THE APPLICATION OF PUBLIC RELATIONS METHODS IN RAISING FUNDS AS UTILISED IN WESTERN CAPE NON-PROFIT ORGANISATIONS

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by

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DECLARATION

I, Thabisa Nondzube, hereby declare that the contents of this dissertation represent my own unaided work, and that the dissertation has not previously been submitted for academic examination towards any qualification. Furthermore, it represents my own opinions and not necessarily those of the Cape Peninsula University of Technology.

Nondzube.

ABSTRACT

The research is based on the use of public relations methods by non-profit organisations that operate in the city of Cape Town in the Western Cape Province. The public relations function is often seen as a function that does not appeal to the bottom line, namely, bringing in profits to organisations. Contrary to this belief, the stakeholder theory of public relations emphasises the triple bottom line approach, which focuses on people, planet and profit. The third quarter of the year 2008 brought about an economic downturn in international markets. The repercussions of the recession that began in 2008 had a ripple effect that had an adverse impact on non-profit organisations. Not only did some businesses have to close down, but others had to re-align their purpose and role in society. They had to decide which causes were worthy of their donations, and whether these were strategically aligned with what the donor organisation wanted to achieve in their corporate social investment strategies. One of the sectors that took a knock from the recession was the third sector, also referred to as non-profit organisations. This sector already relies on donations from the corporate sector, philanthropists and subsidies from government. It has become necessary now for the third sector to become creative in finding methods of sustainability in order to continue to render their services. In the light of the current global economic crisis, there is now even more pressure for this sector to be proactive and creative in their methods of raising funds.

The research attempts to find out which public relations methods non-profit organisations are utilising in order to raise funds and whether these methods are of any assistance in achieving the fundraising goals. The research also tests the relevance of themes such as relationship management, reputation management and the impact of consistency of communication with stakeholders. This is determined by utilising qualitative research methods of interviewing eight respondents that are conducting the fundraising function in their respective organisations. The respondents held different positions in their respective organisations, namely, a special donor officer, a fundraising officer, the head of resources mobilisation, a communication officer, two executive directors and two regional managers. Document analysis was another data collection method used. All the organisations are registered non-profit organisations and some operate only in the city of Cape Town while others operate nationally and internationally. The research was intended to enlighten the role of public relations skills and presence in the non-profit organisation sector. Findings from the research indicated the current methods of fundraising that are utilised by eight non-profit organisations. The research also highlighted various challenges in the non-profit sector. It also elaborated the purpose of reputation management and relationship maintenance and management in the non-profit sector.

DEDICATION

To my family, with love.

To those that never grow tired of seeking knowledge and truth.

To the heroes and heroines that dedicate their time and lives to helping others.

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ABBREVIATIONS

BEE	Black Economic Empowerment
JSE SRI	Johannesburg Stock Exchange Socially Responsible Investment Index
HIV	Human Immunodeficiency Virus
NPO	Non-profit Organisation
NGO	Non Governmental Organisation
PMTCT	Prevention of Mother-to-child Transmission
PRISA	Public Relations Institute of Southern Africa
PRSA	Public Relations Society of America
SARS	South African Revenue Services
TAC	Treatment Action Campaign
WWW	World Wide Web

CHAPTER 1

INTRODUCTION

1. BACKGROUND

Non-profit organisations (NPOs) form part of society's stakeholders. These organisations are often referred to as community based organisations as they serve the interests of the communities (Kitaho & Rappo, 1999:3). Non-profit organisations render services to their communities. These authors further state that non-profit organisations in South Africa are mostly involved in:

- Political and democracy enhancing activities
- Economic and developmental activities
- Activities in health, welfare and social justice
- Activities in education, training and human resources development.

Due to lack of financial funds, some non-profit organisations have been forced to close their doors as they are unable to continue to render their services. Non-profit organisations are under pressure to seek sustainability measures in order for them to continue rendering their services to their communities.

For most non-profit organisations, donations in cash or kind are a source of funding, especially if an organisation receives little or no funding from the government. The lack of financial sustainability, donors and the lack of fundraising expertise have been noted as a reason for the lack of survival of non-profit organisations (Kitaho & Rapoo, 1999:4).

The non-profit sector, also referred to as the third sector, plays an invaluable role in South Africa's development process. However, the sector's challenge of leadership and sustainable funding remains a constant lament (Trialogue, 2009:88). The non-profit sector depends on profit generating entities, and like any sector, is feeling the ripple effects of a recession that was confirmed in September 2008.

The government is not always able to render social services in society and non-profit organisations often fill some of these gaps. According to Moir (2001:17), society and regulators of business are calling on companies to be socially responsible. Certain civil society organisations become recipients of donations from the business sector. Business organisations are selective in the causes that they support and contribute to.

A report that was conducted nationally by Trialogue (2009:91) indicates that during the financial year of 2008/2009, a decrease in corporate funding to non-profit organisations was firstly due to the global financial crisis and economic slowdown. Secondly, both the financial crisis and the Black Economic Empowerment (BEE) Codes of Good Practice had an effect on funding. Organisations have to comply with these principles. The shift in funding has led to some non-profit organisation's closure, a discontinuation of some projects, repositioning and a cut back of services that were offered. The department of social development in the Western Cape has been able to fund fewer non-profit organisations for the year 2010 (news24: 2010). The decision to fund fewer non-profit organisations was due to the national government's budget allocation cut, following the recession.

At a time like this, the non-profit organisation sector is faced with a challenge of obtaining and raising funds that will sustain the organisation in order to continue with its cause. Survival skills have become essential in this sector. One of the survival skills needed is the fundraising skill. Public relations in organisations stresses the need to communicate the organisation's mission and goals to the identified stakeholders. It looks at how information about an organisation can be communicated effectively and in a meaningful way. It is essential that non-profit organisations find methods that can assist them to obtain funding and remain sustainable so that they can continue to render their services.

2. PROBLEM STATEMENT

Non-profit organisations compete for limited funds from potential donors. Limited funding means that non-profit organisations have to find methods of obtaining funds and be able to sustain themselves in order to continue to render their services. These organisations also have to find new and improved methods of maintaining the relations they have with their regular donors. This requires communication on the part of the organisations. It is a challenging task for non-profit organisations to obtain the attention and interest of the potential donors that can assist them with funding. Non-profit organisations would have to build and maintain relationships with their stakeholders. According to Steyn and Puth (2000:188) this is a key task for communication practitioners.

Research Question

The primary research question is: what are the public relations methods that are mostly utilised by non-profit organisations to raise funds?.

The research sub-questions are:

- What are the current public relations methods used by non-profit organisations?
- Who is responsible for the task of fundraising in the non-profit organisations?
- Which elements of public relations are prevalent in the fundraising task?
- Is there a link between relationship management and donor participation in fundraising?

3. OBJECTIVES OF THE STUDY

3.1 The aim

- To establish how public relations methods are utilised by non-profit organisations in raising funds

3.2 The objectives

- To investigate the public relations methods that are mostly used by non-profit organisations that operate in the city of Cape Town in order to obtain funding
- To determine the role of the public relations function in the fundraising task
- To make a comparison of how eight non-profit organisations in the city of Cape Town utilise public relations methods in order to raise funds

4. RATIONALE OF THE STUDY

The study sought to discover those public relations methods that assist non-profit organisations in obtaining and raising funds. It also attempts to understand the link between maintaining a relationship with stakeholders and what this possibly means for the non-profit organisations.

5. SIGNIFICANCE OF THE STUDY

The findings of the study can contribute to the non-profit organisation sector's body of knowledge on the subject and practice of raising funds. It will provide an indication of how some of the non-profit organisations that are operating in the city of Cape Town maintain relations with their donor base. The information could assist communication practitioners that work in the non-profit organisation sector on how they can use their expertise in the fundraising task.

The following chapter highlights the most significant literary findings on the topic of the application of public relations methods by non-profit organisations.

CHAPTER TWO

LITERATURE REVIEW

The literature for this study is meant to provide some scope on the topic of the research. In this chapter, the author intends to discuss the secondary data and contextualise it with the research. Various theories on the subject of public relations and fundraising are prevalent in the review of the literature.

2.1 THE STAKEHOLDER THEORY

The stakeholder theory declares that a company should be run for the benefit of all those who may be deemed to have a stake in it (Argenti, 1997 :442). These stakeholders would include suppliers, customers, stockholders, employees, the media, political action groups, communities and governments. The theory has been articulated in a number of ways but in each of these ways stakeholders represent a broader constituency for corporate responsibility. The theory also strongly suggests that overlooking an organisation's stakeholders is unwise or imprudent and ethically unjustified (Moore, 2005:1).

As social entities, non-profit organisations are aware of the role that they contribute in society. Their purpose is to render services with the intention of improving the welfare of people and development of communities at a lower cost than the government (Nzimakwe, 2008:90). The non-profit organisation's areas of operation include the public sector, donor agencies, communities and other non-profit organisations (Ajibande, 2009:376). This makes the non-profit organisation accountable to various stakeholder groups, namely the communities they serve, the government which is often a partner in development programmes as well as their funders who have expectations about how their contributions should be utilised.

According to Neba (2009: 56), donors and national governments are increasingly channelling a portion of their funds to non-profit organisations and this increases the risk of them being more responsive to the donor's agenda than that of their constituencies' needs. This can be regarded as the non-profit organisation's response to a particular stakeholder group. According to the stakeholder theory, an organisation needs to be accountable to its stakeholders (Argenti, 1997: 442).

Stakeholder theory has been approached from the point of view of business ethics, corporate governance and corporate social performance (Friedman & Miles, 2002: 3). This theory recognises that organisations cannot survive unless they deliver value to their chosen stakeholders. This can be said about non-profit organisations as well. Even though shareholders, employees and customers are widely regarded as the key stakeholders, their seniority is always debated. Friedman and Miles (2002:3) also suggests that each firm should fill in a generic stakeholder map so as to be aware of how and when to communicate to stakeholders. Even though non-profit organisations do not aim to make a profit, they too report to their stakeholders.

The stakeholder concept is helpful in assisting organisations to improve their chances of achieving their objectives through all the stakeholders that may need persuasion in order to cooperate, and ensuring that their conduct is ethical. For non-profit organisations, one of their stakeholders that needs to cooperate are those that donate and support them. Stakeholder collaboration does more than gain resources and political support, it allows joint problem-solving to increase the firm's store of valuable knowledge and it is the key to creating economic wealth (Halal: 2000:10).

Steyn and Puth (2000:187) are of the opinion that "it has become crucial to understand the values and expectations of each stakeholder group, their key issues, and their willingness to expand resources in helping or hindering the organisation strive towards its vision". Partnerships and participation are also vital in the relation between non-profit organisations and the beneficial communities, as well as between the non-profit organisation and the government (Neba, 2009: 55). All of this is done in an effort to promote development and render services. In an effort to further understand the relationship between non-profit organisation and its stakeholders, it is vital to define what exactly the non-profit organisation is.

2.2 DEFINING NON-PROFIT ORGANISATIONS (NPOs)

Non-profit organisations are defined as those organisations that serve the social, educational, religious and the cultural needs of the community around them. These organisation are also described by the Southern Africa Institute of Fundraising (Southern African Institute of Fundraising: 2010) as any private organisation that provides services to a community without making a profit for investors. Gronbjerg (1991:165) further adds that these organisations make an effort to alleviate suffering while promoting human welfare by encouraging philanthropy and acts of charity. The work of these organisations has always been found to have a distinctive place in society. It is for this reason that Wiggill, Naude and Fourie (2009:51) conclude that these organisations have the ability to effectively identify community needs because they are close to the people than government structures are.

