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**The Good Governance Role in the Management and Development of the
NGOs in the Gaza Strip from the General Director Perspective**

دور الحكم الصالح في إدارة وتنمية المؤسسات غير الحكومية في قطاع غزة من
وجهة نظر مدير عام المؤسسة

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To my family for all the support and encouragement

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ABSTRACT

Governance can be defined as the systems and processes concerned with ensuring the overall direction, supervision and accountability of an organization. It is also a transparent decision-making process in which the leadership of a nonprofit organization, in an effective and accountable way, directs resources and exercises power on the basis of shared values.

This research studied the governance body in terms of its, structure and relationships to the management and development of Gaza's NGOs from General Director Perspective. More specifically, the research studied the board of directors in terms of board membership, board management affairs, policies and procedures, performance management, meetings and committees, financial management and control, relationship with the funding organizations, relationship with the general director, relationship with the general assembly, and finally training needs required for the boards. The main findings of the research were:

- Gaza's NGOs board of directors are well governed
- The boards of directors are performing their role in financial management and control highly satisfactory (the highest overall 90.96 weighted mean)
- Performance measurement is the least area that board of directors are concerned about (the lowest overall 68.97 weighted mean)

The main recommendations of the research were that Gaza NGOs need to concentrate their improvement efforts in the following areas in order to be more effective and successful:

- Enforce the good practice of limiting the membership of the board to two consecutive terms
- Establish a procedure to deal with board members who consistently fail to attend the board meetings without good and convincing reasons
- Establish and implement a solid system of measuring and improving the board performance
- Develop codes of ethics and conduct for both the NGO and the board of directors
- Improve the effectiveness of the board committees
- Play more active role in fundraising efforts for the organizations
- Establish and implement yearly development plans to develop the board members

الملخص

يمكن تعريف الحكم (الحكم الصالح) بأنه نظم وطرق تهتم بالتأكيد على التوجه العام للمؤسسة والإشراف والمحاسبة المؤسسية. هو أيضاً عملية اتخاذ قرارات شفافة تقوم خلالها قيادة المؤسسة بفعالية ومحاسبية بتوجيه الموارد وممارسة السلطة معتمدة على القيم المشتركة الخاصة بالمؤسسة.

من خلال هذا البحث تم دراسة دور الحكم الصالح في إدارة وتنمية المؤسسات الغير حكومية في قطاع غزة من وجه نظر مدير عام المؤسسة. وأكثر تحديداً قامت الدراسة ببحث مجالس الإدارة من خلال عضوية مجلس الإدارة، اللوائح والأنظمة الإدارية لمجلس الإدارة، السياسات والإجراءات الخاصة بالمجلس، قياس الأداء، الاجتماعات واللجان، الإدارة المالية والرقابة المالية، العلاقات مع الممولين، العلاقات مع المدير التنفيذي للمؤسسة، العلاقة مع الجمعية العمومية، والاحتياجات التدريبية الخاصة بأعضاء المجلس. النتائج الرئيسية للبحث هي:

- المؤسسات غير الحكومية الموجودة في قطاع غزة تتميز بحاكميه عالية
- تمارس مجالس الإدارة بفعالية عالية دورها الخاص بالإدارة المالية والرقابة والمتابعة (أعلى وزن نسب إجمالي 90.96)
- قياس الأداء كان هو أقل ما تهتم به مجالس الإدارة (أقل وزن نسبي إجمالي 68.97)

أهم التوصيات التي توصل إليها البحث أن على مجالس الإدارة أن تحسن أدائها فيما يلي حتى تصبح أكثر فعالية ونجاحاً:

- تطبيق نظام خاص للتمثيل في مجلس الإدارة بحد أقصى لفترتين متتاليتين للعضو
- تطبيق آلية واضحة للتعامل مع الأعضاء اللذين يتغيبون عن اجتماعات المجلس بدون أسباب واضحة ومقتعة
- تطوير وتطبيق نظام فعال لقياس وتحسين أداء مجالس الإدارة
- تطوير مدونة شرف ومدونة سلوك لكل من المؤسسة ومجلس الإدارة
- العمل على زيادة فعالية لجان مجلس الإدارة
- لعب دور أكثر فعالية في تجنيد الأموال للمؤسسة
- تطوير خطة عمل سنوية خاصة بتطوير قدرات مجلس الإدارة

CHAPTER 1

INTRODUCTION

1.1 Preface

Non-Governmental Organizations (NGOs) or Not-for-profit organizations exist through the world. They prosper in industrialized countries and they are also a central part of the social fabric in developing countries. They thrive in free democratic societies and play an important role in less democratic regimes. They flourish in urban areas and are equally important in rural areas. Not-for-profit organizations exist everywhere because of a human quality that brings people together to provide services for themselves and others and to campaign against abuse of people and the environment (Hudson, 1995). These NGOs need to be well managed and organized in order to be able to perform their missions and achieve their objectives. Governance is an essential element for the success of the NGOs.

The Non-for-profit Governance may be referred to the relationship among the board of directors, top management, and the general assembly in determining the direction and performance of the NGO (Wheelen and Hunger, 2006). Governance is the process whereby organizations make important decisions, determine whom they involve and whom they render accountable. In addition, taking decisions and rendering of account- typically relies on the governance system, policies or framework. NGOs bylaws should clearly state the roles and responsibilities of governance bodies (Institute of Governance, 2007).

The good NGO governance should give complementary roles to the different parties (board of directors, top management and general assembly) in the management process, and in identifying the NGO strategic direction and policy identification and

implementation. The different parties should act as partners in managing the NGO (Wheelen and Hunger, 2006).

“In the conventional view of the NGOs, the board is the all-powerful group that establishes the mission, sets the objectives, appoints the management staff and monitors their performance. The board is the top of the hierarchy, accountable for all the organization’s actions. It sets the overall strategy and the staff implements the decisions.” (Hudson, 1995, p. 40).

“In practice the reverse is sometimes nearer the truth. The board meets infrequently and has agendas that are predominantly concerned with short-terms issues and crises. The board is highly dependent on the staff not only for information and advice but for preparing strategies and plans for the board to approve. In the worst cases, the board’s deliberations merely repeat decisions that have effectively been made by the staff” (Hudson, 1995, p. 40).

The Palestinian society is characterized by the existence of large number of non-for-profit organizations that work hard to provide much needed high quality services for the Palestinians. For decades, Palestinian non-governmental organizations (PNGOs) have performed a critical role in delivering economic and social services to the poor and marginalized in the West Bank and the Gaza Strip and in developing democratic institutions in Palestinian society. Palestinian NGOs are thus capable of serving as full partners in the overall Palestinian development efforts, along with the Palestinian Authority, private sector and international donor community together. These partners lead the effort to alleviate poverty, develop infrastructure, and provide social and economic services to Palestinians (Sullivan, 2001).

According to Shalaby et. al. (2001) the number of Palestinian NGOs is 881 and 206 of them are located in the Gaza Strip. Abdel El Hadi and Od’a (2002) indicated that 82.1% of Palestinian NGOs have some form of administrative structure that control the work of

the organizations while 17.9% do not. In another study conducted by MAS (2007) the number of NGO had increased to reach 1,338.

1.2 Research Problem

In general, it could be agreed that some of the Palestinian NGOs are large and sophisticated while other are small and less developed. Yet, both of them have board of directors/administrative structures that provide direction and overall supervision. Some boards are effective and some are not.

