



INTERNATIONAL ACADEMY

Initiative in Education & Lifelong Learning

Certificate Programme

NGO Management: Foundation Course

UNIT - 5

Managing Resources & Proposal Writing

Units of NGO Management : Foundation Course

Unit 1: Introduction to NGO Management

- NGOs: Relevance And Rationale
- Definitions And Nomenclature
- Characteristics
- Classification Of NGOs
- Evolution Of NGOs Along Different Developmental Frameworks And Approaches
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Unit 2: Legal Requirements In Setting Up NGOs: India & South Asia

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Introduction

In the previous Unit, we understood the various aspects related to working and building relationships with the government and other external stakeholders. This Unit deals with a major responsibility of an NGO, which is effective mobilisation and utilisation of its internal resources. The resources within an organisation may be human, financial, etc, and their effective organisation and management is an essential component in the overall management of NGOs. Time and again, many people working towards setting up voluntary organisations find the task of mobilising resources in order to implement planned programmes difficult, challenging and time consuming. Effective resource management also feeds into the process of project proposal writing. Project proposals serve as a blueprint of the activity details of a particular NGO and outline the intentions, plan of action, and methodology which the organisation wishes to incorporate while executing a particular project. It is written to raise funds for a particular project by acquiring necessary budgetary support from prospective funders/donors.

This Unit, therefore, covers the aspects of resource mobilisation and utilisation, proposal writing and financial management in four sections. The first section discusses building the capacities of staff, volunteers, etc, which is an important part of the resource management process. The second section discusses the different categories of resources available for NGOs and their effective mobilisation. The third section details the process of proposal writing by providing an account of the entire procedure and various requirements associated with it. Finally, the fourth section moves to the management of financial resources in an organisation, its basic principles and practices.

Learning Objectives

After completing this Unit you will be familiar with the following:

- Aspects related to human resource management, capacity building of staff, volunteers, and local cadres in an organisation
- The various categories of resources and their effective mobilisation
- The rationale and the process of proposal writing
- Effective financial management in an organisation, its basic principles and practices

5.1 Human Resource Management: Staff Development

In the initial phase of an organisation, when financial resources are limited, mobilising and managing local human resources, i.e., animators, volunteers, core staff, local cadres, etc, becomes crucial for carrying out various organisational activities. Human resources provide great support and benefits to the organisation. However, it is not enough to just attract the best candidate/volunteer to a position in the organisation. Equally important is to continuously strive to improve staff capabilities.

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Continuous improvement of staff capabilities can bring the organisation the results it desires. An environment which enables and facilitates learning for staff contributes not only to their personal benefit, but also plays a major role in achieving organisational goals. Staff improvement can be done through an organised capacity building process, wherein inherent capacities of staff are built and refined through a well thought out staff development programme. Such a programme hones the skills of the staff so that they can contribute to organisational goals in a more meaningful manner. The relevance, rationale and the components of such a staff development programme is discussed in the following section.

Staff Development Programmes

A staff development programme aims to enable staff or volunteers of an organisation to be able to perform better and fulfil their responsibilities in a more meaningful way. Each component of the staff development programme must strive to facilitate collaboration and team building from multiple perspectives. From needs assessment to evaluation, each programme component should be conducted with teamwork in mind. Some staff development perspectives are discussed below.

Purpose

The programme must meet adult learning needs, accept that development is highly personal for each staff and acknowledge that change is a process that takes time. Staff development programmes are designed and implemented for any of these purposes:

- ✓ **Awareness/exploration** – activities that address those first stages of concern/interest/understanding regarding an innovation
- ✓ **Skill-building activities** – activities designed to help participants build and apply specific skills; they include follow-up coaching and support
- ✓ **Programme improvement** – improved performance requires both individual and team development coupled with systemic change; it occurs when individuals or teams engage in a continuous, collaborative, problem-solving process
- ✓ **Strategic planning/systems thinking** – effective staff development must acknowledge that complex, interdependent relationships exist among the various organisational systems

Characteristics

Staff development programmes are characterised by diversity of ideas, people and support practices. They acknowledge and value the uniqueness of concerns, interests and cultures within programmes and staff. They are based on the following beliefs and assumptions:

- ✓ Skills development is best transmitted by those who have the experience and expertise, since they are in a better position to support learning application
- ✓ Follow-up support is as important as initial training. It can be in the form of providing technical support in problem solving or application of learnt skills
- ✓ Networking facilitates changes and reduces isolation. The growth of any craft depends on shared practice and honest dialogue among the people who do it

Process And Design

The process and design of staff development programmes is also based on certain ideals. Such programmes are:

- Organised around the collaborative efforts of staff, working together to improve work culture which will lead to better understanding and effective practice
- Informed by principles of adult learning – adults learn best when they are engaged in active learning by drawing on their own experiences
- Based in the organisation, sustained and built into the daily work of the staff. Local discussions about effective techniques and practices place the learning in the real local context which is more likely to be effective in changing practices
- Based on needs, purpose and content of all staff, development efforts should be collectively agreed upon and should address issues of concern the staff have identified

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Post Programme Monitoring & Evaluation

Uncoordinated and episodic training projects produce no lasting change. Therefore, after every training programme, the staff should be provided opportunities to practice new skills and receive structured feedback. Major training and technical assistance initiatives should be coordinated with more traditional short-term professional development activities.

Staff development should be evaluated based on its impact on the stakeholders and rooted in the best available research. They are judged primarily by whether they change organisational practices. Staff development programmes should essentially include three measures of evaluation:

- ✓ Implementation (whether these met the needs of the participants)
- ✓ Application (whether learners are able to apply what they learned)
- ✓ Impact (what organisational results the training programme has contributed to)

5.1.1 Techniques For Staff Development

It is important to note that an organisation contains various cadres of staff, ranging from field level staff to senior managers. Therefore, staff development techniques/programmes vary with the cadre of the concerned respective staff. The various categories of staff in an organisation are detailed in Table 1 (Edwards & Fowler, 2007):

Sr. No.	Category	Sample description
1.	Change Agent (CA) (community development worker, community organiser, extension officer)	Task is to work directly with the primary stakeholders as catalyst, facilitator, information source, adviser
2.	Technical specialist (sector specialist, technical officer, communications/ information officer, etc)	Provides technical support to change agents, learning from field operations; problem solver, trouble shooter; technical liaison to similar people in other agencies; lobby and advocacy work in area of expertise
3.	Administrative/support staff (Accounting, purchasing, transport, audit, documentation)	Provide non-programme/project services to CAs, specialist staff and all management levels
4.	First-line manager (field supervisor, field co-ordinator)	Provide direct functional support and guidance to the work of CAs; dealing with daily problems
5.	Middle-manager (branch manager, zone manger, area manager)	Carry direct responsibility and authority for staff and costs in all programme operations and performance
6.	Senior managers (chief executive, executive director programme, finance, research, marketing directors)	Carry authority and responsibility for strategy, performance and learning in programmes and across the organisation as a whole, with accountability to the governing body

In light of the above mentioned categories of staff in NGOs, there is an array of staff development programmes in place that can be used to increase and diversify staff capacities and capabilities. Such development programmes not only contribute to the building of the staff's personal profiles, but also helps them achieve organisational goals and objectives.

