measures needed for social marketing of programs under different situations - The main adaptation needed is in respect of program, promotion and delivery of services. Examples of such adaptation by the successful NGOs among the sample are explained in the text.
 - Find out the perceptions of beneficiaries, benefactors and other stakeholders: In respect of benefactors and stakeholders, this was accomplished through a structured questionnaire and depth interviews. (section 22)

Suggestions

- Systematic and formal training in marketing techniques and practices using experts may contribute to greater effectiveness. (ref. 19.53 and 20.8)
- Results of Hypotheses tests seem to underline the importance of funds for successful marketing operations and, in turn, the need to diversify fund sources and self generation to ensure continuity. (ref. 19.46, 19.61(a))
- Since leadership style significantly influences social marketing effectiveness, committed, trained leadership seems critical. Programs directed to enhance this aspect would be useful. (ref. 19.48, 19.61(c))
- Quality of Management significantly influences social marketing effectiveness. Therefore, NGOs may have to ensure continuous training to upgrade the quality of supervisory and operating staff. (ref. 19.49, 19.61(d), 20.64, 20.65, 20.66)

Extent to which Study Objectives have been met

- Identify the traits of successful NGOs and analyze their marketing strategies – This has been met (section 20, also Figures 7 and 8, paragraph 20.93)
- Evolve Benchmarks of Effectiveness and a Social Marketing Model – This has been met - see earlier section (section 21, also Figure 9, paragraph 21.25)

- Relationship, that is, stakeholder involvement, significantly influences social marketing effectiveness. As such, NGOs should find meaningful and institutionalized methods of mutual consultation with their primary stakeholders for effective two-way involvement. (ref. 19.51, 19.61(f))
- Delivery of services is an important marketing trait that registered the lowest score among all traits. This aspect needs strengthening through redesigning delivery methodologies to suit cultural and behavioral characteristics of specific segments. (ref. 20.35, 20.36)
- Another aspect that offers scope for improvement is in more specific targeting of different segments through localized program design, communication messages and media. (ref. 20.11)
- The study shows that emphasis seems to be more on upward accountability, while downward accountability to the beneficiaries seems to be inadequate. Even in the case of upward accountability, from a qualitative aspect there seems to be a need for more transparency on utilization of funds, cost effectiveness and achievement with reference to goals. (ref. 20.52, 20.87)
- While importance of projecting the image of the organization is recognized, it is not matched by adequate efforts in this direction. However, image building can be successful only if it is based on credibility and good achievements. (ref. 20.61)
- Evaluating output performance (in terms of efforts in the form of training, brochures, leaflets, meetings, etc.) and performance in terms of outcome are both equally important. Training in outcome measurement methods is needed in order to make it more scientific and systematic. (ref. 20.71)
- Broad basing fund sources and a degree of self-reliance are areas of concern needing correction. (ref. 20.78)
- For organizational sustainability, the donors and experts interviewed in the study ranked leadership, management and clarity of objectives as the most crucial factors. Engagement of professionally qualified managers, including those with sound marketing background and periodic training in leadership would enhance effectiveness. (ref. 22.19)
- There seems to be need for a distinguishing legal identity for NGOs engaged in socio economic development. One of the suggestions that emerged from donors/experts is that there should be some unique ID number / registration for NGOs across the states and that their track records should be available for review and reference. (ref. 22.13)

Limitations

- Out of 1936 NGOs in Karnataka and Tamil Nadu, only about 181 seem to be engaged in socio-economic development and out of these, only 41 provide any access to information about their activity. This restricted the sample size.
- Comprehensive statistical data and information on the activities of the voluntary sector from reliable government sources are not available in the public domain.
- A general reluctance to share financial information and avoid specifics placed a constraint.

Questionnaire Specimen for Interviews with NGOs

This survey may help a better understanding of the effective practices of the voluntary sector in socio economic development. Kindly extend your cooperation. Information gathered by this survey will be used for an overall appreciation. Information furnished in response to this Questionnaire will not be used in any manner that is prejudicial to your interest. Thank you for agreeing to give your time and effort.

A. General Information		
A1	Date/s and Place of Interview:	
A2	Name of Interviewer:	
A3	Name of NGO:	
A4	Phone and website:	
A5	Whom interviewed? Name & designation:	
A6	Geographical coverage of activities:	
A7	Deal directly with target Communities or indirectly through other NGOs/partners: (tick)	Directly / Through NGOs or partners
A8	Approximate amount of annual expenditure: Rs Lakhs	Rs.
A9	Full time staff:	In the office: In the field:
A10	Part time staff/volunteers:	In the office: In the field:
A11	Under which Act of Government are you registered?	
A12	Which year was your organization established?	

