

# **CHAPTER 1**

## **GENERAL INTRODUCTION**

### **1. INTRODUCTION**

Social work as a science and profession, particularly through its social work research, has always concerned itself with the verification of the impact of its interventions. However, in practice, formal systematic impact studies have lagged behind. Grant-making, which is fast becoming a career, is also under scrutiny regarding impact measurement of funding.

The literature surveyed (compare Business in the Community, 1998:11; IDASA, 2000:2; CSI Letter, 2000:16 and Human Rights Commission (Annual Report 1998/9), has revealed that there is an increased sense of urgency within the donor community, that is, government, private sector (for profit) and private sector (not for profit), to begin to make impact measurement an integral part of their financing policies and operations. Notwithstanding, CSI Letter (March 2000:6) states that donors find impact measurement a great challenge and “more companies are grappling with how to evaluate the internal and external impact of their community investment programmes and wondering how to report this to interested stakeholders.”

The lack of impact measurement in social work intervention programmes has identifiable negative impacts, as reflected in practice and literature. In practice it is evident that the absence of regular impact studies result in a growing skepticism about the impact of resources on deserving communities, as the poorest communities continue remaining so amidst large sums of money being distributed by the donor community. In South Africa, for example, the Human Rights Commission is required by the Constitution to monitor Government’s distribution of resources and submit, on an annual basis, the impact of Government’s resources on specified target groups, focusing on specific sectors (Human Rights Commission Annual Report 1998/9). In summary, the Human Rights Commission must require the relevant State Departments to provide the

Commission with information on the measures that they have taken towards the realization of the rights in the Bill of Rights (The Constitution of South Africa, Act 108 of 1996) concerning housing, health care, food, water, social security, education and the environment. In addition, State Departments have to report on what measures and how these measures are taken for the respect, protection, promotion and fulfillment of the socially and economically vulnerable groups which, according to the Human Rights Commission Annual Report (1998/1999:2), include:

- People living in rural areas
- People living in informal settlements
- Homeless persons
- Female headed households
- Women
- Persons with disabilities
- Older persons
- Persons with HIV/AIDS
- Children
- Formerly disadvantaged racial groups (Africans, Coloureds, Indians)

The Human Rights Commission Annual Report (1998/1999:2) further states that the State Departments have to report on the following themes to show the distribution of resources:

- Policy measures, that is, policies developed to ensure implementation.
- Legislative measures, what laws were passed to ensure the provision of the stated resources.
- Definition and monitoring of the minimum standards established for the realization of socio-economic rights.
- Budget allocations.
- Outcomes (results of the measures taken).

The Human Rights Commission Annual Report (1998/1999) reveals that the Government did not only fail in showing their commitment, skills and capacity, they have also failed in measuring the impact of their policies and operations on the units for investigation.

Sustainable development is about poverty eradication. One of the motives for funding, if not the key motive, is poverty eradication. However, the South African experience is that, over a period of more than four decades, financial resources had been pouring into poor communities, for example, the formal developmental welfare sector had been receiving funding from Government and the business sector for distribution to poor communities, but, to date, a coordinated and concerted impact measurement of such resources has yet to be conducted. The significance of poverty in nation building was demonstrated by the South African Government's engagement in public debates, during the year 2003, on whether HIV causes AIDS. The Government's argument was based on the role played by poverty in the management of this disease. AIDS has become an international threat to human life, for example, the National Productivity Institute (1999:3) reports that by the year 2010, the South African life expectancy without AIDS will be 68,2 and with AIDS it will be 48,0. Child mortality without AIDS will be 48,5% and with AIDS will increase to 99,5%. There is no doubt therefore, that AIDS has to take the priority attention of the whole country, but the Government argues that poverty is more life threatening compared to AIDS.

The withdrawal of funding by foreign governments and donors such as the European Union from the non-government organizations sector, after the overthrow of the apartheid government, without impact studies on beneficiaries, is another demonstration of the devastating effects of the absence of impact measurements. Many organizations which depended on such foreign donors and government financial support, closed down. Another example is the introduction of the National Lottery in South Africa. Grant-makers such as Ithuba Trust, who raised income for sustainable development by the sale and marketing of scratchcards, which was a form of lottery, had to cease their operations in preference to the National Lottery. However, there was no impact study conducted to measure the effects of such a measure on beneficiary organizations.

Finally, the lack of impact measurement studies in financing sustainable development or poverty eradication may lead to skewed understanding of what sustainable development is all about. Kraak (1996:47) concurs by stating that “the link between the act of giving and its intention is lost and this reinforces the general lack of understanding of [sustainable] development.”

The literature surveyed (compare Wintermantel and Mattimore, 1997:338-342; Brown and Svenson, 1998:30-35; Hedley, 1998:251-258 and Keck, 1997:29-31), reveals insights into three key issues, namely why impact measurement had been ignored; results of attempts made by the business community to measure the impact of their own sustainable development initiatives; and proposals for possible comprehensive frameworks for impact analyses. Several authors (compare Owyong, 1999:19-29; Mazel, 1965:66-71 and Keck 1997:29-31), list the following assumptions linked to the reluctance by the donor community to conduct impact studies as a strategy towards sustainable development or poverty eradication:

- Impact measurement overemphasizes numeral outputs and little on quality.
- Measurement of impact can lead to goal displacement and programme distortion as a result of donor motives and self interests.
- Information collected may be skewed, lacking consistency and accuracy.
- On their own, measurements are of little help when subjects under investigation are compared, since such targets are complex with diversified criteria for measurement.
- Measurement is costly and time consuming with scarce resources for complex units of analyses.
- Lack of coordination amongst donors compounds the already existing complex nature of sustainable development.
- Lack of understanding of sustainable development by donors who never know when to update, revise or radically change their policies and operations create a gap between funding and its intention.
- There is no demand for impact measurement because of skepticism about its value.
- Impact measurement involves expertise which is not readily available.
- Impact measurement reveals weaknesses and often results in loss of autonomy.

Business in the Community (1998:11), in motivating their member companies to begin to measure the impact of their involvement with sustainable development, report that the majority of sixty two (62) companies which were nominated for excellence in corporate investment “were unable to quantify the impact of their investment either on society or their business. It is here that the majority of work has to be done by us and member companies in order that we can demonstrate not only simply commitment, but also

value. Quantifying impact is the only route to demonstrate the return of business and community alike and therefore demonstrate that investment of resources has a tangible benefit.” Since impact measurement is about sustainable development and poverty eradication, Business in the Community (1998:8) continue to write that successful financing policies will be those which incorporate all the sustainable development features, namely social, economic and environment.

This study focused on Ithuba Trust as case study. Ithuba Trust is an independent resource organization that makes funding and development support accessible to non-government organizations that are involved in sustainable development and poverty eradication. The study is the first ever scientific approach by Ithuba Trust to measure the impact of its policies and procedures for access to funding towards socio-economic transformation.

The Trust was a member of the defunct Intermediary Grantmakers Forum (IGMF) whose other members were The Social Change Assistance Trust (SCAT), The Equal Opportunity Foundation (EOF), Kagiso Trust (KT), Interfund, The Nelson Mandela Children’s Fund (NMCF) and The Joint Education Trust (JET). This Forum was a network of independent South African grantmaking organizations, whose overall objective was to develop the capacity of the grantmaking sector in South Africa, with special reference to the state-funded grantmaking institution, the National Development Agency (NDA), channeling support to civil society development organizations in pursuit of national sustainable development and poverty eradication goals. The IGMF disbanded when the NDA could not enter into a partnership with them.

Arising from the overall objective of the IGMF, it is evident that there was, and in the researcher’s opinion, still is, a need to build grantmaking capacity in the donor community. The researcher had been Ithuba Trust’s Chief Executive Officer for a period of almost ten years and through this experience, identified with the need for grantmaking capacity development as rationale for the study. This identified need further developed into a need by Ithuba Trust, in agreement with Business in the Community (1998:11), to quantify the impact of its funding policy and procedures on its beneficiaries who are involved in poverty eradication and sustainable development. The researcher is also of the opinion that quantifying impact is the only route to demonstrate Ithuba’s effectiveness and the rationale for its continued existence as a grantmaker for poverty eradication

and sustainable development. The recommendations arising from the study will be presented to Ithuba Trust for a review of its current funding policy and procedures. At a broader level, the outcome of this study will lead to a re-thinking of the donor community to realign their priorities to make funding more effective in poverty eradication and sustainable development. This is critical in the sense that the Development Update (2001:74) assert that grinding poverty and massive inequality continue to constitute the weakest links in South Africa's transformation and democratization process. The Anglican Archbishop of Cape Town, Njongonkulu Ndungane, cited by Greybe (1998:6) concurs by stating: "We have had political liberation in SA. Now we need economic and social liberation."

The Consultative Business Movement (1994:1), referring to the South African Reconstruction and Development Programme (RDP) as the intended strategy to serve as an integrated policy framework for socio-economic transformation states:

"The RDP in its initial form presented a visionary framework for socio-economic transformation. Programme details and economic substance are being continually added to this vision, as it is increasingly acknowledged that – for successful RDP implementation – South Africa needs a social plan to transform the country into a winning nation."

The Consultative Business Movement (1994), further states that neither of the key stakeholders, that is, government, private sector-for-profit and civil society can meet the RDP objectives on their own. Ithuba Trust's aim to contribute towards the development of South Africa's grantmaking capacity towards socio-economic liberation falls within these national goals. The value of the study will therefore be towards the identification of best practice grantmaking strategies which in turn will, according to Consultative Business Movement (1994:15), add value to:

- Economic growth, without which there can be no meaningful improvement in the basic living conditions of all South Africans.
- Equitable distribution of wealth.
- Political and social stability, conducive to economic growth and just distribution of economic rewards.