Some staff development techniques are:

(i) Learning By Doing

One of the best places where learning takes place is on the job itself while one is carrying out her duties. This is particularly true for entry level staff who get an opportunity to learn while on the job, and as she performs the duties entrusted to her. Through learning by doing, one is able to analyse and reflect on various perspectives of the job, as she continues to work and develop an understanding of the various issues related to the job profile. Therefore, learning entails not only pragmatic problem solving, but also reflection on the process by which this happens and the underlying perspective on knowledge. Seen like this, learning requires capacities for critical reflection, identifying assumptions, seeking evidence about what is going well or not, analysing multiple lines of evidence, relating evidence to expectations and analysing and negotiating possible consequences (Fowler & Malunga, 2010).

(ii) Coaching On The Job

This approach can result in demonstrable changes in staff behaviour. It includes development of theory and rationale behind the new behaviour, demonstration of skills, and guided practice or peer coaching in the work setting with supportive feedback from colleagues. Peer coaching is a confidential process through which the staff shares their expertise and provides feedback to fellow colleagues, in addition to supporting and assisting the refinement of their present skills, learning of new ones and solving work related problems. It also refers to in-class training by a supportive peer who helps the

staff apply the skills learnt in a workshop. Such trained staff experience significant positive changes in their behaviour, when provided with an appropriate programme that ensures accountability, support, companionship and specific feedback over an extended period of time.

(iii) Training Programmes

Good performance requires training. Therefore, training programmes demand adequate attention from the management and must be foreseen by the organisation (Montfort, 1997). Training is a structured sequence of learning activities that leads to the acquisition of identified competencies. It can be on or off the job. '*On the job*' training refers to learning things while on the job, such as lateral transfers, understudy assignments, working with seasoned veterans, coaches or mentors, etc. '*Off the job*' training methods include classroom lectures which are designed to convey specific technical, interpersonal and problem solving skills, films and video which demonstrate technical skills, and simulation exercises where learning takes place by actually performing the work. It can be formal or informal. Formal training includes publicly offered and specifically designed training packages. Informal training occurs as a part of the day-to-day work and is a useful approach for improving employee skills and motivation. Once the needs are clearly identified, appropriate training packages can be selected. Targeted training or tailored courses are the most effective method for addressing the needs of an organisation.

A useful framework for understanding the wide variety of training offered for increasing the staff's Knowledge, Awareness and Skill is (PRIA, 2011):

Methods for increasing knowledge:

- ✓ In this category, we have lectures, either purely verbal or accompanied by visual aids such as slides, posters, models and so on
- ✓ Field visits and demonstrations can be used for developing a clearer understanding of the subject

- ✓ Self-study of given reading material is also useful, especially with a highly literate learner group
- ✓ Educational slide shows, film strips and video films can also be used for enhancing knowledge on a particular topic

Methods used for increasing skill

- ✓ As stated earlier, the best way to learn how to do something is to try it out oneself. Thus, practice sessions are essential for skill development. It may help to precede this with demonstration by a more skilled person
- ✓ If circumstances permit, actual apprenticeship under an experienced and skilled person can sharpen the learner's competence

Methods used for generation awareness

- ✓ Role plays where past experiences are re-enacted
- ✓ Small group discussions also help in pooling experiences and collectively analysing them
- ✓ Simulations and structured exercises help to generate broader insights
- ✓ Case studies, written, oral or pictorial, provide opportunities to reflect on the experiences of others and learn through analysis
- ✓ Other ways to create awareness include instruments which are useful for learning about oneself, and games like trust games, etc.

(iv) Mentoring Scheme

A mentor is someone with whom a person can discuss their career plans, evaluate options and achievements and work related issues. A mentor is a suitably experienced person who is willing and able to act as a confidential support and guide to another person to stimulate the latter's professional development in an effective manner. The responsibility for development lies with the individual, with active support from a wise colleague in the form of a mentor, especially in the early stages of her career. A mentor

can help assess needs and establish a development plan. Regular review meetings can also be arranged to consider progress and review learning.

(v) *Nomination For Courses/Seminars/Workshops/Exchange Visits*

Another method of staff development may include nomination of the respective staff for appropriate courses, seminars or workshops. Nomination into professional courses, related to their job arena, helps staff understand the modalities and nuances to carry out her duties more responsibly and effectively. Similarly, an opportunity to attend a seminar or a workshop related to their area of work, helps broaden the perspectives of his work, and he is in a better position to understand what is expected out of him and thereby is able to perform the allotted functions more effectively. Similarly, nomination for exchange visits also builds a staff's knowledge and capabilities by exposing him to wide perspectives and broad aspects of his work area.

(vi) *Invite Resource Persons To Deliver A Talk*

Another method of improving staff capabilities can be by inviting experienced and learned professionals to deliver a talk based on their experience and skill sets. By learning from the experience of such resource persons, staff is able to reflect on their job and apply certain key strategies in their areas of function. Participation in such talks also boosts morale and inspires staff to learn from their seniors and aspire to achieve greater skills in their respective work areas.

(vii) *Self-Study*

This method mostly requires individual motivation and commitment from the concerned staff. It helps them keep abreast with specialist knowledge and, therefore, is of particular importance to CAs.

However, it is also important to note that different cadres of staff often have different requirements with respect to staff development programmes. While techniques such as *on-the-job* training, workshops and internal courses benefit change agents,

exchanges/visits, package courses prove beneficial for junior/intermediate managers. For senior/top end managers, participation in seminars/conferences (national/international) is highly recommended. Administrative staff can be provided training by way of giving them an opportunity to participate in relevant workshops and training programmes, while technical specialists benefit from participation in seminars that pertain to their work area and professional interests.

