



## Research Article

# Capacity Building for the NGO Sector of Nepal: An Assessment of Management Capacity Needs to Enhance NGO Operations and Impacts in Nepal

Muthusami Kumaran<sup>1\*</sup> , Keshav Prasad Bhattarai<sup>2</sup> 

<sup>1</sup>Ph.D. Associate Professor of Nonprofit Management & Community Organizations, University of Florida, USA

<sup>2</sup>M.A., MPhil., Multifarious Consultancy and Research Center, Kathmandu, Nepal.

### Article Information

Received: 28 October 2025

Revised version received: 28 December 2025

Accepted: 03 January 2026

Published: 29 January 2026

#### Cite this article as:

M. Kumaran and K.P. Bhattarai (2026) *Int. J. Soc. Sc. Manage.* 13(1): 25-38.

DOI: [10.3126/ijssm.v13i1.90193](https://doi.org/10.3126/ijssm.v13i1.90193)

#### \*Corresponding author

Muthusami Kumaran,

Associate Professor of Nonprofit Management & Community Organizations, University of Florida, USA.

Email: [kumaran7@gmail.com](mailto:kumaran7@gmail.com)

Peer reviewed under authority of IJSSM

©2026 IJSSM, Permits unrestricted use under the CC-BY-NC license.



This is an open access article & it is licensed under a [Creative Commons Attribution Non-Commercial 4.0 International](https://creativecommons.org/licenses/by-nc/4.0/)

(<https://creativecommons.org/licenses/by-nc/4.0/>)

### Abstract

The primary focus of this research article is to assess current management practices in the NGO sector of Nepal and make recommendations to improve capacities of NGOs within a strategic management capacity building framework. Based on the needs assessment for an NGO capacity building training grant project funded by the U.S. Agency for International Development that trained 345 NGO leaders across Nepal, surveys, interviews with prominent NGO leaders, and observations on Nepal's NGO sector over the past decade, this article provides an analysis and applicable management solutions for a stronger NGO sector.

**Keywords:** NGOs, management, needs assessment, capacity building

### Introduction

The Non-Governmental Organization (NGO) sector of Nepal has seen remarkable growth, both in numbers and scope, during the past three decades. There were just a few hundred NGOs operating in the country before 1990. The

number of registered NGOs grew to more than 22,000 by the year 2000, and in 2025 it reached more than 54,000 (ICNL, 2025). The sector is vibrant with NGOs providing a variety of social, environmental and other services that are not addressed by public or private sectors to improve the quality of life for diverse segments of people, especially

from underserved communities across Nepal. However, due to resource constraints and lack of management capabilities, most NGOs in Nepal do not operate at their optimum levels. In order for the NGO sector to have high levels of organizational effectiveness and operational efficiency, there is a strong need for capacity building in vital management functions including: board governance, program/project planning & evaluation, client/community relations & marketing, diversified fundraising, grant writing, executive leadership, human resources and volunteer management, and financial management. Further, it has become necessary for NGOs to have strong foundational management systems, networking & collaboration, and strategic planning processes to meet growing needs and to strengthen the sector overall. This article provides a thorough needs assessment of the management capacities of Nepal's NGO sector (Kumaran & Cherian, 2024).

The primary goals of this research article are to: 1. Understand the current organizational management trends of the NGO sector in Nepal, including the identification of barriers and opportunities for improving their organizational effectiveness; 2. Assess the organizational management capacity needs of Nepal's NGO sector; and 3. Develop a set of recommendations and strategies to improve their operational efficiency in key organizational management areas.

### ***The NGO Sector of Nepal***

The NGO sector of Nepal makes numerous contributions to the society, culture, economy, and environment. As a major part of Nepal's civil society space, the sector operates with broad missions such as social justice, upliftment of the underserved people, empowerment of women, preservation of cultural and religious traditions, and conservation of the nature. Although several international development NGOs (INGOs) have operated in Nepal for several decades, the domestic NGO sector of Nepal formally emerged only after the fall of the authoritarian Rana regime in 1951. However, the monarchical regime that followed did not support the NGO sector, and in fact suppressed its growth. It was only after the abolition of the monarchy and the establishment of the Federal Democratic Republic of Nepal in 2008 that the NGO sector began to grow at a rapid pace. After the devastating earthquake of April 2015, NGOs working for poverty alleviation and orphans have gained more awareness and resources. Working modalities of women empowerment and rural development NGOs have undergone some positive changes with better organizational development (Kumaran, 2022).

The regulatory framework within which the sector operates in Nepal is weak. NGOs are required to register with the Social Welfare Council, but due to the cumbersome bureaucratic processes involved, only an estimated number

of about 54,000 NGOs are registered with the Social Welfare Council. The Income Tax Act 2058 provides tax exemption to registered NGOs. Numerous NGOs are not officially registered, but provide important services to needy people in communities across the nation. The unofficial count of NGOs in Nepal stands roughly at about 90,000 organizations (ICNL, 2025).

Nepal, like many developing nations, has a high level of poverty and associated social issues. NGOs that provide a variety of services to underserved populations in the country often do not have sufficient organizational management capacities for effective and efficient service delivery. Although they are passionate about these causes, have deeper understanding of issues, and grassroots connections with communities, their lack of organizational management skills prevent them from being responsive to people's needs. Further, there is a lack of trust and collaboration between NGOs and government entities in providing such vital services.

### **Methodology**

This article is based on the needs assessment methodology within the context of the strategic organizational management capacity building framework for NGOs. Utilizing a variety of data collection and analysis methods since 2015, the article highlights the gaps in management capacity needs of Nepal's NGO sector. The process began with the 2015 needs assessment for the INGENAES grant project funded by the United States Agency for International Development (USAID) to train NGO leaders across Nepal and continued until 2023 for an international project on NGO capacity building. Primary quantitative and qualitative data for this article come from the first author's needs assessment for INGENAES grant based on in depth interviews with 25 NGO leaders, pre and post surveys of 345 NGO leaders who attended the training workshops of the grant during its 2015 – 2018 implementation, follow-up focus groups, observation of and engagement with Nepal's NGO sector since 2015, and extensive interviews with 5 prominent NGO leaders of Nepal conducted in 2023 as a part of an international project for strategic NGO capacity building. Analyzing all data collected from various methods over the span of nine years, this article provides specific recommendations to build organizational capacities of Nepal's NGO sector in seven vital management areas of: Foundational plan for NGOs, Board governance, Systematic program planning and evaluation, Strategic planning, Diversified fundraising, Grant writing and Networking among NGOs and between NGOs and government agencies. Concepts and best practices of all these management areas are presented along with their scenarios in Nepal within a comparative framework to identify gaps and to recommend measures for improvement.

