# Content

<table>
<thead>
<tr>
<th>Page</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>About the report</td>
</tr>
<tr>
<td>4</td>
<td>Why organizational capacity</td>
</tr>
<tr>
<td>5</td>
<td>Methodology</td>
</tr>
<tr>
<td>6</td>
<td>The African CSO landscape: an overview</td>
</tr>
<tr>
<td>10</td>
<td>Data highlights</td>
</tr>
<tr>
<td>19</td>
<td>Top 10 tips for funders</td>
</tr>
<tr>
<td>20</td>
<td>Acknowledgements</td>
</tr>
</tbody>
</table>

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**Editorial**

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African CSOs are on the frontlines of development in Africa, yet their contributions remain largely invisible. EPIC-Africa compiled this report to bring attention to African civil society organizations - what they do, how they do it, and the organizational challenges that prevent them from achieving greater impact. This information is vital for individuals and organizations seeking to meaningfully engage with African CSOs.

The report offers a rare snapshot of African CSOs based on a sample of close to 400 CSOs from 46 countries. It provides a more nuanced picture of the CSO landscape: areas of focus, typologies, sources of funding and their strategic ability and adaptability. The report also raises many unanswered questions and pushes us toward further research and analysis. For example, what is the profile of the over 15% of individuals who are donating to African CSOs? How effective are African CSO boards (90% of surveyed organizations said they have a board of directors)?

The report is based on findings from the first edition of the African CSO Excellence Awards which were organized to highlight the importance of organizational capacity to achieve program impact. The awards evaluated performance across eight key elements of organizational capacity: Strategic Ability and Adaptability, Leadership and Governance, Financial Health and Management, Human Resources and Staff Development, Operations, Communications, Partnerships and Alliances and Monitoring and Evaluation. For more information on the awards please click here.

We hope that you will get a clearer understanding of the African CSO sector from this report and be inspired to delve further into the issues that impact the organizational capacity of African CSOs. Our objective is to give individual donors, researchers, funders and CSOs alike the tools to address some of the main challenges facing African CSOs.
Organizational capacity is integral to success, it should be a priority, a strategic investment to ensure program quality and implementation. This report incorporates the best practices in each of the areas evaluated in the African CSO Excellence Awards. This approach allows readers to see in which ways the most impactful and well-managed CSOs in the 2019 cohort of the awards excelled.

According to C.R. Hibbs, author of ‘Integrating Capacity and Strategy: A Handbook for Next Generation Grantmakers and Grantees’ organizational capacity has been undervalued in philanthropic practice and literature. It is often treated as secondary to program strategy. Yet, organizations need the operational skills, knowledge, and infrastructure to successfully and sustainably deliver quality programming. Capacity building is therefore integral to strategy and deserves the same level of attention as programming.

Why organizational capacity

An organizational effectiveness approach allows us to examine how an organization does their work. Not only do we ask if they are producing results, but we delve even further to find out: Are they finding ways to build their capacity and manage challenging environments; Are they laying the foundations to usher their organizations safely into the future?

Support for organizational capacity will allow CSOs to continue to be catalysts for the transformational change that our continent needs’
The report is based on data collected through the African CSO Excellence Awards which assessed eight key aspects of organizational capacity.

Applications for the awards were open between October 2018 and January 2019. CSOs nominated themselves by submitting data through a web-based portal. By sharing their data, CSOs got the opportunity to self-assess and consequently received a “capacity diagnostic report” that they could use as a benchmark and initiate conversations about their organization’s capacity with their funders. Over 1000 CSOs registered on the platform with close to 400 CSOs from 46 countries submitting in-depth information about their organizational practices. Winners were announced in May 2019 after a rigorous five-stage process which included:

**Step I - Initial Ranking**

The initial ranking of all applicants was done automatically through algorithms that were built into the online application.

**Step II - Long Shortlist**

The top 45 applicants (i.e the top five from each category of assessment plus the top five overall) underwent a second stage of assessment answering additional questions and providing further documentation. This process was conducted online as well to produce a final shortlist of 27 organizations.

**Step III - Video Interviews**

The top 27 applicants were invited to answer additional questions via video.

**Step IV - Reference Check**

References from peer organizations and donors were reviewed by EPIC-Africa.

**Step V - Jury review**

A jury of prominent CSO/philanthropy leaders evaluated a docket with recommendations for each category and selected the final winners.