THINK TANK

List some of the other techniques of staff development, which you feel may contribute to improving an individual staff's expertise. How do you see the relevance of such programmes in contributing to the organisational mission?

5.2 Resource Mobilisation

The basis of mobilising resources has to be the detailed planning of programmes and proposals. Once a voluntary organisation has clarity on what it wants to do and the manner in which it wants to execute this work, it starts to have some idea of the type of resources that it needs to carry out the work. It is also important to recognise that the meaning of the word 'resources' is much broader than mere funds and money. The term 'resources' is inclusive of people, competence, skills, techniques and a variety of other contributions in kind, including organisational mechanisms which are essential for effective implementation of any development programme (Tandon & Jain, 1993).

Rationale Behind Resource Mobilisation

It is essential to understand the importance and the reason behind the efforts aimed at mobilising resources. Some of the accruing benefits are:

- ***Developing Ownership***

By contributing their time and resources, citizens, institutions, businesses, and others can assume greater ownership of activities that directly contribute to the positive development of their communities. This sense of 'ownership' comes from the pride and accomplishment of knowing that they have done their share to make their community a better place to live in.

- ***Building Social Capital***

Social capital refers to the value of social networks and the increased willingness of individuals and organisations to help one another as a result of these relationships. By seeking local support, NGOs are more likely to build long-term relationships with other institutions and organisations. These relationships contribute to social networking within the community and provide a better base for future work.

- ***Sustainability***

Mobilising local resources increases the sustainability of community initiatives. As relationships and communication between the NGO and supporters develop, future support is more likely. As members of the community with long-term interests in community projects, local supporters are more likely to continue to support the initiatives, as compared to external donors.

- ***Independence***

Raising resources locally also gives an organisation more independence and flexibility to implement activities targeting the needs of the community. Additionally, local support means that an NGO does not have to adjust its programmes to meet the needs and interests of external donors.

- ***Implementation Of Field Programmes***

A voluntary organisation requires resources for implementation of its field programmes, planned activities, etc. These can include running of adult education centres, well digging, creation of alternative irrigation, social forestry, biogas, women's economic programmes, etc. These are activities which are undertaken by NGOs for implementation of their overall planned programme.

- ***Meeting Of Core Expenses***

Core expenses are expenses required for the day-to-day functioning and running of the organisation itself. These, in most cases, include salaries, particularly of managerial and administrative staff, rent, electricity and water charges, stationery, postage, telephones, conveyance, etc. All in all, it includes all the things that are needed to make the organisation functional on a day-to-day basis, things which need to be done even if a specific project activity is not undertaken on a particular day.

- ***Long Term Institution Building***

Certain resources are required for institutional building of an organisation on a long-term basis. Such resources are required for building physical infrastructure and other capital assets. These vary from computers to vehicles to buildings, land, equipment, machinery, etc.

5.2.1 Categories Of Resources

Apart from self-generated income, other sources from which NGOs derive their income are:

- (i) Local community resources
- (ii) Private charitable resources (individuals, religious organisations, charitable trusts and foundations, and companies)
- (iii) Diaspora philanthropy
- (iv) Government
- (v) Foreign aid (official and private)
- (vi) Self-funding initiatives

(i) Local Community Resources

For the implementation of its programmes, NGOs often mobilise resources that come from the local community with whom it works. These contributions can be in the form of cash collected from well-off members of the community, for example, to pay the monthly honorarium of an adult education instructor or a community health worker. Apart from monetary contributions, there can also be contributions with respect to time (people volunteering for organising events, workshops, etc) or free labour (constructing a road/school, digging a well, etc). There can also be contributions in the form of food, rice

and vegetables to be given to the participants of the workshop/camp held in a community. Apart from these, the local community contributes its motivation, commitment, involvement, time, energy, enthusiasm, insights, experience, knowledge, competence and skill towards implementing any development programme.

However, many organisations find it difficult to mobilise local resources, particularly because the cost and effort of mobilising such small contributions appears to be prohibitive. But, if a broader understanding of resources is taken and all types of resources locally available and being contributed are taken into consideration, then the sum total of the resources provided by the local community is substantial. In addition to this, mobilisation of resources from the local community is also a good strategy in ensuring their involvement in the planning and implementation of the planned programme (Tandon & Jain, 1993).

(ii) Private Charitable Resources

- *Household giving*

Though largely unacknowledged, individual/household charitable donations to NGOs are sizeable. According to a survey, total charitable giving from households in India, (rural and urban) was Rs 42,140 million per annum (1999-2000), about half the foreign contributions in 2005-06 (Sundar, 2010). However, the average size of donations by Indian households is small and less useful to NGOs because it is ad-hoc, unplanned charity. This means that NGOs cannot factor it into their regular budgets. This source, therefore, has less potential for change than strategic giving by organisational donors. However, as most individual giving is unconditional, it provides freedom to the NGO to use the money for any programme it likes.

- *Institutional giving*

Although there are no quantitative estimates on how many institutional donors support NGOs, reportedly the amounts are very small compared to the funding received from the

government and foreign donors. Examples of institutional donors include the Dorabji Tata Trust, Ratan Tata Trust, etc. Although there are a large number of charitable trusts in India, there is little money for NGOs. The composition of the Indian foundation sector is skewed in terms of the size and income of trusts and scope of activity. For example, almost 85 per cent of Indian trusts are religious trusts, who are strictly mandated to achieve their religious objectives. Of the non-religious ones, many are defunct and exist only on paper.

Most Indian foundations and charitable trusts, including the newer ones, such as Dr Reddy's Foundation, the Azim Premji Foundation and the Infosys Foundation, prefer to undertake their own development projects, though sometimes in partnerships with NGOs. As a result of this, NGOs have come to depend more on government and foreign donor agencies.

- *Corporate giving*

Corporate philanthropy is, no doubt, growing. This includes corporate donations made by public listed companies to NGOs or social causes. Such business philanthropy is often a one-time or a sporadic investment in structures, rather than in services, and in nearby places, rather than distant locations and national causes. Additionally, very few companies have a policy of corporate philanthropy, which is often in the form of sponsorships or purchase of products and services, rather than outright grants.