The above discussion has revealed that impact studies remain a challenge in the funding and development sector. This challenge presents itself in government, business and the

civil society sectors. The argument, thus far, indicate that impact studies add value towards desired positive transformation of societies.

The findings and recommendations arising from this study will therefore influence Ithuba Trust's assessment of its current funding policy and procedures in order to determine whether they had in fact met the intended objectives in relation to poverty eradication and sustainable development.

In conclusion, the study will sensitize the donor community, development practitioners and the social work profession to observe the significance of impact measurement in intervention programmes and consequently make it an integral part of their practices.

## **2. PROBLEM FORMULATION**

According to Mouton and Marais, cited in Fouché (2002b:106), a research problem contains an indication of the units of measurement or analysis, aims and objectives and approach to research.

Grinnell and Williams (1990:63) present the following general guiding steps towards problem formulation:

- Selecting the general subject area.
- Refining the subject area.
- Reviewing the literature.
- Refining the subject area further.
- Examining relationships between concepts.
- Relating the research problem to existing theory.
- Constructing the hypothesis.

It can therefore be concluded that a problem formulation refers to observations or areas of concern about a particular subject and defines what needs to be accomplished and methods for intervention.

In formulating the problem in this research, reference will be made to current trends in impact measurement, measurement reforms and a framework for action. Against this background, the formal problem statement for the research will be presented.

## 2.1 Current trends

The researcher has observed that far less attention had been devoted by the donor community, government and non-government, to measuring the impact of their funding towards sustainable development and poverty eradication. This observation is of particular relevance in the context where billions of South African currency, donated by both local and foreign governments and non-government organizations, resulted in no evidence of sustainable development and poverty eradication. Phillip (2003/2004:17) concurs by stating: "Today, after 40 years and billions of dollars of development assistance, Africa lags the rest of the world in terms of its development indicators." This statement is relevant to the South African situation as it will be indicated in Chapter 3.

Policy makers, decision makers and development practitioners have as yet to integrate the measurement of the impact of their interventions into their practices. Maartens (1997:6) gives the following characteristics of measurement as value adding towards development: Impact measurement

- effects change as an important tool for strategic planning;
- gives early warnings and thus improves sustainability and growth;
- creates awareness for improvement;
- is a diagnostic aid and sharpens focus;
- increases efficiency, effectiveness, competitiveness and chances of access to resources;
- is liberating and promotes democratic processes;
- is an extension to traditional financing and management;
- facilitates the implementation of objectives, plans and policies.

Notwithstanding, development practitioners and donors still ignore impact measurement.

If development practitioners and donors do not conduct impact studies on what they do and fund, this means that the value of impact measurement, as described by Maartens (1997) above, is lost and one can conclude that the donor community, including governments, and developers, end up with what can be referred to as "doing the right things" or following correct methodologies without producing the desired results. Would this be one of the reasons why sustainable development and poverty eradication efforts fail?

This study sought to highlight the importance of impact measurement as an effective strategy towards poverty eradication and sustainable development.

The World Bank Development Report (2000/2001) identifies the need for a rethinking of financing policies and ideas for funding. The report states further that poverty amid plenty is the world's greatest challenge. For example, of the world's 6 billion people, 2,8 billion live on less than \$2 a day, and 1,2 billion on less than \$1 a day. Six infants of every one hundred do not see their first birthday, and eight do not survive to their fifth. Of those who do not reach school age, nine boys in one hundred, and fourteen girls, do not go to primary school (World Bank, 2000/2001:VI).

The South African situation is better described by Cross, Clark and Bekker (1995:1) who write that South Africa's key problem today is the financing of programmes addressing development problems in that "Government, donors and major non-governmental organizations are trying to provide black communities with a developmental infrastructure so as to deliver a decent standard of life for people disadvantaged under apartheid."

The World Bank Report (2000/2001) cautions that, amid plenty, the numbers of poor people are increasing despite the efforts of governments and organs of civil society to reduce poverty and further that such interventions by governments and non-government organizations had been largely ineffective in alleviating the plight of the poor. The South African situation is demonstrated by the Government's argument, as stated above, that priority for poverty eradication must supercede that of the life threatening HIV/AIDS epidemic.

The inability by governments and organs of civil society to eradicate poverty leaves more questions about the management and impact, rather than the size of budget allocation. This statement can be attributed to the fact that billions of Rand, for example, in South Africa, had been and still are being budgeted for by Government and non-government organizations for distribution to deserving communities for purposes of poverty eradication and sustainable development, without long-term sustainability.

Traditionally, development practitioners and donors evaluate their interventions in terms of output, for example, evaluations reflect quantitative results such as number of clinics built, number of training workshops conducted and number of participants attending

such workshops. The World Bank Report (2000/2001:V) refers to poverty as encompassing low income and consumption, health, nutrition, powerlessness, voicelessness, vulnerability, fear and other human dimensions. The Report continues to state:

“These different dimensions of poverty interact in important ways. So do interventions to improve the well-being of poor people. Increasing education leads to better health outcomes. Improving health increases income-earning potential. Providing safety nets allow poor people to engage in high-risk, high-return activities. And eliminating discrimination against women, ethnic minorities, and other disadvantaged groups both directly improves their well-being and enhances their ability to increase their incomes.”

In their research report, IDASA (2000:2) concurs with the World Bank Report by asking the following questions, the answers to which lead to impact measurement: If R400 million was spent to build 200 clinics, were there enough doctors, nurses, medicines, equipment? How far from the people’s homes were these clinics? How many people visited the clinics? IDASA state that outcomes are a mere means to an end.

IDASA (2000:2) further write: “Measuring the impact of social services delivery involves the complex task of attempting to explain the cause-effect linkage between public (or private) spending on the one hand and improvement in quality of life on the other.” Traditional sustainable development practitioners find the explanation of this cause-and-effect relationship a daunting experience and simply ignore impact measurement.

Essop (1996:101) reports on results of a study they conducted to assess how their funding policy intentions match their grantees practice. According to Essop (1996:101), the primary funding process and policies involve: “The work of identifying and negotiating with grantees, screening out ineligible grant-seekers, administrative pay-outs, staying in touch and bringing the grant relationship to an end.” According to this author, the ways in which those primary funding processes and policies are carried out commonly, form the main criteria grantees use to assess their funders. Essop (1996:101) refers to South African studies (BMI, 1994, Hallowes, 1995) which reveal the following criteria communicated by grantees in assessing the impact of donor policies and practices. According to these studies, the South African non-government organizations (NGOs) believe that donors should:

- streamline and simplify reporting and re-application requirements;
- fund operating/running costs, not just project activities;
- respond promptly and clearly to proposals and not extend the “flirtation” period;
- pay out according to agreed timetables to avoid grantee cash flow problems;
- perform competently and not, for example, misplace grantee reports;
- operate transparently, communicate about decision-making processes, and negotiate contracts in above-board ways;
- be clear about funding criteria,
- be consistent in policies and, if these do change, give grantees adequate warning;
- be ready to make multi-year grants;
- avoid sudden, unannounced decisions to discontinue funding;
- develop an understanding of the grantee’s work and the issues addressed, and of community needs and circumstances;
- moderate demands for quantitative information;
- show commitment and involvement in grantee activities, but respect grantee needs to fit donor visits or workshops (often busy) schedules;
- moderate pressure on grantees to become financially self-reliant.

Arising from Essop’s study, one can conclude that the beneficiaries of funding agencies demand more than funding from these donors. They also expect better quality service.

## 2.2 Measurement reforms

IDASA (2000:2) write: “The idea of trying to measure the impact of output is a relatively new trend. In South Africa and internationally, there has been a growing realization that public (and private) spending reform cannot be successfully achieved by focusing merely on outputs.”

Impact measurement is currently the focal theme in government budget plans and monitoring all over the world. Governments have introduced results-based accountability budget models like the South African Medium Term Expenditure Framework (MTEF) introduced in 1998 and, in general, compel State departments to illustrate in clear terms what results they hope to achieve with their term budgets. “The results-based accountability model represents a radical shift in budgeting for departments. There is likely to be a considerable learning-by-doing period before departments compile accurate, com-

prehensive data on expenditure estimates, performance and outcome targets” (IDASA 2000:3).

This state of affairs, that is, the government’s grappling with impact measurement of their financing policies, informs policy makers and practitioners that the problem needs urgent attention. As a result, the need for guiding frameworks for measurement become imperative, as the following section will indicate.

### **2.3 A framework for action**

In order to understand social phenomena, there is a need to combine theory and empirical evidence. In this study, social indicators for the measurement of the impact of Ithuba Trust funding policy and procedures were used to determine accessibility of its funds as a contribution towards poverty eradication and sustainable development.

Indicators are used to “provide information on social and other conditions and help us not only to identify problems, but also to measure their intensity and their distribution in both spatial and human terms. They are also used to measure or monitor changes in such conditions over given periods” (Kok, Ndlovu and O’Donovan, 1997:8).

Carley, quoted by Matube (1990:52) defines an indicator as: “A statistic of direct normative interest which facilitates concise, comprehensive and balanced judgment about the condition of major aspects of a society. It is in all cases a direct measure of welfare and is subject to the interpretation that if it changes in the ‘right’ direction, while other things remain equal, things have gotten better, or people are better off. Thus, statistics on the number of doctors or policemen could not be social indicators, whereas figures on health or crime rates could be.” However, Carley, cited by Matube (1990:52), cautions that definitions are subject to criticism and refers to the criticism of this definition by stating: “First, the position that social indicators must be of normative interest was felt to be restrictive because what is a norm today may change over time. Secondly, the requirement that indicators need to measure welfare directly, would restrict the number of variables that might be relevant to an understanding of a social indicator.”