## Findings and Discussion

### *The INGENAES Grant Project and NGO Capacity Building in Nepal*

Integrating Gender and Nutrition within Agricultural Extension Services (INGENAES) was a multi-year, multi-partner development grant project funded by the United States Agency for International Development (USAID) during 2015 - 2018. The project addressed food insecurity, gender inequalities and malnutrition among seven of the twelve Feed the Future countries that were targets of the U.S. government's global hunger and food security initiative. Nepal was one of the countries served by INGENAES. The project's primary focus was to empower Nepal's institutions within the public and NGO sectors to address local gender and nutrition related issues. One of the institutional strengthening components of the project was to build organizational management capacities of NGOs across Nepal. University of Florida, USA, was a major INGENAES project partner, and this article's first author served as the NGO Management Capacity Building Specialist of the project. During the period of 2015 - 2018, the author travelled to Nepal six times for a variety of project activities in Kathmandu, Pokhara and Nepalgunj where he trained 345 NGO leaders representing a cross section of social and environmental services. In order to achieve strong project outcomes for participating NGOs, a thorough assessment on their management capacity needs was conducted at the beginning of the project and continued throughout its progression. The following section highlights the findings of this needs assessment of organizational management capacities of Nepal's NGO sector.

### *INGENAES Needs Assessment of Organizational Management Capacities of Nepal's NGO Sector*

In December 2015, a scoping trip for the NGO capacity building portion of the INGENAES in Nepal was carried out by the first author. He interviewed 25 NGO leaders representing both local, regional and international NGOs with missions to provide a variety of social services to communities across all seven provinces of Nepal. These organizations were carefully chosen based on their expertise in service provision and high levels of impact on client communities they serve. During these elaborate discussion/interview sessions on management capacity needs, all NGOs expressed the need to strengthen their own organizational management capacities and of their partner NGOs for effective and efficient program delivery in social and environmental development across the country. The author also conducted field visits to all the 25 NGOs to observe their operations as a part of the needs assessment. The key management skills training all NGO leaders desired includes the following:

- Proper foundation of NGOs
- Good NGO Board governance

- Executive leadership, human resources management and volunteer management
- Program/project planning, monitoring and evaluation
- Resource mobilization, especially fundraising
- Strategic planning
- Networking, collaboration, and partnerships with other NGOs
- Networking, collaboration and partnerships with government entities and businesses
- Training of Trainer (TOT) method to prepare participating NGO leaders to train their peers

All these findings and needs were further validated by the five year long Strengthening the NGO Sector in Nepal (SNSN) project implemented with the partnership of several international and local NGOs. This five-year project (20024 – 2009) aimed to strengthen, expand and enhance the organizational capacity of NGOs in the following ways:

- strengthening the operational and financial capabilities of partner NGOs
- expanding the linkages among and between partner NGOs and government and private sector institutions
- enhancing the program learning and sharing among and/or between NGOs, government and private sector institutions

Specifically, the SNSN project recommended training for selected groups of NGO leaders in the following management functions:

- Promote Good Governance and Leadership
- Management Resources
- Human Resource Management
- Financial Management
- External Resources

### *Trends in the Management Functions of NGOs in Nepal*

The NGO sector of Nepal focuses on providing a variety of direly needed social services for communities across the nation. The estimated number of about 54,000 active NGOs in Nepal include civil groups, youth development organizations and community associations that have primary organizational missions of serving a wide variety of clients. Due to very low funding from government and corporate sectors, most NGOs predominantly raise revenues from local donors and volunteer members. NGOs in Nepal have very limited human resources, with most of them having just a few part-time and/or full-time employees. However, they are headed by leaders who are extremely passionate about their missions, services, and impacts on society at large.

The following are key issues faced by NGOs in Nepal. These issues were repeatedly mentioned by NGO leaders from the above-mentioned two sources:

- Most NGOs are small with low budgets
- Decrease in the number of volunteers and lack of participation from members of the Board of Directors
- Lack of resources, especially funding, for the sustainability of existing projects
- Poor involvement and lack of interest among the younger generation for social services in general, and with environmental NGOs in particular
- Very limited opportunities for NGOs to participate in policy-making by national, provincial and local governments
- Poor networking and collaborative partnerships among NGOs and almost non-existent collaboration/partnership with government entities
- Struggles to promote citizens and community initiatives for the preservation of environment and local cultures
- NGOs that have been operating for more than ten years have problems of 'burn out' experienced by their leaders and employees
- Lack of employees with knowledge and technical expertise on a variety of social, environmental and other issues and service methods
- Struggles to involve community residents in local environmental preservation efforts on a long-term basis

#### ***Areas of Organizational Management Capacity Building for Nepal's NGO Sector***

NGOs are established by individuals or groups of people who are passionate about resolving certain social issues within certain geographical areas. After the establishment of the organization, concerted and often innovative efforts of the founders usually result in initial success for the organization's programs and services. However, early enthusiasm and short-term successes, by themselves, are not sufficient to sustain the long-term success and growth of the organization. Strengthening the organization through a series of capacity building initiatives is key to the continued success and expansion of its scope. There are numerous NGOs that, after initial successes, languish or become dormant and ineffective due to lack of engagement with capacity building. Furthermore, donors and other funders are more likely to invest in NGOs that have optimum organizational capacity. This is especially important due to increasing competition from the fast-growing NGO sector of Nepal for the same sources of funding. Irrespective of their roles, scope and size, all NGOs in Nepal can and should focus on capacity building for the maximum achievement of their objectives, goals and mission.