(iii) *Diaspora Philanthropy*

This includes donations by people of a certain origin, settled elsewhere, to the NGOs operating in their home country. It is increasingly becoming an important source of revenue, and may prove to be more significant in the future. This is because, for example in India, such donations do not require FCRA (Foreign Contribution Regulation Act) clearance if the givers are Indian citizens (Sundar, 2010). Although majority of such donations are religiously motivated and goes to respective religious trusts and missions (for example, The Satya Sai Trust, Ramakrishna Mission, etc), some secular funds do go

to NGOs. In this regard, there are many portals like the Give Foundation, IndianNGOs.com and others, that are now educating NRIs and other international givers about NGO projects and development issues in India. This may play a role in changing the quality of such philanthropic aid in the future.

(iv) **Government Resources**

Official government support for NGOs in India has been in place for many years. The programmes which enjoy support through a variety of governmental schemes include adult and non-formal education, child and women's welfare, health care, environment, etc. Besides, funds are also available for specific research and training efforts in scientific fields from institutions such as Indian Council of Social Sciences Research,¹ Indian Council of Agricultural Research,² etc.

While government support is undoubtedly sizable on the whole, it has been inadequate in quantity, quality and is also difficult to access. Most of the funds are given for providing services in the social sector to supplement or substitute the government's own programmes, and therefore cannot be independently negotiated. Also, being more in the nature of contractual fees rather than venture funds, it offers no flexibility to meet actual expenses and needs.

Moreover, an extremely bureaucratic system coupled with vested political interests and corruption among some government officials obstructs work taken up by NGOs. To accomplish the work of government, voluntary organisations have to divert their resources either due to delays in release of the grants or the small amount of funding (VANI, 2013).

(v) **Foreign Sources**

Broadly speaking, the possible foreign sources which can support the activities and programmes of NGOs can be classified into three types:

¹ Read more at <http://www.icssr.org/>

² Read more at <http://www.icar.org.in/>

- *Official Development Aid (ODA)*

Official Development Aid, or ODA, is the most common form of economic aid and involves both bilateral and multilateral transfer of resources for promoting development in poor countries of the developing world (Mohanty & Singh, 1996). A large part of official aid flows to government departments, parastatals and NGOs, particularly when the latter collaborates with a governmental agency and functions as implementers or facilitators in a scheme. According to the *Global Humanitarian Assistance* report 'India: Country Briefing', in 2009 ranked as the eighth largest recipient of external aid at US\$2.5 billion India from donors reporting to the Organisation for Economic Co-operation and Development (OECD)'s Development Assistance Committee (DAC) (VANI, 2013).

Official aid has been significant for NGOs, not only because of its large volume per NGO, but also for its quality. It offers flexibility and has been made available for experimental work, as well as a wide range of non-service providing activities such as research, advocacy and the like (Sundar, 2010). Aid agencies of foreign governments – like USAID, CIDA, SIDA, DANIDA, NORAD, etc – have their offices in their embassies and high commissions in India, which support, on a limited basis, certain types of programmes and activities of various NGOs. Of course, all grants from such agencies have to be given prior permission by the Indian government and these funds are considered as foreign funds under FCRA.

- *Private Philanthropic Aid*

NGOs also receive private philanthropic assistance from abroad. However, it is seen that few well-funded NGOs receive bulk of these funds, while the majority of NGOs receive smaller amounts. Some examples of NGOs receiving bulk funds are MYRADA, Bangalore; Maharishi Ved Vigyan Viswa Vidyapeeth, Delhi; Council for Child Care, Karnataka, etc. OXFAM India Trust, World Vision and SOS Children's Villages received funds from their parent organisations for their own establishment expenses, in addition for development work. Religious organisations like CARITAS, CASA, Sri Satya Sai

Central Trust, etc, similarly receive money from either their parent organisations or donors abroad, for immediate distress relief and long term development (Sundar, 2010).

(vi) Support From Independent, Non-Governmental Agencies

In addition to the categories of resources mentioned above, there are several independent and autonomous agencies working to support an array of NGOs through a number of fundraising activities. Among them are the National Foundation of India (NFI)³ and South Africa Fund Raising Group (SAFRG).⁴

(vii) Self-Funding Initiatives

Many NGOs have been successful in raising money from the public through a variety of innovative methods due to the difficulties in getting the necessary government permission mandatory under FCRA for availing foreign funds. The finite nature of foreign grants, change in donor priorities and inaccessibility of government funds has also had the same effect (Asmita, 2001).

Therefore, some NGOs resort to business activities such as production and marketing of crafts, printing and sale of greeting cards, etc. Some others organise charitable events, competitions and recycling of donated waste materials, etc, in an attempt to raise funds and resources.

5.2.2 Preparing A Specific Resource Mobilisation Strategy

A resource mobilisation strategy helps identify the activities that need to be undertaken to achieve the resource mobilisation objectives, and also helps map resource mobilisation activities for the next few years. It involves all key stakeholders, generates support from them, along with ensuring consistency between an organisation's mission, programme needs and resource mobilisation targets (Sharma, Malhotra, & Gupta, 2007).

³ Read more about this in <http://www.nfi.org.in/>

⁴ Read more about this in <http://www.safrg.org/>

Developing a plan or strategy for resource mobilisation can lead to creative efforts in using local assets to gain support for your organisation.

Multiple sources of funding can increase independence and flexibility to implement programmes and reduce reliance on external (or foreign) funding. With increased competition for scarce grant resources, thinking of and creating options for new, diverse, balanced and multiple funding streams helps an organisation manage its programmes. In the initial stages of the organisation's life, when it has to establish its credibility, local resource mobilisation techniques play an important role in sustaining the organisation and its work.

An organisation must develop its resource mobilisation strategy. In preparing a resource mobilisation strategic plan, one should be able to answer the following questions:

- What kinds of resources are needed?
- What will the resources be used for?
- Who are going to be the resource providers?
- For what stage will the resources be required – operations, or projects or capital?
- How much will it cost to raise resources from each source (organisation, individual, etc) through each method?
- Who is entrusted with the responsibility of raising the resources for each method?

THINK TANK

You have been asked to develop your organisation's resource mobilisation strategy. What are some of the criteria that you will use to assess your strategy?

5.3 Writing Proposals

In order to approach any resource provider (community, government, donors or businesses), an NGO needs to have an effective project proposal in hand. Proposal writing is an important aspect for the growth and development of the organisation. The proposal is a link between those who seek funds (NGOs) and those who provide funds (bilateral and multilateral agencies, foundations and the corporate sector). NGOs have ideas and the capacity to solve problems but lack sufficient resources to implement them, while donors have the financial resources but lack the expertise to develop programmes that can address the issues/problems faced by communities. Therefore, by linking the two, proposals facilitate the implementation of programmes by NGOs, which are then funded by external support, in providing solutions to pressing societal issues.