The aims of non-profit organisations are not to make a profit but to assist where the private and public sector cannot assist. The non-profit organisation sector is often referred to as the third sector. Even though these organisations are not part of the government or the private sector, they are influential in assisting governments in policy making and are now being consulted on decisions that influence issues of development (Siddaraju, 2011: 57). The third sector's influence in society cannot be overlooked and their survival is of importance. However, due to their nature of not making profits, these organisations are often faced with the question of sustainability. One of their aims is to win public support for their programmes through active and open communication (Seitel, 2001: 414).

Most activist organisations fall under the category of non-profit organisations. These organisations have the potential and the ability to place pressure that promotes social change. Eikenberry and Kluver (2004: 136) confirm this by stating that non-profit organisations play an important role in mobilising public attention to social needs, and thus serving as channels of free expression and social change.

Some non-profit organisations may not always fit the textbook definitions but what sets them apart from profit-making businesses is the fact that they make an ongoing effort to obtain funding in order to continue to render services in their communities. Donors are thus a primary stakeholder group for the non-profit organisation. The non-profit organisations are often regarded as a missing link between the public and private sectors (Ajibande, 2009: 375) due to the fact that they render services that these two sectors are unable to render.

2.2.1 Characteristics of NPOs

The various definitions of non-profit organisations are indicative of the fact that these organisations have characteristics that clearly distinguish them from profit-making organisations.

Cutlip, Center and Broom (2001:520) listed the following as distinct characteristic of non-profit organisations:

- They are organised
- They are separate from government even though they might receive some funds from the government
- Their aims are not to make a profit
- They have a board of directors that enables them to self-govern their activities
- There is an element of volunteerism in management and conduct.

Nzimakwe (2008: 91) also adds that these organisations:

- Are established by initiative
- Render their philanthropic services to communities in society
- Aim to render services that will support and uplift people and communities
- Render services that are often rendered by governments
- Participate in the policy making process.

The characteristics of non-profit organisations are indicative of their selfless nature to assist communities and that is why their role in society is crucial. What distinguishes them more is the fact that non-profit organisations are viewed as having an obligation to represent the interests of the public and what is right too (Eikenberry & Kluver , 2004: 136).

2.2.2 Strengths of NPOs

According to Wiggill *et al* (2009:51), non-profit organisations possess strengths that enable them to tackle and address societal issues such as HIV and AIDS awareness and prevention, environmental protection, poverty alleviation, job creation, victim aid and adult illiteracy. Wiggil et al (2009:51) list the following features as strengths that non-profit organisations possess:

- Non-profit organisations tend to have more legitimacy in the communities they serve, and thus communities are more likely to support non-profit organisation's initiatives
- The high degree of community participation encourages the use and adaptation of local knowledge and technology to local development needs
- NPOs' non-bureaucratic structures are flexible and adaptive to both local conditions and changes in the environment and this enables a quicker response to complicated circumstances that may rise.

Non-profit organisations are considered to be important in developmental issues and this is often an areas of expertise for them (Nzimakwe, 2008: 92). The fact that most non-profit organisations are not affiliated with governments and businesses provides them with the opportunity to make decisions and even place pressure on policy makers without fear. The strength of the non-profit sector also lies in the fact that they are started by communities, for communities and driven by the needs of communities.

2.2.3 Impact of NPOs

According to Nzimakwe (2008: 92), non-profit organisations play an important role in community organisation, service provision, and policy and advocacy activities. Their primary objective is to render assistance to individuals or developing communities in order to promote sustainable development at grassroots. Non-profit organisations have displayed the ability to advocate and start projects at local and national levels. Nzimakwe (2008:92) further states that non-profit organisations influence central government policies. This is not surprising as most non-profit organisations are known to be catalysts on issues of social development and placing pressure on the state to implement development in communities.

An example of an act of pressure was the influence of the Treatment Action Campaign's (TAC) pressure on the South African government to roll out anti-retroviral drugs to HIV positive individuals in South Africa. In 1999, this organisation also called on the government to launch the prevention of mother-to-child-transmission programme (PMTCT) to HIV positive expectant mothers. There was a lot of pressure from this organisation, along with other national and international pressure groups, to an extent that the South African government recognised the need to provide anti-retroviral drugs. It was in April 2004 that the South African government slowly started to roll out anti-retroviral treatment in state health centres and in April 2010, the organisation reported that "South Africa has the biggest treatment programme in the world with one million people on treatment, and another million needs treatment urgently " (TAC Campaign, 2010:i).

Due to globalisation and international trade, non-profit organisations have become increasingly influential in world issues and are now consulted by both governments and international organisations (Neba; 2009: 56). Non-profit organisations are increasingly becoming involved in national and international policy-making and this has increased remarkably over the last half century and over the last decades(Kitaho & Rappo,1999: 3). This is an indication that non-profit organisations are having a significant impact on the social, political and economic life or their targeted populations (Neba, 2009: 56). According to Nzimakwe (2008:94) non-profit organisations are likely to relate to the state in one of the following three ways:

- They have the ability to participate with the state in providing services that the state would not be able to provide.

- A non-profit organisation can oppose the state directly or through various pressure groups in an effort to engage government on issues of policies which the non-profit organisation and the community might feel are adversely affecting them.

- Non-profit organisations can represent interest groups that are working at grassroots level and negotiate with government to improve government policies.

Non-profit organisations now feature prominently in discussions of service delivery, advocacy and lobbying, social movements, philanthropy and charity giving, building civil society and social entrepreneurship (Neba, 2009:50).

2.2.4 Challenges of NPOs

The third sector has many challenges that often hinder them from fully rendering their services. Some of these challenges place pressure on non-profit organisations to adapt to environmental changes that occur rapidly (Dee & Henkin, 1997:108). Most challenges are related to funding and thus good stakeholder relations with donors are of paramount importance. Wiggil, Naude and Fourie (2009: 52) list the following challenges that non-profit organisations encounter:

- It is difficult to acquire funds
- The lack of funding results in non-profit organisations having to interrupt or terminate projects, with dire consequences for beneficiaries
- Non-profit organisations also experience delays in approval and funding of government projects
- There is a lack of strong and continuous leadership
- Inadequate training of staff, mainly due to lack of funds
- A lack of co-ordination among individual NPOs to maximise efforts
- The increasing competition among NPOs for financial, in-kind and volunteer support

Furthermore, the emergence of the concept of cause-related marketing in the corporate sector poses as a threat to the causes of non-profit organisations (Cutlip, 2001: 522). A report by Trialogue (2009:94) states that non-profit organisations are now required to operate as businesses as this often improves their chances of receiving donations.

According to Lamb, Hair, McDaniel, Boshoff, Terblanche, Elliot and Klopper (2010: 479) non-profit organisations are also faced with the following challenges:

- Governments are choosing to privatise certain activities to lower costs and improve effectiveness
- Difficult financial times for businesses mean that non-profit organisations will receive lesser funding

- There is high competition amongst non-profit organisations and others market themselves better than others
- The increase in social demands has lead to an increase in the number of non-profit organisations

It is not news that non-profit organisations have limited funding because this comes from donors and very often limited funding from government (Nzimakwe, 2008: 96). The fact that their work is directed at improving the welfare of others requires them to remain sustainable so that they may continue to render their services where they are needed. Sustainability continues to be of importance to these organisations and this is largely dependent on good stakeholder relations.

2.3 PUBLIC RELATIONS FUNCTION IN NPOs

In an effort to describe the role of public relations in non-profit organisations, it would be relevant to first define what public relations is. Through the years, theorists in the field of public relations have found various definitions. The Public Relations Institute of Southern Africa has chosen to define public relations as '"the management through communication of perceptions and strategic relationships between an organisation and its stakeholders" (Skinner, von Essen, Mersham & Motau, 2007: 4). Public relations as a function focuses on both the internal and external environment of an organisation. This makes the areas of specialisation for public relations professionals extensive because organisations in the public, private and third sector all require communication and management of perceptions.

The public relations function is also based on the notion that organisations survive by public consent and this consent cannot exist in a vacuum (Skinner *et al*:2007: 5). It is therefore important to note that organisations, whether in the public, private and third sectors depend on the moral and financial support of their various stakeholders. The two-way symmetric communication theory that is promoted by public relations enables organisations to engage in a transparent way that builds trust between an organisation and its stakeholders.

The Public Relations Society of America (PRSA) Research Committee outlined seven elements or functions of the professional practice of public relations, namely:

media relations, community relations, financial and investor relations, internal and employee relations, public affairs and government relations, marketing support and consumer relations, and fundraising and donor relations (Kelly, 1993:48). According to Neal (2001: 4), public relations and fundraising activities in many non-profit organisations are handled by the same person or department. It is important for public relations practitioners to identify their public relations goals for their non-profit organisations so that they can assist the organisations in achieving its overall objectives. Planning and evaluation are essential public relations tools for any non-profit organisation. Neal (2001:4) lists the following as public relations objectives for non-profit organisations:

- Creating public awareness
- Recruiting volunteers and members
- Fostering public education about an issue or health concerns
- Encouraging attendance at performances, meetings, events
- Creating and maintaining a good reputation

Public relations practitioners at all the levels of the organisation have the ability to assist the organisation in achieving its goals. At a strategic level, the public relations practitioner contributes to the organisation's policies and strategies. The practitioner that is at the managerial level becomes responsible for the planning of the communication messages and at a technical level, the practitioner implements the programmes of action that are directed towards the organisation's stakeholders (Steyn & Puth, 2000: 20). It is worthy to note that non-profit organisations may not always possess the human capital for each of these different levels.

2.3.1 Boundary spanning in NPOs and the reflective paradigm of public relations

All development and social change is dependent on communication. Public relations practitioners occupy a special place in the networks of decision makers. They play a boundary spanning role (Steyn & Puth, 2000: 19). Boundary spanning is defined as the "set of activities involved with organisation-environment interaction" and is therefore considered to be one of the most important mechanisms that import information into organisations (Steyn & Puth, 2000:61). Public relations practitioners as boundary spanners identify issues and counsel policy makers. Their advisory and responsive position keeps management informed. This counselling role includes identifying, presenting and obtaining consent to implement corporate social investment programmes (Mersham, Rensburg & Skinner, 1995: 78). Public relations practitioners therefore act as agents of change. Boundary spanners are also seen as agents that acquire and dispose information with the purpose of processing it for internal decision making (Steyn & Puth, 2000: 59) with the aim of profit making through excellent stakeholder relations. In the case of non-profit organisations, it would be making a positive impact on society through stakeholder relations.

Boundary spanners in organisations also adopt the mirror and window function where in the former, they acquire information from external sources and in the latter they prepare and execute messages that portray all the facets of the organisation (Steyn & Puth, 2000: 59). This approach to communication can be linked to the reflective paradigm which is based on the assumption that organisations as social systems are capable of reflection and they thematise their identity, role and responsibility in society (Holmstrom, 2005: 4). According to Nzimakwe (2008:9) "non-profit organisations have the ability to promote public participation because they form partnerships with the communities they serve". Through protest communication, non-profit organisation roles have evolved from that of primarily raising awareness, to implementation, participation in decision making and monitoring activities (Holmstrom, 2005: 18).