World Bank Report (2000/2001:V) and IDASA (2000:5-9) concur that indicators are selected from a variety of impact dimensions. The following dimensions, based on World Bank Report (2000/2000), IDASA (2000), Business in the Community (1998)

and Ithuba Trust Funding Policy [Sa], were incorporated into the measurement tools designed for this study (see Appendices 5 and 6) to measure the impact of Ithuba Trust's funding policy and procedures on access to its funding towards poverty eradication and sustainable development:

- Developmental and transformational goals
- Chosen strategies
- Equity, security and opportunity
- Public image
- Quality of life
- Community issues
- Management and information systems
- Organizational development
- Stakeholder consultation and partnerships

The scope of the study focused on organizations, and not on communities. The motivation for not including the analysis of communities is based on what Finsterbusch (1980:24-25) asserts:

“Impacts on communities are both easy and hard to monitor. Communities are fairly open social units to study and regularly publish considerable information about themselves. Many impacts are readily apparent and open to public investigation. On the other hand, community impact analyses lack focus. Communities do not have goals like organizations, but are arenas in which many individuals, groups and organizations seek to achieve their goals, often in competition with one another. One way to study community impacts is to treat the community government as another organization and to break community impacts down into impacts on individuals, groups and organizations. The approach lacks an integrating focus.”

Finsterbusch (1980) recommends that an alternative approach is to view the community as a single social system that provides quality of life conditions for its members. In agreeing with Finsterbusch, the researcher is of the opinion that this approach is beyond the scope of this study.

## 2.4 Formal problem statement

Ithuba Trust, an indigenous South African grantmaker, distributed R200 million to more than 2 600 beneficiary non-government organizations over a ten year period (1989 - 1999), as a contribution towards sustainable development and poverty eradication. However, to date, this organization has not as yet conducted an impact measurement study, to assess whether its contribution added any value towards sustainable development and poverty eradication efforts in the country. The organization therefore has no comprehensive and scientific evidence of its performance. Against the background of increasing levels of poverty amidst plenty, Ithuba Trust, like other funding agencies, is faced with a challenge to find scientific evidence in order to rethink and realign its priorities to make its financial resources more effective to impact on poverty eradication and sustainable development. In similarity with Maartens (1997:6), as stated in point 2.1 above, the importance of impact measurement in the case study will aid Ithuba Trust's strategic planning and guidelines for the implementation of its objectives towards an effective change in poverty eradication and sustainable development initiatives.

The study has measured the impact of Ithuba Trust grantmaking strategy, policy and procedures for accessibility to its funding earmarked for poverty eradication and sustainable development, the outcome of which will lead to the revision of the Trust's existing policies.

## 3. RESEARCH PURPOSE, AIM AND OBJECTIVES

De Vos, Schurink and Strydom (1998:6) state that researchers in general confuse the meaning and use of the concepts "purpose", "goal or aim" and "objective" and as a result, use these concepts interchangeably. The collective meaning of these concepts implies, to what Bloom, Fischer and Orme (1999:70) refer to as "what the researcher would like to happen" at the conclusion of the study or the "ultimate outcomes of the research". However, according to Bloom *et al.* (1999:70), it is generally not possible to go directly from a problem to the ultimate aim. Rather, it is necessary to move first through a sequence of manageable steps or sub-goals.

According to Fouché (2002b:109) these steps or sub-goals encapsulate research objectives which are categorized into explorative, descriptive, explanatory, correlative and evaluative. Furthermore, states Fouché (2002b:109), it is possible for a single study to have several of these objectives. However, one of the objectives usually dominates the others.

Fouché (2002b), Bayley (1987) and Grinnell (1988), state that the aim and objectives of a research study vary in terms of whether the research is basic or applied. In differentiating the two types of research, the above-named authors state that the aim of basic research is the development of theory and knowledge whilst that of applied research is problem solving. However, the authors state that, whilst these differences are significant for various reasons such as specialization in each field of research, in practice these distinct goals overlap, because the findings in each type may be relevant to the other. For example, the findings in basic research might lead to the solution of problems and, on the other hand, the findings in applied research might lead to the development of theory and knowledge.

### **3.1 Purpose of study**

The nature of evaluative research is to “assess, amongst other things, the design, implementation and applicability of social interventions” (Fouché, 2002b:111). Babie, cited by Fouché (2002b), regards evaluative research as “the process of determining whether a social intervention has produced the intended result.” In addition, evaluation research is regarded as a form of applied research that can be utilized from qualitative, quantitative or combined approach. Examples of related objectives in evaluation research are programme evaluation, social indicators research or social impact assessment (Fouché, 2002b:111). De Vos (2002a:375) concludes that “evaluation researchers (or evaluators) use social research methodologies to judge and improve the ways in which human service policies and programmes are conducted, from the earliest stages of defining and designing programmes through their development and implementation.” According to De Vos (2002a:375), this definition implies the existence of a variety of types of evaluations, such as impact studies.

The purpose of the research study was therefore to evaluate whether Ithuba Trust, as a civil society resource organization, was able to distribute its funding towards poverty

eradication and sustainable development initiatives. The outcome of this evaluation is intended to provide valid and reliable data for Ithuba Trust's strategic planning, improvement and review of the existing policy and procedures and the development of new policies and procedures towards better quality service to its beneficiary organizations.

### **3.2 Aim of study**

The study aimed to measure the impact of Ithuba Trust's grantmaking strategy, policy and procedures for access to its funding towards poverty eradication and sustainable development initiatives, leading to the development of a funding guideline.

### **3.3 Objectives of study**

The following were the objectives of the study:

- To conceptualize poverty eradication and sustainable development within the Ithuba Trust framework.
- To measure the impact of Ithuba Trust financing policy and procedures on beneficiary organizations' strategies for poverty eradication and sustainable development.
- To identify social indicators for poverty eradication and sustainable development towards the development of best practice grantmaking strategies.
- To develop, based on the findings of the study, a grantmaking strategy for use by Ithuba Trust for their contribution towards poverty eradication and sustainable development.
- To make recommendations to the Ithuba Board of Trustees with regard to amendments to Ithuba Trust funding policy and procedures based on the grantmaking strategy that emerged from the study.

### **3.4 Research questions**

De Vos (1998:115) and De Vos and Fouché (1998:104) state that research often starts with one or more questions or hypotheses. De Vos (1998: 116) further states: "A good research question is one that can be answered by collecting data and whose answer cannot be foreseen prior to the collection of the data."

The research questions for the study were formulated out of the literature review, consultations with individual experts and the researcher's own observations whilst working for Ithuba Trust. These questions were:

- If billions of Rand are spent annually by governments, business and civil society on poverty eradication and sustainable development, why are poverty levels on the increase and not declining?
- What is it that needs to be done to radically reduce the incidence of poverty?
- What are the issues that could be attributed to failure to deal effectively with poverty eradication?
- To what degree is poverty eradication and sustainable development complex?
- What could be the reasons for the lack of interest by key stakeholders in impact measurement studies?
- Do impact studies on their own result in the influence of the incidence of poverty?
- How long does the development process take place and how does the length of this process influence donor support?
- How does Ithuba Trust attribute success to its policies whilst there are other funders involved in the same projects, programmes or organizations?
- In what format did Ithuba Trust funding influence the target beneficiary organizations?
- Are partnerships the route to follow in poverty eradication and sustainable development interventions?

#### **4. RESEARCH METHODOLOGY**

This section of the Chapter deals with the choice of the research methodology. The discussion will refer to the choice of the research approach, type of research and the research design. De Vos and Fouché (1998:76) caution that the choice of any of these, that is, the research approach or type or design, is very complex because a choice in one area might have a significant influence on the decision to choose another area. The three processes are interlinked, and choices need not be made in isolation of any other process.

#### 4.1 Research approach: Two-phased triangulation

According to USAID/South Africa (1995:4): “All evaluation studies, policy analyses, and assessment reports are, in some significant measure, dependent or conditional upon the conceptual framework and methodology employed to collect and analyze what is deemed to be relevant information... It is, therefore, incumbent upon those who conduct evaluative studies to describe their theoretical framework and conceptual approach, their methodology, and who they are, so that the reader can judge the adequacy, utility, limits and biases of this account.”

There are two approaches to research, namely quantitative and qualitative, which determine the direction of the problem for research and nature of data to be collected. In comparing these two approaches, Mears, cited in De Vos, Schurink and Strydom (1998:17), cautions that none of these two approaches is better than the other, but they complement each other and the best approach is to combine them as no single approach can certainly succeed in encompassing human beings in their full capacity. Epstein (1988:195) explains further that, rather than asking which is best, it makes more sense to ask under what conditions each method is better than the other, as a research approach.

Epstein (1988:185) and Schurink (1998) concur that the two approaches are compatible within any given research study and Epstein (1988:183) further states that “many of the best social work studies combine both quantitative and qualitative research methods.”

The choice of the research approach in this study was influenced by the following brief guidelines as stated by Epstein (1988) and Schurink (1998), based on the conditions most suited for each method. The discussion will first outline these conditions and conclude with a comparison between these conditions and the nature of this research. The conditions for analysis (Epstein 1988 and Schurink 1998) are as follows:

- The conditions under which quantitative methods are used are when there is prior knowledge of the culture and environment under which the study will be conducted. The opposite is true with the qualitative method where the culture and environment is unfamiliar.
- In quantitative studies, ease of access and a high level of legitimacy is a prerequisite because of the intrusive nature of data collection. Because of the nature of the unfamiliar territory, the researcher, who chooses the qualitative approach,

has to give considerable focus on how to gain access and legitimacy. Their access therefore depends on the utilization of their unobtrusive data collection methods.