This report highlights some of the most compelling data points collected throughout this process.
The African CSO landscape:

**an overview**

**Data Highlight**

Close to

1,000 🚀

CSOs registered on our platform

389 🏆

Fully Vetted CSOs

46 countries represented

**Top 10 represented countries**

**Areas of focus**

The top 6 areas of focus of the African CSOs surveyed are:

- **Education** 11%
- **Youth** 8%
- **Health** 7%
- **Gender** 7%
- **Human rights** 6%
- **Agriculture** 6%
Data overview

Strategic focus

The CSOs surveyed showed that the main areas of strategic focus are:

- **Capacity building**: 32%
- **Policy research**: 23%
- **Service delivery**: 19%
- **ThinkTank/Policy research**: 10%

Top SDG goals

The top 5 SDGs represented in the survey are:

- **GOAL 1: No Poverty**: 23%
- **GOAL 4: Quality Education**: 16%
- **GOAL 3: Good Health & Well-being**: 16%
- **GOAL 5: Gender Equality**: 12%
- **GOAL 16: Peace & Justice Strong institutions**: 11%
- **Other Goals**: 27%
Geographic reach of African CSOs

The majority of African CSOs surveyed operate at the national level, followed closely by those operating at the community level:

- National Level: 37%
- Community Level: 28%
- Regional Level: 16%
- International Level: 9%
- Continental Level: 7%

CSOs by year of registration

63% of CSOs surveyed were created after 2007

Number of CSOs by year of registration

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EPIC-Africa: The State of African CSOs | 2019 REPORT
Sources of funding

Foundations* have emerged as the most frequently cited source of funding for the African CSOs in this survey:

- **Foundation**: 197, 17.5%
- **Individuals**: 169, 15%
- **Government**: 119, 10.5%
- **Corporation**: 102, 9%
- **Other funding sources**: 98, 8.7%
- **Sales of services**: 96, 8.5%
- **Membership Dues**: 155, 13.7%
- **Multi-lateral**: 58, 5.1%
- **Bi-lateral**: 58, 5.1%
- **Religious Organization**: 38, 3.4%
- **Rental income**: 32, 2.8%
- **Legacy**: 6, 0.5%

* This graphic highlights a variety of funding sources for most African CSOs. Many organizations cite foundations as a main source of funding, both local and internationally based. Most organizations are actively trying to diversify their sources of funding and while the amounts may not be significant, they seek to garner support from local sources of funding.
Below are data highlights from the eight areas of organizational capacity evaluated during the African CSO Excellence Awards. The best practices emphasize the behaviors and strategies that helped the winners in our 2019 cohort to stand out and be more impactful. In showcasing these practices, we hope to contribute to the industry consensus on how excellence and sustainable impact should be modeled in the African CSO sector.
Strategic ability & adaptability

72% of the organizations surveyed have a **strategic plan**

93% of the organizations surveyed have a **set of values**

95% of surveyed CSOs have a **mission statement**

This indicator assesses the clarity and coherence in articulating what social problem the organization is working to solve (vision and theory of change), where they will focus (priorities), how they will succeed (objectives and outcomes) and finally what abilities they will need to achieve the impact they seek.

**Best practice**

- Strategic plans are based on what they have learned through evaluation of the previous strategic plan and in-depth analyses of the landscape they inhabit
- Explicitly link programmatic outcomes to organizational capacity in other areas, such as people and budgets
- Emphasize learning as a tool for ongoing course correction
Leadership & Governance

This indicator evaluates the capacity of the leadership (the board and the chief executive) to guide their organizations through their aspirations by resetting and driving strategy, with integrity and no conflicts of interest. It examines the governance structures which maintain the organization’s accountability, reputation and integrity.

Best practice

- Have leadership and governance structures in place, board of directors and a chief executive who possess substantial experience and qualifications
- Constitutions/by-laws include stipulations to safeguard integrity, such as conflicts of interest and codes of conduct for the board and officers
- The boards of directors are diverse, and have a stipulated term limit

90% have a board of directors

Board of directors have an average of 5 members

46% are women

Age range representation of board of directors members
Financial Health & Management

18 months is the average **grant duration**

20% of grants only are for **core support**

70% of surveyed CSOs that have at least **3 funders** for the last 3 fiscal years

**Year of the most recent external audit of financial statements**

Almost 50% of all surveyed organizations had conducted an external audit in the previous year

This indicator evaluates the capacity of an organization to develop and maintain financial policies that protect the organization and assure its sustainability, most notably through diverse funding sources, ongoing controls and sound financial decision making.

**Best practice**

- Diverse funding sources: including foreign private foundations, local businesses, individuals, events, own income
- Consistently conduct annual external financial audits
- Documented internal control guidelines to ensure operational efficiency, compliance with applicable laws and regulations
- Detailed financial management policies and procedures
Human Resources & Staff Development

18 is the average staff size

46% of the organizations surveyed have a human resources manual

This indicator analyzes the adequacy of professional experience and skill sets of the people working in the organization as well as the policies and processes for managing people from recruitment to retention.