According to McIntosh and McIntosh (1984:7) good public relations in non-profit organisations can:

- Further the cause by educating people about it
- Influence policy and decision making
- Help raise money and affect the climate of giving
- Help break down prejudices and correct misapprehensions

Non-profit organisations may find it necessary to adapt to rapidly changing external environments. The survival of a non-profit organisation may depend on external financial support, and communication can serve as the means through which organisations cope with environmental uncertainty (Dee & Henkin, 1997:108).

According to Dee and Henkin (1997: 110), the task of developing relationships with external stakeholders in an effort to address organisational goals requires boundary spanning activities. The authors further state that the general systems theory suggests that boundary spanning is possible in the context of an open system, where the boundaries between an organisation and its environment are permeable. The non-profit organisation can be characterised as a system of interdependent units that are united in their efforts to achieve common goals (Dee & Henkin, 1997:110). This means that a non-profit organisation requires assistance and support from the public sector, the private sector and the community within which it operates and could thus benefit from the role and activity of boundary spanning in order to identify and develop strategic relationships.

It is widely acknowledged that trustees or members of the major volunteer boards of charitable organisations are critical to successful fundraising (Kelly, 1993:47). Public relations practitioners who work for non-profit organisations must have access to the organisation's trustees who set the policy, in order to effectively manage communication with all of the publics on whom the organisation depend on, not just donors. Public relations departments have greater potential to practice strategic management and to use a two-way symmetrical model of public relations if they include communication managers who conceptualise and direct public relations programmes as well as communication technicians who provide technical services such as writing, editing, photography, media contacts or production of publications (Kelly, 1993:55).

Cutlip, Center and Broom (2001:526) note that public relations in most non-profit organisations aim to:

- Gain acceptance of an organisation's mission
- Develop channels of communication with those an organisation serves
- Create and maintain a favourable climate for fundraising

- Support the development and maintenance of public policy that is favourable to an organisation's mission
- Inform and motivate key organisational constituencies (employees, volunteers, and trustees) to dedicate themselves and work productively in support of an organisation's mission, goals and objectives.

According to Kelly (1993:65), "public relations helps organisations anticipate and react to significant publics' perceptions and opinions and other changes in the social, economic, technological and political environment. Without the public relations function, organisations would become dysfunctional due to their insensitivity to change", and thus the practice of boundary spanning becomes highly essential.

It would be difficult for public relations practitioners to engage with their stakeholders if they did not understand the importance of the boundary spanning role of the public relations function.The reflective paradigm theory emphasizes transparency as one of the prerequisites for communicating and engaging with stakeholders. From this approach, organisations such as non-profit organisations would be able to create, build and maintain relations with their stakeholder groups. Non-profit organisations would be able to understand the dynamics of their donor groups and further improve their public relations methods and fundraising strategies because they possess the information that is crucial in raising funds.

2.3.2 Public relations methods

A method, or tactic, is a procedure, or a systematic way of accomplishing something in order to meet goals. Tench and Yeomans (2006:197) suggest that there should be a clear link between the objectives, strategy and tactics. Further to this suggestion, the authors indicate that the aim of public relations planning is to get a programme that reaches the right people in sufficient numbers and that has the right level of impact to do the required job. It is here that tactics are linked to and flow from strategy. All this should be done within acceptable costs and timeframes. In an effort to engage in two-way communication with their internal and external stakeholders, public relations practitioners will utilise the most suitable methods for the identified stakeholder. Tactics are the nuts-and-bolts part of the plan. They describe the specific activities that put each strategy into operation and help to achieve the stated objectives (Wilcox & Cameron, 2009: 162).

In public relations practice, strategy refers to the overall concept, approach or general plan for the programme designed to achieve a goal. Tactics refers to the operational level namely, the actual events, media and methods used to implement the strategy (Cutlip *et al*, 2000: 378). The use of tactics varies depending on the nature of a programme, so that the practitioner will need to draw from a palette of tactics that are appropriate. When designing the tactical elements of a campaign, practitioners should ask themselves questions such as the appropriateness of a tactic and the ability for the tactic to be delivered (Tench & Yeomans, 2006:197).

Some of the public relations tactics as listed by Wilcox and Cameron are:

- **The news release** is sent to journalists and editors for possible use in news columns.
- **Publicity photos** often accompany news releases to make a story more appealing.
- **Mat releases** are a form of news release but primarily with a feature angle instead of hard news. They provide consumer information and tips in an objective manner.
- **Media advisories and fact sheets** are advisories, or alerts, let journalists know about an upcoming news conference or interview opportunities
- **Media kit** is a press kit containing media releases photos, fact sheets and feature about a new product or newsworthy event undertaken by an organisation.
- **Pitch letters** are story ideas about a client or employer.
- **Radio news releases** are releases written for the ear often sound bites. They are 60 seconds long or less
- **Public service announcements** are like advertisements but stations do not charge for them.
- **Broadcast media tours** occur when an organisation's spokesperson is interviewed from a central location by journalists across the country.
- **Video news releases** are produced in a format that television stations can easily use or edit based on their needs.

- **News feeds** occur when an organisation arranges for coverage of a particular event and television stations across the country can watch it
- **Personal appearances** happen by booking spokespersons on radio and television talk shows to appear on behalf of the organisation
- **Product placements** happen when producers make deals with companies to feature their products on television shows. Non-profit organisations also lobby to have scripts mention key messages and various social issues
- **Websites and streaming media** are useful to transmit news conferences and interact with journalists.

According to Skinner *et al* (2007: 5) the dynamic and constantly changing nature of the public relations profession and the impact of the Internet has prompted the profession to adopt the use of the World Wide Web (www), electronic mail (e-mail) and newsgroups. The web allows individuals and organisations to display information for all in the world to see. E-mail enables subscribers to send letters via the Internet to anyone in the world who have an e-mail address and it is widely used by home and business users. Newsgroups are discussion forums conducted by e-mail, but with contributions called postings rather than messages or letters.

Organisation's websites are regarded as useful public relations tools (Park & Reber, 2008: 409) as they help to increase the public's awareness and understanding of the organisation's products and services. However, using technology itself does not contribute to building and maintaining good relationships between organisations and their publics. Rather, it is more important how the technology is used with the understanding of dialogic communication. Park and Reber (2008:411) are of the opinion that "as Internet tactics continue to evolve and mature, it is important that public relations scholars examine and re-examine those evolving tactics for applied and theoretical insights". This act of keeping practitioner's fingers on the pulse will provide them with the opportunity to test the most suitable methods of communication with stakeholders and whether these methods will assist them in achieving their organisational and communication goals. Most of the public relations methods are carried out by the practitioners that are in the technical role. This role does not always provide the practitioner the authority to change these methods immediately especially if the organisation is highly beaurocratic and relations with stakeholders are not clearly defined. This problem is even more exemplified for the non-profit organisation technician where survival depends on close association with the donor.

2.3.3 Relationship Management

Theorists Grunig, Grunig and Dozier (in Huang, 2005:62) concluded in their excellence study that public relations increases organisational effectiveness when it builds a long term relationship of trust and understanding. The relationship management theoretical perspective holds that public relations balances the interests of organisations and publics. This perspective also holds that public relations is seen as the management function that establishes and maintains mutually beneficial relationships (Ledingham, 2003:181). Relationship building is an essential part of strategic communication management for non-profit organisations. Building strong relationships is particularly important in the case of donors because good relationships could result in repeated and increased donations (Wiggill *et al*, 2009:53). Strategic communication management is essential for building strong, lasting stakeholder relationships in order to achieve effective functioning of non-profit organisations. Any lack of strategic communication affects stakeholder relationship building, which in turn, affects funding negatively (Wiggill *et al*, 2009: 53). Donors are very important to every non-profit organisation and it stands to reason that non-profit organisations should regard nurturing donor relationships amongst their highest operational priorities (Mount, 1996:11). Dozier thus concludes (in Ledingham, 2003: 183) that communication is a specialised strategic management function that helps to manage relationships with key publics that affect organisational mission, goals and objectives.

It is necessary for non-profit organisations to continually build and maintain relationships with their stakeholders by applying two way symmetrical communication in such a way that will encourage trust and commitment between the non-profit organisations and their stakeholders, which in turn, will lead to mutual relationship satisfaction (Wiggill *et al*, 2009:55). Unlike persuasion or information dissemination, the two way symmetrical approach to communication emphasises the importance of the relationship between the organisation and the donor (Dee &

Henkin, 1997:110). It stands to reason that development professionals such as public relations practitioners, must seek to facilitate close relationships between donors and the organisation, while maintaining the organisation's core vision and mission.

In the non-profit sector, strong communal relationships with specifically the donors are necessary because non-profit organisations receive funds from them without having to return these funds. However, non-profit organisations also have exchange relationships with these donors as they expect the non-profit organisations to deliver certain services to beneficiaries (Wiggill *et al*, 2009:55). It is thus necessary for non-profit organisations to maintain relationships that encourage trust and commitment between the non-profit organisations and their stakeholders, which, in turn, will lead to mutual relationship satisfaction. Wiggill *et al* (2009:55) are of the opinion that exchange, covenantal and mutual relationships strive towards a win-win zone and are viewed as best practices. There needs to be a giving and receiving and delivering relationship between the donors and the receiving organisations. Strategic communication practices should therefore aim to build these three relationships.

Mount (1996:5) found that when it comes to relationships between former students and their institution, the alumni carries close social and emotional ties with their institutions and have a desire to repay the institution for the academic benefits it provided. Donors anticipate satisfaction from supporting a worthy cause and this expectation prompts involvement (Mount, 1996:11).

Trust, openness and involvement have been identified as critical dimensions that are necessary in the process of creating, developing and maintaining an organisation-public relationship (Ledingham & Bruning, 1998:3). This can be achieved by adopting a transparent approach to communication and practicing two way symmetric communication.

2.3.4 Reputation Management

An organisation's reputation has been identified as its most important intangible asset. In this regard, several authors stress reputation's role in the non-profit sector as important to ensure long term funding (Sarsdedt & Schloederer, 2010:277). "Reputation has been found to add value to the actual worth of a company and few companies or non-profit organisations take a meticulous, quantifiable approach to reputation management yet, such an approach is intrinsic to the concept of asset management, namely, reputation "(Doorley & Garcia, 2007:4). By ignoring reputation and factors that harm or help it, organisations often behave and communicate in ways that cause harm to the reputation.

Reputation management is often likened to issues management because of the proactive nature public relations professionals often adopt in times of crises. However, reputation management is a strategy that is used all year long and utilises a proactive approach. Patterson (2010: 1)refers to reputation management as the new buzz phrase in the public relations field and sees it more likely to stay around. This task in public relations is acquiring intensive focus as organisations realise that a good reputation can be destroyed in a short period of time. "Reputation management will now become a major focus of public relations because it speaks more clearly to the higher echelon" (Patterson, 2010:1).

Sarsdedt and Schroeder (2010: 277) stress the importance of reputation management and maintain that word-of-mouth, networking, and creative use of resources can shape the reputation of small non-profit organisations. This concept associates the tasks of public relations practitioners, at technical and managerial level with the effort of moving towards building and shaping an organisation's reputation. However, in order to develop accurate communication programmes, manage and address reputation effectively, non-profit organisation managers need to understand how reputation is formed.