- Quantitative methods largely depend on a researcher's high degree of control and authority. Without this condition, all the other key research components would be disorderly. In contrast, a qualitative research approach seeks the understanding of phenomena under study, and not control.
- Quantitative approaches seek considerable conceptual development, theory development and hypothesis testing. Qualitative approaches, by nature of the unfamiliar culture and environment, are suited for exploratory studies without the need for the development of theories or concepts or hypothesis testing.
- Concepts in quantitative approaches are in the form of distinct variables with an aim of establishing causal relationships between the stated variables. Qualitative methods address themselves to complex social processes, seeking meaning from the units of measurements in order to identify new concepts and the development of hypotheses.

In choosing the approach for this research, a comparison between the nature and scope of this research was made with the five stated variables comparing the quantitative and qualitative approaches.

- Prior knowledge of the culture and environment under which the study is conducted

The culture and environment under which this study was conducted encompass Ithuba Trust funding policy and procedures, Ithuba Trust beneficiary organizations, target for funding, the phenomenon of poverty eradication and sustainable development and the general funding community. This knowledge made the choice for the quantitative approach best suited for the conditions. However, the problem formulation revealed little or no knowledge about the subject for study, that is, impact measurement.

It can therefore be concluded that the knowledge about the Ithuba Trust culture led to a quantitative choice. However, the lack of knowledge about impact measurement influenced the decision for a combined approach.

- Ease of access and high level of legitimation

The respondents in this research were Ithuba Trust beneficiaries who have received multiple funding from Ithuba Trust during the period 1989 - 1999. A working relationship between Ithuba Trust, as case study, and the beneficiary organizations already exists. The beneficiaries, in entering into a relationship with Ithuba Trust, for ethical reasons, had to declare that their organizations would participate in any kind of research commissioned by Ithuba Trust. The researcher is the Chief Executive Officer of Ithuba Trust and had a relationship with the respondents over the period under study. However, with any kind of research, the researcher still is expected to prepare the respondents for their participation and data collection methods. The nature of the relationship between Ithuba Trust and the respondents on the one side and between the researcher and the respondents on the other indicates ease of access and legitimation for data collection. The existence of this relationship over a period of ten years translated into ease of access and high level of legitimation, which are prerequisites for the choice of both research approaches, that is, a combined approach.

- Control and authority over the climate and environment

The nature of this research did not seek control and authority over the climate and environment under which the study was conducted. Therefore the quantitative approach was not suited. In a qualitative approach, the researcher seeks to interpret the quality of the respondents' experiences in order to reach an understanding of the subject under study. A qualitative approach was therefore best suited for this research.

- Aim of the research

The aim of the research was another criteria considered in the choice of an approach for this research, whether to develop knowledge and theory or to explore an unfamiliar territory or to evaluate an existing policy or programme. As already indicated above, the two approaches sometimes overlap as the results in one approach might be relevant in the other approach, for example, the outcome of a qualitative approach, which might be exploratory in nature, might result in conceptual and knowledge development, which is the primary purpose of a quantitative approach. This fact made the conditions for the choice of either quantitative or qualitative relevant to each approach.

- Use of hypothesis

This research did not make use of a hypothesis, the purpose of which is to establish causal relationships between variables. The study aimed to establish the significance of a relatively unknown phenomenon, that is, impact measurement, and therefore to gain a better understanding of this phenomenon for solution of problems identified in practice. In this instance, the choice of a qualitative approach was a better one.

It can therefore be concluded that a single approach to data collection, in this study, was not adequate to capture the diverse perspectives and dimensions related to impact measurement, poverty eradication and sustainable development. This research therefore adopted both approaches.

According to De Vos (1998:359) the method of combining the two approaches in a single research is referred to as “triangulation”. The significance of triangulation is found in the possibility of the use of multiple methods of collecting data for the purpose of increasing the level of reliability, compared to an emphasis on the value of combining the two methods.

Duffy, cited by De Vos (1998:359) provides the following guidelines on the operational meaning of triangulation:

- Theoretical triangulation applies where the research utilizes a number of frames of reference in analyzing the same set of data.
- Data triangulation. Here, the researcher makes an attempt to make use of a multiple sampling strategy for observations in order to test a theory in more than one way.
- Investigator triangulation. In this instance, different actors in a research, such as observers, coders, interviewers and analysts are involved in a single study.
- Methodological triangulation, regarded as the original meaning, is referred to when more than one method of data collection procedures are used within a single study.

This study, as it will be outlined in the empirical chapter, adopted the methodological triangulation as more than two information gathering methods were used.

According to Creswell, cited by De Vos (1998:360-361), there are three models that combine the two approaches, namely:

- Two-phase model, where the researcher first conducts a qualitative stage of the study and concludes with a separate quantitative phase.
- The dominant-less-dominant model, which is self-explanatory, applies where the researcher utilizes a predominant approach within a single study with a small component of the entire research based on the other approach.
- The mixed methodology design model, where the researcher mixes aspects of each approach at almost every step of the research, taking advantage of each approach whenever appropriate. The concept is similar to an eclectic approach in intervention strategies.

The model adopted for this research was the two-phase model.

The first phase of this study was a qualitative study during which data was collected by means of focus group interviews that were conducted in three provinces, namely Gauteng, Limpopo and North West. The members of these groups were recruited through the purposive sampling method and consisted of organizations that possessed rich information about Ithuba Trust.

In the second quantitative phase data was collected by means of a mailed questionnaire to a sample of Ithuba Trust beneficiaries who were randomly selected and document analysis of the official records of the sample.

#### **4.2 Type of research: Applied research**

The aim of this research was to measure the impact of Ithuba Trust's grantmaking strategy, policy and procedures for access to its funding towards poverty eradication and sustainable development. The problem addressed by the research was the lack of impact measurement in development work, which, it is argued, impedes the achieve-

ment of developmental goals. The research therefore aimed to address this immediate problem for a solution.

The literature surveyed, (compare De Vos, 1998; Bayley, 1987, Grinnell and Williams, 1990; Bloom and Fisher, 1982; Forcee and Richer, 1973 and Grinnell, 1988), all state that the goal of applied research is to develop solutions for problems and applications in practice.

This research therefore, adopted applied research as an intervention and developmental mission to provide possible solutions to practical problems by highlighting the potential for impact measurement in reducing poverty levels and sustainable development.

#### **4.3 Research design: Evaluative one-shot case study**

According to Babbie and Mouton, cited by Fouché and Delport (2002:78-79), research design is one of the four elements, that is research problem, research design, empirical evidence and conclusions, that are standard in all forms of empirical research. However, its definition is diversified, with the resultant confusion about its meaning. Notwithstanding, Fouché and Delport (2002:88) state that research design is “a set of logical arrangements from which prospective researchers can select one suitable for their specific research goals.”

The choice of a research design therefore depends on the researcher’s acceptable definition of research design; problem formulation, purpose, aim and objectives; whether the research is basic or applied; and whether a qualitative or quantitative or combined approach is utilized. For purposes of this research, the researcher adopted the definition of Grinnell and Stothers (1988:219) who define research design as: “... a plan which includes every aspect of a proposed research study from conceptualization of the problem right through to the dissemination of the findings.”

The diverse definitions of what a research design is, has resulted in a list of research designs in both qualitative and quantitative research. Fouché (2002a:271), in distinguishing between designs in qualitative and quantitative studies, makes reference to a list of terminologies used by a variety of researchers, for example, strategies, strategies of enquiry or tools, methods, traditions of inquiry, approaches and paradigms. These concepts, according to Fouché (2002a:271) are equivalents of the concept design and

the author therefore chooses to use the concept strategy, for qualitative research, as an equivalent of research design.

For purposes of this research, the researcher is of the opinion that there is no blueprint regarding the use of the concept research design and agrees with Fouché (2002a:271): “Quantitative researchers consult their list of possible designs and select one (or develop one from the models available), while qualitative researchers almost always develop their own designs as they go along, using one or more of the available strategies or tools as an aid or guideline.”

Referring to the one-shot or cross-sectional case study, Fouché and De Vos (2002:140) state: “This is a design in which a single person, or group or event is studied only once, subsequent to some agent or treatment presumed to cause change.” Within the context of the study, it is to assess whether Ithuba Trust funding policies and operations could be presumed to have caused some reduction in poverty levels and promoted sustainable development in target beneficiaries. This argument leads to the conclusion that the one-shot case study is purposive rather than random. This implies that only respondents who have adequate knowledge of the history of the unit of analysis are to be selected for the study purposes, in order to provide a sound perspective.

In conclusion, the research methodology and its component elements, that is, the research approach, type of research and research design are comprehensively and schematically presented in Figure 1 below.