Capacity building is the explicit effort to improve the NGO's operational performance in relation to its mission, context, resources, and feasibility. For the most part,

capacity building is a self-managed process, with some external technical assistance, of organizational change in which the NGO's leaders and key stakeholders learn to assess various organizational weaknesses, plan and implement necessary changes, and evaluate to make sure the actions achieve intended results. Capacity building requires changes in the organization's skills and behavior in terms of structure, policies, procedures, strategies and decision making. Creativity and resourcefulness are key characteristics of capacity building (Kumaran & Cherian, 2024).

In 2023, an international project on NGO capacity building was carried out by the first author. As a part of the project, five prominent NGO leaders in Nepal (in addition to 60 NGO leaders from five other countries) were interviewed. During these in-depth interviews, the NGO leaders were asked to share their opinions on the current status of NGO management capacities in Nepal, management areas where there are needs for capacity enhancement, and some best NGO management practices that they are aware of. The actual questions used for the interviews are provided in Appendix 1. The following sections capture their input, incorporating the author's observation of working with NGO sector in Nepal since 2015 INGANEAS needs assessment.

#### ***Management Capacity Needs of Nepal's NGO Sector***

The following seven sections discuss the current needs for building capacities of Nepal's NGO sector in seven key organizational management skills. These sections begin with specific management concepts and best practices, followed by their prevailing status among NGOs in Nepal and presents their capacity needs based on the needs assessment mentioned in the previous section.

#### ***Foundational Plan for NGOs***

CONCEPTS AND BEST PRACTICES OF THE FOUNDING BLOCKS OF NGOS:

NGOs have specific missions carefully developed to address certain needs in societies. An NGO's mission, usually captured in the form of a simple mission statement, becomes the core of its organizational management process. With a strong mission, an NGO can develop client or cause centered programs, projects or services and implement them to gain goodwill among its stakeholders. Ultimately, the sustainability and expansion of the organization's operations depend on strategic management. One of the important organizational management tools for an NGO is the foundational plan, similar to a business plan for a new business. Ideally, the foundational plan (if/when developed systematically) should capture the rationale for establishing the organization highlighted by a 'need statement'; its organizational concepts including mission statement, vision statement and core value statement; information on its governance process and governing documents such as



articles of incorporation which establish the NGO as a legal entity, and bylaws which are policies & procedural details on governance; initial programs/project of the organization based on client needs, and information on how programs will be evaluated to ensure success; executive leadership and human resource management details; financial information including annual budget; methods by which the organization will market its cause and communicate with stakeholders; various methods of raising revenues for the organization; measures for recruiting, training and retaining volunteers; and information on how the organization will be transparent and accountable. Foundational documents with the above-mentioned management details help an NGO to establish itself strongly and to grow.

#### THE NEPAL SCENARIOS IN FOUNDATIONAL BLOCKS OF NGOS:

Nepal's NGOs seriously lack foundational organizational management plans. While it is very common across the world that NGOs emerge as spontaneous reactions to certain needs and seldom new NGOs are launched with such foundational plans, a sound management practice is that they, at some stage of the organization's initial growth, should embark on a systematic foundational plan that will guide their efficient management process.

NGOs can greatly benefit from basic training on developing their foundational plans. Technical training (such as presentations and workshops) from experts to learn and apply various necessary components of a foundational plan for NGOs, even for already established NGOs, can have profound effects on their organizational structures and operations.

#### **NGO Board Governance**

##### CONCEPTS AND BEST PRACTICES OF GOOD GOVERNANCE IN NGOS:

All NGOs are governed by voluntary members of their constituency who form the organization's Board of Directors. While members of the governing Board are not expected or required to engage in the NGO's operations on a day-to-day basis, they play the important policy, financial, and ethical roles in leading the organization to achieve its mission. Governance is the process of collective and participatory decision making that the Board undertakes in operating and managing the organization.

Good governance depends on how actively and effectively the Board of an NGO plays its roles to further the organizational mission and programs. The key roles of the governing Board of an NGO include: determining the organization's mission & purpose; selecting and recruiting the chief executive officer; supporting the chief executive & reviewing his/her performance regularly; ensuring effective organizational planning; ensuring that adequate resources are mobilized; managing resources effectively; determining, monitoring, and strengthening the

organization's programs and services; ensuring that necessary policies are in place & in compliance with the law; enhancing the organization's status and standing among the general public; and recruiting & orienting new board members and assessing overall Board performance (Eadie, 2009 & Kumaran, 2018).

##### THE NEPAL SCENARIOS IN NGO GOVERNANCE:

Nepal NGOs have Boards with members who are passionate about their mission and services. However, most NGOs unfortunately suffer from weak governance processes, primarily due to poor participation by Board members. There seem to be two reasons for this: 1. most NGOs do not have orientation processes for new members and do not provide Board members with manuals that describe their expected roles in the governance of the organization, and 2., most absentee Board members are not aware of their individual roles and responsibility in serving on the Board. Some NGO Boards meet only once or twice a year, thus resulting in their failure for hands-on governance. Further, many NGOs have the same Board members for several years without term limits. It is a good Board development principle that members have strict terms and term limits to allow for new members with different perspectives and backgrounds.

Members of the Boards of Nepal's NGOs can greatly benefit from training on good governance, especially regarding the roles and responsibilities of the entire Board and individual Board members.