2.4 THE PRACTICE OF FUNDRAISING

Fundraising is defined as the need to raise money in order to support the operations of an organisation. The term fundraising is synonymous with non-profit organisations and those organisations that do not run a business. Businesses on the other hand aim to make profits and utilise various strategies to achieve this aim. The function of fundraising lies at the heart of every non-profit organisation (Seitel, 2004: 306). Fundraising for non-profit organisations must be accomplished in a planned way. Finding ways to pay the bills is a critical problem for virtually all non-profit organisations, even those that receive grants and subsidies from the government. According to Wilcox and Cameron (2009: 543), fund-raising has been elevated to a highly developed art and science. Public relations representatives may partake in fundraising efforts by organising and conducting solicitation programmes on behalf of the organisation. Public relations practitioners often serve as specialists of the fundraising skill in their organisations.

Wilcox and Cameron (2009:545) list the following types of fundraising that organisations may utilise in their funding efforts:

- Corporate and foundation donations
- Structured capital campaigns
- Direct mail
- Sponsorship of events
- Telephone solicitations

Canning (1999:91) also lists six successful ways that organisations can utilise to raise funds, namely:

- Special events
- Building relationships
- Partnership fundraising
- Organising the unusual campaigns
- Small scale or local fundraising
- Asking for grants

The task of fundraising is essentially about building and maintaining positive and mutually rewarding relationships with an organisation's donors (The Funding Site: 2010). This task is not different to the definition of public relations. The Southern Africa Institute for Fundraising defines fundraising as an effort of seeking gifts from various sources. According to Seitel (2001:415), a successful fundraising campaign should include the following:

1. Identify campaign plans and objectives

2. Organise fact finding

3. Recruit leaders

4. Plan and implement strong communication activities

5. Periodically review and evaluate the campaign

2.4.1 Fundraising trends in NPOs

Johnson, Debner and Vesneki (2009: 10) report that in the year 2008, communication by means of electronic mail, newsletters, websites and direct mail had a positive impact in fund-raising efforts. One on one communication had a contribution as well. Most of these efforts are some of the public relations tactics that non-profit organisations can apply to their strategic objectives. Johnson *et al* (2009: 10) report that non-profit organisations have made it a priority to communicate with their donors and the mission is to increase this task by 81%. They intend to do this by conducting more website marketing, e-mail marketing, social networking and media relations.

According to Gronbjerg (1991:160), non-profit service "organisations rely on a wide range of funding sources, including grants, donations in the form of foundation grants, corporate support and direct individual giving. Each of the funding sources involves distinctive funding relationships that in turn present non-profit managers with an ongoing series of strategic opportunities and contingencies".

Donors are becoming more diverse as demographic and economic changes have made philanthropy less the domain of white males, but women and minorities have become the major contributors in recent years (Dee & Henkin, 1997: 108). This means that traditional fundraising messages may not attract diverse donor populations. Women have been found to respond less positively to competitive fundraising appeals.

One of the trends in non-profit fundraising is cause related marketing (CRM). It is a phenomenon that emerged in the 1980's as a trend to expand the traditional components of the revenue formula of fundraising (Hemphill, 1996:403). CRM is the process of formulating and implementing marketing activities that are characterised by an offer from the firm to contribute a specific amount to a designated cause when customers engage in revenue-producing exchanges that satisfy organisational and individual objectives. It is a commercial venture that provides socially responsible benefits to a charitable endeavour. The widespread use of CRM as a fundraising tool by major environmental groups is the result of a broader philosophical change in how the business community and a growing number of environmental non-profits view each other (Hemphill, 1996:416).

Sargeant and Kahler (1999:12) list the following as fundraising trends that are utilised in non-profit organisations:

a. Direct mail was used as a tool to recruit new donors and is the most popular

b. Donor recruitment does not yield a high rate of return. There might be a large number of donors but this does not necessarily mean that this will bring in a lot of funds.

c. Donor development mailings are sent to donors who are already familiar with the organisation and already know what the cause is about.

d. Telemarketing is used to support a range of fundraising initiatives, to solicit additional donations when a link with a donor has been established, even to convert donors to a more committed form of giving

e. Major gift fundraising refers to those elements of fundraising that are designed to solicit large one time or recurring donations from individual donors

f. Local fundraising refers to a variety of forms of fundraising activities such as coffee mornings, raffles, flag days, sponsored events, rummage sales, competitions and household collections

g. Corporate fundraising occurs when many large corporate sponsors associate themselves with a top charity

h. Trust fundraising exists to support particular categories of cause by indirect means only. Such organisations often have little or no direct contact with the recipient groups their missions dictate to be worthy of support.

Raising money through the Internet, mobile phones and other online applications is gaining international recognition. According to SANGO10 (NGO Pulse: 2010) in the year 2008, various Internet fundraising efforts brought in $29 billion in that year alone. A survey on the state of information communication and technologies (ICT) confirmed that South African non-profit organisations are becoming users of technology and are thinking about the role and relevance of the online environment in support of their work (NGO Pulse: 2010). The challenge for non-profit organisations, fundraisers and other development stakeholders in South Africa is to ensure that they are prepared to embrace and maximise the opportunities presented by a fast changing digital world.

It is reported that 19 million South Africans use mobile phones for business and entertainment and there is still potential growth (NGO Pulse: 2010). Fundraisers would miss out if they do not access new technology such as mobile phones in order to generate income streams.

According to Maclaughlin (2010:10) the short message service (SMS) method rose to the occasion during the earthquake that occurred in Haiti in January 2010. Fundraisers used mass media to deliver a campaign that encouraged mobile users to make donations. The SMS method uses mass media to deliver a campaign with a compelling message that persuade mobile phone users to send a text message, at a higher call rate, in support of the cause. Mobile giving brings in new donors and this is one of the easiest methods NPOs can utilise. The downside to this form of fundraising is that charities may not know who the donor is and therefore may fail to create a relationship with the anonymous giver (Maclaughlin, 2010: 10).

2.4.2 Financial sustainability in NPOs

The most pressing challenge that non-profit organisations face is the issue of financial sustainability. The term sustainability came into use with the emergence of the term 'sustainable development' in 1987 when the World Commission on

Environment and Development convened. According to Davids (2009:2), sustainable development is development which meets the needs of the present without compromising the ability of future generations to meet their own needs.

Prakash (2010:1) lists the following as the issues that are related to financial sustainability of non-profit organisations:

- Rising costs due to inflation
- Recession in most parts of the world have limited the availability of philanthropic funds
- Inability to find donors that can provide continuous long term support
- Need to avoid being dependent and to achieve self-esteem
- Need to achieve financial sustainability
- Influence of capitalism and market oriented economy
- The ideology that welfare organisations can find their own income, philanthropic funds can be spared and utilised exclusively for subsidies.

Many international donor organisations fund programmes for a short period of time, as a temporary measure to assist in a time of crisis or to initiate a change (Prakash, 2010:1). Short-term funding comes in various forms such as government grants and foundation grants (Netting & Williams, 1997:292). According to Moore (2005:1), non-profit organisation revenue falls within three categories, namely, government funding, private giving or philanthropy and self-generated income. The results from a study conducted by the John Hopkins University (Moore, 2005:2), indicate that:

- 53% of funds are generated by organisations by their own effort and this was prevalent in almost every country that was studied
- Public sector support is another source of income standing at 35%
- Private giving such as individual, corporate and foundation based philanthropy accounts for a smaller portion of funding at 12%

According to Moore (2005:2), there is no magic bullet for the financial sustainability of the non-profit sector. The solution to the challenge of this sector's sustainability lies in a holistic approach. Some countries have adopted regulatory practices that support the financial sustainability of non-profit organisations. Gronbjerg (1991:165) states that the special tax treatment of charitable donation provides non-profit organisations with official recognition of their value in providing charitable and philanthropic acts for public benefit. The donations allow NPOs to subsidise the delivery of services to consumers who cannot pay for the full cost of services. One of the most innovative funding mechanisms has been percentage philanthropy. It is a legal mechanism that allows taxpayers to allocate a certain percentage of their tax to their chosen charities (Moore, 2005:4). In an effort to assist these organisations, government will impose tax exemptions in the form of income from grants and donations (Moore, 2005:3).

Tax exemptions in South Africa are meant to assist non-profit organisations by augmenting the financial resources and providing them with an enabling environment in which they are able to achieve their objective (South African Revenue Services Tax Exemption Guide, 2007: 3). Under this guide, non-profit organisations (also referred to as public benefit organisations) have the privilege and responsibility of spending public funds in the public interest on a tax free basis which they receive from donors including the general public and directly or indirectly. Previously, non-profit organisations were restricted from conducting any investments of their surplus funds but now these restrictions have since been deleted and organisations can invest these funds, provided this does not amount to an indirect distribution of profits (SARS Tax Exemption Guide, 2007:7).

The Johannesburg Stock Exchange Socially Responsible Investment Index (JSE SRI) was launched in May 2004 with the effort to identify those companies listed on the JSE that integrate the principle of the triple bottom line and good governance into their business activities (2010: 2). One of the core social indicators that the SRI index requires from companies is involvement in community relations. Companies need to demonstrate that

- they are committed to community involvement
- they must show the monetary value of their philanthropic acts and

- provide details of projects that they have supported (JSE SRI Index;2010: 9)

According to Wiggill, Naude and Fourie (2009: 52), non-profit organisations in the adult literacy sector experience government funding to be unreliable because continuous funding is not always ensured because of budgetary problems. It is important to note that NPOs operate in a highly competitive environment where an ever increasing number of NPOs rely on a small number of donors (Wiggill *et al*, 2009:52).

Netting and Williams (1997: 291) are of the opinion that it is the responsibility of non-profit grantees to provide convincing plans for project implementation and evaluation, as well as to plan and work for self sufficiency.

2.4.3 Social enterprise concept

A social enterprise is an enterprise that is owned at least in part by a non-profit organization that is using entrepreneurial methods to accomplish social goals. It has two goals, namely, to achieve social, cultural, community economic or environmental outcomes and to earn revenue. It enables organisations to depend less on grants and government funding. Organisations become self-reliant and more sustainable.

Non-profit organisations can also enter into economic activities as social enterprises with the aim of developing their financial sustainability. According to Moore (2005:10), "a social enterprise is a business venture that is operated by a non-profit organisation with a social purpose. Social enterprise projects seek to empower non-profit organisations in order for them to operate income-generating ventures and to make a social impact". An example of a non-profit organisation that embarks on a social enterprise concept in South Africa is Project Literacy. This organisation promotes and facilitates adult basic education in the community as well as promoting literacy. The organisation also renders its services to companies who require training programmes for skills development in management, technical, facilitating and administrative courses for their staff (Martheze: 2009). The organisation would then be paid for its services and this in turn goes to the organisation's coffers.

Another organisation that prides itself in social enterprise initiatives is a South African organisation called Heart. It is a non-profit organisation that "incubates start up social enterprises through seed, venture and capital phases of development" (Heart: 2011). One of their enterprises is a Heart shop where they sell clothes and samples that have been donated by clothing manufacturers. These are sold at discounted prices in a retail environment and not the usual small charity shop. The store's profits are contributed to community projects that are in the area. Non-profit organisations that have clothing supplies also send these to be sold at the Heart shop.

The literature from this chapter provided insight into the topic under discussion. The theories on stakeholder relations, public relations, and the discussions on the subject of fundraising and sustainability in this chapter presented preliminary data that enabled the researcher to draw some questions for the data collection stage. This data would also confirm and/or refute the findings of this literature review. The probing of these questions would also provide answers to the research questions and this would further provide insight of the methods of public relations that are applied by non-profit organisations in their fundraising efforts.