This research studied the governance body in terms of its, structure and relationships in the management and development of Gaza's NGOs from General Director Perspective.

The research question could be as follows:

What are the aspects and roles of the good governance in the Gaza's NGOs and what is the overall level of good governance in the Gaza NGOs?

1.3. Research Hypothesis

1. There is a significant correlation between the level of NGO good governance and its components (board membership, board management, policies and procedures, performance measures, meetings and committees, financial management and control, relationship with funding organizations, relationship with general director, relationship with general assembly).

2. There is no significant statistical difference a significant level ($\alpha = 0.05$) in the level of NGO good governance due to the characteristics of the general director (age, sex, education, experience, etc.).

2.1 There is no significant statistical differences at significant level ($\alpha = 0.05$) in the level of NGO good governance due to the general director due sex

- 2.2. There is no significant statistical differences at significant level ($\alpha = 0.05$) in the level of NGO good governance due to the general director due age in years.
- 2.3. There is no significant statistical differences at significant level ($\alpha = 0.05$) in the level of NGO good governance due to the general director qualification
- 2.4. There is no significant statistical differences at significant level ($\alpha = 0.05$) in the level of NGO good governance due to the general director years of experience
3. There is no significant statistical difference a significant level ($\alpha = 0.05$) in the level of NGO good governance due to the characteristics of the NGO (Average annual budget, number of staff, number of general assembly, age)
- 3.1. There are no significant statistical differences at significant level ($\alpha = 0.05$) in the level of NGO good governance due to the NGO age
- 3.2. There are no significant statistical differences at significant level ($\alpha = 0.05$) in the level of NGO good governance due to the NGO number of general assembly
33. There are no significant statistical differences at significant level ($\alpha = 0.05$) in the level of NGO good governance due to the NGO due to the average annual budget for last two years (2005/20060):

1.4 Research Variables

The research dependent variable is the Level of NGO Good Governance. The research independent variables area:

- Board of directors' membership
- Board management
- Polices and procedures
- Performance measurement
- Meetings and committees of the board
- Financial management and control
- Relationship with funding organizations
- Relationship with the general directors

- Relationship with the general assembly

1.5 Research Objectives

- 1- Assess the extent to which the good governance features exist in Gaza's NGOs.
- 2- Identify the level of good governance in Gaza's NGOs.
- 3- Study the effect of board and organization characteristics, and the general director characteristics on the NGOs governance.
- 4- Propose some recommendations that may help local NGOs to promote the performance of their governing bodies which may enable the NGO sector to flourish and perform its role in the society development.

1.6. Research Importance

The NGO governance in Palestine has rarely been examined, partly because of lack of information and partly because of lack of fund and interested researchers in the field of governance in Palestine in general or in the Gaza Strip in particular. This is the first detailed study devoted specifically to the NGOs governance in Gaza Strip. The work studied the governance body in terms of its, structure and relationships in the management and development of Gaza's NGOs. The study would contribute to the development of the NGOs governance's performance. Further it would enhance the library resources in the field of NGOs.

1.7. Research Structure

The research includes the following chapters:

First: Introduction

Second: An Overview of NGOs' Governance

Third: Research Methodology

Fourth: Data Analysis and Discussion

Fifth: Conclusions, Recommendations and Future Research

1.8 Previous studies

1.8.1 Local and Regional (Arabic) Studies

Mohammed Shamiyah Study – Evaluating the Performance of the Palestinian NGOs in the Light of Sustainability Criteria (Thesis Dissertation – 2005)

The study was concerned with the development of Sustainability criteria for local NGOs that take into consideration the environment, donors and the capacity of the NGOs. The research studied NGOs sustainability based on the following criteria:

- Vision, Mission and Objectives
- Human Resources
- Program Effectiveness
- Financial Viability and Fundraising
- Planning
- Infrastructure and Information Technology
- Participation and Linkages
- Governance

Sahmiyah had concluded that Governance was the second highest rank within the eight sustainability criteria of the Gaza's NGOs with a relative weight of 82.7%. The first highest rank was Vision-Mission-Objectives with 85%.

Adel Abdul-Latif, UNDP Program on Governance in the Arab Region (2002)

The study discussed the role of the civil society organizations and the means to measure the good governance. The study provides definitions of good governance, list of good governance principles, discuss the state of good governance in the Arab world, and the civil society organizations and the challenges facing good governance. The study concluded the following list of good governance principles:

- Participation
- The Rule of Law

- Transparency
- Social Equity/Integration
- Accountability
- Effectiveness and responsiveness
- Strategic vision

Abdel Latif argued that forming a board of directors or trustees with clear authorities and responsibilities such as reviewing the general policies of the organization, its programs, its budget and its connections with the outside world is a key element of good governance on the organizational level and the internal and external relations.

Izzat Abdul-Hadi Study – Governance and Good Governance in Arab NGOs - Criteria for Internal Benchmarking of CSOs with Regard to Good Governance (2002)

The study discussed the common background of the Arab NGOs and discussed the obstacles that hinder the transform of the Arab NGOs to democratic and learning organizations that would be governed by the law, and being transparent and accountable. Finally, the study discussed a tool that divides the main responsibilities of the NGO into six components:

- Governance
- Management
- Human Resource Management
- Financial Management
- Programs and Projects Management
- External Relations

Izzat indicated that most Arab NGOs suffer from the lack of tools and techniques of good governance such as active governing bodies and clear programs documents that had clear connection between goals, strategies and activities.

1.8.2 International Studies

Balser and McClusky – Managing Stakeholder Relationships and Nonprofit Organizational Effectiveness (2005)

The study examined how nonprofit organizations manage their relationships with stakeholders and how these practices relate to perceived organizational effectiveness. The study interviewed the executive directors of variety of NGOs to see whom they see as their stakeholders, and the practice they use in managing stakeholders relationships.

The two nonprofits that were evaluated as most effective used a consistent, thematic rationale in dealing with stakeholder issues in terms of mission, core values, building relationships and networks.

The study suggested that organizations that ground their external relations in issues that are recognized as good nonprofit management, and did so consistently across stakeholder groups, had been rated as more effective by multiple external evaluators. The studied the following aspects of organization effectiveness:

- Effectiveness in dealing with funders
- Effectiveness in dealing with community
- Effectiveness in dealing with clients
- Effectiveness in providing programs and services
- Effectiveness in developing financial resources
- Organizational age
- Board size
- Annual budget

Salamon and Geller Study – Nonprofit Governance and Accountability (2005)

The study examined the governance and accountability practices in the USA NGOs. The study discussed the following areas:

- Board Roles
- Financial Disclosure
- Ethics Protections

- Best-Practice Standards
- Organizational Changes
- Nonprofit Awareness

The key findings from the study included the following:

A) Board roles

The research had revealed that the boards of overwhelming majorities (85-90%) of the NGOs surveyed were highly involved in the key strategic oversight functions that nonprofit board are expected to perform. These include:

- 93% are actively involved in setting organizational missions
- 88% are involved in setting the chief executive compensations
- 87% establishing and reviewing organizational budgets and finance
- 87% setting organizational objectives
- 83% reviewing auditing and accounting policies and practices

B) Financial disclosures

The overwhelming majority (97%) of sampled organizations has undergone an independent audit within the past two ears and comparable (95%) regularly distribute their financial reports to their boards.