#### ***Systematic Program Planning and Evaluation Processes of NGOs***

##### CONCEPTS AND BEST PRACTICES OF SYSTEMATIC PROGRAM PLANNING AND EVALUATION IN NGOS:

All NGOs exist to fulfill certain goals, each of which has specific objectives in order to achieve the intended outcomes. Thus, goals are anticipated end results of an NGO's programs or projects, and objectives are means to accomplish those goals. While goals can be broad statements carefully developed to address a client or mission-centered purpose, objectives need to be specific, measurable, achievable, realistic, and time-bound (the so-called SMART objectives). Well-developed program plans also provide clear directions on what, when and how program actions are carried out. Thus, it is vital that NGOs capture details of their program goals and objectives in a written document after a systematic planning process. To a considerable extent, the implementation of a program and its success depend on the level of details that go into the planning process and the document. A good program plan also provides details on resources needed and helps in developing a practical financial plan, including a program budget. At high levels of planning, the program plan also includes logic models for each objective. Logic models detail the resources needed, activities to be implemented,

expected outputs, and outcomes necessary for each objective

Equally important to sound program planning is program evaluation to make sure intended outputs, outcomes, objectives, and eventually the goals are achieved. NGOs need to collect adequate data during program implementation to monitor and evaluate its success. This data can come from a variety of sources, including employees, volunteers, members, clients, etc. Program evaluations help organizations to correct issues/failures faced during implementation and to capitalize on successes during subsequent planning cycles.

#### THE NEPAL SCENARIOS IN PROGRAM PLANNING AND EVALUATION AMONG NGOS:

One of the major management weaknesses in the program management of Nepal's NGO sector is the lack of systematically developed planning documents. Many NGOs implement projects without any written plan, which results in haphazardly developed and implemented programs. Only a few NGOs seem to follow forms of program evaluation. Most of them do not evaluate their programs and thus do not have written documentation of their outputs and outcomes. This hinders their marketing and communication process with stakeholders, especially donors and granting agencies. Good evaluation practices are also essential requirements for potential grants, which deters many organizations.

Nepal's NGO sector can greatly benefit from basic and advanced training on systematic development of annual program plan and evaluation documents. Technical training by experts to learn and apply various necessary steps in developing program plan and evaluation methods to assess their outcomes can have long-lasting impacts on NGO operations in Nepal. Such skills training can also help NGOs to document implemented program outcomes for communication with their stakeholders.

#### **Strategic Planning for NGOs**

##### CONCEPTS AND BEST PRACTICES OF STRATEGIC PLANNING FOR NGOS:

The ultimate success of an NGO depends on the strategic directions and measures it takes for the continuous growth of the organization. Strategic thinking and planning of an NGO revolve around the organization's ability to understand and consider the changing/evolving conditions in its society (including socio-economic, political, and policy directions) within its management planning process. Strategic planning is a much more intense process than program/project planning because it covers the organization's goals, objectives for a foreseeable period of three to five years and develops a written document which includes specific implementation details. Further, unlike program-level planning, strategic planning is the system-wide planning process that prepares an NGO to be proactive

to external conditions within which the organization operates. In NGO management, strategic planning is becoming an important management tool to sustain and grow organizations (Bryson, J.M., 1995). However, in order to adopt elements of strategic planning, NGOs must have a systematic program/project planning process. In other words, without engaging in a proper planning process, an NGO cannot be successful in undertaking a strategic planning process.

THE NEPAL SCENARIOS IN STRATEGIC PLANNING FOR NGOS: Strategic planning and implementation of strategic plans do not seem to be prevalent in the management of NGOs in Nepal. Overall, strategic planning is not being considered as an important management tool by NGOs. This may be primarily due to the fact that most of the NGOs do not have a regular/standard planning process for their programs in the first place. Due to the lack of a program planning process, it seems that strategic planning is not a priority management skill for now. It is also logical that a regular and adequate program planning process precedes any initiative to plan the organization's future programs strategically.

#### **Diversified Fundraising by NGOs**

##### CONCEPTS AND BEST PRACTICES OF NGO FUNDRAISING:

Constantly raising revenues needed for adequate operational, administrative and program/service expenditures is a major challenge for all NGOs across the world. In fact, fundraising has become a major management challenge for NGOs due to the steady growth in the number of NGOs, most of them compete for the same sources of revenue for their operations. NGOs are required to be creative and diversify sources of funding in order to fulfill their mission, programs and services. NGOs derive their revenues from philanthropic donations, fees for services, membership dues, government grants and contracts, foundation grants, special fundraising events, and corporate grants. In order to have diversified sources for steady revenues, NGOs need to be aware of trends in philanthropic giving, grant funding, eco-tourism, etc. (Kumaran, 2018).

In order to have a diversified fundraising mechanism, all NGOs should have a basic annual fundraising plan that covers various methods. Sections of a fundraising plan include: a statement of the organization (including mission, history & impacts); a 'case statement' that make a compelling plea for potential donors to invest their philanthropic donations in the organization's mission, programs & services; an annual fundraising plan which highlights levels of funding from multiple sources; a marketing & communication plan for donations; development and maintenance of the donor base, carefully developed donation appeals for one-on-one solicitation, direct mail letters, and online & social media appeals for donation; a grant proposal for potential foundation; and an

evaluation plan to assess the annual outcome of the fundraising plan.

#### THE NEPAL SCENARIOS IN FUNDRAISING BY NGOS:

Fundraising is the most serious management issue faced by NGOs in Nepal, which, in turn, affects mobilization of all other resources necessary to operate the organizations. Due to heavy dependency on one (usually from members or volunteers) or two sources of funding, most NGOs struggle to implement even their regular programs. Unfortunately, several NGOs seem to have declines in their annual funding levels (and resulting budget cuts for programs) during the past years since the COVID-19 pandemic. Some have unexpected fluctuations in their annual funding levels, which result in uncertainty in their overall operations. Many NGOs enjoy strong goodwill from local communities that have translated into donations. However, their donor relations and stewardship communications seem to be weak, and this has caused lapses in donations by previous donors. A few NGOs receive their entire annual revenues from their international NGO partners or external funding sources, and even these organizations face budget cuts due to changing priorities and funding levels of their funders from time to time. With the size of Nepal's population (about 32 million currently) and small donor base, NGOs that entirely depend on philanthropic donations are likely to continue their financial struggles unless they take necessary steps to diversify their fundraising portfolios.

Nepal's NGOs can greatly benefit from basic and advanced training on diversified fundraising methods.