Additionally, a research proposal needs to be devised keeping in mind the purpose for which it is being formulated. If the research which is being planned is purely for the sake of knowledge, then it can be based on any topic of choice. However, if it is meant to be submitted to a donor/funding agency, then it needs to be designed specifically according to the requirements of the granting agency. Sometimes, a particular format, as prescribed by the donors, needs to be adhered to. In any case, the idea of a project has to be sold through the project proposal/design. One has to make others realise that his/her particular organisation has just the right kind of skills required to carry out that specific project. Since there are a number of organisations vying for projects, it is very essential to be competitive and effective in formulating a project proposal.

Purpose Of Proposal Writing

There can be several purposes behind writing proposals. Some of them are:

- First, a proposal is a plan of action which describes not only the rationale for the kind of work a voluntary organisation intends to do, but also provides the details of

the various plans and activities. It also commits the organisation to a particular style of implementing a programme and outlines the overall cost for doing so.

- Second, the proposal is a basis to attract support from external donors, well-wishers, etc. Through this document, the organisation attempts to communicate its own understanding of the kind of work it wants to do and its planning for the same.
- Third, a proposal becomes a record of plans and programmes for future reference and use. By penning it down on paper, an organisation prepares a record and documentation, which can later be used to study the outcomes, impacts, shifts, changes, etc, which are encountered during the course of work of a voluntary organisation.

Essentials Of A Project Proposal

1. *Programmatic Activities To Be Clearly Spelt Out*

As an outcome of detailed programme planning, it is possible to prepare a proposal which can then be used to raise resources for the programme. Detailed programme planning not only helps in the preparation of a proposal, it also creates the basis for ensuring that the proposal reflects what the organisation intends to do and not what the donors would like it to do. Thus, clarity in advance with respect to the organisation's programmes and activities helps the organisation state its need for resources more clearly and forthrightly. This also reduces the possibility of external imposition of programme activities and ideas under the guise of funding. This is particularly important because funding can be a very powerful mechanism by which ideas and preferences of donors can be subtly imposed on an organisation.

2. *Work Focused Proposals*

It is also important to note that the proposal must be work focused and should attempt to describe the type of work envisaged and the nature of resources needed for that. Many people engage in proposal writing which is donor focused and is intended to only request for funds from that particular donor. As opposed to this, work focused proposals are more effective in describing one's plan of action and also in attracting support from various agencies.

3. *Clarity Of Expression*

There is a lot of concern with respect to the language to be used while writing project proposals. Many believe that flowery and dramatic language helps in attracting resources. However, it is the clarity of expression which is of crucial importance while writing a good project proposal. Clarity of expression is partly linked to clarity of thinking and planning. Therefore, a voluntary organisation must express its ideas and intentions clearly and candidly. This proves to be a major factor in attracting donors and resources.

Pre-Requisites

Proposals can either be solicited or unsolicited. Organisations usually respond to the requirements of the solicitation document or Terms of Reference (ToR) based on their capacity to respond to the requirements of the ToR. When one submits a proposal to a donor without necessarily responding to an announcement, then the organisation is submitting an unsolicited proposal. In both types, information needs to be collected before embarking on the process of proposal writing.

1. *Gather Background Information*

Before writing a proposal, one needs background documents with respect to the concept of the project, the programme details and the expenses. If the information is not readily

available, one has to decide who can help gather different kinds of information. This process makes the actual writing of the proposal much easier. By involving other stakeholders in the process, it helps key people within the organisation seriously consider the project's value to the organisation.

Three kinds of information are usually required to write the proposal:

- *Concept*

The project proposal should ideally reflect the overall philosophy and mission of the organisation. The challenge that the proposal is addressing can be obtained from the needs assessment report. In the absence of such a report, a brainstorming session with field staff would be useful to help understand the problem that needs to be addressed. Funders want to be assured of the relevance of the project and that a project reinforces the overall direction of an organisation and the need for the project is really important.

- *Programme*

The programme information required includes:

- Nature of the project and the manner in which it will be executed
- Time plan for the project
- Anticipated outcomes and its evaluation
- Staffing and volunteer needs, including deployment of existing staff and new hires

- *Expenses*

Expenses associated with the project can only be determined when the activity details and timing have been worked out. At this stage, the broad outline of the budget needs to be prepared in order to ensure that the costs are in reasonable proportion to the outcome that is anticipated. If the estimated cost becomes prohibitive, a scaling back of plans may be needed.

2. Review The Proposal Solicitation Or Announcement

For solicited proposals, the ToR clearly spells out the objectives, the scope of work, specific outputs, schedule of activities and reporting requirements. In cases where the announcement does not provide details, the information gathering options for unsolicited proposals may apply.

5.3.1 Proposal Outline

As mentioned earlier, many donors specify their own format and guidelines for preparing a project proposal. Ideally, generic proposals contain two components:

- (i) **Technical proposal:** It contains details relating to technical terms of the project. A brief outline of a technical proposal is:

INTRODUCTION

This section introduces the project to the funder. It gives the latter a brief idea about the project and what it entails. Essentially, this section consists of a proposal cover letter, title page of the project and a brief project summary in about 300-500 words which captures the essence of the project.

PROJECT BACKGROUND

This section provides the context of the project at hand. It describes in about half a page to one page the context of the problem/challenge that needs to be addressed. In other words, it provides an overview of the existing larger problem. This is a kind of

introduction which sets the stage for elaborating the goals and activities subsequently. In this section, brief information about the socio-economic, geographical and cultural aspects of the area and the people needs to be provided. A description and analysis of the problems faced by the people may also be given in order to highlight their needs. The overall purpose of this section is to provide the rationale for the goals and objectives and plan of action that follows. It should present a convincing case with respect to the needs to which the organisation is planning to respond. This background then helps put forth the problem statement with respect to the concerned project, which focuses on the specific needs that it seeks to address.

GOALS AND OBJECTIVES

A project goal briefly describes the expected changes in the project setting once the project has been implemented. Objectives are a series of accomplishments designed to address the problems. Goals and objectives can be listed both for a long and a short term basis. However, short-term goals should be as specific as possible because they become the basis for assessing the accomplishment of goals. Broad statements like 'to bring about a social transformation in society' do not lend themselves easily to any kind of assessment of programmatic activities. Therefore, a realistic statement of aims and objectives is desirable at this stage, instead of pompous claims.