CHAPTER 3

METHODOLOGY

The objectives of the research are to determine and explore the methods that are utilised by non-profit organisations that operate in the city of Cape Town in order to raise funds. In light of the exploratory orientated research, the research is designed in a manner that will attempt to respond to the research questions and objectives. The literature review chapter provided insight on the type of questions to ask during the data collection stage. In this chapter, the researcher explains how the findings of the next chapter were obtained.

3.1 RESEARCH PARADIGM

The research paradigm that has been adopted for this research is the qualitative research method. Qualitative methods provide researchers with the opportunity to obtain new perspectives on existing information and gain more in-depth information that may often be difficult to convey (Hoepfl, 1997:2). By adopting the qualitative research approach, the researcher had the opportunity to interact with the respondents in their daily work settings. The research objectives sought to understand the interactions non-profit organisations have in society, with particular reference to fundraising. It was therefore fitting to select the qualitative research paradigm.

3.2 RESEARCH DESIGN AND DATA COLLECTION

3.2.1 Population

The research focuses on the non-profit organisation sector, often referred to as the third sector. The organisations that were approached for this study are based in the city of Cape Town in the Western Cape province. The organisations have operating offices in Athlone, Cape Town, Mowbray, Newlands, Ottery and Observatory. The request for interviews was sent to a total of ten non-profit organisations and only eight of the organisations agreed to participate in the research study. Due to the contentious nature of the topic of funding, two of the identified organisations could not participate in the study. This was a limitation to the study.

3.2.2 Sampling procedure

The purposive sampling technique was chosen because the sample group shares a trait, namely, they are all registered non-profit organisations. According to Rubin, Rubin, Haridakis and Piele (2010:201), purposive sampling is a non-random sampling technique that is used to select those people or groups that share a certain characteristic that is relevant to the study. Hoepfl (1997:4) adds that this sampling technique also attempts to find cases that are rich in information and can be studied in-depth. The organisations that were approached for the study are not homogenous in the type of services that they render. However, they all have one thing in common as they are registered non-profit organisations and have operating numbers. Merriam (2009:77) further explains that researchers that utilise the purposive sampling technique attempt to discover, understand and gain insight. Hence they must select a sample from which the most can be learned.

The organisations were identified and selected on the basis that they are within the realms of the city of Cape Town. The organisations render different services. They fall within five categories, namely,

- Out of the eight organisations, three of the organisations (40%) render health awareness and education services
- Two of the organisations (30%) render children and youth welfare and advocacy services
- One of the organisations (10%) renders an early learning education service
- One organisation (10%) renders nature and wildlife conservation services
- One organisation (10%) renders emergency humanitarian healthcare

3.2.3 Data collection methods

3.2.3.1 Interviews

In order to collect the data, the researcher conducted interviews to obtain in-depth data about the subject of the research. McNabb (2008:273) states that the qualitative research method of conducting interviews allow the researcher the opportunity to interact with the individuals in their selected groups. It is for this reason that the researcher selected to conduct personal in-depth and semi-structured interviews. These types of interviews allow the researcher to probe and explore the research's areas of inquiry (Hoepfl, 1997:5), in this case, public relations methods, relationship management and fundraising. The nature of the qualitative interview allows the respondent to be descriptive and Kvale (2007:12) states that the interview as a data collection method attempts to obtain descriptions that are comprehensive. An interview guide was drawn and a list of questions were presented to the respondents in a predetermined order. A voice recorder was utilised during the interview and permission was first sought from the respondents. The use of a voice recorder enabled the researcher to focus more on the interview. However, notes were also taken during the process.

3.2.3.2 Questionnaires

In order to obtain information and insight into the subject of research, qualitative researchers will ask people structured questions (Baxter and Babbie, 2004:167). The questionnaire consisted of both open-ended questions as well as closed-format questions. According to Merrigan and Huston (2004: 96), open-ended questions enable respondents to discuss an identified topic as well as report an experience in their own terms. The questions for the research were motivated by the objectives and research questions of the study. Some of the literature review provided insight into the type of questions to ask. It was necessary to ask open-ended questions because the study sought to explore and understand issues of fundraising, public relations methods and communication by non-profit organisations. The exploratory nature of the study also prompted the questionnaire to provide open-ended questions.

The questionnaire was divided into three sections (see Appendix A for the interview protocol). The first section of the questionnaire focused on the sources of funding. The second section focused on public relations methods. Finally, the third section is a combination of questions related to fundraising, reputation, relationship management and communication with stakeholders.

3.2.4 Data analysis

The data from the study was derived from both open questions as well as closed questions. The responses from the closed questions were analysed and reported in graphs and charts with percentage values.

In an effort to analyse the data, the researcher repeatedly played back the interview audio recordings. Notes from the interviews were also analysed repeatedly. From this process, the researcher was able to organise the data into themes that appeared from the interviews. According to Struwig and Stead (2001:172), qualitative data interpretation focuses on holistic understanding and enlightment of a subject so that it may be able to give meaning to the raw data. It is for this reason that the findings from the research process were reported as they were. The responses from the open questions had to be reported as precisely as possible. This is also because verbatim passages that are derived from qualitative research methods such as interviews and discussions constitute as evidence of findings and have a crucial role in qualitative reporting (Ritchie & Lewis, 2003: 312).

3.2.5 Ethical considerations

The researcher sought permission from the respondents and confirmed that all the information will be utilised for the purposes of the study. The nature of the organisations prompts them to be transparent about how they obtain and utilise their funding so they were not apprehensive about the information that they shared for the study.

The following chapter provides the findings of the research collection and analysis of the data that was obtained. It also indicates whether the research objectives were achieved or not and if the research questions were answered.

CHAPTER FOUR

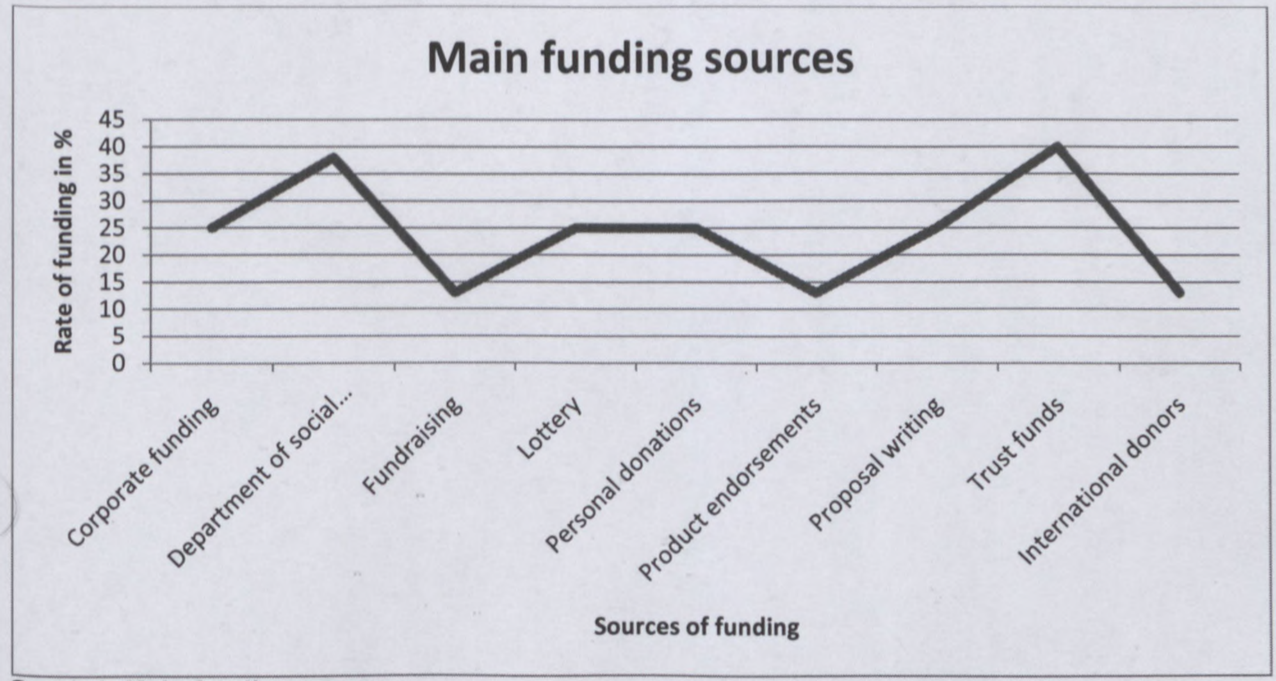
FINDINGS AND RESULTS

Chapter four is a report on the findings that were obtained from the data collection process. From the data analysis stage, certain themes became prevalent. These themes form the structure of this chapter and the information obtained from the respondents has been relayed as is, so as to prevent distortion. The findings are broken down into four themed sections, namely:

- Sources of funding
- Public relations methods used
- The role of public relations, relationship management and communication in relation to fundraising
- Challenges in fundraising

SECTION 1: Sources of funding

This section of the study focused on the various sources of funding for the organisations. Each respondent was asked what their organisation's main source of funding was. They were provided with a list of possible choices as indicated in the graph below. Below is the graph that represents the responses that were received.



Graph 1. Main funding sources

For 40% of the organisations (children and youth welfare, health awareness and education), the funding came from trust funds. Another 38% of the organisations received their funding from the government's Department of Social Development (children and youth welfare, health awareness and education). Corporate donations, personal donations, the lottery and proposal writing constituted 25% of contributions to non-profit organisations (health awareness and education, children and youth welfare, early learning education, nature and wildlife conservation and humanitarian healthcare). Fundraising, product endorsement and international donor organisations contributed 13% to organisational funding (children and youth welfare, health awareness and education).

The most popular sources of funding for the organisations were trust funds and the government's Department of Social Development. It is interesting to note that the least funding source came from fundraising and product endorsement.

The respondents were further requested to indicate by means of percentages where their most and least form of funding came from. They were provided with a list of potential funding sources. These responses are listed in the chart below.