#### **Grant Writing for NGOs**

##### ELEMENTS OF SUCCESSFUL GRANT WRITING FOR NGOS:

Government organizations, international NGOs, and NGO foundations are increasingly assisting NGOs by providing funds through grants that have specific purposes. Grant seeking and grant proposal writing have also become important and integral parts of diversified funding sources for NGOs. The process begins with a thorough search of grant-making sources that are appropriate to the NGO's mission, clients, and programs on the one hand, and that the NGO has the capabilities to successfully implement the proposed project as per the grant requirements on the other.

The following are the key reasons for which NGOs of all size and scope can and should seek grants: funds received are not repaid to the grantor; to start a new program or continue the existing ones; no risk to existing funding or programs; to perform research on the issues that the organization addresses; to build management and expertise capacity; to enable innovative & action-based problem solving; to fill needs in communities and among clients.

NGOs need to pay special attention to both the grant writing process and the product, as grants are becoming more and more competitive and granting sources seek proposals that

show high levels of potential success. The process of grant writing involves the following steps: assessing the need, accessing information, building support (internally & externally), and organizing the proposal. The final product is the grant proposal which is a rational description of: needs, objectives, methods, resources, and anticipated outcomes captured in informative logic models. In so many ways, grant writing is an intense form of program planning covered in a previous section.

#### THE NEPAL SCENARIOS IN GRANT WRITING BY NGOS:

Most of the NGOs in Nepal do not avail grant funding, primarily due to lack of knowledge, expertise and experience in grant writing. Some NGOs that have received grants in the past and the NGOs that continue to receive grants have sustained and grown their operations directly as a result of those grants. Unfortunately, many NGOs have the opinion that by receiving a grant, they will be subjected to some form of pressure from the granting agency about their operations. This perception is especially true for potential government grants, due to high levels of mistrust in government agencies. Several NGOs neither have the desire to identify grant opportunities nor have the interest in pursuing skills to write strong and competitive grant proposals.

Grant writing for NGOs is both an art and a science that needs specific skills. Technical training in grant seeking and grant proposal writing can certainly help NGOs in their resource mobilization.

#### **Networking with other NGOs and Government Organizations**

##### CONCEPTS AND BEST PRACTICES OF NETWORKING AND COLLABORATIVE PARTNERSHIPS FOR NGOS:

The ability to network and develop collaborative partnerships for mutual benefits between NGOs within subsectors (such as education, health care, environmental conservation, etc.) is also an important management function and an organizational capacity building tool. Collaborative partnerships among NGOs provide opportunities for them to pool resources that are limited. Networking and collaborations also raise the visibility and impact of the NGO sector. Increasingly, grant-making institutions (both in the NGO, government, and corporate sectors) are preferring NGOs to develop collaborative grant projects for programs and services.

While NGOs operating within subsectors (especially women empowerment) have found considerable success in networking with their counterparts, they unfortunately often have adversarial relationships with government and corporate sector organizations. This is primarily due to the way NGOs consider government agencies as weak regulators of the NGO sector and corporate entities as polluters of the environment. In order to grow and thrive,

the NGO sector needs stronger integration with government and for-profit corporate sectors (Casey, 2016).

#### THE NEPAL SCENARIOS IN NGOS' NETWORKING AND COLLABORATION:

Networking and collaboration are areas that several Nepalese NGOs are good at. This is primarily due to the mission alignment of NGOs that brings them together for the common cause. Especially, Nepal's women NGO leaders have excellent abilities and willingness to collaborate during public protests against women's disenfranchisement and any development projects that can promote opportunities for women in the society. However, while networking among certain subsector NGOs is solid, their ability or interest to network with the government and corporate sector is very weak.

#### **Impacts of NGO Capacity Building Skill Training:**

##### **Examples from the INGENAES Grant**

As elaborated in the previous sections, Nepal's NGO sector can greatly benefit from technical training in a variety of management capacity building areas. One successful example of such training to NGO leaders and the resulting impacts was demonstrated by the INGENAES grant project funded by the USAID. During the 2015 - 2018 implementation period of the INGENAES grant, the first author, as the University of Florida NGO management expert, conducted 12 intensive two-day basic management training workshops for a total of 345 NGO leaders, and advanced management training workshops for 100 NGO leaders in Kathmandu, Pokhara, and Nepalgunj. Each basic management training workshop had eight sessions covering important management topics within the overall organizational capacity building framework for NGOs. While the primary goal of the workshops was to improve NGOs' operational effectiveness and efficiency, a secondary goal was to promote understanding and interactions between NGOs and government agencies by identifying areas of potential collaboration for mutual and public benefits. In addition to training workshops for NGO leaders, the project also facilitated several networking

sessions between NGO leaders and government officials. One-on-one consultations were provided to selected NGOs that successfully implemented management practices covered during the workshops. The advanced management training workshops were based on the Training of Trainers (TOT) model and focused on enhancing participating NGO leaders' knowledge and skills so that they can continue to train their peer NGO leaders for the long-term sustainability of project activities to enhance the management capacities of Nepal's NGO sector. Through the Training of Trainer (TOT) model, all technical presentations, resource materials, and hands-on activity manuals were transferred to the 100 workshop participants, so that they can train other relevant peer NGOs.

Per USAID requirements, during the implementation of INGENAES and upon its completion, multiple assessments were conducted to ascertain the outcomes of the project with NGOs in Nepal using evaluation methods such as surveys, interviews, and focus group. All these assessments showed that the project resulted in building the organizational capacities of participating NGOs and had multiple positive outcomes. They directly enabled participating NGOs to improve their organizational effectiveness and operational efficiency in providing vital social and other services. They also provided, for the first time, opportunities for both NGO leaders and government officials to network with each other.

The Table 1 provides the results of pre and post survey data completed by 345 NGO leaders who participated in the two-day intensive basic NGO capacity building training workshops in Kathmandu, Pokhara and Nepalgunj in 2016 and 2017. The surveys used a four-point scale 0 – no knowledge/skill, 1 – very limited knowledge/skill, 2 – somewhat knowledgeable/skilled, 3 – highly knowledgeable/skilled) in which a 3 indicated the highest level of knowledge and a 0 indicated the lowest level. The actual pre and post workshop surveys questionnaires are provided in Appendix 2.