B1. Which of the following are covered by your activities?

Check as many as applicable to your situation

a	Social service like care of aged, disadvantaged, street children, destitute women, orphans etc	
b	Running hospitals, schools, other types of educational institutions	
c	Empowerment of dalits, women, tribals, other disadvantaged segments thru income generating activities, SHGs	
d	Work among HIV affected segments	
e	Creating awareness of right sexual habits and of other health related issues	
f	Promoting community management of common resources	
g	Promoting conservation of natural resources and environment	
h	Delivery of special products or services for community health improvement	
i	Promoting change of habits and behavior relating to social, health or environmental concerns	
j	Helping any section/s of society to articulate their needs (advocacy)	
k	Any other (specify below)	

C1. Do you have measureable objectives? That is, objectives that are quantified and compared periodically with progress.

Check only ONE of the following

a	Yes	
b	No	

C2. If the answer to the above question is “yes”, please name 2 objectives, in a few words.

Answer:

- 1.
- 2.

C3. Do you have a formal statement of mission and objectives?

Check only ONE of the following

a	Yes	
b	No	

C4. If the answer to the above question is yes, can you give a copy please?

D1. Who influences the CHOICE of theme for your major projects?

Check as many as applicable to your situation

a	Government state/central	
b	Local body of the government	
c	Community leaders	
d	General Community	
e	Donors	
f	Mother NGO	
g	Your internal management, including field staff	
h	Any other (specify below)	

D2. Which of the following are involved in DESIGNING your programs?

Check as many as applicable to your situation

a	Government state/central	
b	Local body of the government	
c	Community leaders	
d	General Community	
e	Donors	
f	Mother NGO	
g	Your internal management, including field staff	
h	Any other (specify below)	

D3. Which of the following are involved in IMPLEMENTATION of your programs?

Check as many as applicable to your situation

a	Government state/central	
b	Local body of the government	
c	Community leaders	
d	General Community	
e	Donors	
f	Mother NGO	
g	Your internal management, including field staff	
h	Any other (specify below)	

D4. If the answer to the above questions is (c) and/or (d) indicate how often you are in touch with the target community.

Check only ONE of the following

a	Once in a month	
b	Once in 3 months	
c	Once in 6 months	
d	Once a year	
e	Once in more than a year	
f	Rarely in touch	

D5. What in your view is the most innovative feature of your programs? State in a line or two.

Answer:

**D6. This question is only for Apex NGOs
What types of services do you provide your member NGOs?**

Check as many as applicable to your situation

a	Training their field staff	
b	Training their supervisors/managers	
c	Extending assistance in fund raising	
d	Extending assistance in preparation of their plans and proposals	
e	Supplying promotional material	
f	Extending financial assistance for infra structure / equipment	
g	Any other (specify below)	

D7. How many programs have been successfully completed in the last three years?

Answer: Number of programs -

D8. How many programs are currently in progress?

Answer: Number of programs -

E1. Do you measure the success of your activities?

Check only ONE of the following

a	Yes	
b	No	

E2. If the answer to the above question is yes, how? - list main criteria used

Criteria

- 1.
- 2.
- 3.

E3. Give one or more examples of effectiveness of one of your programs

Answer:

E4. Do you get feedback on your program methods?

Check only ONE of the following

a	Yes	
b	No	

E5. If the answer to the above question is yes, how?

Check only ONE of the following

a	Feedback is spontaneous	
b	You seek feedback	

E6. From whom do you get the feedback?

Check as many as applicable to your situation

a	Actual beneficiaries at community level	
b	Beneficiary NGOs (if applicable)	
c	Community leaders	
d	Donors	
e	Your field staff	
f	Any other (specify below)	

E7. Can you please indicate what percentage of total expenditure, approximately, is your annual administration expense? (Expenses on staff and office expenses form administrative expenses)

Check only ONE of the following

a	10-20%	
b	21-40%	
c	41-50%	
d	51-60%	
e	Over 60%	

E8. Over the last 3 years, what is the trend of your administration expenses?

Check only ONE of the following

a	Increasing	
b	Decreasing	
c	More or less constant	

F1. It is believed by experts that NGO activity in socio economic development has large similarities with marketing of products and services in the commercial world.

With your experience, do you agree with this statement? In other words, how applicable do you think are marketing practices in your programs?

Check only ONE of the following

a	Not at all applicable	
b	Rarely applicable	
c	Occasionally applicable	
d	Largely applicable	
e	Very much applicable	

F2. If the answer to the above is (a), (b) or (c), can you say why? – In one or two sentences

Answer:

F3. If the answer to the above is (d) or (e), are marketing practices of the commercial sphere applicable as they are, or applicable with changes to suit socio-economic activities?