Funding Source	Organisation 1	Organisation 2	Organisation 3	Organisation 4	Organisation 5	Organisation 6	Organisation 7	Organisa 8
Government grants	0%	0%	0%	49%	50%	0%	5%	0%
Corporate donations	0%	10%	0%	2%	0%	40%	55%	30%
Public donor support	0%	15%	0%	4%	20%	40%	40%	70%
Fundraising activities	0%	0%	0%	0%	0%	10%	0%	0%
Other	100%	75%	100%	45%	30%	10%	0%	0%

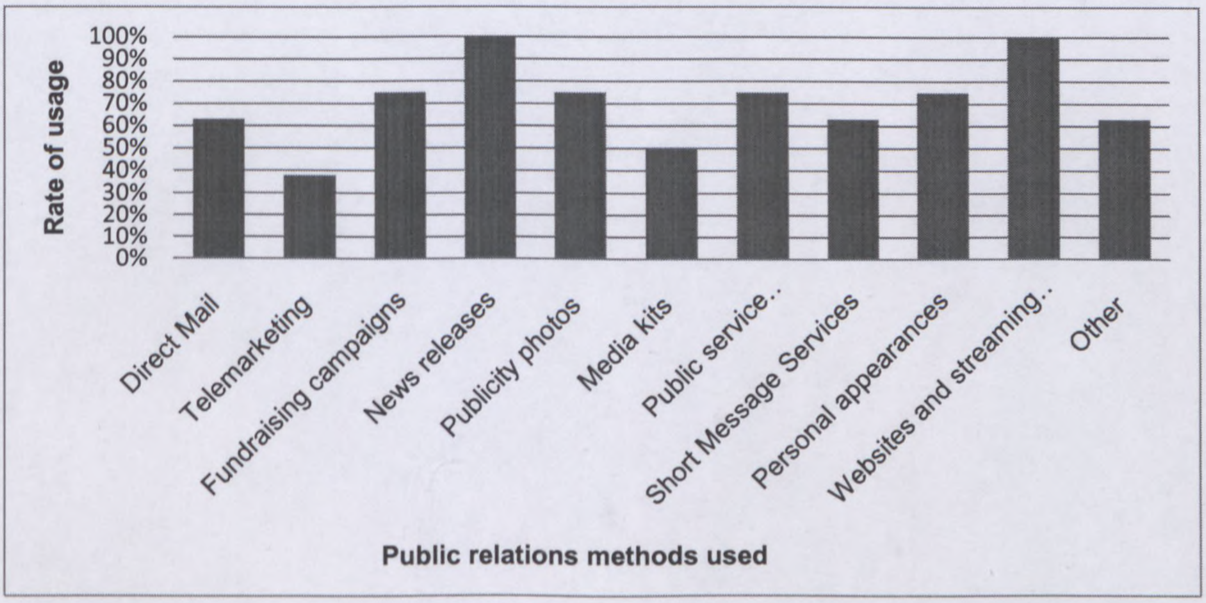
Chart 1: Funding sources for non-profit organisations

The results indicate that organisations have more than one source of funding. For more than half or the organisations (75%), the main funding contribution came from public donor support and other sources. The next main source of funding for most non-profit organisations (63%) was received from corporate donations. Few organisations (34%) received their funding from the government.

The variety of funding sources provides the non-profit organisation sector with opportunities that they can identify to use in their efforts to seek, obtain and raise funds. Some of these may fall under the jurisdiction of the different functions in the organisation and not necessarily the public relations. However, bilateral stakeholder discussions often occur at the strategic managerial level and this is where fundraising agreements and relationships can be built between non-profit organisations and donors.

SECTION 2 :Public relations methods used

This section focuses on the public relations methods that are utilised by non-profit organisations for raising funds. Respondents were provided with a list of methods that they possibly used and had to indicate which ones they mostly used. The graph below provides insight into which methods are mostly used.



Graph 2 : Public relations methods used

All the organisations (100%) indicated that they utilise their websites and streaming media as one of the methods that they regularly use. All the organisations (100%) indicated that they utilise news releases. The second most used methods (75%) were fundraising campaigns, publicity photos, public service announcements as well as personal appearances. Direct mail usage and short message services (SMS) stood at 63%. Other public relations methods such as exhibitions at shopping malls, proposal writing, product endorsements and social media seem to be regularly used public relations methods at 63%. Media kits usage stood at 45% and the least used method of public relations was telemarketing (35%).

It was also crucial to ask the respondents as to which methods brought out the anticipated and desired outcomes. For 38% of the organisations (children and youth welfare, nature and wildlife conservation), direct mail campaigns provided the most positive response. This was followed by proposal writing with 25% response. News releases constituted to a 25% response rate (health awareness and education). The public service announcement method contributed to 12,5% worth of positive responses (health awareness and education). The same number of response was received with the use of e-mail (nature and wildlife conservation). For one of the organisations, using the website was the most beneficial method of public relations. For the emergency health organisation, personal appearances brought the most desired outcome.

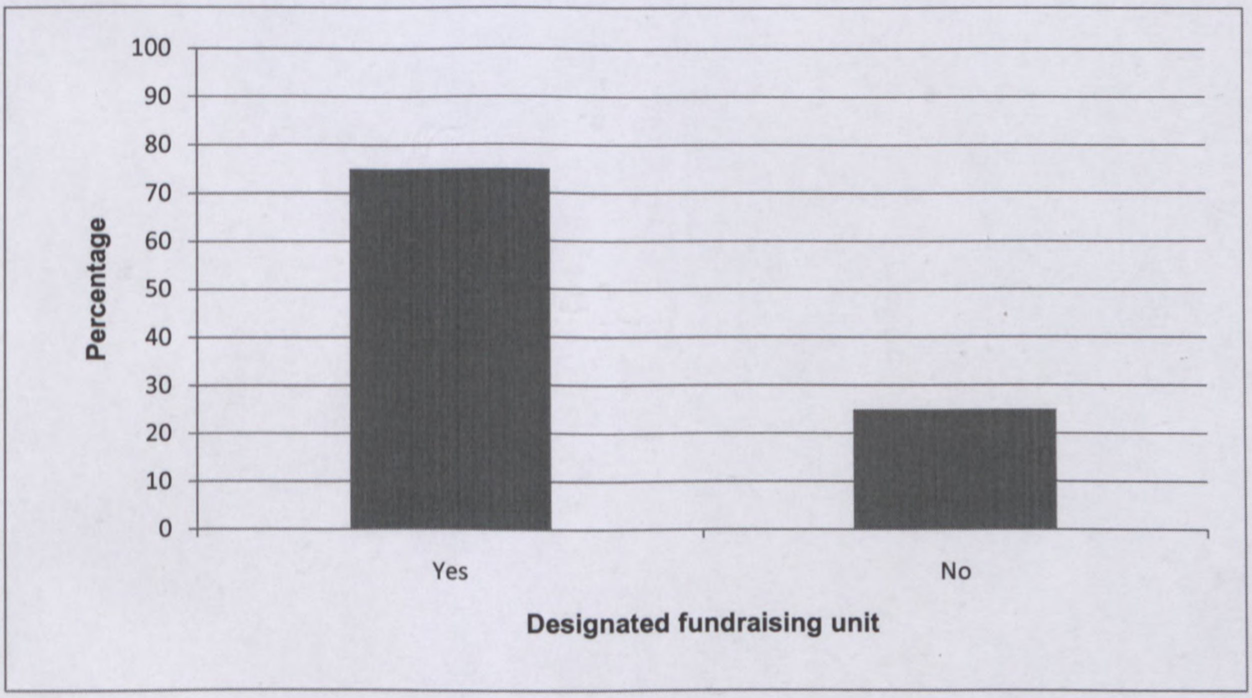
It is obvious from the responses that some public relations methods may work well for one organisation but may not necessarily work for the next organisation. Public relations methods and communication messages would have to be designed with the current and potential stakeholder in mind.

SECTION 3: The role of public relations, relationship management and communication in relation to fundraising

This section focuses on relationship management by non-profit organisations, the fundraising task in non-profit organisations, the role of the public relations function in the non-profit organisations as well as reputation management in the non-profit sector.

3.1 Public relations and fundraising

The graph below indicates the responses that were received after the respondents were asked if their organisations have a unit that is particularly designated to the task of fundraising.



Graph 3 : Designated fundraising unit in non-profit organisations

Six out of the eight organisations (75%) have a designated department that focuses on the fundraising task. Two of the organisations (25%) responded that they did not have a designated unit or department that focuses on the fundraising task. Health awareness and education, nature and wildlife conservation, early learning education and emergency humanitarian healthcare organisations have designated units. It was the children and youth welfare organisations that did not have fundraising units. For most of the organisations, the individuals that were responsible for fundraising are referred to as project managers, marketing and fundraising unit officers. In the emergency humanitarian health organisation, the unit is referred to as the resource mobilisation unit. In two organisations (children and youth welfare and early learning education), the fundraising task is undertaken by senior management with the assistance of the fundraising officer in the latter. This also shows that fundraising is an organisational function on its own.

Raising funds and remaining sustainable in the non-profit organisation sector is a challenge and this was indicated in the secondary data of this study. It was then crucial to find out who spearheads and is responsible for the task of fundraising in the organisation.

For two (25%) of the health awareness and education organisations, the regional and provincial managers are responsible for the fundraising task. The children and youth welfare organisation's director (12,5%) is responsible for the fundraising task. The chief executive officer at the health awareness and education organisation (12,5%) is responsible for the fundraising task and receives input from the members of the organisation's fundraising unit. The children and youth welfare organisation's chief executive officer is also responsible for the fundraising duty. The emergency humanitarian health organisation (12,5%) indicated that the fundraising unit has five departments, namely, the corporate funders, foundation funders, donor services, legacies and fundraising campaigns. Each of these units has an individual that administers it. The fundraiser and the director of the early learning education organisation are responsible for raising funds. The same can be said about the nature and wildlife conservation organisation.

The chart below indicates if fundraisers have formal training and expertise in the study of public relations or not.

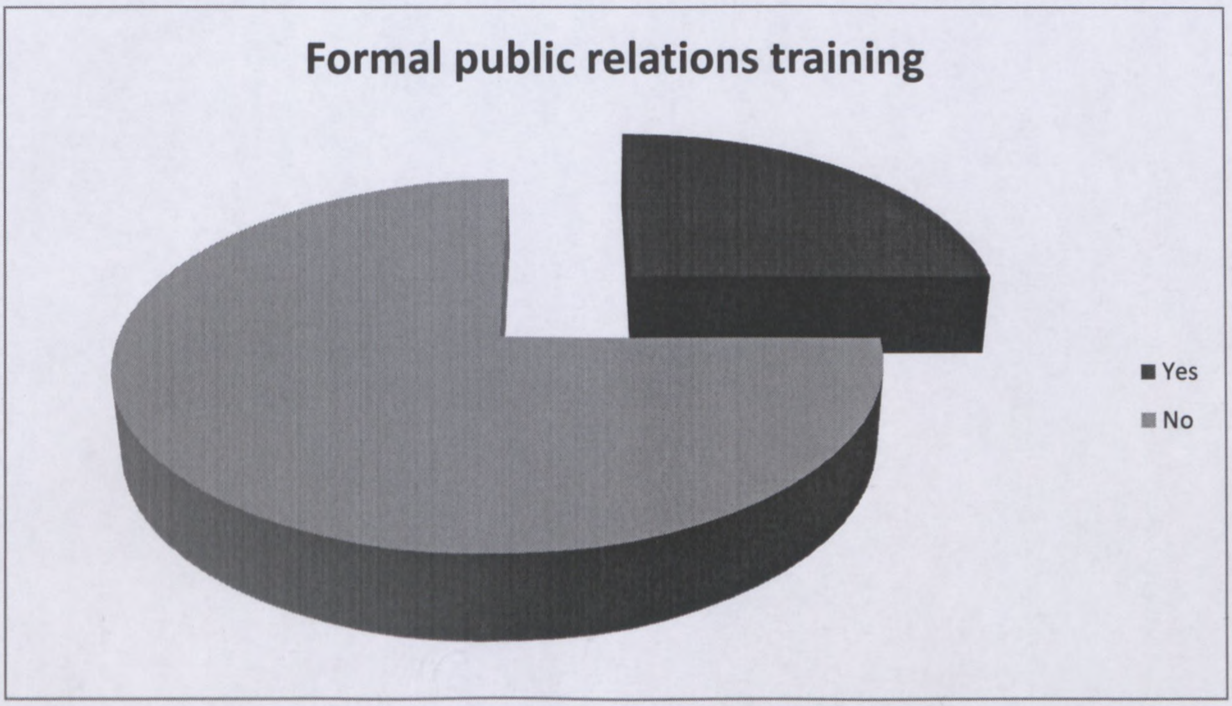


Chart 2 : Rate of fundraisers with formal training in public relations

More than half of the respondents (six out of eight), did not have a formal qualification in public relations. However, they had a background experience of working in the media and communication sector. The respondents felt that public relations skills were learnt on the job over time and experience. Respondents were formally trained in the marketing, media and advertising disciplines (health awareness and education, children and youth welfare, emergency humanitarian healthcare and nature and wildlife conservation). Only two respondents (25%) had a formal qualification in public relations. These respondents also had extensive experience in working as fundraisers, compiling public relations programmes and organising events.