**Table 1:** Participants' self-assessed level of knowledge before and after participation in the Organizational Capacity Building workshops (scale of 0-3) N=345

Workshop thematic area	Pre-workshop mean	Post-workshop mean	Change in mean
Foundations of an NGO	1.39	2.69	1.29
Collaborating with government agricultural extension services	1.10	2.34	1.23
Good governance practice and implementation	1.35	2.50	1.15
Grant writing	0.99	2.13	1.14
Fundamentals of strategic planning	1.16	2.30	1.14
Systematic program evaluation	1.35	2.48	1.13
Systematic program planning	1.56	2.59	1.04
Fundraising	1.11	2.15	1.04



**Table 2:** Participants' self-assessed level of knowledge before and after participation in the Advanced (TOT) Organizational Capacity Building workshops (scale of 0-3: 0 – no knowledge/skill, 1 – very limited knowledge/skill, 2 – somewhat knowledgeable/skilled, 3 – highly knowledgeable/skilled); N=100

Workshop thematic area	Pre-workshop mean	Post-workshop mean	Change in mean
Executive Leadership	1.33	2.60	1.27
Fundraising	1.60	2.33	.73
Organizational Governance	1.87	2.53	.67
Strategic Planning	1.47	2.13	.67
Systematic Program Evaluation	1.67	2.27	.60
Grant-writing	1.67	2.07	.40
Systematic Program Planning	1.87	2.20	.33

On average, participants demonstrated an increase in knowledge in all of the thematic areas, with the greatest increases relating to “foundations of an NGO” and “collaborating with government agricultural extension services.”

From the 345 participants of the basic capacity building training workshops in 2016 and 2017, 100 NGO leaders were chosen for the advanced Training of Trainer (TOT) model training workshops at the end of 2017 in Kathmandu, Pokhara and Nepalgunj. As with the original capacity building workshops, all participants in the advanced training completed a self-assessment before and after the workshop to indicate their level of knowledge in each of the workshop's thematic areas. The Table 2 provides the results of pre and post survey data completed by 100 NGO leaders who participated in the two-day intensive advanced TOT-model NGO capacity building training workshops in Kathmandu, Pokhara and Nepalgunj in 2017 (Kumaran, 2017).

The area where participants noted the most improvement (on average) was executive leadership, followed by fundraising, organizational governance, and strategic planning. NGO leaders who participated in the TOT training workshops continue to train their counterparts till today, long after the INGENAES project ended.

The following are a few direct quotes (taken from the INGENAES Project Outcome Report submitted to USAID) from NGO leaders who attended the training workshops:

*“I felt that that was not simply a workshop, it became a motivational class as well. What I came to know is that if we have passion, dedication and concentration for the work, we can get our goal despite the challenges and hurdles we face in our journey. Once again, thank you so much for providing energy to the bud of philanthropy and charity captured in our soul. We will, of course, deliver the spirit we have now in future in the form*

*of service to the people of Nepal and hopefully beyond.”*

- Kathmandu Basic NGO Organizational Capacity Building workshop participant

*“This is knowledge for lifetime. It can be useful in many ways. I'll not only use it but also pass it on to others so that the NGOs can work in an efficient way.”*

- Pokhara Advanced NGO Organizational Capacity Building workshop participant

Among the most important impacts of the INGENAES grant's NGO capacity building project in Nepal is the fact that several NGO leaders who participated in both the basic and advanced TOT organizational management capacity building workshops still continue to train their peer NGO leaders by utilizing the skills transferred and all training materials provided, such as PowerPoint presentations, activity sheets, resource materials, etc. This is a clear testament that if and when adequate management training is provided, NGO leaders in Nepal can benefit greatly and apply skills as appropriate to their NGOs and propagate the knowledge to other NGOs (Kumaran, 2022).

## Conclusions

The NGO sector of Nepal plays a crucial role in providing direly needed social and other services, preserving the cultural heritage, promoting community engagement for social development, and making tremendous contributions to sustainable development. Through their grassroots connection and missions of serving the people of the nation, they continue to provide remarkable services. As the vanguards of Nepal's civil society, they also contribute to improving the quality of life for all Nepalese people. However, most of Nepal's NGOs are small and operate with limited resources. In order to provide efficient and effective services, they need to enhance their organizational management capacities. Conclusions of this research article

are presented below, in the form of a SWOT (Strength – Weaknesses – Opportunities – Threats) analysis of Nepal's NGO sector.

#### STRENGTHS OF NEPAL'S NGO SECTOR:

Needs assessments and observations of Nepal's NGOs clearly proved that they are very passionate in public service. Their dedication and hard work are major strengths of the NGO sector. Most of them have extensive knowledge and skills on specific social service needs in Nepal. All NGOs lend their support and rally around development measures/projects that they perceive will deteriorate the quality of life in Nepal. Social issues have also galvanized NGOs within subsectors to mobilize their members and volunteers in their operations. Another major strength of the sector is the deep-rooted understanding and connection to communities on the part of the NGO leaders, which inspires them and their stakeholders towards their missions.

#### WEAKNESSES OF NEPAL'S NGO SECTOR:

As repeatedly mentioned in the above sections, the major weakness of Nepal's NGOs is their poor ability to mobilize the funds they need for operations. Most of them depend on the same pool of members or volunteers for financial support and are reluctant to diversify their sources of revenue. While they tend to network and rally around some development projects, they don't seem to have collaborative projects where resources can be pooled for mutual benefits. Lack of any desire by most NGOs to collaborate with any government entity is another major weakness. The mistrust that they seem to have of government entities (which is also reciprocated by government entities to NGOs) leads to an impasse for any meaningful collaboration in the near and far future.

#### OPPORTUNITIES FOR NEPAL'S NGO SECTOR:

Potential opportunities for Nepal's NGOs to enhance their organizational capacities, operational efficiency, and overall effectiveness include:

- Diversifying their donor base and sources of funding for various projects by carefully identifying their constituency and stakeholders who have strong connections with their missions.
- Promote awareness among the younger generation, especially school and college students, so they will become volunteers and responsible adults who will support future NGO efforts.
- Promote volunteerism among senior citizens who have strong roots and connections with the cultures and traditions of the country.
- Enhanced networking among NGOs representing other sub-sectors, such as educational and health care NGOs, on relevant projects.
- Begin the networking process with various government officials to identify projects that are of

mutual interest. Partnerships with government entities also have potential for revenue infusion.