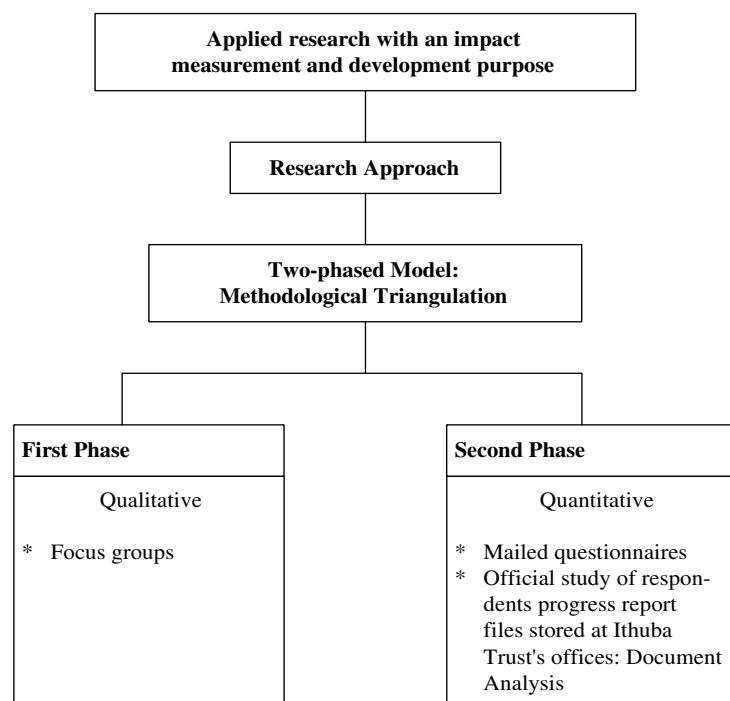


Figure 1: Research Methodology

## 5. DATA COLLECTION METHODS

In the study data was collected in two stages, namely a literature review and an empirical study. The two stages are discussed in detail below:

### 5.1 Literature review

Grinnell and Williams (1990:306) define a literature review as “an in-depth study of existing research articles that pertain to the topic presently being studies.” Grinnell (1988:434) states that an effective literature review for any research project helps to achieve the following objectives:

1. It demonstrates that the author of the proposal has mastered the available and relevant literature.
2. It demonstrates the similarities between the proposed study and past research findings of similar studies.
3. It demonstrates the differences between the proposed study and past research findings of similar studies.
4. It discusses how the proposed investigation will contribute to the knowledge base of the social work profession.
5. It supports and interacts with the conceptual framework by introducing and conceptually defining the key variables that are the subject of the study.

Bloom and Fisher (1982:16), Forcee and Richer (1973:263) and Fouché and De Vos (1998:64-68) concur with Grinnell and Williams (1990) and Grinnell (1988) on the significance of a literature review and that it is a basic obligation for researchers to conduct a literature survey. The researcher was generally sensitized to the subject of study, revealing the results, shortcomings and challenges related with such findings. The literature review also placed the research in a theoretical context.

The literature review, based on the aim and objectives of this study, incorporated the subjects of impact measurement, poverty, sustainable development, intervention strategies and policy development. In addition, the records of the respondents, held at the offices of Ithuba Trust, were studied.

The literature review as reflected in Chapters 3 and 4 was conducted according to the following strategy proposed by Fouché and De Vos (1998:66):

- An introductory survey of a few references obtained from the University of Pretoria's Information Centre on the subject impact measurement, poverty and its eradication, sustainable development strategies and enabling legislative frameworks.
- A search of previous research located at information centres and social development organizations, including the South African Non-Government Organisations Coalition (SANGOCO), Charities Aid Foundation (CAF) and Interfund.
- Use of the “snowball technique” whereby selected sources become sources for further references.
- Building a working bibliography, by using an index system.

The second phase of the research strategy involved the empirical study.

## 5.2 Empirical study

The empirical study was preceded by a pilot study whose function, according to Strydom (1998b:178), “... is the exact formulation of the research problem, and a tentative planning of the modus operandi and range of the investigation.”

For purposes of this study, a pilot study involved the following phases:

- Study of the literature, referred to in section 5.1 above.
- Involvement of the knowledge and experience of identified experts in the field of poverty and sustainable development. These experts were key stakeholders in the NGO sector, the disabled community, faith-based organizations, the donor community, government, the business sector and international development agencies. These experts held/hold leadership positions in their respective organizations with experience in management; policy development; implementation and evaluation; and the academic field.

The pilot study was conducted in two stages, namely individual interviews through an unstructured interview schedule (Appendix 1) and a seminar with a group of experts.

The pilot study involved the conceptualization of the phenomenon under study, that is, poverty, inequality and impact measurement; conceptualization of the research problem and demarcation of the content in the construction of the interview guide and questionnaire used in the qualitative and quantitative stages of the research. The experts interviewed were the following:

Abie Dithake	Former Executive Director: South African Non-Government Organisations Coalition
Teboho Mahuma	Former Executive Director: Southern African Grant Makers Association
Eunice Maluleka	Chief Executive Officer: Corporate Social Investment, Transnet Foundation
Lettie Miles	Former Consultant: ABSA Bank Foundation
Ishmael Mkhabela	Executive Director: Interfaith Community Development Association
Themba Mola	Programme Manager: Kagiso Trust
Ntjantja Ned	Former Director: UNICEF, South Africa
Dr Funiwe Njobe	Consultant: Kagiso Trust
Mpolai Nkopane	Former Manager: Uthingo Trust
Dimza Pityana	Former Executive Director: Zenex Foundation
Thabiso Ratsoma	Former Executive Director: Gauteng Premier's Office
Dr William Rowland	Retired Executive Director: South African National Council for the Blind
Bishop Joe Seoka	Bishop: Pretoria Diocesan Anglican Church

The experts, who attended a discussion forum for validity and reliability of data collected from interviewing the abovementioned experts were the following:

Dr Nozizwe Chinkanda	Former Deputy Director General: Department of Social Development
Marjorie Letwaba	Manager: National Lottery Distribution Trust Fund
Eunice Maluleka	Head: Corporate Social Investment, Transnet Foundation
Nokuzola Mamabolo	Former Unit Manager, Evaluations: USAID
Nomea Masihlelo	Unit Manager, Civil Society Programmes: USAID
Lettie Miles	Former Consultant: ABSA Bank Foundation
Vivian Moiloa	Manager, Education Portfolio, Transnet Foundation

Tiny Mokgotloa	Independent Consultant: Development Programmes
Dr Mimie Sesoko	Former Chief Executive Officer: Women Development Banking

The outcome of the pilot study led to the following:

- Conceptualization of poverty and sustainable development, impact measurement and intervention strategies.
- The demarcation of the research problem.
- The demarcation of content in the construction of the questionnaire for use in the quantitative phase of the study.
- The identification of possible limitations that could emerge in the study, especially in the administration of the questionnaire.

In this context, the pilot study informed the questionnaire used in the quantitative phase.

The empirical study was conducted in two phases, that is, the qualitative phase which in turn, informed the second quantitative phase.

### **5.2.1 First phase: Qualitative focus group interviews**

The qualitative phase was conducted through focus group interviews. Schurink, Schurink and Poggenpoel (1998:314) describe focus group interviews as "... a purposive discussion of a specific topic or related topics taking place between eight to ten individuals with similar background and common interests." The nature of the focus group interviews enables the researcher to develop concepts, generalizations and theories reflective of the participating group members. Therefore, focus groups produce qualitative data. The main aim of the focus groups is the utilization of group dynamics for the production of necessary data. The data gathered during focus groups could validate the information collected by means of a structured questionnaire. Schurink *et al.* (1998:318) state that in designing the interview schedule, the subjects for discussion need to be broad, but limited to four or five topics. Arising from the pilot study presented in section 5.2 above, a semi-structured interview schedule (Appendix 5) was developed as a data gathering tool. The data collected from the use of Appendix 5 was reduced to themes and sub-themes for analytic purposes.

#### **5.2.1.1 Population, sample and sampling method**

The choice of a research population is based on the premise of facilitating easy

access to subjects who are well informed about the problem under investigation. According to the literature reviewed (compare Seaberg, 1988:240; Bloom and Fischer, 1982:103; Forcee and Richer, 1973:121; and Arkava and Lane, cited in Strydom and De Vos, 1998:191) a sample can be defined as a small portion of a population. Grinnell and Williams (1990:118) state: "A population can be defined as the totality of persons or objects with which a study is concerned." Seaberg (1988:240) concurs and add as follows: "A population is the totality of persons, events, organizational units, case records, or other sampling units with which our research problem is concerned."

The concern for this research was the beneficiary organizations of Ithuba Trust. This population consisted of approximately 2 600 NGOs (see Appendix 2) which were involved in poverty eradication and sustainable development and received funding from Ithuba Trust for these purposes, during the period 1989 - 1999. De Vos and Fouché (1998:100), however, state: "... we are not able to study an entire population owing to limitations of time and cost, and we are obliged to draw a sample." Seaberg (1988:240) explains: "The reasons for this are fairly obvious, mainly having to do with efficiency, time limitations, and restricted financial resources."

Seaberg (1998:240 and Bloom and Fischer (1982:103) further state that, although a sample consists only of a portion of the population, it is assumed that this portion is representative of the total population. Such representivity influences the decision on the size of the sample. It is imperative to decide on the number of units for analysis before a decision on sampling is made. Grinnell and Williams (1990:127) state that the correct sample size depends both on the population and the research questions. If the population is limited, the entire population might be included. In such instances, no sampling is required. In general practice, populations large enough require sampling. According to Grinnell and Williams (1990:127) and Strydom and De Vos (1998:191), the rule of thumb is, the larger the sample, the better.

With reference to the size of the focus groups, Krueger, cited by Schurink *et al.* (1998:317), is of the opinion that the ideal size is between six and nine respon-

dents. Schurink *et al.* (1998:314) however, state that focus groups typically comprise of eight to ten people.