PROJECT DESCRIPTION (Strategy/Methodology)

This section describes in detail the broad categories of activities that an organisation intends to undertake in the project. The purpose of outlining in detail various activities envisaged under the programme is to articulate how an organisation attempts to accomplish the stated goals and objectives. This section elaborates the means and methods through which the organisation intends to pursue those objectives. Therefore, in

short, it illustrates the philosophy of the organisation and its intentions to translate its broad goals and purposes into concrete action.

It is also useful to provide a chronological order in which the organisation intends to pursue these activities. A phase-wise plan, if present, should be described as well. Elaborating this section is one of the most difficult tasks in proposal writing because it demands a keen understanding of the nature of the activities, the amount of time each activity demands, and their inter-linkages. Sometimes, it is also difficult to state in quantitative terms how much an organisation can accomplish through its programmatic activities and interventions.

EXPECTED OUTCOMES

It is useful to elaborate some concrete outcomes that may emerge out of the project planned as above. These outcomes have to be seen in the light of the activities elaborated. The statement of the expected outcomes should become the basis for further evaluation and monitoring of progress in the project. It also acts as a guide to motivate and inspire the members of the organisation.

MONITORING & EVALUATION PLAN

This section provides an overview of how the project results will be tracked during the implementation phase. It is important to specify in the proposal how the impacts of the ongoing programme will be monitored and evaluated. It is also useful to indicate how this exercise of reflection will be carried out as an in-built component of the programme. A mention can also be made of the different stages of the monitoring process and the various criteria of the latter.

WORK PLAN

The project work plan details all the activities that are needed to complete the project including the timing of all events. The time frame should specify which activity will be carried out in how much time, in addition to the overall time duration for the totality of all project activities.

ORGANISATIONAL CAPABILITY STATEMENT

This portion describes the capability of the organisation in terms of skills and experience to conduct related successful projects. It is here that some description of the past history and experience of the organisation proves helpful. The kind of competence and capacity that will be needed to administer and manage this specific project can be elaborated. This section can also become the basis for outlining any collaborative arrangements which are envisaged, and any support or assistance that is sought and is likely to be provided by other individuals and organisations in implementing the project.

PROJECT STAFFING

The project staffing section of the proposal presents the personnel needed to implement the identified activities. It presents the role and contribution of each member of the project team. For this purpose, CVs of project staff can also be attached. If the project requires additional staff, it needs to be mentioned here.

(ii) Financial Proposal

It contains details relating to financial terms of the project including its budget, staff time and cost, etc (PRIA, 2013).

PROJECT BUDGET

This section outlines the budget commensurate with the planned activities. There are several different ways of presenting the budget. As a first step in the exercise, it is generally useful to outline the entire budget, and not be limited to the organisation's external needs. The budget should be a statement of the totality of resources that will be needed to implement the project as per the planned programme. Having done that, subsequently it will identify the resources the organisation already has and ones it can raise from external sources, and then specify the kind of support it expects from the given donor.

OTHER CONSTITUENTS OF THE PROPOSAL

Table Of Contents

This helps the reader find his/her way around the proposal. It contains the list of main headings and page numbers.

References

This lists publications and documents that were referred to in order to write the proposal.

ATTACHMENTS

Gantt Chart

This chart presents the list of activities and the specific period of the year when these activities are going to be carried (details have been discussed in Unit 3).

Monitoring & Evaluation Matrix Or Project Log Frame

The monitoring and evaluation matrix is an 8-10 column matrix describing the details of the monitoring and evaluation plan. The project log frame details the indicators, means of verification and the hierarchy of project objectives including risks and assumptions.

Budget Sheets

These present the details of the budget such as the items, cost per items and totals. These items are categorised to show the focus of the project towards addressing the identified problem/s.

5.3.2 Tying The Loose Ends

After having prepared the research proposal, it is equally important to ensure that the proposal is completely error free. Some points to be taken care of in this regard are:

- There should be no repetitions in the text and the statements must convey the intended meaning
- There should not be paradoxical elements in the proposition
- There should be no typographical errors in the text and it should read well
- The prescribed word limit needs to be adhered to
- The format of the document should be in accordance with the prescribed guidelines of the funding agency
- It is also important to keep an eye on the closing date of the submission of such proposals and it needs to be submitted well before time

5.4 Financial Management

To the extent that a voluntary organisation begins to function as a public institution and acquires a legal form, it becomes necessary for it to create mechanisms for effective and proper maintenance of accounts and financial management (Pandey, Tandon, Chaudhary, & Charnalia, 1990). It is not merely a question of likes and dislikes; it becomes a managerial and organisational responsibility to take care of the finances and to meet various statutory requirements as they relate to voluntary organisations in the country the organisation is operating in. Any organisation, when it starts, chooses an activity to work on; then it plans for the costs required in carrying out this activity and the source of the money to meet this cost. Therefore, financial management is nothing but planning, organising and monitoring of finances of the organisation.

When project proposals are submitted and accepted, the next step is the management of funds that these projects bring in. Therefore, it needs to be ensured that resource utilisation and management is effective and efficient, so that adequate support is provided to different programmes and activities. It is important that funds raised are used for the purpose they have been raised for, and in a manner which is both financially appropriate and legally recommended. To achieve this purpose, various voluntary organisations need to engage in several types of systematic activities. Most important among the latter include financial monitoring, planning and management.

In many NGOs, financial management takes a low priority, as financial planning and monitoring systems are often inadequate. However, it is important to realise that NGOs operate in a changing and competitive world. To survive in this challenging environment, managers need to develop the necessary understanding and confidence to make full use of financial information.

Principles Of Financial Management

Any financial management system operates on certain principles. They are:

Accountability

In an NGO, the interested parties (donors, governing body, members, beneficiaries and society) want to ensure that the funds of the organisation are being used effectively for the cause for which it was received by the organisation. All these parties are interested in knowing how the funds of the organisation are being used, whether they are being used for pursuing the specified cause or something else, and how effectively these resources are being used. Some of these parties such as government/donors have made such accountability a legal obligation, but for several other constituencies, it is the social and moral obligation of the organisation to be accountable through proper financial management.

Integrity

The integrity of the organisation has to be unquestionable for proper financial management. Questions on integrity are raised mainly when people feel there has been mismanagement of funds in an organisation. Therefore, those who govern the organisation need to be very cautious about utilisation of funds. Financial management of organisations should reflect the true picture of the physical reality. Any kind of window dressing or understatement of reality in financial systems can raise the question of integrity. If any change in programmes, activities, or expenditure takes place, it should be suitably reflected in the financial records of the organisation.