Check only ONE of the following

a	Commercial marketing practices are applicable in our activity as they are and without any major changes	
b	Commercial marketing practices are applicable in our activity ONLY with suitable changes	

F4. If the answer is (b), what aspects of commercial marketing practices have to be adapted? Can you please name one or two examples from your practices?

Answer: (in one or two sentences)

F5. In NGO type of activity, unlike in commercial marketing, there could be some differences. Which of the following do you think are critical aspects in your experience?

Check as many as applicable

a	Target audience resists change	
b	Benefit may be delayed to the target community	
c	Benefit may not be direct to the target community	
d	Benefit may be invisible and not felt but present	
e	Impact of program may not last, once withdrawn	
f	Any other (specify below)	

F6. Do you use any of following methods in designing and delivering your programs?

Check as many as applicable to your situation

a	Studying the needs of the community before designing the Program	
b	Dividing the market into groups based on needs	
c	Developing services for specific groups	
d	Developing a system for delivery of services	
e	Informing target groups about the program features	
f	Developing a plan of action for a given period of say, one year	
g	Assessing the effect of your program on the target group	
h	Any other (specify below)	

F7. Name three steps in selecting your target audience-

Answer:

- 1.
- 2.
- 3.

F8. Do you adopt any special strategies or practices to ensure the success of you activities? State briefly in two or three lines.

Answer:

F9. By what means do you communicate to your target group about your programs?

Check as many as applicable to your situation

a	Local newspapers/magazines	
b	Printed leaflets	
c	Propaganda vans	
d	Group meetings	
e	Using opinion leaders	

f	Posters	
g	Audio visuals	
h	Radio	
i	Word of mouth	
j	Any Other (specify below)	

F10. Approximately what percentage of your expenditure is used for communication?

Answer: %

F11. Are there any measures to further increase your program effectiveness, other than what you are already using?

Check only ONE of the following

a	Yes	
b	No	

F12. If the answer to the above question is yes, can you name one or two factors that could help to increase program effectiveness?

Answer:

- 1.
- 2.

F13. How important are social and cultural features of your target community in affecting your programs?

Check only ONE of the following

a	Least important	
b	Not very important	
c	Somewhat important	
d	Important	
e	Extremely important	

F14. If the answer to the above is (d) or (e), please name 2 examples of how your program design or other practices had to be changed to suit the social and cultural needs of the community.

Answer:

- 1.
- 2.

G1. Are you in touch with the government at any level?

Check only ONE of the following

a	Yes	
b	No	

G2. If the answer to the above question is yes, how often do you interact with them?

Check only ONE of the following

a	Once in a month	
b	Once in 3 months	
c	Once in 6 months	
d	Once a year	
e	Once in more than a year	
f	Rarely in touch	

G3. With which level of government are you in touch with?

Check as many as applicable to your situation

a	State govt.	
b	District authorities	
c	Local govt. bodies at community level	
d	Any other govt. body (specify below)	

G4. How would you describe your interaction/relationship with the government?

Check only ONE of the following

a	Co-operative (supporting each other mutually)	
b	Antagonistic (relationship of conflict)	
c	Passive (govt. is non-interfering)	
d	Facilitative (where NGO assists govt. through advice, training etc.)	
e	Any other (specify below)	

G5. Can you rank the following in the order of their importance to your operations as stakeholders?

Rank in Order of Importance, The Most Important As 1

		Rank
a	Government	
b	Donors	
c	Local bodies	
d	Target community	
e	General public	
f	Community opinion leaders	
g	Partners	
h	Community based organizations	
i	Any Other (specify below)	

G6. Do you have any alliances or strategic partnerships?

Check only ONE of the following

a	Yes	
b	No	

G7. If the answer to the above question is yes, with whom?

Answer (name of alliance partner):

G8. What is the main purpose of the partnership?

Answer:

G9. Approximately how often do you interact with your funding benefactors?

Check only ONE of the following

a	Once in a month	
b	Once in 3 months	
c	Once in 6 months	
d	Once a year	
e	Once in more than a year	
f	Rarely in touch	

G10. Which of the following describes the nature of your relationship with neighboring NGOs operating in the same activity/area?

Check only ONE of the following

a	Not interfering with each other	
b	Conflicting	
c	Mutual adjustment to resolve conflicts	
d	Active cooperation towards common goals	
e	Any Other (specify below)	

H1. Estimate the importance of the image of your organization in the Table below

Check only ONE of the following

a	Least important	
b	Not very important	
c	Somewhat important	
d	Important	
e	Extremely important	

H2. If your answer to the above is (d) or (e), do you have specific methods to project the image of your organization to your stakeholders?