Sampling for the focus groups was largely based on Brotherson's purposive sampling guide cited in Schurink *et al.* (1998:317). Brotherson describes the purposive sampling method as a process "whereby information-rich participants with both depth and breadth of experience and who share commonalities will be identified." Respondents are therefore purposefully recruited according to the researcher's selected criteria. Babbie and Mouton (2004:166) refer to purposive sampling also as judgmental sampling because it is based on the researcher's "knowledge of the population, its elements, and the nature of your research aims: in short, based on your judgment and the purpose of the study." The purpose of this research as stated in section 3.1 above is to determine whether Ithuba Trust was able to provide funding to organizations that needed it towards their poverty eradication and sustainable development efforts. The researcher used her judgment and selected target groups and locations which, according to this judgment, were most neglected in intervention programmes. This judgment was based on her experience working in the NGO sector and the literature surveyed and presented in Chapters 3 and 4. The criteria used by the researcher for this purpose were therefore:

- Organizations that received funding from Ithuba Trust on more than one occasion and would therefore had gained knowledge on Ithuba Trust's policies and procedures.
- Organizations serving specific sectors, that is, early childhood development, youth, older persons, children's interests and women. These sectors, according to the researcher's judgment, were mostly neglected by development interventions in the past.
- Organizations serving the most neglected communities, that is, rural, townships, farms and informal settlements.
- Most underdeveloped provinces, for example, Limpopo and North West. Gauteng was selected to allow for the inclusion of the townships as an underdeveloped location.

Since focus groups are conducted in series, Schurink *et al.* (1998:317) state that the guiding principle is that the first two interviews generate a substantial

amount of new information whilst the remaining sessions produce very little, if any, new information. Based on this guiding principle, the researcher used her judgment and decided on four focus group interviews in Gauteng, Limpopo and North West. Two groups were conducted in Gauteng and one in each of the other two provinces.

#### 5.2.1.2 Data analysis

Poggenpoel (1998:337) states: “There is no right or wrong approach to data analysis in qualitative research. There are general guidelines a researcher can adhere to as well as strategies for analysis that have been utilized by qualitative researchers.” One of the guidelines proposed by Poggenpoel (1998:342-343) is “generating categories, themes and patterns.” For purposes of this research, the researcher adopted the identification of themes and sub-themes which developed out of recurring ideas and patterns, based on the interview schedule (see Appendix 5). The purpose of Appendix 5 was to elicit the respondents’ experiences, opinions and feelings about Ithuba Trust’s funding policy and procedures in order to determine their impact on accessing funding as a contribution towards poverty eradication and sustainable development. The questions asked in Appendix 5 focused on the following issues:

- Conceptual bias in terms of the definitions of poverty, development, empowerment and impact measurement;
- The impact of policies in general, whether they are enabling or disabling;
- The time frames for financial support in poverty eradication and sustainable development; and
- Specific challenges related to Ithuba Trust policies and recommendations for improvements.

The findings from this first phase informed the second phase presented below.

#### 5.2.2 Second quantitative phase

##### 5.2.2.1 Self-administered mailed questionnaires

The New Dictionary of Social Work, cited by Fouché (1998:152-153), defines a questionnaire as “a set of questions on a form which is completed by the respondent in respect of a research project.” Grinnell and Williams (1990:309) add: “... a method used for collecting data; a set of written questions which

calls for responses on the part of the client; may be either self-administered or group-administered.” Finally, Forcese and Richer (1973:160) define questionnaires “simple as forms of securing answers to questions.”

A questionnaire consists of two key components (compare Grinnell and Williams, 1990 and Forcese and Richer, 1973). These components are:

- a covering letter which addresses the identity and contact details of the researcher; the purpose and importance of the study; the audience for whom the research is of importance; the reason(s) for inviting the respondent; anonymity of the respondent and re-assurance of confidentiality; and instructions on how to complete the questionnaire.
- the questions which are asked in a manner which will allow the respondents to be brief and concise, whilst remaining within the objective(s) of the study. The format of the questionnaire is influenced by the manner in which it will be administered, that is, whether it will be mailed and self-administered, group-administered or telephonic.

In defining the appropriateness of questionnaires, Forcese and Richer (1973:175-176) state that questionnaires are appropriate when a large number of subjects is desired, when one has sufficient knowledge of the research topic to include many structured questions, when there are limited personnel resources and most importantly, when the potential respondents possess adequate literacy.

- Population, sampling and sampling method

As already stated in section 5.2.1.1 above, the population for the research was 2 600 NGOs which received funding from Ithuba Trust for purposes of poverty eradication and sustainable development during the period 1989 - 1999. The sampling procedure for the quantitative stage was different from that of the qualitative phase. The sample was drawn by systematic random sampling procedures. Babbie and Mouton (2004:190) state:

“In systematic sampling, every  $k$ th element in the total list is chosen (systematically) for inclusion in the sample ... To insure

against any possible human bias in using this method, you should select the first element at random ... The element having that number is included in the sample ... This method is technically referred to as a systematic sample with a random start."

Strydom and De Vos (1998:197) provide a synthesis of systematic sampling as follows:

"Here only the first case is selected randomly, ... All subsequent cases are selected according to a particular interval, e.g. each fifth or tenth case on a list of names, depending on the percentage sample needed."

For purposes of this research, only organizations that received funding from Ithuba Trust on more than one occasion (see 5.2.1.1 above), were selected for sampling purposes. This process reduced the population from 2 600 to approximately 1 000 organizations. According to Strydom and De Vos (1998:194) a 10% sample of a known population has become a convention which serves as a handy rule of thumb. The researcher aimed to obtain a high level of reliability in data collection and chose to select 20% of the 1 000 population, which resulted in two hundred organizations that received funding from Ithuba Trust on more than one occasion. The 200 sample was obtained by dividing the 1 000 population by 200, which resulted in an element of five. This procedure meant an interval choice of every other fifth organization for the sample. However, in order to insure that every other organization had an equal chance for inclusion in the sample, Babbie and Mouton (2004:175) and Hoinville et al, cited in Strydom and Venter (2002:197), propose flipping a coin or rolling a dice to select the starting number. For purposes of this research, a dice was thrown and number two was the result. The interval selection therefore started from number two to seven, twelve, seventeen, until the 200 was reached.

### 5.2.2.2 Document analysis

The use of existing information is not confined to a literature review. A literature review, as described in section 5.1 above, is confined to an investigation of selected empirical research, reported practice and identified innovations in accordance with a particular study. Documents or reports produced by respondents form an additional key source of information for analysis. Bayley (1987:290) states: “Another major source of data that is in my opinion rather neglected is the analysis of documents, by which we mean any written materials that contain information about the phenomenon we wish to study.” Bayley (1987:290) distinguishes between two major types of documents, namely, primary documents produced by people who experienced the phenomenon and secondary documents that are produced by people who have not experienced the event or behaviour, but who receive the information necessary to compile the document. The differences between the two are similar to the difference between an autobiography and a biography.

In the research, the researcher studied the official records of the 200 selected respondents. The information studied may be classified as primary because these were funding proposals from the respondents, captured in Ithuba Trust’s application form (Appendix 3) and the mandatory progress reports (Appendix 4) wherein respondents report to Ithuba Trust how the funding was utilized and with what results.

### 5.2.2.3 Data analysis

De Vos and Fouché (1998:203), citing Kerlinger, state that quantitative data analysis “means the categorizing, ordering, manipulating and summarizing of data to obtain answers to research questions. The purpose of analysis is to reduce data to an intelligible and interpretable form so that the relation of research problems can be studied, tested and conclusions drawn.”

The analysis of data may be conducted either manually or by computer (De Vos and Fouché, 1998:203; Babbie and Mouton, 2004:410-413). For purposes of this research, the researcher obtained the assistance of the Department of Statistics at the University of Pretoria for the analysis of data collected. The University of Pretoria used the statistical software package SAS. Babbie and

Mouton (2004:412) state: “To conduct a quantitative analysis ... you often must engage in a coding process after the data has been collected.” The researcher therefore developed a numerical coding system by reducing the responses from Appendix 6 into categories.

These numerical code categories were submitted to the Department of Statistics to be assigned to the respondent’s comments. In order to minimize discrepancies, the researcher and the Department of Statistics continued check-coding throughout the coding process. Through this process, the coding accuracy was verified. The coding process and data analysis resulted in cumulative frequency and percentage distributions, which are obtained, according to De Vos and Fouché (1998:208) by adding the individual frequencies successively and graphic presentations.

For further discussion on the quantitative data analysis, see Chapter 5.

## 6. ETHICAL CONSIDERATIONS

Several authors (compare Ross and Deverell, 2004:43; Strydom, 1998:24; Grinnell, 1988:67 and Bulmer, 1982:3), agree in the general definition of ethics as a set of noble principles and values enshrined in rules that direct researchers towards sensitivity to the rights of subjects. Ross and Deverell (2004:43), for example, define ethics as “rules of conduct that direct us to act in a manner that is consistent with our values.” Strydom (1998:24) on the other hand, provides a more comprehensive definition: “Ethics is a set of moral principles which is suggested by an individual or group, is subsequently, widely accepted, and which offers rules and behavioural expectations about the most correct conduct towards experimental subjects and respondents, employers, sponsors, other researchers, assistants and students.”

The background to the significance of ethics in conducting research is provided by Grinnell (1988:32) who states that there are three characteristics inherent in the social work profession which guide social work research. The three characteristics are the profession’s values and ethics; the profession’s beliefs and practices; and the rewards for conducting research.

Referring to the values and ethics, Grinnell (1988:33) states that the social work profession reflects legitimate concerns relating to the protection of clients or research respondents to ensure that they are not harmed. In ensuring that research respondents are not harmed, one may ask: How is this done? The South African Constitution (Act 108 of 1966) has dedicated a chapter on The Bill of Rights and as a result, the Human Rights Commission was set-up as an organ of the government to ensure that human rights are not violated and to take action against those who violate these rights against any person, group, organization or family. In terms of the South African Constitution and the Bill of Rights, research respondents' rights are therefore protected.

Strydom (1998:24) states that there are different ethical guidelines suggested by different authors. Notwithstanding, the author states that some authors choose to make a broad classification of a few guidelines, whilst others get over-involved with detail that results in more complex categories. Strydom (1998) therefore suggests the following guidelines: "... harm to experimental subjects and/or respondents, informed consent, deception of subjects and/or respondents, violation of privacy, actions and competence of researchers, cooperation with collaborators, release or publication of the findings and the restoration of subjects or respondents." For purposes of this research, the following guidelines were upheld, based on Strydom's (1998) classification.