C) Ethics protections

The overwhelming of responding organizations also already have other policies and procedures in place to promote accountability and ethical behavior. This includes:

- Internal controls on finance and financial accounting (98%)
- Records retention policies (84%)
- Conflict of interest policies (83%)
- Travel expenses policies (81%)
- Code of ethics for board and staff (73%)

Gill, Flynn, and Reissing – The Governance Self-Assessment Checklist: An Instrument for Assessing Board Effectiveness (2005)

The article describes the development and validation of the governance self-assessment checklist which was designed to assist boards of directors and nonprofit and public sector organizations to identify strengths and weaknesses in the governance of their organizations, educate board members about the essentials of good governance, and improve their governance practices. The tool examines the following aspects of governance:

- Board structure
- Board culture
- Mission and planning
- Financial stewardship
- Human resources stewardship
- Performance monitoring
- Community representation
- Risk management
- Board development
- Board management
- Decision making

When the tool was applied with 32 Canadian NGOs, the results were that the board members were highly satisfied with board culture, community representation, and financial stewardship. Board members perceived the following governance functions as requiring improvement: mission and planning, performance monitoring, risk management, and human resources stewardship.

Friedman and Phillips – Balancing Strategy and Accountability – A Model for the Governance of Professional Associations (2004)

The study examined three specific issues of governance: size of councils, their composition in relation to electoral process, and the development of inner councils or executive boards, within councils. A model was developed as an outcome of the research.

The model offered a possible mean of balancing the representation required by the status of membership associations with the requirement of professional associations to be more strategic and proactive. The model emphasizes the distinct roles of the representative group, the board (strategic group), the chief executive, and the staff. The representative group and the strategic groups act to:

- Elicit and represent members view, interests, and desires
- Translate those into mission statements and other general guides
- Monitor whether of the above two have been satisfactorily taken into account
- Feed the evaluation of the above back to the membership (general assembly)

Esther Iecovich Study - Responsibility and Roles of Boards in Nonprofit Organizations – The Israeli Case (2004)

The study examined nine roles and responsibilities of board of directors in nonprofit organization in Israeli. It also compared the perceptions of chairpersons of the boards and the executive directors. The findings of the study showed that the in most organizations board fulfill all the nine roles and play a significant role in decision making. A significant consensus existed between chairpersons and executive directors in respect to most of the board's roles, whereas significant differences in perceptions were found in respect to financial matters and maintenance of relationships with the task environment. The roles that the board members were expected to perform were as follows:

- Overall mission of the organization
- Strategic planning
- Fiscal matters and fundraising
- Monitoring and appraisal of programs and services
- Management of senior human resources
- Maintenance of relationships with the task environment
- Self-assessment of board's performance and effectiveness

The study showed that the majority of the boards of nonprofit organizations, regardless of their organizational characteristics and domains of activity, do fulfill the expected roles

and responsibilities of boards of directors and are actively involved in most of them. Furthermore, the four main areas that had been identified in the study: management of senior human resources, fiscal management and fundraising, policy making, and maintenance of relationships with the task environment, can be classified into the following:

- Internal focus (human resources)
- External-internal focus (fiscal management and policy making)
- External focus (maintenance of relationships with the task environment)

The finding also showed, however, that boards of directors were more preoccupied with some specific internal issues such as budget allocation, changes in tip management, and changes in programs or services and with some external roles such as maintaining connections with local and national organizations, an least involved in other internal and external functions such as fundraising, advocacy and lobbying, and hiring of senior staff.

The Foundation Governance Project – Foundation Governance: The CEO Viewpoint – The Center for Effective Philanthropy (2004)

The center for effective philanthropy had conducted a survey of the CEOs of the 250 largest U.S. foundations to gather information about the governance practices of foundation boards. The finds of the study were:

- The majority of foundation CEOs are highly satisfied with their relationships to their boards, and to somewhat lesser degree, consider their boards to be effective
- Five key variables are strong predictors of the degree to which a CEO considers his or her board effective:
 - Involvement in assessing the foundation’s overall performance
 - Bringing thought-provoking and important concerns to the attention of the CEO
 - Responding to recent media and legislative scrutiny through board-level discussions of governance
 - A lower proportion of donor’s family members serving on the board

- Actively representing the foundation to the public
- The board that were rated most effective were seen by their CEOs as:
 - Meeting more frequently and spending more time on foundation business outside of scheduled board meetings
 - Substantially more involved in:
 - Assessing the foundation's social impact
 - Contributing subject-specific expertise
 - Developing the foundation's strategy

Cronforth and Simpson Study – Change and Continuity in the Governance of Nonprofit Organizations in the United Kingdom – The Impact of Organizational Size (2002).

The study examined how the boards are changing in the charities of England and Wales. It also examined whether various external initiatives could improve board performance. The findings of study indicated that the board characteristics, variety, and changes vary with the organization size. The study revealed that:

- The average size of board members is 9.5 members
- Larger organizations tend to have larger boards
- The likelihood of boards having subcommittees increases with the size of the organization
- The support available to board members in terms of written job descriptions and induction and training increases with the size of the organization
- The external initiatives to improve board performance are having some effect, but the extent of the effect is related to the size of the organization, with the greatest impact among medium and large size charities.

CHAPTER 2

AN OVERVIEW OF NGOS' GOVERNANCE

2.1 Introduction

In the past years, the non profit sector has grown rapidly both in size and significance. Consequences include increased scrutiny, demand for efficient use of public money, the identification of measurable outputs and outcomes, and tighter accountability. In particular, paralleling development in other sectors, the spotlight has focused on governance arrangements and whether they are adequate to ensure that community and voluntary organizations are effective, act responsibly and are accountable for their actions (Foundation for Good Governance, 2005). Governance can be analyzed at two levels: at the country level and at the institution level.

This chapter includes three main sections: 1) Governance at the country level, 2) Governance at the NGO level, and 3) General background on Palestinian NGOs

2.2 Governance at the country level:

UNESCAP (2007) presented a brief of what is Good Governance. The following discussion summarizes this brief:

2.2.1 Governance

The concept of "governance" is not new. It is as old as human civilization. Simply put "governance" means: the process of decision-making and the process by which decisions are implemented (or not implemented). Governance can be used in several contexts such

as corporate governance, international governance, national governance and local governance.