Check only ONE of the following

a	Yes, we do vigorously	
b	Yes, but not much	
c	Not at present	

H3. If your answer to the first question above is (a), how do you project it? Name three steps.

Answer:

- 1.
- 2.
- 3.

H4. Name two outstanding features of your organization of which you are proud - in three or four words each.

Answer:

- 1.
- 2.

I1. What are the different departments of your organization?

Answer:

I2. Who do your field staff report to? And who does that person in turn report to? (Give only designations and not names).

Answer:

I3. Can you name one most important factor against each of the following as relevant to your organization?

Please respond to all 4

		Name One against each
a	Your organization's strength	
b	Your organisation's weakness	
c	What major opportunity for expansion do you see?	
d	What one threat do you see for your growth/survival?	

I4. Do you engage outside expert for special assignments?

Check only ONE of the following

a	Yes	
b	No	

I5. If the answer to the above question is yes, for what kind of assistance?

Check as many as applicable to your situation

a	Training field staff	
b	Training supervisors/managers	
c	Assistance in fund raising	
d	Preparation of their plans, proposals	
e	Marketing training	
f	Progress monitoring	
g	Designing reporting systems	
h	Management audit	
i	Participatory methods	
j	Leadership training	
k	Any Other (specify below)	

J1. How are your field staff able to handle their responsibilities?

Check as many as applicable to your situation

a	They have learnt by experience	
b	They are periodically trained internally	
c	They are periodically trained by external agencies	
d	A few of them have marketing diplomas/degrees	
e	Many of them have marketing diplomas/degrees	
f	Any other (specify below)	

J2. If your answer to the above is (c), which agency gives the training for the field staff?

Check as many as applicable to your situation

a	Donor	
b	Apex or mother NGO	
c	Outside expert/consultant	
d	Any other (specify below)	

J3. Which are areas in which you intend to take outside support for designing and implementing your programs?

Check only those that you intend to use

a	Formulation of marketing strategies	
b	Field and supervisory staff training	
c	Fund raising strategies	
d	Program impact measurement	
e	Communication methodologies	
f	Monitoring progress	
g	Any other (specify below)	

**J4. This question is only for Apex NGOs
Do you undertake capacity building of your member NGOs?**

Check only ONE of the following

a	Yes	
b	No	

**J5. This question is only for Apex NGOs
If the answer to the above question is yes, what types of assistance are provided by you?**

Check as many as applicable to your situation

a	Training their field staff	
b	Training their supervisors/managers	
c	Extending assistance in fund raising	
d	Extending assistance in preparation of their plans and proposals	
e	Supplying promotional material	
f	Extending financial assistance for infra structure / equipment	
g	Marketing training	
h	Progress monitoring	
i	Reporting systems	
j	Relationship building	
k	Participatory methods	
l	Leadership training	
m	Any Other (specify below)	

K1. Which are your main funding sources? Please indicate approximate percentage of funds from each source in the Table below –

Fill as many as applicable to your situation

Mark zero if any source is not relevant to your situation

	Source	%
a	Domestic - Government - State	
b	Domestic – Government – Central	
c	Domestic – Institutions	
d	Domestic – General Public	
e	Overseas – Institutions and Individuals	
f	Your own generated surplus	
g	Any other (specify below)	
		100%

K2. How much time do you spend on activities relating to fund raising?

Check only ONE of the following

a	Continuously throughout the year	
b	On and off throughout the year	
c	On and off over 6 months in a year	
d	On and off over 3 months in a year	
e	Over 1 month in a year	

K3. Do any of the following factors affect your fund raising capacity?

Check as many as applicable to your situation

a	Lack of necessary contacts	
b	Lack of knowledge of fund raising methods	
c	Want of information regarding sources	
d	Differences between expectations of donor and your methods/approaches	
e	Lack of legal status to create confidence in donors	
f	Any other (specify below)	
g	None – our fund raising capacity not affected	

K4. Do you have any income generating programs?

Check only ONE of the following

a	Yes	
b	No	

K5. If the answer to the above question is yes, approximately how much income is generated per year?

Answer	Rs.
--------	-----

L1. When you are satisfied that a sustainable impact has been achieved in a chosen area/segment, do you move the program and resources to another area/segment?

Check only ONE of the following

a	Yes	
b	No	

L2. If the answer to the above question is yes, how long does it take to create the desired impact permanently and move to the next area?