- Involvement in policy-making processes through open and deliberative dialogues with elected officials.

#### THREATS FACING NEPAL'S NGO SECTOR:

- Overall disconnect between and among NGOs.
- Lack of trust between NGO leaders and government officials.
- Dwindling resources (especially funds) for NGOs.
- Weaknesses in organizational management, skills, expertise, and capacities among NGOs.
- Lack of NGO participation in policy-making process and the overall governance of Nepal.

### Recommendations

Nepal has a vibrant NGO sector with about 54,000 active NGOs providing a variety of services. They can considerably improve their operational efficiency and organizational effectiveness if they enhance their management capacities in several areas, especially the seven key management skills/functions described above. The following are a few recommendations for the overall growth of Nepal's NGO sector.

Learning from best management practices of NGOs from other developing nations with similar population, social and geographical characteristics: As most developing nations, especially those in Asia, have similar traits and issues relating to development and environment, Nepal's NGOs should be willing to seek out prevailing best management practices and apply them with appropriate modifications to suit local community needs. Online resources make the identification and understanding of these best practices relatively easy. Seeking the assistance of and establishing partnerships with international NGOs operating in Nepal will help in enhancing technical expertise on a variety of public services.

Improving the volunteer base and carefully designing volunteer opportunities: Social development in Nepal attracts a wide array of local, domestic and international volunteers. Volunteer management with well-defined volunteer recruitment, orientation, and retention measures can bring a variety of talents and skills for organizational growth. Further, volunteers who have a satisfying volunteer experience become ambassadors for the NGOs within their social and peer circles. Online methods of recruiting volunteers are growing fast, and Nepal's NGOs need to capitalize on this trend. Another source of recruiting volunteers is by providing internships and similar opportunities for students who have such internships as academic requirements. There is also a growing trend in voluntourism (volunteer-tourism), where tourist visitors to Nepal can be provided opportunities to serve as volunteers

for some time during their vacation in the country. Finally, Nepal's NGOs need to mobilize volunteers from the growing Nepalese diaspora communities from across the world.

Nepal's federal government wields great power over the NGOs through the laws it enacts or administers. These laws have specific rules for the establishment of NGOs, reporting, tax exemption, etc. No matter how strong NGOs are in their management capacities, ultimately the regulatory framework established by the federal government of Nepal plays a key role in strengthening the NGO sector. The government should consider NGOs as partners in public service and enact laws that are conducive for the NGO sector to grow, especially through partnership arrangements for public service delivery through grants and contracts.

There is a need for further academic and applied research on improving the capacities of the NGO sector and all of its sub-sectors in Nepal: Faculty, researchers, and students from institutions of higher learning, including major universities, can be encouraged to focus their research efforts on the roles, operations and impacts of NGOs within the organizational capacity building framework. Various academic departments within the broad areas of social sciences and humanities are potential sources for applied research on enhancing the capacities of the NGO sector of Nepal.

Constant efforts must be made to diversify funding sources, including grants from government entities, national and international foundations, and the corporate sector: Networking with government and corporate sectors is a precursor to any resource mobilization from them. As mentioned in several sections of this article, a major area for improvement is networking and collaborations between NGOs, government organizations, and corporations as partners in sustainable development. Some of the solutions to improve relations between NGOs and the Nepal's public sector include:

- Improving the desires/interests of NGOs, government officials, and corporate executives (especially through Corporate Social Responsibility measures) to understand, appreciate, and connect with one another within an overarching national development framework.
- Establishing a platform in community locations for weekly or monthly 'networking forums,' where NGOs, government officials, and corporate sector leaders can present and discuss their ideas to address current and emerging issues. In order to be effective, these forums must follow a deliberative process facilitated by a trained expert. For example, one forum can focus on 'solid waste management,' where environmental NGOs,

relevant government officials and tourism sector executives can discuss the issue, barriers, and potential solutions to address the growing solid waste management issues in Nepal.

- Establishing a 'Nepal NGOs Resource Center' where NGO leaders can attend expert presentations on various social services and best management practices from other countries across the world. Such a resource center can have memberships for NGOs and provide organizational management capacity training for them, especially for new and emerging NGOs, as many of them lack key management skills highlighted in this article.
- Various government agencies in Nepal can initiate small grant programs for NGOs to work among themselves and with government agencies on targeted social and environmental issues (for example, prevention of plastic pollution in Nepal through community awareness education programs).

The key ingredient for promoting networking and collaborative opportunities between NGOs, government entities and corporations is to improve their trust in one another. Given the current status of NGOs – governments – corporations relations, it will take time to develop such trust, but if small measures (some listed above) are undertaken, mutual understanding & respect between the leaders of NGOs, government and corporations will grow and eventually result in mutual trust.

Social development and environmental conservation in Nepal are, eventually, the collective responsibility of the people of Nepal, all levels of the government, and the corporate and NGO sectors. All efforts and services to improve quality of life in the country need to be galvanized within the overarching public service framework, where all three sectors actively participate and make collective decisions within the three key elements of sustainable development: people, planet & profit.

### Authors' Contribution

M Kumaran contributed in all stages of research and the manuscript preparation. KP Bhattarai analyzed the research data & revised the manuscript. Final form of the manuscript was approved by both authors.

### Conflict of Interest

Authors declare no conflict of interest with the present publication.