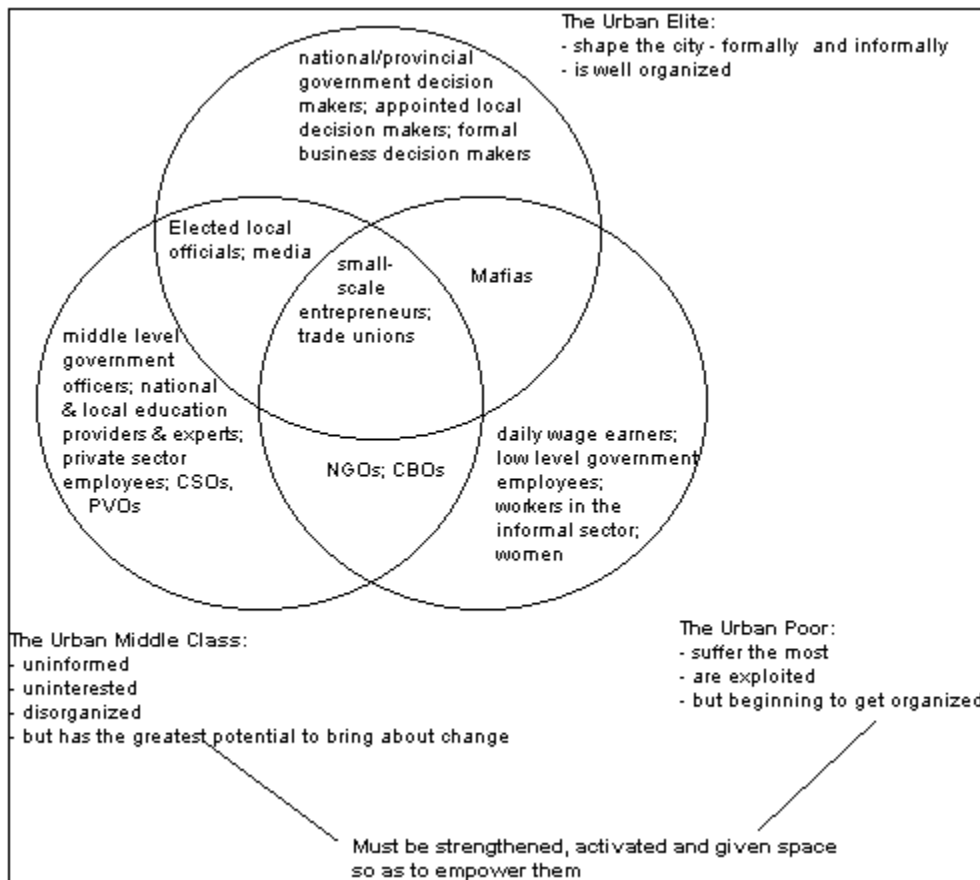
Since governance is the process of decision-making and the process by which decisions are implemented, an analysis of governance focuses on the formal and informal actors involved in decision-making and implementing the decisions made and the formal and informal structures that have been set in place to arrive at and implement the decision.

Government is one of the actors in governance. Other actors involved in governance vary depending on the level of government that is under discussion. In rural areas, for example, other actors may include influential land lords, associations of peasant farmers, cooperatives, NGOs, research institutes, religious leaders, finance institutions political parties, the military etc. The situation in urban areas is much more complex. Figure 2.1 provides the interconnections between actors involved in urban governance. At the national level, in addition to the above actors, media, lobbyists, international donors, multi-national corporations, etc. may play a role in decision-making or in influencing the decision-making process.

All actors other than government and the military are grouped together as part of the "civil society." In some countries in addition to the civil society, organized crime syndicates also influence decision-making, particularly in urban areas and at the national level.

Similarly formal government structures are one means by which decisions are arrived at and implemented. At the national level, informal decision-making structures, such as "kitchen cabinets" or informal advisors may exist. In urban areas, organized crime syndicates such as the "land Mafia" may influence decision-making. In some rural areas locally powerful families may make or influence decision-making. Such, informal decision-making is often the result of corrupt practices or leads to corrupt practices.

Figure 1: Urban actors



Source: UNESCAP, 2007, p.1.

2.2.2 Good Governance

Good governance has 8 major characteristics (Figure 2.2). It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society. The following is a short summary of these 8 characteristics:

A) Participation

Participation by both men and women is a key cornerstone of good governance. Participation could be either direct or through legitimate intermediate institutions or representatives. It is important to point out that representative democracy does not necessarily mean that the concerns of the most vulnerable in society would be taken into consideration in decision making. Participation needs to be informed and organized. This means freedom of association and expression on the one hand and an organized civil society on the other hand.

B) Rule of law

Good governance requires fair legal frameworks that are enforced impartially. It also requires full protection of human rights, particularly those of minorities. Impartial enforcement of laws requires an independent judiciary and an impartial and incorruptible police force.

C) Transparency

Transparency means that decisions taken and their enforcement are done in a manner that follows rules and regulations. It also means that information is freely available and directly accessible to those who will be affected by such decisions and their enforcement. It also means that enough information is provided and that it is provided in easily understandable forms and media.

D) Responsiveness

Good governance requires that institutions and processes try to serve all stakeholders within a reasonable timeframe.

Figure 2: Characteristics of good governance



Source: UNESCAP, 2007, p.2.

E) Consensus oriented

There are several actors and as many view points in a given society. Good governance requires mediation of the different interests in society to reach a broad consensus in society on what is in the best interest of the whole community and how this can be achieved. It also requires a broad and long-term perspective on what is needed for sustainable human development and how to achieve the goals of such development. This can only result from an understanding of the historical, cultural and social contexts of a given society or community.

F) Equity and inclusiveness

A society's well being depends on ensuring that all its members feel that they have a stake in it and do not feel excluded from the mainstream of society. This requires all groups, but particularly the most vulnerable, have opportunities to improve or maintain their well being.

G) Effectiveness and efficiency

Good governance means that processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal. The concept of

efficiency in the context of good governance also covers the sustainable use of natural resources and the protection of the environment.

H) Accountability

Accountability is a key requirement of good governance. Not only governmental institutions but also the private sector and civil society organizations must be accountable to the public and to their institutional stakeholders. Who is accountable to whom varies depending on whether decisions or actions taken are internal or external to an organization or institution. In general an organization or an institution is accountable to those who will be affected by its decisions or actions. Accountability cannot be enforced without transparency and the rule of law.

2.3 Governance at the NGO Level:

Currently there is a growing interest in the area of governance in the not for profit and charitable sectors, perhaps as a recognition that good management is underpinned by the development of good governance. The following is a brief discussion of governance at the NGO level.

2.3.1 Definition of Good Governance

The Foundation for Good Governance (2005, p. 11) identify governance as “the systems and processes concerned with ensuring the overall direction, supervision and accountability of an organization”. Wyatt (2004, p. 2) discussed the concept of governance as follows:

“The English word (governance) comes from the Latin word meaning (to steer, guide, or direct). The term generally refers to the way in which power is assumed, conveyed, and exercised within a society or an organization. According to Western political theorists, (good governance) is a sharing of decision-making authority so that power and resources don’t accumulate in the hands of a single individual or group.” In a nonprofit

organization, exercises good governance when it has an internal system of checks and balances that ensure the public interest is served. Good NGO governance is based on the distinction between organizational entities (management and the governing body) and the distribution of decision-making power between them. This arrangement helps restrain and moderate the control of any person or group, ensure the organization's resources are well managed, safeguard the NGO's public-service orientation. Wyatt (2004, p.) also presented the Working Group on Governance in Central and Eastern Europe definition of NGO good governance as "a transparent decision-making process in which the leadership of a nonprofit organization, in an effective and accountable way, directs resources and exercises power on the basis of shared values".

2.3.2 Aspects of Good Governance

Wyatt (2004) had identified eight aspects of NGO good governance:

- NGOs are accountable to their communities
- Good governance is a basic form of accountability
- Good governance has a formal structure
- Good governance involves the separation of governance and management
- NGOs are mission-based organizations
- NGOs promote the highest professional and ethical standards
- NGOs exercise responsible resources management and mobilization
- NGOs are responsive to the communities they serve

The NCVO (2005) listed the principles of good governance as list in the Independent Commission for Good Governance in Public Services literature as follows:

- Focusing on the organization's purpose and outcomes for citizens and users
- Performing effectively in clearly defined functions and roles
- Promoting values that underpin good governance and upholding these through behavior
- Taking informed, transparent decisions within a framework of controls
- Developing the capacity of the governance team to be effective

- Engaging stakeholders and making accountability real

The National Hub of Expertise in Governance developed a comprehensive code of Good Governance for the voluntary and community sector (NCVO, 2005). The main principles of the code are:

- Board leadership
- The board in control
- The high performance board
- The Board review and renewal
- Board delegation
- Board and trustee integrity
- The open board

Governance Works (2007) had presented a self assessment framework for supporting good governance. The frame work consist of the following board of directors aspects:

- Board membership
- Board management
- Policies and procedures
- Performance management
- Meetings and committees of the board
- Financial management and control
- Relationships with donors
- Relationships with services level clients
- Relationships with stakeholders

From the above discussion it is clear that board of directors play a vital role in the good governance of the NGOs, without effective boards, there will be no good governance for the NGOs.