Consistency

Financial management of organisations should be consistent over the years. It is undesirable to keep changing systems, procedures, policies, etc, every now and then. Consistency helps in comparative analysis and disclosure of information regarding the organisation's finances. Inconsistency in financial management systems raises doubts about the intentions of the organisation. The most popular belief is that inconsistency is

a sign of manipulation with questionable intentions. Hence, if a change becomes necessary, the change, its effects, and reasons for the same should be clarified.

Disclosure

Any good financial management system should disclose all the necessary information. This is also required as per the law of the land. It is the organisation's duty to present all the information to the concerned authorities. This authority is vested in a representative of the public; a government representative can enquire about all such activities which have a public stake. Apart from the legal obligation, any other interested party such as donors, members and beneficiaries can at any time ask for disclosure of information, which is their basic right.

Non-Deficit Financing

A large number of voluntary organisations begin to function without proper planning of their finances. Often, organisations start with some idea of expenditure they need to undertake, but where the funds will come from is left unexplored. Such organisations face problems in salary payments, completion of last phase of work, etc. This is due to the deficit financing⁵ policy of organisations. Hence, to avoid such obvious problems, organisations should plan their funds on the principle of non-deficit financing.

Standard Documentation

Any financial management system involves a certain amount of documentation and record keeping. These documents and records should be kept in the standard format for record keeping. For example, in India, the system of record keeping that is generally practiced is the single entry system and the double entry system (details are provided in the forthcoming section).

⁵ Deficit financing refers to a situation when the planned expenditure is higher than the planned income.

Flexibility

Every organisation is different from another in identity and nature. Similarly, financial management systems also vary from one organisation to the other. While every organisation must essentially develop its own financial management system, the latter should not be the same for any two organisations. An organisation, whose activities are primarily of networking, uses a particular system, which suits its needs. The same system should not be used in an organisation which is primarily involved in rural development work,

Custodianship

Any registered organisation has an independent identity of its own. It entrusts certain responsibilities and roles on the people who govern it. These top officials are custodians of the organisation's resources and are also accountable for it. They do not own the resources of the organisation, but use them in the interest of the organisation as a whole. Any utilisation of the resources for a wrong purpose or to further one's own interest is a breach of trust amounting to criminal activity.

5.4.1 Components Of Financial Management

Financial management practice in a voluntary organisation includes three sub-heads. They are:

1. Budgeting
2. Monitoring expenditures and income
3. Account-keeping

1. Budgeting

It is the most important step in financial management. A budget is a financial layout of any planned activity or programme. It involves a system of planning, executing the plan and evaluating performance and financial working of an organisation (Gupta, 2004). Along with this, it specifies how much money an organisation thinks it will bring in and how much will be spent. The various steps involved in budgeting are:

i) Preparation Of A To-Do List

This list pertains to what the organisation wishes to do in a particular period, say one year, the accomplishments it desires to achieve within the same period, and the kind of activities it wants to take up.

ii) Estimation Of The Costs Involved

The costs need to be estimated with respect to the heads listed in the list prepared above. The common method of calculating this is using the past year's report as a guideline. Herein, it is important to note that addition of a percentage increment for inflation is important. While the estimated costs should always be higher than the current rate, the administrative costs increase proportionately as well.

iii) Listing Down The Expected Income From Various Sources

Generally, organisations have two sources of income – grants and donations. An organisation may not have the requisite funds for starting a new activity. Therefore, it needs to raise funds either by asking for grants, or by using its surplus from last year. The ideal situation is to first raise the funds and then embark upon the activity, while the surplus funds should be reserved for emergencies.

iv) Comparison Of Income With Respect To Expenditure

This comparison facilitates the analysis of activities in light of the funds available. Some activities may also need to be dropped because of shortage of income. Therefore, such analysis helps identify the least important activity, which can then be eliminated. This is

also one of the most difficult steps, as dropping a planned activity because of shortage of funds is never easy.

2. Monitoring

Monitoring is an important step in financial management. Although most organisations do have proper, detailed budgeting systems before starting any activity, many of them do not follow it up with monitoring, and as a result, one of the important purposes of budgeting gets defeated. Monitoring is required for:

(i) Monitoring Of Expenditure

Monitoring of expenditure is required to understand if the budgeted expenditures are taking place or not, and if those expenditures are as planned, or less, or more than the budgeted amount. Therefore, monitoring helps in analysing any change and ways in which it can be rectified. However, there is no standard formula for monitoring. The general procedure followed is first, all vouchers prepared should be checked and signed by the head of the organisation or by the concerned authority.

It is important to note that periodic comparison of the actual expenditures against the budgeted amount gives a fair idea about the expenditure taking place in an organisation. This is done through the *Management Information System (MIS)*. It is prepared to understand the nature of expenditure taking place in an organisation by comparing the budgeted expenditure figures against the actual expenditure figures for the stipulated duration. It is a computerised database of financial information organised and programmed in such a way that it produces regular reports on operations for every level of management in an organisation. It is usually prepared quarterly or monthly, and helps in future budgeting. It can link to the inventory systems, handle accounting, and

serve as the base of communications. Virtually all small organisations have computer networks on which they deploy substantial databases, and therefore MIS has grown to be an integral part of financial management.

(ii) *Monitoring Of Income*

As an organisation needs to have income to carry out expenditures, therefore, monitoring of income is as essential as monitoring of expenditure. This includes monitoring whether the money needed is coming or not, and if it is less, or more than expected. Often, arrival of funds can be delayed due to reasons such as absence of clearance from donors/banks. Additionally, change in foreign exchange rates results in more or less than the expected money being deposited in the bank. Therefore, proper monitoring helps in taking corrective measures. This can be done if regular comparison between the actual and expected income is made.

(iii) *Monitoring Of Cash Flows*

Cash flow is the most critical planning tool in an organisation, which represents its liquidity. It helps in planning and controlling the flow of money. Cash flow analysis:

- Shows how much cash will be needed
- When it will be needed
- Where it will come from

The cash flow attempts to budget the cash requirements of an organisation for a given period of time and shows the cash flow in (through grants/donations/interests) and out (through core expenditure/programme expenditure/occasional expenditure) of the organisation. This helps in planning for expenses and prospective investments.

Therefore, monitoring of cash flow enables an organisation to take crucial decisions and deal with any potential cash shortage problem.