### References

- Bryson JM (1995) *Strategic Planning for public and nonprofit organizations: A Guide for Strengthening and Sustaining Organizational Achievement.* (Rev. ed.) San Francisco: Jossey-Bass Publishers

- Bryson JM (1995) *Strategic Planning for public and nonprofit organizations*. San Francisco: Jossey-Bass Publishers.
- Casey J (2016) *The Nonprofit World: Civil Society and the Rise of the Nonprofit Sector*. Boulder, CO: Kumarian Press.
- Casey J (2016). *The Nonprofit World: Civil Society and the Rise of the Nonprofit Sector*. Boulder, CO: Kumarian Press.
- Eadie D (2009) *Extraordinary Board Leadership: The Keys to High-impact Governing*. Boston: Jones & Bartlett Publishers.
- Eadie D (2009) *Extraordinary Board Leadership: The Keys to High-impact Governing*. Boston: Jones & Bartlett Publishers.
- International Center for Not-for-Profit Law. (2025, November 3). *Civic Freedom Monitor: Nepal*. <https://www.icnl.org/resources/civic-freedom-monitor/nepal>
- Kumaran M & Cherian M (2024) *Managing A Million Missions: Strategic Organizational Capacity Building for Non-Governmental Organizations*. New Delhi, India: Authors Upfront.
- Kumaran M (2017) *NGO Capacity Building for Effective and Efficient Delivery of Gender-responsive and Nutrition-sensitive Services in Nepal. Case Study – Nepal*. Unpublished project completion report submitted to United States Agency for International Development.
- Kumaran M (2018). *Organizational Capacity Building and Strategic Growth for Environmental NGOs: A Primer*. *World Environment and Island Studies* 8(1): 11-22.
- Kumaran M (2022) Working with the NGOs to Enhance their Management Capacities: My Personal and Professional Experiences in Nepal. In: Shimkhada D et al. (Eds.) *Nepal a Shangri-La? Narratives of Culture, Contact and Memory*. Kathmandu: Mandala Book Point.



## Appendix 1

### Interview questions of 5 prominent NGO leaders in Nepal, 2023

#### International Project on NGO Organizational Capacity Building

#### Interview Questions for successful NGO leaders on organizational management capacity needs for the NGO sector of Nepal

Dear NGO Leader,

Thank you for assisting with this international research project to identify and assess management capacity needs for NGOs in Nepal in order to provide efficient and effective services to the Nepalese society. Your answers to the interview questions will help in developing specific strategies for enhancing NGO management capacities.

1. Name of your organization \_\_\_\_\_
2. Year of establishment \_\_\_\_\_
3. Your name and position within the organization \_\_\_\_\_
4. Clients of your organization \_\_\_\_\_
5. Services provided \_\_\_\_\_
6. What is your organization's "mission"? (If the organization has a mission statement, please provide)
7. Please provide a brief history of your organization (if it is in your website, please provide the URL)
8. How many clients does your organization serve in an average year?
9. How is your organization governed? (functions of your Board of Directors or Trustees, etc.)?
10. How are your organization's programs and services planned and implemented?
11. Does your organization engage in strategic planning? If so, please explain the process followed and outcomes of strategic planning.
12. How does your organization mobilize revenue?
13. What roles do volunteers play in your organization and how do you recruit them?
14. Considering your organization's sustained growth and longevity, what are the major contributing factors for its success?
15. In your opinion, what is the ONE management function in your organization that you consider as a best practice? How can other NGOs learn from and emulate such best management practice?
16. Looking back at your personal engagement with the NGO sector in general, and specifically your leadership role in your NGO, what do you think is your ONE most effective management strength/ strategy?
17. As the leader of a prominent NGO, what do you think are the key issues facing the NGO sector in Nepal?
18. In your experience and opinion, what are the overall trends in organizational management and management capacities of NGOs in Nepal?
19. The pandemic during has resulted in high demands for services from NGOs but less resources for NGOs to provide them. Even during the pandemic, your organization continues its service excellence. What are your key recommendations for other NGOs that are struggling during the pandemic, especially in resource mobilization?
20. Please discuss other ways through which NGOs in Nepal can improve their organizational capacities:
21. Please discuss the ways for NGOs to improve volunteer involvement in their operations.
22. Please discuss the ways the public (government) sector can help in improving sustainability and growth of the NGO sector in Nepal.

*Thank you for taking the time for this interview.*

## Appendix 2

### Pre and Post NGO capacity building workshops in Kathmandu, Pokhara and Nepalgunj 2015 – 2017

#### **“Organizational Capacity Building for INGENAES Partner NGOs”**

##### **Pre-Workshop Assessment**

Rate the level of **your current knowledge/understanding** on the following aspects of NGO management using the scale of 3 to 0 (3= Strong; 2=Somewhat; 1=Very Little; 0=Not at All)

- \_\_\_\_\_ Foundations of an NGO
- \_\_\_\_\_ Good governance practices and implementation
- \_\_\_\_\_ Systematic program planning
- \_\_\_\_\_ Systematic program evaluation
- \_\_\_\_\_ Fundamentals of strategic planning and application of strategic planning process
- \_\_\_\_\_ Fund raising
- \_\_\_\_\_ Grant writing
- \_\_\_\_\_ Developing collaboration with the Agricultural Extension Services and/or other appropriate government entities.

The **main reason** I am attending this workshop is: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*Thank You!*

#### **“Organizational Capacity Building for INGENAES Partner NGOs”**

##### **Post-Workshop Assessment**

Rate the level of **increase in your knowledge/understanding** on the following aspects of NGO management **as the result of participating in the Workshop**, using the scale of 3 to 0 (3= Strong 2=Somewhat 1=Very Little 0=Not at All)

- \_\_\_\_\_ Foundations of an NGO
- \_\_\_\_\_ Good governance practices and implementation
- \_\_\_\_\_ Systematic program planning
- \_\_\_\_\_ Systematic program evaluation
- \_\_\_\_\_ Fundamentals of strategic planning and application of strategic planning process
- \_\_\_\_\_ Fundraising
- \_\_\_\_\_ Grant writing
- \_\_\_\_\_ Developing collaboration with the Agricultural Extension Services and/or other appropriate government entities

The **best parts** of this workshop were:

\_\_\_\_\_

The **major benefit to me and/or my organization** because of participating in this workshop is:

\_\_\_\_\_  
\_\_\_\_\_

A **key insight or new learning** I gained from participating in this workshop is:

\_\_\_\_\_  
\_\_\_\_\_

*THANK YOU!*