2.3.3 Governance and Management

Governance Works (2007) indicates that a key area of confusion within the wider not for profit sector is the difference between the roles and responsibilities of management and governance. Management is concerned with the day-to-day activities and operations and the way in which these are implemented. Management is the responsibility of senior management who should develop systems and procedures based on the framework of policies set by the board.

In the early stages of a not for profit organization's development, particularly when there are little or no resources, then the board members may be involved in a more hands on way and may take on some of the aspects of management or development of procedures and systems. As the organization grows and develops then the roles of board and management will often become more defined.

2.3.4 The Roles and Responsibility of the Board

Thornton (2005) and Smith, Buckling and Associates (2000) had identified the following roles and responsibilities of the board:

- Preserving and when necessary reshaping the mission
- Meet fiduciary responsibility
- Selection of the executive office
- Ensure the organization is well managed
- Maintain professional and ethical standards
- Enhance the public image of the organization
- Protecting the organization from external threats
- Recruit other volunteer leaders
- Making sure that the boards has right skills and practices to do its job

2.3.5 Problems that Hinder the Board from Performing its Roles and Responsibilities

Masaoka and Allison (2007) urged that the following reasons prevent board members from performing their roles and responsibilities:

- Board members rely on staff for information
- Board members are often unfamiliar with nonprofit management
- A crucial limitation on board effectiveness is the simple lack of time
- It is not in the interest of executive staff to have an active, governing board
- The consequence for inadequate governance have rarely borne by nonprofit leaders (board members) as individuals

2.4 General Background on Palestinian NGOs

2.4.1 Historical Background

The nongovernmental organization had played an effective role the Palestinian society since the start of the twentieth century. It had affected the political, economical, and social aspects to stand up for the British and Jewish occupations. They provided services to the Palestinian in the West Bank and the Gaza Strip specially in areas that were some how neglected by the Israelis such as health, relief, family, and agriculture (Ladadweh et al., 2001),

The historical role of Palestinian charitable organizations in providing social services to the Palestinian population dates back to the early years of the Israeli occupation when the Israeli Civil Administration held main responsibility for the provision of services. At the time, Palestinian NGOs largely operated within what was then commonly referred to as the “national movement”. Even in the mid-seventies, when development NGOs started to proliferating, providing wide range of economic and social services. Palestinian NGOs were largely linked to the Palestinian political factions and, in this context, the Palestinian Liberation Organization, as umbrella organization played a major role. The practices of NGOs, during this period and until the early 1990s, were very much shaped

by a combination of nationalist and development goals (World Bank and Bisan Center, 2005).

Songco, Nijem and El Farra (2006) indicated that NGOs are not a new feature of Palestinian society. Civil society, of which NGOs are just a part, existed in Palestine since before the Ottoman Empire. Among the most common type of civil society organization that emerged early in the history of modern Palestine is the charitable societies that started their activities at the turn of the 20th Century under a legal framework instituted by Ottoman law. Under the Turkish-Ottoman rule, the cultural societies and various clubs emerged for the purpose of advocating for public policy issues as well as to gain public support for their goals. These were traditionally based on religious and family affiliations and were led by prominent families. Political-type NGOs probably find their roots during the Jordanian/Egyptian rule when Palestinians in the West Bank and Gaza Strip established a variety of professional and charitable organizations to cater to the needs of specific constituencies and either assist, complement or oppose the ruler's practices. The leaders of these organizations no longer came from traditional prominent family backgrounds but from a new breed of educated political elite. The next generation of NGOs played a crucial role during the period of Israeli occupation. The charitable associations re-emerged to cater to the pressing need for basic services of the Palestinian population under a new authoritarian ruler. It was during this period, particularly during the First Intifada, that development and justice NGOs---those that provided services to the poor and marginalized in the context of social injustice, came to the fore. Charitable institutions and development NGOs saw to these needs independent of the occupier and promoted the virtues of steadfastness (Sumud) and resistance among the people.

Between these periods, a host of other civil society groups became part of Palestinian life: popular organizations (women's groups, labor unions, voluntary work movement); development organizations (agriculture and health committees); research, media and human rights organizations; and special interest groups (e.g. for people with disability, elderly, etc.). However, it is the charitable societies that are most numerous, even up to

the present time, because they address essential needs of the population. The periods during the two Intifadas highlighted the critical role of NGOs. In the absence of a fully functional government, they became the main channel of resources from donor countries and Arab neighbors to those who were adversely affected by the conflict. Unity was created among different types of civil society organizations with the single purpose of surviving the occupation. Unfortunately, this unity of purpose was disrupted by changes in the political landscape. The creation of the PNA as a central ruling authority prompted the resurgence of traditional, conservative and patriarchal values. By the Second Intifada these traditional systems had dominated the PNA which disregarded the mode of popular participation and decision-making that characterized social response during the First Intifada.

“The signing of the Oslo Agreement, which was followed by the establishment of the Palestinian Authority (PA), marked a new era of the work of Palestinian NGOs; one in which they were challenged to redefine their role, alongside that of the Palestinian Authority as the main and primary provider of social services. Following a period that was characterized by rivalry and competition, the relationship between the PA and NGOs was eventually formalized and regulated by the approval, in 2000, of Law No (1) of Charitable Association and Community Organizations. .” (World Bank and Bisan Center, 2005, p. 1).

Songco, Nijem and El Farra (2006) indicated that “Today, Palestine has a thriving civil society. The Palestinian Human Development Report (2004) classifies these organizations into two: traditional social institutions which includes tribes, clans, extended families, urban, rural familial and sectarian networks and religious groups; and modern institutions which include political parties, charitable societies, trade unions, professional associations, women’s associations, NGOs, media and advocacy groups and other service-providing organizations. While its healthy dose of NGOs has made Palestine a pluralistic society, it is also caught in the interaction between the modern institutions pushing for contemporary values of democracy, equity and rule of law and the traditional institutions upholding customary practices and filial relations. No matter

how they are categorized and despite being heavily criticized under the current environment, NGOs continue to play an important role in maintaining social cohesion, in ensuring that the poor (at least as many as those that they can reach) obtain their basic needs, promoting steadfastness among the population, and continuously articulating the social aspiration of the search for a genuine Palestinian state.