3. Account-Keeping

Proper and systematic account-keeping is a major statutory requirement in voluntary organisations under the Societies Registration Act, The Trust Act, The Income Tax Act, The Foreign Contribution (Regulation) Act and a host of other legislation in India. It is in this context that maintenance of accounts becomes a necessary aspect of creating, building and strengthening voluntary organisations. Accounting is the system of recording, classifying and summarising all monetary transactions so that the financial position of an organisation can be ascertained on a particular date and in the long run (Gupta, 2004).

Additionally, maintenance of proper accounts is also required for reporting to donors. All donors who provide funds and financial support to organisations expect efficient management and utilisation of finances. They are interested in knowing if the money has been utilised the way it was proposed to be utilised. Those organisations which do not provide accurate and timely financial statements get into difficulties and face problems in getting funds in the future.

Types Of Accounts

For the sake of convenience, the different types of accounts are mainly divided into three broad categories (Gupta, 2004):

(i) Real Accounts

They represent transactions which deal with material things, such as, fixed assets, cash, stocks, etc.

(ii) Personal Accounts

They represent transactions which deal with persons (individuals and companies/firms/societies/trusts, etc.)

(iii) Nominal Accounts

They represent transactions which deal with expenses and income of an organisation.

Systems Of Account-Keeping

There are two main systems in account-keeping (Pandey, Tandon, Chaudhary, & Charnalia, 1990). They are:

(i) Single-Entry System

It is an old and popular method of account-keeping among small businessmen, traders, etc. In this system, the inflow and outflow of money is recorded in a single account. The best example of this is household accounts, where income is stated and then expenditures are deducted. Herein, the total money spent/received is recorded, but the individual expenditures on certain items are not mentioned.

Difference Between Receipt And Income:

Receipt is the money received during a particular period, say, one year. This money could be an advance for the next year, received this year. Else, it could be a reimbursement, or any direct income. Hence, whatever money comes into an organisation it is called receipt.

Income is something which the organisation receives only that particular period of one year.

For example, an organisation has received Rs 3,00,000 as a grant for two years. Out of this amount, only Rs 1,25,000 is for the first year, while the remaining Rs 1,75,000 is for the second year. Hence, only Rs 1,25,000 of the first year will be called the income of the first year, while the total of Rs 3,00,000 will be called the receipt of that year.

Difference Between Payment And Expenditure:

Payment is something which goes out of the pocket. Therefore, all advances paid are known as payments. It could be an advance for the coming two years. For example, if an organization paid advance for raw materials to be purchased next year, this will be called a payment, because money has gone out of the organization.

Expenditure refers to what has finished or has occurred during the year. It does not cover such payments which will help the organization in the coming years.

(ii) Double-Entry System

In this system, every transaction has two aspects. One is a benefit-receiving aspect or incoming aspect and the other one is benefit-giving aspect or outgoing aspect. The benefit-receiving aspect is said to be a debit and the benefit-giving aspect is said to be a credit. For every transaction, one account has to be debited and another account credited in order to have a complete record of the transaction. Therefore, every transaction affects two accounts in opposite ways. For example, if furniture is purchased in cash, it is a monetary transaction. 'Furniture' is the benefit-receiving aspect and hence it is debited. Cash is benefit-giving aspect and hence it is credited. Thus, the basic principle under this system is that for every debit, there must be a corresponding and equal credit and for every credit there must be a corresponding and equal debit.

Steps In Maintaining Accounts

In the double entry system of accounting, several sequential steps are involved. They are:

1. The first step is collection of information and its classification. For each transaction, a document (like bill, cash memo, etc) is collected and classified in its 'debit' and 'credit' aspects for accounting. In many organisations, this classification is done through filing a form called 'voucher'. A voucher (supported by documents such as bills, invoices, etc) is an account document which provides the accountant with information which helps him/her to analyse every day's financial transactions.
2. The second step is the posting of accounts to the books of prime entry, i.e., journal and cash book, with the help of these vouchers. A journal is a book of prime entry, and each transaction is recorded chronologically following the double entry principle. Nowadays, the journal is slowly being replaced by the cash/bank

book. A cash book is meant to record all transactions in which cash/bank receipts and payments are involved.

3. The third step is the posting of accounts from books of prime entry to the respective accounts maintained in a ledger. Here, separate records are maintained for each item like rent, field work expenses, etc. A ledger is a record of final entry which contains accounts of all types, and is written from books of prime entry, i.e., cash book/journal.
4. The fourth step comes at the end of the accounting process, where the balance of all accounts maintained in a ledger is extracted and a 'trial balance' is prepared. A trial balance is the list of debit and credit accounts (as recorded under the double entry system). By comparing the total of debit and credit balances, information on any arithmetical error can be sought. Therefore, it should be prepared every month in order to ensure that the books are properly written.
5. As the final step in the accounting process, summarised and aggregated information is presented in three statements – receipt and payment account, income and expenditure account and balance sheet.
 - **Receipt and payment account** is a statement of total money received and total money paid in a particular period of accounting. It includes both capital and revenue transactions.
 - **Income and expenditure account** summarises the total income and total expenditure of the current year. It does not include income of the last year received in this year, or any advance income received for the coming years.
 - A **balance sheet** is a statement which presents the picture of the total financial position of an organisation on a particular date of the year (generally end of financial year). It tells us what an organisation owns (assets) at the end of one year, and what it owes (liabilities which have to be paid off).

NOTE BANK

Golden Rules Of Accounting

- **Record everything that you do.** You must preserve an 'audit trail'. That means that another person must be able to follow all of your accounts just from what you have recorded, with no additional explanation.
- **Be organised.** Make sure that all documents are properly filed, and all procedures properly followed. Be consistent. If you do things one way in one month, then do them the same way in the next month (unless there is a good reason for changing them).
- **Keep on top of the books.** Do not let them go for more than a week without making sure that they are up to date. Fill in all the proper books as the transactions happen. Do not let a backlog build up.
- **Do not get stuck on one point.** If one thing is very difficult, then make a simplifying assumption that will allow you to move on. Make a note of it, and discuss it with your manager or accountant as soon as possible.

Summary

This Unit looked into various aspects of resource management and its importance in the functioning of an NGO. The significance of human resources in an organisation and the relevance of their development were analysed. One needs to know the various categories of resources available to an organisation, and their effective mobilisation via a well-planned resource mobilisation strategy. Writing proposals, along with a generalised outline of a project proposal, are very significant processes. Finally this Unit shared information about management of financial resources, and the various practices that help in achieving sound financial management.

Recommended For Further Reading

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