- Harm to experimental subjects and/or respondents

According to Strydom (1998:25), Grinnell (1998:72) and Bloom *et al.* (1999:657), respondents can become victims of emotional or physical harm in a research study. It is therefore the responsibility of the researcher to ensure that no harm is done. In this study, the respondents were organizations which received funding from Ithuba Trust for their poverty eradication and sustainable development initiatives. These beneficiaries are eligible for future funding from Ithuba Trust. There was therefore a potential for victimization of respondents who might have refused to participate in the research. The researcher could have coerced them to participate by bribing them with a promise that their participation would guarantee their future funding from Ithuba Trust. The researcher therefore reassured the respondents that the research was not linked to future funding and further that adjudication of their future applications would be, according to Ithuba Trust funding policy, be done by external committees whose decisions were final. In this way the respondents were

assured that their participation and refusal to participate would not, in any way, influence the adjudication of their future applications.

- Informed consent

Strydom (1998:25-26), Grinnell (1988:68-72) and Bloom *et al.* (1999:657) agree that respondents must give permission for their involvement in a research study. Grinnell (1988:60-68) refers to the following informed consent procedures by The National Commission for the Protection of Human Subjects in the United States of America:

- Participants must be competent to consent.
- Sufficient information must be provided to allow for a balanced decision.
- Consent must be voluntary and uncoerced.

In this study, voluntary informed consent was obtained from Ithuba Trust's standard application form (see Appendix 3). The heading of Section G of Appendix 3 reads: "Public Information and Research". In this section, beneficiaries have to state whether they are willing or not, for Ithuba Trust to inspect their projects at any time and also give Ithuba Trust permission to tell other people about their projects on television, radio, newspapers, conferences and other public media. In addition, they have to state whether they are willing or not, to give students permission to practice at their projects. In other words, the respondents in the study had provided their voluntary consent to participate. In addition, during the quantitative phase follow-up interviews, the respondents had an opportunity to seek clarity on issues they had identified in the study.

- Confidentiality

Strydom (1998:27) states that confidentiality, violation of privacy and the right to self-determination can be viewed as being synonymous. Strydom (1998:27) and Grinnell (1988:74) agree that researchers have the advantage of obtaining privileged information about their research respondents. This privilege, however, is subject to the respondents' basic right for protection. Strydom (1998:27) states: "Researchers sometimes assure subjects of anonymity in their covering letters or by verbal communication, but secretly mark the questionnaires. It is often necessary that respondents be identified, for instance when

reminders have to be sent to persons who have not reacted, or follow-up interviews have to be conducted with certain respondents.”

In this study, the respondents were assured of confidentiality in the covering letters of the questionnaires and the respondents’ identities were revealed in the questionnaire for follow-up purposes. However, their identity was known only to the researcher and her assistant who helped with follow-ups. The assistant had a long-term relationship with the respondents as she was an Ithuba Trust employee specializing in beneficiary relations. The researcher trained her in the management of the confidential data.

- Cooperation with collaborators

Bloom *et al.* (1999:663), Grinnell (1988:75) and Strydom (1998:31) agree that research studies are often such difficult, expensive enterprises that the researcher finds it difficult in terms of their financing and time. In these circumstances, a sponsor may sometimes, if not often, have potential for ethical issues, for example, the sponsor may manipulate the researcher by being prescriptive regarding the disclosure of the identity of the sponsor or disclosure of the real findings in accordance with sponsor expectations, or when the intended aim of the study is camouflaged. According to Strydom (1998:31), the extent of the involvement of collaborators in a research project has an influence on whether a contract between them and the researcher needs to be drawn or not, in order to avoid any misunderstanding about their involvement in the research, inclusive of the extent or amount of their recognition in the research.

For the purposes of this research, collaborators were the Ithuba Board of Trustees, whose only contribution was to sanction the study and the granting of time required for the research period. During this period, Ithuba Trust did not have a study policy for doctoral candidates. The research therefore influenced the Ithuba Trust staff policy, which benefited students up to Masters Degree, to include benefits for doctoral students as well. The staff policy therefore served as authorization for the study. The other collaborator was a staff member, already mentioned under “confidentiality” above. This staff member provided only administrative support and could therefore not influence the quality and

merit of the research. For these reasons, the collaborators in the study could not influence the direction of the course of the study and its findings.

- Release or publication of the findings

Strydom (2002:248) and Grinnell (1988:76) state that the release of the findings, in a report format, is an essential part of the research and completes the research process. Researchers are vulnerable to extra-scientific influences over the research findings, for example, overly dedicated to the quest for knowledge that might cause the researcher to seek truth for the truth's sake or inappropriate career aspirations.

Strydom (1998:33) suggests the following guidelines which reduce the possibility of violating acceptable ethical standards in the release of the research findings:

- The final written report must be accurate, objective, clear, unambiguous and contain all essential information.
- All forms of emphasis or slanting to bias the results are unethical and must be avoided.
- Plagiarism is a serious offence; therefore all due recognition must be given to sources consulted and people who collaborated.
- Shortcomings and errors must be admitted.
- Subjects should be informed about the findings in an objective manner without offering too many details or impairing the principle of confidentiality; this is a form of recognition and gratitude to the community for their participation.

For purposes of this research, the researcher placed her objectivity on the shared value of this research with Ithuba Trust, the social work profession, poverty eradication and sustainable development. The researcher's experience in the donor community and the dilemma of huge resources utilized for the reduction of poverty, with little or no effect, was motivation enough for the researcher to strive for objectivity in presenting the research results, without compromising any ethical consideration.

## 7. DEFINITION OF KEY CONCEPTS

The following key concepts referred to in the study are defined in order to avoid confusion or possible misinterpretations. Other concepts will be defined in the relevant chapters of the thesis.

### 7.1 Development and sustainable development

Burnell (1991:14) states: "Development is not a well-defined phenomenon, and it is only partially understood even by those academics who have made a specialized study of it. What is clear, however, is that development is multi-dimensional. It cannot be reduced simply to economic growth. Changes of a social and political nature are an inescapable part of development. This is especially true in the many less developed countries where power and wealth are distributed very unequally."

Overseas Development Administration (ODA), (1995:2) define development as "the attainment of sustainable improvements in economic growth and the quality of life that increases the range of choices open to all, achieved by people's own efforts in the private sector or through voluntary activity, supported by governments." As already mentioned above, donors fund development projects. As a result, ODA (1995:6) define development projects as follows: "By development project we mean a finite investment package of resources (that is, finance, equipment and personnel) designed to achieve a particular set of economic and social objectives within a specified period of time."

SANGOCO (1999:1) takes the definition of development further by referring to a developmental civil society state which they define as "a state, sufficiently strong enough to marshal resources (in part through redistribution of wealth) but slim enough to assure local-level consultation, participation and control, is fundamental to entrenching democracy and achieving reconstruction and development." Here, SANGOCO incorporate government efforts in development.

According to the above definitions of development, the concept sustainability appears to be a common feature. In other words, development without sustainability becomes a partial process of growth lacking in finality. Sustainability and development seem to be two sides of the same coin. Business in the Community in their periodical Business in Society: Assessing the Impact (1999:3), report: "Sustainability is about taking an inte-

grated approach, about striking a balance between environment, social and economic considerations. For a business to be successful, it must perform well in all three dimensions.”

Sustainable development can, therefore, be defined as a process where people regain their lost power to shape or control their own lives and make their own choices or preferences for their own destinies, with support from the private sector, government and organs of civil society, to ensure that their future and that of future generations is not compromised.

## 7.2 Non-government organization (NGO): Ithuba Trust beneficiaries

Tamuhla and Bell (1999:2) state that the definition of a non-government organization (NGO) “is a complex issue which surrounds an entire body of literature and research, and defining the term is not an easy thing to do.” The two refer to two working definitions by the World Bank and the Commonwealth Foundation.

The World Bank’s definition is as follows (Tamuhla and Bell, 1999:2):

“... the diversity of NGOs strains any simple definition. They include many groups and institutions that are entirely or largely independent of government and that have primarily humanitarian or cooperative rather than commercial objectives. They are private agencies in industrial countries that support international development; indigenous groups organized regionally or nationally; and member-groups in villages. NGOs include charitable and religious associations that mobilize private funds for development ... They include independent cooperatives, community associations ... Citizen groups that raise awareness and influence policy are also NGOs.”

The Commonwealth Foundation (Tamuhla and Bell, 1999:2) defines an NGO as “a voluntary, independent organization which is not-for-profitmaking, and is not self-serving. Non-Governmental Organisations seek to improve the quality of life of disadvantaged people and act on the concerns of society as a whole. Community Based Organisations (CBOs) fall under this broad category of Non-Governmental Organisations, but are generally distinguished by their focus on a particular community.”

According to Development Update (1999/2000:xi), the terms voluntary sector, non-profit sector, voluntary organizations and non-profit organizations are used interchangeably and refer to both non-government organizations (NGOs) and community-based organizations (CBOs). NGOs and CBOs in South Africa denote organizations involved in development compared to welfare objectives. Development Update (1999/2000:xi) further state that, generally, reference to an NGO or CBO imply the following:

“NGOs are understood to be non-profit organizations which provide some kind of professional service to community groups (such as civic associations). CBOs are organizations that bring together constituencies at a grassroots level, to take action and make representations on issues of common interest. CBOs are often the recipients of services provided by NGOs.”

Development Update (1999:2000:xi) further state that these definitions are not watertight. CBOs and NGOs in certain settings provide similar services.