2.4.2 The Role of the Palestinian NGOs

Abdel Hadi and El Nahass (2002) had identified four reasons for the existence and development of civil society:

- Improve the daily lives of individuals in general aspect
- Fulfillment of social needs that are beyond the responsibility or the concerned of the official authority
- Improve the lives of the poor and marginalized
- Participate in the social change through affecting laws, public policies, and advocacy

In a more recent study Songco, Nijem and El Farra (2006) had identified five major roles for Palestinian NGOs:

- Asserting and advancing national sovereignty
- Delivering basic services
- Strengthening civil society
- Promoting Dialogue and interaction
- People empowerment

2.4.3 Effective Palestinian NGOs

Nakhla (1994) had indicated five major aspects for the successful Palestinian NGOs:

- Strong local roots
- Democratic structure
- Wide local participation

- Clear strategic objectives
- Refusal to be contained from the official government and emphasize independence

2.4.4 Weaknesses of Palestinian NGOs

Songco, Nijem and El Farra (2006) had identified eight weaknesses of the Palestinian NGOs:

- The impact of aid on the NGOs – Becoming extension of donors and their priorities
- Inefficiency
- Competition among NGOs
- Lack of transparency and accountability
- Lack of (inability to articulate) strategic vision
- Disconnected from the community
- Phenomenon of NGOs becoming political
- Leadership and sustainability issues

2.4.5 Mapping of Palestinian NGOs:

2.4.5.1 Number of NGOs:

In a very recent research MAS (2007) had conducted a mapping of Palestinian Non-governmental organizations in the West Bank and Gaza Strip. The study used specific standards to define and categorized NGOs. These standards are (MAS, 2007):

- To be of official legalized presence
- To be independent
- To be a non-profit organization
- To contain a reasonable degree of voluntary participation
- To be un-inheritable

- To be unrepresentative – not limited to specific sector such as student unions or workers unions and professional unions
- The organization must not be factional

MAS (2007, p. 9) studied had showed that the number of NGOs that are operating at the Palestinian Territories is about 1,495. MAS had information for about 1,388 organizations who had answered the questionnaire of MAS. Around 68.5% of these 1,388 NGOs are located in the West Bank and around 31.5% are located in the Gaza Strip (MAS, 2007, p. 11). The following table (Table 2.1) shows the distribution of the NGOs based on the population by district and governorate:

Table (2.1)
Distribution of PNGOs Based on the Population by District and Governorate

Governorate	Number of NGOs	Percentage
Jenin	116	8.4
Tubas	25	1.8
Tulkarem	66	4.8
Nablus	138	9.9
Qalqyia	33	2.4
Salfeet	27	1.9
North West Bank	405	29.2
Ramalah and Al-Bireh	166	12.0
Jericho	20	1.4
Jerusalem	81	5.8
Central West Bank	267	19.2
Bethlehem	128	9.2
Hebron	151	10.9
South West Bank	279	20.1
Total West Bank	951	68.5

North Gaza	58	4.2
Gaza	170	12.2
Deir Al-Balah	80	5.8
Khan Younis	71	5.1
Rafah	58	4.2
Total Gaza Strip	437	31.5
WBGS	1,388	100.0

Source - MAS (2007, p. 65)

2.4.5.2 Funding of PNGOs

MAS (2007, pp. 15-17 and 36) had revealed that Palestinian NGOs received funding from variety of sources: external, self-funded, governmental, local funding, within the Green Line, and others. The total revenues for the NGOs in the West Bank and the Gaza Strip had reached USD 223,607,358 in 2006. It was USD 112,736,506 in 1999. The following is a summary of the funding received by the Palestinian NGOs from different sources broke-down as follows:

- 60.9% from external sources
- 21.5% from self-funding activities
- 9.3% from the local society
- 3.7% from sources inside the “Green Line”
- 0.7% from governmental sources

2.4.5.3 Number of Paid Employees at PNGOs

MAS (2007, pp. 43-44) indicated that the number of paid employees at the PNGOs, is a reflection of their capabilities. Data revealed that 395 organizations (31.9% of the total number of PNGOs) do not have a single paid employee. The total number of persons employed by PNGOs is 16,882). Table 2.2 shows the distribution of paid employees working in PNGOs based on governorate:

Table (2.2)
Distribution of Paid Employees Working in PNGOs Based on Governorate

Governorate	Number of Employees	Percentage
Jenin	560	3.3
Tubas	74	0.4
Tulkarem	298	1.8
Nablus	1415	8.4
Qalqyia	266	1.6
Salfeet	35	0,2
North West Bank	2648	15.7
Ramalah and Al-Bireh	2663	15.8
Jericho	237	1.4
Jerusalem	1127	6.7
Central West Bank	4027	23.9
Bethlehem	1274	7.5
Hebron	2779	16.5
South West Bank	4053	24.5
Total West Bank	10728	63.5
North Gaza	350	3.1
Gaza	3821	22.6
Deir Al-Balah	832	4.9
Khan Younis	740	4.4
Rafah	231	1.4
Total Gaza Strip	6154	36.5
WBGS	16,882	100.0

Source - MAS (2007, p. 87)

2.4.5.4 Obstacles Preventing PNGOs from Achieving their goals

The following is a list of obstacles that facing PNGOs and preventing them for achieving their goals (MAS, 2007):

- The interference of foreign donors in the organization
- The lack of cooperation from the beneficiaries
- Shortage of time available for the active members of the organizations
- Shortage in qualified manpower
- A lack of funding
- The interference of the local donors
- Others
 - Disputes among the directors of the organization
 - Lack of commitment from the directors

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the methodology of the study including research method, research population, the questionnaire that was used in the study and the way it was designed, pilot study, data collection, response rate, and data analysis.

3.2 Research Method

The study is a descriptive analytical one since it will best achieve the objective of the research. The main objective is to study the governance role in the management and development of the NGOs in the Gaza Strip from the general director perspective. The research used types of data: primary and secondary sources. The primary source is mainly through using a questionnaire which was specifically designed for this study. The secondary sources include academic works such as articles, reports, books, special studies and other library housed material. The internet was also used to get recent information about NGOs governance.

3.3 Research Population

The research population includes the big and active NGOs that are working in the Gaza Strip. The NGOs which employ 10 persons or more as full-time employees were considered. The UNSCO directory of Non-Governmental Organizations in the Gaza Strip (2003) and The UNSCO directory for (2007) had been used to determine the names, numbers and locations of NGOs that were considered in this research. The criteria for selecting the NGOs were the following:

- Palestinian NGOs – international ones were excluded
- Active NGOs with physical presence
- NGOs that employ more than 10 persons as full time including projects’ staff
- Not for profit companies were excluded
- Unions of professionals such as engineers, doctor, etc. were excluded

The previous criteria of selecting NGOs with 10 and more full time staff was used to ensure that the study select the most active NGOs in the Gaza strip. Also, these institutions were expected to consider the good governance aspects in their management. The international NGOs were excluded due to the fact the most of them have no local board of directors nor general assemblies. Furthermore, these NGOs apply different management styles and systems.

The directories showed 98 NGOs were applicable for the study (Table 3.1). Yet, when examined more closely by the researcher, 18 of these NGOs were employing less than 10 employees and hence they were excluded form the study. Hence, the population size of the study was 80 organizations. The researchers contacted the 80 organizations and 61 of them had submitted their questionnaires. The response rate was 76.25%. Table 1 shows the categorization of the Gaza’s NGOs by the number of full time employees.

Table (3.1): NGOs Categories Based on Number of Employees in the Gaza Strip in 2007

Number	Category	Number of NGOs
1	From 10 to 20 employees	41
2	From 21 to 50 employees	35
3	From 51to 100 employees	12
4	More than 100 employees	10
	Total	98

Source: UNSCO, 2007.