Best practice

- Staff has the relevant skills and experience needed within the organization
- Demonstrate a strategic lens in people management
- Offer staff capacity development as a means to build organizational capacity while motivating staff and thus minimizing staff turnover

Number of years experience of staff members

- 17% Less than 1 year
- 20% 1 or 2 years
- 24% 3 or 4 years
- 24% 5 or 10 years
- 15% More than 10 years

Length of tenure as head of an organization

- 25% Less than 2 years
- 35% 5 or 10 years
- 28% Less than 5 years
- 13% More than 10 years

Staff profile

- 69% Volunteer staff
- 9% Admin & finance Staff
- 8% Executive staff
- 15% Program staff
**Operations**

This indicator evaluates the adequacy of an organization’s physical facilities, IT environment, and access to legal services to operate effectively and manage risk.

**85%**

of the organizations surveyed do not have an **IT strategy**

**74%**

of the organizations surveyed have a **legal advisor**

**56%**

of the organizations surveyed are aware of and take advantage of legal and fiscal frameworks that could benefit their organization e.g. **duty-free purchases of goods and services**

**Best practice**

- Demonstrate awareness of operational risk and are taking measures to mitigate them such as retaining legal counsel to advise on issues such as staff contracts

- **IT strategy in place aimed at leveraging technology to advance their missions**
Communication

60% do not have a communication strategy

94% of the organizations surveyed have a website

Most used communication channel

- **33%** Facebook
- **22%** Twitter
- **15%** LinkedIn
- **9%** Blog
- **11%** Instagram
- **10%** Other

This indicator assesses an organization’s ability to identify, reach and influence audiences in line with its mission. It evaluates the efficiency and appropriateness of the communication channels used to achieve the organization's goals.

Best practice

- Written communication strategy document with objectives tied to the mission and well defined tools and activities for operationalizing the strategy
- Documented strategies for identifying, reaching and influencing their audiences
- Dedicated communications staff
**Partnerships & Alliances**

The partnerships and alliances indicator measures an organization’s capacity and reputation for creating value with others. It evaluates the organization’s use of broader networks and their willingness to collaborate with partners to further program goals.

**Best practice**

- Willingness to collaborate with others and have several partnerships with a range of actors, including local businesses, governments, peer organizations, and research institutions

- Consulted by others and participate in technical panels locally and in other countries
Monitoring & Evaluation

This indicator evaluates the extent to which an organization assesses its performance through regular use of performance indicators, feedback loops and learning. It also examines the extent to which M&E results serve as a tool for strategic decision making and day to day management.

Best practice

• Undertake external evaluations of their previous strategic plans to guide the development of current strategic plans, highlight MEAL as a priority for capacity building

• Conduct organization wide evaluations as well as project evaluations

• Have a dedicated monitoring, evaluation and learning (MEAL) function/department

70% have not had an organizational evaluation
TOP 10 TIPS FOR FUNDERS

In our continued effort to give more voice and visibility to African CSOs, EPIC-Africa asked the question: What advice would you give to funders to help them be more effective partners? Here is what African CSOs had to say:

01 Promote core funding in lieu of project funding as this lifts up the grantees mission rather than donor driven projects which may lead to mission drift and the weakening of the institution.

02 Exercise patience, impatience, the measure of success that funders are after, takes longer than a single project cycle. Consider flexible multi-year grants structured to build on ongoing learning and evolving opportunities.

03 Be humble, seek advice to understand the specific geographic, political and cultural context in which grantees operate.

04 Localize, increase the size and number of grants going directly to African grantees. They are grounded in local reality and more likely to provide sustainable solutions to many of the difficult problems that funders aim to tackle. They also stick around when conditions are most dire and foreign groups evacuate.

05 Re-imagine grant making, simplify grant procedures, consider oral presentation of proposals especially for Community Based Organizations to level the playing field. Consider differentiated grant making including funds for startups, and offer other support beyond money such as access to networks and training.

06 Promote transparency in the sector by making publicly available all information on funded organizations/projects and evaluation whenever security is not a concern. This raises the visibility of your grantees and strengthens their credibility and local legitimacy.

07 Build meaningful relationships and cultivate trust with grantees by – cocreating solutions, cultivating a cross-learning agenda including helping CSOs to consistently evaluate themselves, and becoming champions of your grantees among other funders, governments and other stakeholders.

08 Connect grantees working on similar issues in the same country and/or region so they can learn from each other.

09 Fund capacity building of your grantees when structuring your grants, not just the particular project. This helps CSOs strengthen their operational infrastructure so that they continue to do the work they do even after your grant has ended.

10 Cover the full cost of implementing a project, including the associated management fees - many funders are reluctant to cover the latter which in lieu of core support is needed for project implementation.
Acknowledgements and Credits

EPIC-Africa would like to thank the hundreds of CSOs who generously shared their data with us. We now have a more robust knowledge of the African CSO landscape.

We would also like to thank all the partners and judges who supported this initiative and helped to make the 1st edition of the African CSO Excellence Awards such a success.