The challenges that non-profit organisations face require the leaders and fundraisers of these organisations to be equipped with financial knowledge as well as communication skills and relationship management skills and most public relations practitioners are trained for this. They also need to be socially aware of what is required from them by their stakeholders.

3.2 Relationship management and fundraising

In order for the non-profit organisations to have supporters and donors, they need to be able to appeal and attract them so that they may be involved in the organisation. Each repondent was asked how their organisation was able to attract and create interest about their organisation.

Some respondents reported that organisations attract potential donors by conducting public road shows and presenting the organisation's services, mission and projects that organisations conduct. Other organisations also utilise communication mediums such as radio and newspapers to inform potential donors in the community (health education and awareness). For one of the children and youth welfare organisations, a presence in the media is obtained because of the advocacy role they play in the community and society at large. From this visibility, the respondents indicated that there is hope that the organisation's advocacy work will assist it in attracting supporters and donors. Potential donors often see an organisation's name on the Internet and do a follow up. The children's welfare organisation often obtains a lead from the website in the form of a query. The query is then followed up by making contact telephonically or by e-mail. Proposals are written and sent to potential donors that have shown interest to the organisation. The proposal has thorough information about the organisation.

The nature and wildlife organisation often invites existing donors to project sites and requests donors to bring a friend along. This provides a lead that the organisation can follow up on. For the health awareness and education organisations, respondents mentioned that often, a prior health experience prompted the public to support and donate to the health cause. The public is more empathetic when a family member had suffered and even died from a health condition.

Health awareness organisations stated that visibility in the community by means of presentations, public talks, health screenings and personal apprearances often led to the public taking part in the organisation's fundraising efforts.

It is evident that creating messages that have the ability to lead potential supporters to organisations is necessary as this could lead on to a relationship with the non-profit organisation. Carefully constructed messages by communicators create an interest. This relates back to the issue of relationship management and transparent communication by non-profit organisations.

The subject of reputation was prevalent in the secondary data stage and respondents were asked if the subject of reputation had any relevance to non-profit organisations.

All the respondents (100%) agreed that an organisation's reputation could determine whether donors respond positively or not to fundraising requests. Respondents agreed that accountability and transparency are determining factors of reputation management. An organisation builds its reputation over time (emergency humanitarian healthcare). Compliance with the King Report on corporate governance and codes of the Black Economic Empowerment played a major role in maintaining a reputable image for potential funding purposes.

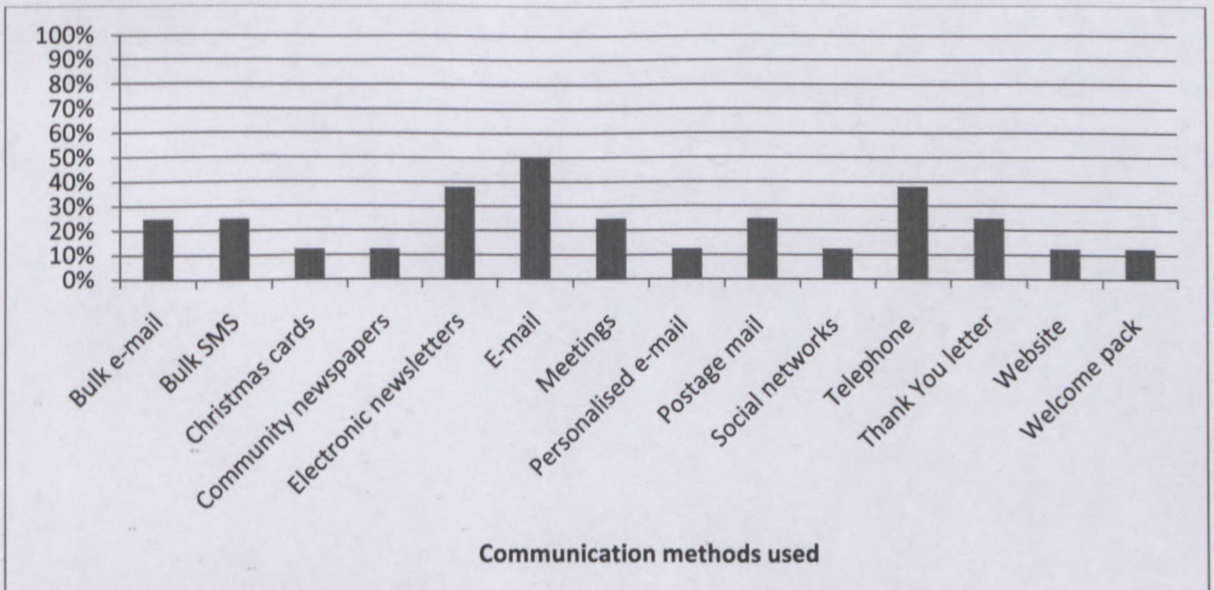
Potential donors are also attracted to organisations that are sustainable and innovative with their services. It is always important to maintain a good reputation because organisations are working with personal donations. Donors want to know how their funds are utilised. Most of the organisations indicated that an organisation's good reputation makes the task of fundraising easier. Organisations are also aware that the donor community speaks to each other and share information. Excellent organisational policies, compliances, audit reports, a good reputation and good financial management play a pivotal role in attracting donors. (health awareness and education).

3.3 Communication and fundraising

In an effort to communicate regularly with stakeholders, the respondents reported that they had various methods and consistency of communicating with their donors.The early learning education organisation regularly communicates with its donors in the form of quarterly newsletters, *ad hoc* meetings, events and seminars. One of the children and youth welfare organisations communicates by means of a quartely report. A health awareness and education organisation also sends a quartely newsletter and magazine to its donors. The two health and education awareness organisations are some of the few organisations that send out monthly correspondences to donors. This is done by sending bulk and personalised e-mails and electronic newsletters. Most of the organisations indicated that they send a gratitude letter to a donor each time they make a contribution to the organisation. All the organisations make an effort to regularly inform donors about what is happening in the organisation. The rationale behind this is to keep donors informed about any developments and events that the organisation will partake in or is organising. Some organisations such as the nature and wildlife and the emergency humanitarian healthcare often have to send *ad hoc* messages in times of crisis. Most of the respondents indicated that it is important to engage with the organisation's supporters often as it promotes and maintains transparency.

The nature and wildlife conservation organisation highlighted that they host a thank you function every year for its donors in three cities, namely Cape Town, Durban and Johannesburg. This organisation also sends a birthday card to each donor on their birthdate. One of the child and youth welfare organisations hosts its thank you function for donors every three years in one city. Some organisations conduct a telephonic follow up after a donation. More than half of the organisations use the social networks for their organisations and use this platform to keep supporters and donors informed about developments in the organisation on a regular basis.

The respondents further indicated the communication methods they adopted.The graph below indicates the communication methods that non-profit organisations use in order to communicate with their donors.



Graph 4: Communication methods used for communicating with donors

According to the graph, the most widely used method of communication with the donors is e-mail (50%). The least used communication methods were Christmas cards, community newspapers, personalised electronic mail, social network sites, websites and welcome packs. Each of these methods had a usage rate that ranked at 12,5%. Other methods that are used are electronic newsletters and telephone calls (38%), bulk e-mails, bulk sms's, meetings, postage mail and thank you letters all stood at 25%.

The relationship between an organisation and its donors and stakeholders requires an effort of maintenance. Respondents were asked how they manage this task.

Each organisation had a method of maintaining relations with their donors. All the organisations (100%) agreed that an organisation needs to keep its donors informed. According to the respondents, regular communication about developments, services, achievements and gratitude correspondences were important. It is also a good practice to deliver on the contractual agreements that the organisation has with its donors (children and youth welfare). This assists with a repeat in funding. Maintaining a relationship with donors is not an easy task hence organisations need to be consistent with keeping in touch by conducting events such as volunteers' day to acknowledge the contribution that they make to the organisation (health awareness and education). Most of the organisations keep donors informed by means of feedback on financial reports and annual reports.

Respondents indicated that they often send personalised and non-personalised e-mails to donors to communicate about projects, progress and challenges in the organisations. According to all the respondents, regular communication also encourages discussions between organisations and its donors. Some organisations achieve this by utilising social media such as Facebook, Twitter and Skype (emergency humanitarian healthcare). These mediums enable the organisations to discuss and engage with their supporters, and donors. Teleconferences with field workers are also utilised.

Section 4 : Challenges in fundraising

The non-profit organisation sector is not without a variety of challenges. Most of the respondents shared the same sentiment that there are a lot of organisations with good causes but there are few donors. The donor pool is small and organisations are competing for the funding. Some organisations indicated that funding information is not easily available. Potential donors, especially in the corporate sector, are often not specific about the causes they support. Feedback from funders can take up to a year. It is interesting to note that after South Africa's first democratic elections in 1994, international funding as well as government funding started to shrink among non-profit organisations (children and youth and youth welfare).

A respondent from one of the health awareness and education organisations stressed that the non-profit organisation sector is also in need of professionals with media relations, communication skills, technologically experienced individuals with the capacity to utilise social networks, blogs and keep the website updated. The sector also needs professionals with expertise in building relationships with the media so that the sector can be taken more seriously and perhaps have more space in the media. The lack of staff capacity is a challenge that hinders non-profit organisations from performing to their best ability and providing services to their identified stakeholders.

Non-profit organisations need a sustainability plan to be able to render their services (health awareness and education). Donors often do not understand that there are challenges when you have to render services on a limited budget. It is often a challenge to meet the expectations of the funders as they often demand their funds to be utilised in a particular method (children and youth welfare).

Another significant challenge that non-profit organisations face, as expressed by the child and youth welfare organisation, is aligning the organisation's work and services along with the funder's expectations without compromising on their mission, vision and objectives while maintaining a relationship with the funders (children and youth welfare). Society is not always aware of the services that non-profit organisations render. There is also a lack of awareness and non-profit organisations first need to explain what they do before they can ask for assistance from the public (health awareness and education, emergency humanitarian healthcare). It is often a challenge for non-profit organisations to find donors that are targeted at the organisation's purpose (early learning education, children and youth welfare). Donors also want structures within non-profit organisations but with the lack of professional capacity and resources, organisations are unable to meet these conditions by potential donors (health awareness and education).

The challenges in the non-profit organisation sector can both be encouraging and discouraging. The researcher focused on one of the challenges, namely, the issue of raising funds that would enable organizations to continue to render services. The mere fact that the organisations in the study are making efforts to communicate with potential and current stakeholders in order to raise finds is proof of the application of public relations methods and theories. Without public relations skills and effective donor relations, organisations would find it harder to raise funds.