3.4 The Questionnaire Design

The questionnaire was designed in the Arabic language as most members of the target population were unfamiliar with the English language and to be more understandable. An English version was attached in (Annex 1). Unnecessary personal data, complex and duplicated questions were avoided. The questionnaire was provided with a covering letter which explained the purpose of the study, the way of responding, the aim of the research and the security of the information in order to encourage high response.

A structured questionnaire was specially designed for the study and it consisted of four main sections:

- I. The first section was general information about the respondent.
- II. The second section was general information about the organization characteristics.
- III. The third section was the main body of the questionnaire and it was divided into 9 sub-sections related to the board of directors of the NGO, general assembly and general director.
- IV. The fourth section was about the required training needs for the board of directors

3.5 Scale of Measurement

The respondent was asked to give grade from 1 to 10 for each question where 1 is the least applicable and 10 is the highest applicable.

3.6. Content Validity of the Questionnaire

Content validity examines the extent to which the method of measurement includes all the major elements relevant to the subject being measured. The questionnaire was evaluated by 3 experts from the Islamic university and one NGO directors. The experts provided helpful comments on the questionnaire. Consequently, some questions were modified or removed while some others were added.

3.7 Pilot Study: Reliability and Validity of the Questionnaire

Pilot study was conducted to assess the reliability and validity of the questionnaire. 24 NGO directors were chosen randomly from the study population and were asked to fill the questionnaire. As a result, on modification was carried out on the questionnaire. The following tests were considered:

3.7.1 Statistical Validity of the Questionnaire

To insure the validity of the questionnaire, two statistical tests should be applied. The first test is Criterion-related validity test (person test) which measures the correlation coefficient between each item in the field and the whole field. The second test is structure validity test (person test) that used to test the validity of the questionnaire structure by testing the validity of each field and the validity of the whole questionnaire. It measures the correlation coefficient between one field and all the fields of the questionnaire that have the same level of similar scale.

A) Internal consistency:

Internal consistency of the questionnaire was measured by a scouting sample, which consisted of 24 questionnaires, through measuring the correlation coefficients between each paragraph in one field and the whole field. Tables No.'s (3.2-3.10) below show the correlation coefficient and p-value for each field items. As were shown in the tables the p- Values are less than 0.05 or 0.01, so the correlation coefficients of this field are significant at $\alpha = 0.01$ or $\alpha = 0.05$, so it can be said that the paragraphs of this field were consistent and valid to be measure what it were set for.

First: Board Membership

Table (3.2)

The correlation coefficient between each paragraph in the field and the whole field
(Board of Directors Membership)

Number	item	Person correlation coefficient	p-value
1	The board determine the required skills for its members	0.671	0.000
2	The required skills are written and documented	0.780	0.000
3	The existing board has the required skills	0.762	0.000
4	The existing board is characterized by the variety of skills and specialization among its members	0.758	0.000
5	The NGO has a written document that specifies the number of the board members	0.418	0.038
6	The board is elected periodically as indicated in the internal bi-lows of the NGO	0.699	0.000
7	The board membership has a term limit of two turns then the board member become a general assembly member	0.571	0.004

Second: Board Management

Table (3.3)

**The correlation coefficient between each paragraph in the field and the whole field
(Board Management)**

Number	Item	Person correlation coefficient	P-value
8	The NGO has a board manual that determine the roles and responsibility of the board members, the general policies of the NGO, the internal bi-lows, etc.	0.669	0.000
9	Each board member has a copy of this manual	0.827	0.000
10	The board members understand their legal responsibilities	0.659	0.000
11	The NGO has a written system for the appointment and removal of the chairperson	0.784	0.000
12	The NGO has a written and clear job description	0.731	0.000
13	The NGO has written and clear job description for the deputy chairperson, secretary, and treasurer	0.757	0.000
14	The board meetings are held based on a clear plan	0.610	0.001
15	There is a clear and written procedure for dealing for board members who consistently fail to attend meetings without good and convincing causes	0.655	0.000
16	The procedure is implemented without discrimination	0.705	0.000
17	The board keeps and documents formal minutes of meeting that states the decisions that had been taken	0.457	0.022

Third: Policies and Procedures

Table (3.4)

The correlation coefficient between each paragraph in the field and the whole field
(Policies and Procedures)

Number	Item	Person correlation coefficient	p-value
18	The NGO has a written mission statement	0.712	0.000
19	The board plays an active role in the strategic planning process for the NGO	0.547	0.006
20	The NGO has a cod of ethic and code of conduct	0.748	0.000
21	The NGO has a conflict of interest policy	0.741	0.000
22	The policies and the procedures of the NGOs are written	0.748	0.000
23	The organizational policies are procedures are available to staff and others with an interest in the organization	0.652	0.000
24	The board has clear procedure for ensuring that the policies and the procedures of the NGO are being implemented	0.809	0.000

Fourth: Performance Measurement

Table (3.5)

The correlation coefficient between each paragraph in the field and the whole field
(Performance Measurement)

Number	Item	Person correlation coefficient	p-value
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25	The board ensure that the NGO measure its performance based on the determined objectives	0.713	0.000
26	The board and NGO director review the determined objectives annually	0.749	0.000
27	The NGO director discuss the results of the performance measurement with the staff	0.601	0.001
28	The board discuss with the staff the NGO performance periodically	0.717	0.000
29	The board measure its performance annually	0.847	0.000
30	The board put an annual plan for its development	0.710	0.000
31	The plan is implemented	0.793	0.000

Fifth: Meetings and Committees

Table (3.6)

**The correlation coefficient between each paragraph in the field and the whole field
(Meetings and Committees)**

Number	Item	Person correlation coefficient	p-value
32	The board meets periodically	0.646	0.000
33	The number of meetings is suitable to the NGO needs	0.711	0.000
34	The board agree on annual plan for meetings	0.526	0.007
35	The board meetings are organized and effective	0.423	0.035
36	The decisions are taken through discussion and consensus	0.658	0.000
37	There are board committees such as fundraising committees, financial control, etc.)	0.743	0.000
38	The committees meet periodically	0.709	0.000
39	The committees are effective	0.657	0.000

Sixth: Financial Management and Control

Table (3.7)

The correlation coefficient between each paragraph in the field and the whole field
(Financial Management and Control)

Number	Item	Person correlation coefficient	p-value
40	The board members have skills and experience to be able to analyze and interpret financial management, budget and accounts	0.811	0.000
41	The board ensure that the financial system that is used by the NGO is effective	0.462	0.020
42	The board continuously receive quarterly or semi-annually financial reports	0.576	0.003
43	The board makes regular comparisons between budgeted income / expenditure and actual income / expenditure	0.464	0.019
44	The board receives regular written reports highlighting any exceptional items in the financial statements	0.567	0.003
45	Budget and financial income and expenditures are prepared by the end of the financial year	0.877	0.000
46	The board ensures that there are written and documented procurement procedures for the NGO	0.528	0.007
47	The board ensures procurement are carried out based on the procurement procedure of the NGO	0.795	0.000
48	The NGO has external financial auditor	0.445	0.026
49	The chairperson meets with the external auditor at least once a year	0.424	0.035
50	The board discusses the external auditor report	0.506	0.010

Seventh: Relationship wit the Funding Organizations

Table (3.8)

**The correlation coefficient between each paragraph in the field and the whole field
(Relationship wit the Funding Organizations)**