Check only ONE of the following

a	Up to 2 years	
b	3-4 years	
c	5-6 years	
d	Longer than 6 years	

L3. If no, what is the main reason?

Check only ONE of the following

a	Program discontinued	
b	Lack of funds	
c	No approval from Donor	
d	Any other (specify below)	

L4. Is the created impact sustained after you have moved out?

Check only ONE of the following

a	Yes	
b	No	

L5. If the answer to the above question is yes, please name 2 key factors that have sustained the impact without any continued major support from you.

Answer:

L6. How is the post-program impact measured and known?

Answer in two sentences:

L7. Which factors are the most critical for your organization’s successful operation? Rank the following factors in the order of importance.

Check ANY THREE you consider most important – RANK as 1, 2, 3

a	Continuity of funds	
b	Trained staff	
c	Leadership and effective Management	
d	Knowledge of marketing strategies	
e	Program implementation	
f	Contact with community	
g	Clarity of Objectives	
h	Infra structure & equipment	
i	Employing marketing practices	
j	Any other (specify below)	

L8. Do you generate a surplus of income over expenditure?

Check only ONE of the following

a	Yes	
b	No	

L9. If the answer to the above question is yes, what percentage of total income is this surplus?

Answer: %

M1. Who do you report to or keep informed regarding your organization’s performance and results?

Check as many as applicable to your situation

a	Board of trustees/Board of Management	
b	Your staff	
c	Main funding agencies	
d	Government /local bodies	
e	Local community leaders	
f	Mother NGO	
g	Any other (specify below)	

M2. Can you describe, in 2-3 lines, the procedure you have for the above – i.e. reporting/informing?

Answer:

Questionnaire for Donors / Experts

I would appreciate the benefit of your experience and knowledge of the NGO sector to help study the activities of this rapidly growing sector. No information furnished will be used to the disadvantage of any of the interviewees/ organizations.

To minimize your inconvenience, answers can be provided in short form or in a couple of sentences, as appropriate to each question. Further elaboration is at your discretion and convenience.

1. Are marketing practices - such as those applied to consumer goods and consumer durables - also relevant to socio-economic development activities (examples: change in sexual habits to protect against AIDS, natural resource conservation, saving and investment habits through self help groups etc) of the NGO sector?
2. If the answer is "no", what are factors that prevent the application of marketing practices by NGOs?
3. If the answer is "yes", which of the following practices would be feasible and useful for the NGO sector in successfully designing and delivering programs?

Check as many as applicable

a	Studying the needs of the community before designing the program	
b	Dividing the market into groups based on needs	
c	Developing services for specific groups	
d	Developing a system for delivery of services	
e	Informing target groups about the program features	
f	Developing a plan of action for a given period of say, one year	
g	Assessing the effect of program on the target group	
h	Monitoring progress	
i	Communication methodologies	
j	Any other (specify below)	

4. If relationship management is important for the NGO sector, who are the stakeholders with whom they should build relationships – in order of priority?
5. What main measures would you recommend to build such relationships?
6. Does the current legislative framework give NGOs, engaged in socio economic activity, a distinguishing legal identity with appropriate reporting requirements? Kindly explain briefly.
7. What are the advantages and disadvantages of the present legislative framework from a donor viewpoint?
8. Please name three important traits that donors had considered in selecting NGOs who are their current fund / assistance recipients.
9. What suggestions would you make to NGOs for demonstrating their accountability to stakeholders?

10. Can you offer one or two simple practical formulae to assess performance effectiveness in an NGO?
11. In your opinion, what is a reasonable % for administration expenses out of total expenditure (including program expenditure) to be considered efficient?
12. Please rank the following factors for NGOs' successful operation, in the descending order of importance.

a	Continuity of funds	
b	Trained staff	
c	Leadership and effective management	
d	Knowledge and practice of marketing strategies	
e	Cost effective program implementation	
f	Contact with community	
g	Clarity of objectives	
h	Infra structure & equipment	
i	Any other (specify below)	

13. Based on your knowledge of NGO managements, can you rate NGOs in general, with respect to each of the following aspects?

Check appropriate column against each factor listed

		1	2	3	4	5
		Practically Absent (Non-existent)	Yes, But Scruppy and not Systematic	Systems Exist but not Pursued as part of Management Process	Reasonable & Satisfactory (Satisfactory)	Of High Order
a	Effective use of resources					
b	Regular measurement of impact of programs					
c	Periodic comparison of progress against goals					
d	Efforts and systems to ensure operations are cost effective					
e	Availibility of a systematic tracking mechanism for above					
f	Any other aspects you would like to add (specify)					
Name		Designation			Organization	