The findings in this chapter are an indication of the responses from the participants of the study. The report has indicated the public relations methods that are used in non-profit organisations as well as the funding sources in the non-profit sector. The themes that have appeared provide insight into the topic of study and draw close to responding to the objectives of the study.

The following chapter highlights the most significant findings and compares and comments on the correlation between the literary review and the findings from chapter four.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

In this chapter, the researcher aims at highlighting and making recommendations based on the information that has been obtained during the primary and secondary data collection stages.

5.1 Funding sources

It is evident from the findings that non-profit organisations are funded differently from one organisation to the next. This can be attributed to the type of service they deliver, the donor's focus and cause of interest. Some organisations are mostly funded by trust funds while others obtain most of their funding from corporate donors and the department of social development.

It is also apparent from the findings that non-profit organisations require more funding sources than the usual donor base in order to achieve their sustainability objectives. This is further emphasised in the literature review that certain grants are usually given on a short term basis, as with government and foundation grants (Netting & Williams;1997:292). The lack of funders for this sector is another challenge that makes it hard for this sector to remain sustainable. Judging by the number of funding sources, it is recommended that non-profit organisations take cognisance of why some funders donate more, or even less at times. This information could assist non-profit organisations to find out what the potential donors need or want from the organisation. It would also assist the organisation in maintaining a relationship with its donors. It is also useful for non-profit organisations to investigate what type of needs various donors and sponsors support and keep a database of these.

5.2 Public relations methods used

The high usage rate of newsletters, websites and streaming media by all the organisations is an indication that the old and current methods can be utilised together for an integrated communication programme. This can be attributed to the diversity of the donor and supporter base that an organisation has. Some potential donors do not have access to the Internet and can be reached by means of the traditional methods such as direct mail, personal appearances and public service announcements amongst others.

The rapid progression in communication trends also prompts organisations to stay ahead and monitor how these trends affect the organisation. Non-profit organisations are using direct mail, telemarketing, fundraising campaigns, news releases, publicity photos, media kits, public service announcements, short messages services, personal appearances, websites and streaming media. This is indicative of the boundary spanning role of public relations that emphasises that public relations practitioners are agents of change (Steyn & Puth, 2000: 19). These practitioners are able to monitor what is happening in the stakeholder environment and determine how this affects the organisation.

As a recommendation, a blend of old and tried methods of communication such as news releases, as well as new methods, namely, websites can assist the organisation in achieving its communication goals. When organisations create their communication strategies and campaigns, they can use both the older methods alongside the new methods. The message should be consistent throughout the campaign. In an effort to create relationships, communication practitioners can try to approach media houses, explain what the organisation does and then deliver the media kits. Media houses are always receiving press releases and organisations have to ensure that these are created with the radio, television station and or the publication's targeted audience in mind. Mobile phones are a personal medium of contact and are convenient. They can prove to be a less costly method of communication with donors, however, it would be considerate to first ask donors and supporters their preferred means of communication so as not to impose and annoy them. The use of social networks can be beneficial because they are viral in nature. However, organisations would have to proceed with caution so that they do not get hacked. Some of the respondents indicated that exhibitions at shopping malls are still essential. This is because they are essential at creating visibility and provide in-depth information to potential donors and supporters. This creates a sense of legitimacy for the organisation. Omitting the old methods in place of the new may sideline the traditional donors who appreciate these methods and are interested in supporting the organisation and its cause.

5.3 Designated units

It is interesting to note that more than half of the non-profit organisations have a designated unit that focuses on the fundraising task. Fundraising is a unit that is necessary in non-profit organisations and it requires specialised skills that need to be utilised to the maximum for the benefit of the organisations. The lack of manpower in non-profit organisations has been noted as one of the challenges that face non-profit organisations, let alone specialised skills (Wiggill, Naude & Fourie, 2009:52). The fact that some of the donors require an organisational structure in an organisation that has few workers adds on as a challenge to some organisations. Another challenge for the fundraising unit arises from the lack of professional resources that are needed to assist the non-profit organisation to achieve all its goals.

As a recommendation, the fundraising unit's team members would need to possess persuasive communication and project management skills. They should be able to convince potential donors to support and adopt the organisation and its cause. The unit also needs a sustainability plan for its fundraising. The presence of a fundraising unit can assist the organisation in delegating the strenuous and challenging task of seeking funding and ensuring that it is sustainable. Apart from communication skills, the fundraising unit also needs to find creative and sustainable methods of raising funds. Their ability to foster relations can be shared with the public relations unit as in some organisations, these units often overlap each other in duties. They can also find areas where they can work together.

Top management also has an influence on the fundraising efforts of the organisation. As part of the higher echelon, they have the ability to influence potential donors and they can do this with managers who are at the same level as themselves.

5.4 Reputation management

All the respondents fully agreed that a good reputation is necessary for the benefit of the organisation. The principle of maintaining and managing an organisation's reputation is adopted by all the organisations. This is also confirmed in the literature review that "an organisation's reputation is certainly its most important and intangible asset". Donors need to know how their contributions are used and this plays a role in ensuring long term funding (Sarsdedt & Shroeder, 2010: 277). When they see transparency and compliance, it makes it less challenging for organisations to embark on fundraising campaigns because the public is already aware of the organisation's reputation.

It is recommended that the organisation take time to monitor what is being said about their organisation externally. This could assist them in gauging and monitoring the perceptions and what messages are being dispersed about the organisation. This practice fulfils the boundary spanning role as discussed in Chapter Two. Any misconceptions and false information can be rectified sooner than later. Environmental scanning needs to be conducted continuously so that organisations can stay ahead and monitor the brand of the organisation. It is common knowledge that an organisation's reputation is its intangible but very important asset. It can be easily damaged and it may take a long time to rebuild it.

5.5 Regular communication

The quarterly and annual reports that the non-profit organisations issue to donors and supporters assists them in their efforts of maintaining regular and constant communication. Gratitude letters and thank you functions, regular updates on social networks and websites are utilised as a means of ensuring that donors are informed and this promotes transparency. Regular communication with stakeholders is a principle that is prevalent in the theories of public relations. The two-way symmetrical model of public relations promotes organisations to communicate with their stakeholders and vice versa, thus confirming the boundary spanning role of public relations as identified in the reflective paradigm that was discussed in Chapter Two.

It further emphasises that there can be no development without communication and there has to be a two-way approach to it (Mersham, Rensburg & Skinner; 1995:78).

When organisations adopt a principle of transparency with their donors and supporters, they are likely to be trusted. Organisations should research their donors' preferred communication method and how often they prefer to receive correspondence from the non-profit organisation. Some donors may be content with receiving quarterly reports that summarise the work that has been conducted in that particular quarter. Ad hoc correspondence can be sent when the need arises. Organisations can then utilise their communication resources strategically and save on costs and time. This way they are also fulfilling the two way symmetrical model of public relations that was discussed in Chapter Two.

5.6 Stakeholder management

Various methods have been utilised to support an organisation's attempts at maintaining a relationship with donors. For most organisations it is important to deliver on the contractual agreement with the donors. Donors want to know how their funds are making a difference to the organisations. The donors have their expectations of the organisation and there needs to be terms of agreement between an organisation and its donors. Regular feedback is also necessary as it promotes two way symmetrical communication between an organisation and its donors.

The non-profit organisation sector is diverse and organisations often differ in their donor base, the services that they render and the resources that these organisations have. These factors will have an impact on how an organisation maintains its relationship with its stakeholders. A non-profit organisation's stakeholder group is not only limited to the donors but also the communities that they render services to. It is worth noting that these organisations exist in society so that they may render these services to their groups that are in need. It is not to say one group should take preference over another but non-profit organisations respond to social needs. Relations with stakeholders have to be managed. Organisations need stakeholder managers that focus particularly on the organisation's supporters and donors, community, as well as the media. They would need to research the nature of each stakeholder group. Organisations are already challenged in resources so this might prove to be an even harder task for the organisation.

5.7 Challenges in raising funds

The non-profit organisation sector is faced with challenges that range from a lack of professional resources to a large number of organisations that are competing for limited funding. Regardless of the challenges of insufficient funding, organisations still need to remain sustainable so that they are able to render their services to their communities and society at large. The lack of awareness about what non-profit organisations do often hinders their growth and where they can render and deliver their services. It is often a challenge to please funders without compromising on what the organisation stands for. These challenges are confirmed in the literature review of this study and the findings have confirmed this.

It is clear that this sector of society requires as much assistance as they can possibly obtain. It is a sector that works parallel to what the government aims to achieve for its citizens. There needs to be sustainability plans for non-profit organisations because these determine the lifespan of the organisations. This sector also realises that they can no longer live on handouts and the focus is on remaining sustainable. When non-profit organisations can no longer render their services, the load of service delivery ends up in the public sector's hands. Knowledge of how non-profit organisations can remain sustainable is essential so that organisations can remain in operation. They can seek assistance from the private sector, public sector and their supporters. An engagement with all the parties can move the sector from non-profit organisations to making them profit-with-a-cause and sustainable organisations.

5.8 Recommendation for further research

The government is not always able to render the secondary services that non-profit organisations offer. The non-profit organisation sector has proven its worth in societies by offering what government and the private sector often fall short on. The third sector, non-profit organisations, is a combination of citizens, the public sector and the private sector. These groups have a vision of assisting the government in rendering social services that can support and improve the lives of people. The existence of non-profit organisations relies on sustainability and the flow of available funds. The international financial meltdown from September 2008 created a challenge for all the sectors, private and public. The non-profit sector took a knock as funds were either cut back or organisations did not receive any at all.

A possible area of research in non-profit organisations can focus on sustainability for this sector. Research can be conducted on how non-profit organisations can remain sustainable so that they can continue to render their essential services. The research can focus on financial, human capital and asset management sustainability. This could assist the sector in its efforts to render their services and continue to make a visible impact on society at large.

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APPENDIX A : Interview protocol

INTERVIEW PROTOCOL

Name of the organisation:

NPO registration number :

Type of organisation:

Address:

Date of establishment :

SECTION 1

1. What are your organisation's main sources of funding?
2. Out of the sources of funding, please indicate, by means of percentages, the sources of the organisation's funding

FUNDING SOURCE	Percentage %
1. Government grants	
2. Corporate donations	
3. Public donor support	
4. Fundraising activities	
5. Other	

SECTION 2

3. Out of the following public relations methods, which out of the following do you regularly utilise? Please indicate as many as you can.

PUBLIC RELATIONS METHODS REGULARLY USED	
1. Direct mail	
2. Telemarketing	
3. Fundraising campaigns	
4. News releases (print, radio and television)	
5.Publicity photos	
6. Media kits	

7.Public service announcements	
8. Short Message Services (SMS)	
9. Personal appearances	
10. Product placements	
11. Websites & streaming media	
12. Other	

4. From the methods that have been selected, which methods are able to bring out the desired outcome?

SECTION 3

5. Is there a designated unit or department within the organisation that focuses on the fundraising task?
6. Who is responsible for the task of fundraising in the organisation?
7. Does the person responsible for the fundraising task have a background in public relations studies and expertise?
8. How do you attract potential donors to the organisation?
9. Does your organisation's reputation have an impact on how potential and regular donors respond to your organisation's fundraising requests?
10. How often do you make contact with the organisation's regular donors?
11. List the methods you utilise to communicate with the organisation's regular donors.
12. How do you maintain the relationship between the organisation and its donors?
13. What communication problems or challenges do you face when looking for funding or when requesting funding from donors?

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