The Development Resource Centre, cited in Swilling and Russell (2002:7), define NPOs or NGOs as follows:

“NGOs are private, self-governing, voluntary, non-profit distributing organizations operating, not for commercial purposes but in the public interest, for the promotion of social welfare and development, religion, charity, education and research.”

The inclusion of religion in the above definitions has led to a new category in South Africa, referred to as the faith-based organizations (FBOs). These are organizations involved in development and welfare, initiated by religious groups.

Swilling and Russell (2002:7) also refer to a definition of an NGO by the Centre for Policy Studies, which puts more emphasis on civil society and define it as “independent of the state, engage with it, but not seek to take it over.”

Swilling and Russell (2002:7) state that the most recent attempt to define the NPO or NGO sector was made by the South African Department of Welfare and Population Development on drafting the NonProfit Organisations Act (No 71, 1997). The Act defines non-profit organization as:

“A trust, company or other association of persons established for a public purpose and the income and property of which are not distributable to its members or office-bearers except as reasonable compensation for services rendered.”

The South African non-profit sector therefore, operates under the NonProfit Organisations Act (No 71, 1997) and is therefore so defined. In the study, reference to the NGOs will be within the parameters of this Act. These are organizations which are voluntary, independent, non-profit and not-self-serving. Ithuba Trust funded NGOs and reference to Ithuba Trust beneficiaries in the study means NGOs as defined by the NonProfit Organisations Act (No 71, 1997).

### 7.3 Impact measurement

Valla (2000:10) defines impact as follows:

“An impact is defined as the expected effect (or effects) of a project on a target population. Impacts can further be classified as short-term and long-term (depending on when they occur and how long they last); intermediate and final (depending on the objectives of the project); intended and unintended (depending on whether they were planned or expected)”. IDASA (2000:4), in their attempt to define “impact” make reference to cause and effect relationship and suggest that to talk about impact, does not refer to a single cause-and-effect relationship. IDASA agree with Valla (2000) that some of the effects caused by implementing a particular social service programme may be intentional whilst others may be unintentional.”

*Impact* therefore can be defined as complex and ambiguous unforeseen consequences arising from a conscious or unconscious intervention upon a target for change.

Forcese and Richer (1973:53) define measurement as follows: “Measurement consists of identifying the values which may be assumed by some variable, and representing these values by some numerical notation. The numerical notation is systematically and consistently assigned; that is, it is assigned according to some set of rules.” Bloom *et al.* (1999:38) define measurement as follows: “Measurement is generally thought off as the process of assigning labels to certain characteristics of things according to a set of rules.

The ‘things’ may be people (especially their thoughts, feelings, or actions relevant to the practice situation), objects, or events.”

Roget (1987:218) defines measurement as synonymous to, amongst others, evaluation, appraisal, assessment, rating and valuation.

De Vos (2002b:383) states: “The concept of impact measurement implies a set of specified, operationally defined objectives and criteria of success.”

For purposes of this research, impact measurement is defined as expected intentional or unintentional effects of Ithuba Trust grantmaking strategy, policy and procedures for access to its funding towards poverty eradication and sustainable development initiatives.

#### **7.4 Donor or grantmaker**

The motivation for support as a donor has an influence on the definition of a donor or grantmaker.

The Charities Aid Foundation (CAF) (1997:91) defines, in general terms, a grantmaker or donor as a resource body which has an explicit primary function of making grants or disbursements to other charities, for a variety of development purposes.

The World Bank (1998:9), however, state that “Past domestic and international political conditions and beliefs about development strategy structured organizations, instruments, and implementation of aid. But those beliefs have undergone enormous, and accelerating, change.” The United Nations Educational, Scientific and Cultural Organisation (UNESCO) (1994a:4) concurs by referring to the South African political transformation where the political conditions and beliefs changed the donor strategy from opposition to apartheid, to support, to the democratic transitional process and finally a shift towards broader development action.

Nelson (1996:10) states that a donor does not only provide the financial resources for development, but even more, non-financial resources such as the following key areas for support:

- Economic development, that is, support to, amongst others, local business development, emphasizing the role that donors can play by creating linkages or partnerships in multiplier effects and supporting small and medium enterprises.
- Human development, that is, support for wider education and training, health and the quality of life.
- Environmental sustainability, that is, support for poverty eradication and sustainable development.
- Social cohesion, that is, support for democracy, human rights, civil society and social entrepreneurship.
- Integrated community development, that is, support for integrated rural and urban development.
- Emergency and disaster relief, that is, support for management systems and networks and humanitarian efforts for relief and rehabilitation after major natural and man-made disasters.

A donor can therefore provide human resources, products and services, skills, facilities, infrastructure, access to networks and money.

Donors or grantmakers can be identified in various categories such as the following:

- Local and foreign governments.
- The local and foreign private or business sector.
- Local and foreign Foundations or Trusts.
- Local and foreign churches.
- Local and foreign Agencies.
- Multi-lateral organizations or a consortium of donors.
- Bi-lateral organizations where a contract is signed between a recipient government and a donor.
- Parastatals which are government-initiated agencies with a mission for, amongst others, sustainable development, research, academic institutional development, small and medium business entrepreneurship.

It can, therefore, be concluded that, for purposes of this research, a donor or grantmaker is a local or foreign government or non-government body, that provides financial and non-financial resources to a beneficiary body for purposes of advancing the interests of the beneficiary body towards poverty eradication and sustainable development, with

implicit transparent reporting by the beneficiary body to the donor. Ithuba Trust, as a national grantmaker, is therefore defined within the parameters of this definition of a grantmaker.

### **7.5 Strategy**

Allen (1985:743) defines strategy, amongst others, as a “plan of action or policy in business or politics, etc.”

Ong and Bin (2000:30) state: “The role of strategy should be viewed as a process of continuously and actively adapting the organization to meet the demands of a changing customer, competitor and environment.”

In this study, strategy refers to Ithuba trust’s funding policy, plan of action and its operations subject to continuous reviews for adaptation to changing circumstances in the poverty eradication and sustainable development sector.

## **8. LIMITATIONS OF THE STUDY**

The researcher identified two possible areas of limitations of the study as presented below. However, these limitations were relatively managed.

### **8.1 Period under review: 1989 - 1999**

Beneficiary organizations usually mandated their senior staff members to interact with Ithuba Trust in matters related to funding. It became apparent that due to the length of the period under study, some of the beneficiary organizations experienced staff turnover and as a result, the departed staff’s personal experiences with Ithuba Trust was lost. For example, respondents were asked to assess the behaviour of Ithuba Trust staff and management. As a result of staff turnover, some respondents were unable to make comments. However, the number of affected respondents was insignificant. Only six out of 200 (3%) were affected.

Another related limitation was the fact that some of the respondents made reference to the period beyond the period under study, that is, beyond 1999. The researcher had to

make follow-ups as a corrective measure to bring to their attention the correct review period.

## **8.2 Multiple funders**

Ithuba Trust funded organizations which received funding from other donors. Although this research addressed the impact of Ithuba Trust funding policies and procedures, for accessing its funds for purposes of poverty eradication and sustainable development, it could be difficult to separate such an impact from that of other donors. Ithuba Trust's intentions could be enmeshed with other donors. However, this limitation was counter-acted by the fact that beneficiary organizations, through the mandatory progress report (see Appendix 4), were contracted to state specifically how they spent the funding allocated by Ithuba Trust and with what outcomes. Furthermore, they were expected to indicate how they would conduct impact studies and with what results. The "document analysis" during the quantitative phase of the study focused largely on these progress reports in order to differentiate Ithuba Trust from other funders. Therefore other donors' potential to influence the research findings was managed.

## **8.3 Funders' influence on voice of the poor**

The fact that the respondents rely heavily on donor funding for their programmes and operations may have resulted in some degree of hesitancy by the respondents, particularly in the qualitative phase, to voice their genuine opinions and experiences related to poverty issues. In the qualitative phase of the study, due to their desperation for funding, the respondents indicated that they define poverty according to the donors' criteria and not according to their practical experiences. Funders therefore may influence the respondents' thinking and as a result, disempower their independent thinking. In this study the researcher's position as the Chief Executive Officer of Ithuba Trust, a case study in the research, might have influenced their responses in view of their opportunities for further funding. Although the respondents were very assertive, it will never be known whether the researcher's position could have had an influence on their voices. This possibility, however, was foreseen and dealt with by the researcher under ethical considerations, section 6 of this chapter (See Harm to experimental subjects and/or respondents).

## **9. PRESENTATION OF THE RESEARCH REPORT**

The thesis is divided into the following six chapters:

Chapter 1 contains the introduction to and motivation for the study, the formulation of the research problem, study aim and objectives, research methodology, the definition of concepts and the limitations encountered in the study.

Chapter 2 gives an exposition of Ithuba Trust as a case study. The exposition characterizes Ithuba Trust as a donor in the context of poverty eradication and sustainable development. The chapter outlines the emergence of Ithuba Trust against the background of the South African enabling legislative framework. The chapter concludes with Ithuba Trust's attempts at impact measurement.

Chapter 3 presents a theoretical background on poverty, inequality and sustainable development and reviews the multi-dimensional nature of poverty, poverty eradication barriers with special reference to the conceptualization of development and empowerment, skewed partnerships, ICT divide, globalization and the misrepresentation of the poor.

The South African poverty intervention strategies are presented in Chapter 4. The chapter outlines the context against which poverty eradication strategies are formulated with examples of three State poverty eradication strategies, indigenous strategies and the role of the business sector. Reference is also made to the policy formulation process and the chapter concludes with an analysis of an impact measurement model.

Chapter 5 presents the empirical study and research findings.

The research conclusions and recommendations will be outlined in Chapter 6.