Number	Item	Person correlation coefficient	p-value
51	The board reviews the financial agreements with the funding organizations	0.466	0.019
52	The board meets annually with the main funding bodies of the NGO to examine their satisfaction and expectation from the NGO	0.735	0.000
53	The chairperson conduct period meetings with the funding organizations	0.948	0.000
54	The chairperson informs the rest of the board members about his meetings with the funding organizations	0.940	0.000
55	The board participates in the fund raising efforts of the NGO	0.789	0.000

Eighth: Relationship with the General Director

Table (3.9)

**The correlation coefficient between each paragraph in the field and the whole field
(Relationship with the General Director)**

Number	Item	Person correlation coefficient	p-value
56	There is a clear written job description for the	0.913	0.000

	general manager		
57	The board does not intervene in the daily management of the NGO	0.770	0.000
58	The general director participate in the board meetings	0.836	0.000
59	The general director submits periodic reports for the board	0.452	0.023
60	The relationship between the board the general director is characterized by understanding and cooperation	0.836	0.000
61	The board follows and monitors the performance of the general directors	0.825	0.000

Ninth: Relationship with the General Assembly

Table (3.10)

**The correlation coefficient between each paragraph in the field and the whole field
(Relationship with the General Assembly)**

Number	Item	Person correlation coefficient	p-value
62	The general assembly meets annually	0.835	0.000
63	The general assembly elects the boards every two years	0.425	0.034
64	The general assembly members receive the annual management and financial reports	0.755	0.000
65	The membership conditions for the general assembly are clear and written	0.889	0.000
66	The membership conditions make it easy for new members to join the NGO	0.842	0.000

67	Copies of the annual management and financial reports are sent to the members	0.796	0.000
68	The general assembly members participate in the NGO activities when asked to do so	0.716	0.000

B) Structure Validity of the Questionnaire

Structure validity is the second statistical test that used to test the validity of the questionnaire structure by testing the validity of each field and the validity of the whole questionnaire. It measures the correlation coefficient between one field and all the fields of the questionnaire.

As shown in table No. (3.11), the significance values are less than 0.05 or 0.01, so the correlation coefficients of all the fields are significant at $\alpha = 0.01$ or $\alpha = 0.05$, so it can be said that the fields are valid to be measured what it was set for to achieve the main aim of the study

Table No. (3.11)
Structure Validity of the Questionnaire

Number	section	Person correlation coefficient	p-value
1	Board of Directors Membership	0.520	0.008
2	Board Management	0.749	0.000
3	Policies and Procedures	0.865	0.000
4	Performance Measurement	0.667	0.000
5	Meetings and Committees	0.724	0.000
6	Financial Management and Control	0.602	0.001
7	Relationship wit the Funding Organizations	0.605	0.001
8	Relationship with the General Director	0.768	0.000
9	Relationship with the General Assembly	0.447	0.025

3.7.2 Reliability of the Research

The reliability of an instrument is the degree of consistency which measures the attribute; it is supposed to be measuring (Polit & Hunger, 1985). The less variation an instrument produces in repeated measurements of an attribute, the higher its reliability. Reliability can be equated with the stability, consistency, or dependability of a measuring tool. The test is repeated to the same sample of people on two occasions and then compares the scores obtained by computing a reliability coefficient (Polit & Hunger, 1985).

It is difficult to return the scouting sample of the questionnaire-that is used to measure the questionnaire validity to the same respondents due to the different work conditions to this sample. Therefore two tests can be applied to the scouting sample in order to measure the consistency of the questionnaire. The first test is the Half Split Method and the second is Cronbach's Coefficient Alpha.

A) Half Split Method

This method depends on finding Pearson correlation coefficient between the means of odd rank questions and even rank questions of each field of the questionnaire. Then, correcting the Pearson correlation coefficients can be done by using Spearman Brown correlation coefficient of correction. The corrected correlation coefficient (consistency coefficient) is computed according to the following equation:

$$\text{Consistency coefficient} = 2r/(r+1)$$

Where r is the Pearson correlation coefficient.

The normal range of corrected correlation coefficient ($2r/r+1$) is between 0.0 and + 1.0 As shown in Table No.(3.12), all the corrected correlation coefficients values are between 0.7889 and 0.9029 and the significant (α) is less than 0.05 so all the corrected correlation coefficients are significance at $\alpha = 0.05$. It can be said that according to the Half Split method, the dispute causes group are reliable.

Table (3.12)
Split-Half Coefficient method

Number	section	person- correlation	Spearman-Brown Coefficient	Sig. (2- Tailed(
1	Board of Directors Membership	.73300	0.8459	0.000
2	Board Management	0.6514	0.7889	0.000
3	Policies and Procedures	0.8231	0.9029	0.000
4	Performance Measurement	0.6901	0.8166	0.000
5	Meetings and Committees	0.7177	0.8356	0.000
6	Financial Management and Control	0.7524	0.8587	0.000
7	Relationship wit the Funding Organizations	0.6991	0.8229	0.000
8	Relationship with the General Director	0.7151	0.8338	0.000
9	Relationship with the General Assembly	0.7265	0.8415	0.000
10	Training needs	0.6889	0.8157	0.000
	Total	0.7514	0.8580	0.000

B) Cronbach's Coefficient Alpha

This method is used to measure the reliability of the questionnaire between each field and the mean of the whole fields of the questionnaire. The normal range of Cronbach's coefficient alpha value between 0.0 and + 1.0, and the higher values reflects a higher degree of internal consistency. As shown in Table No. (3.13), the Cronbach's coefficient

alpha was calculated for the first field of the causes of claims, the second field of common procedures and the third field of the Particular claims. The results were in the range from 0.7144 and 0.8923. This range is considered high; the result ensures the reliability of the questionnaire.

Table (3.13)
Reliability Cronbach's Alpha

Number	section	No. of Items	Cronbach's Alpha
1	Board of Directors Membership	7	0.7144
2	Board Management	10	0.8615
3	Policies and Procedures	7	0.7694
4	Performance Measurement	7	0.8525
5	Meetings and Committees	8	0.8625
6	Financial Management and Control	11	0.8452
7	Relationship wit the Funding Organizations	5	0.8624
8	Relationship with the General Director	6	0.8923
9	Relationship with the General Assembly	7	0.8045
	Total	68	0.8979

3.8 Statistical Analysis

To achieve the research goal, researcher used the statistical package for the Social Science (SPSS) for analyzing the data. The statistical methods were used:

- 1- Frequencies and Percentile
- 2- Alpha- Cronbach Test for measuring reliability of the items of the questionnaires
- 3- Person correlation coefficients for measuring validity of the items of the questionnaires.
- 4- Spearman –Brown Coefficient

5- One sample t test

6- Independent samples t test

7- One way ANOVA

CHAPTER 4

DATA ANALYSIS AND DISCUSSION

4.1 Introduction

The aim of this chapter is to analyze the empirical data which were collect through the questionnaire in order to provide a real picture about the NGOs governance body in the Gaza Strip. This chapter includes 4 main sections. The first is a sample Kolmogorov-Smirnov Test. The second is about the Personal and organizational characteristics. The third is a discussion and interpretation of the research fields. The last section is hypothesis testing.

4.2 Sample Kolmogorov-Smirnov Test

Kolmogorove- Smirnov test will be used to identify if the data follow normal distribution or not, this test is considered necessary in case testing hypotheses as most parametric Test stipulate data to be normality distributed.

Results has in table (4.1) clarifies that the calculated p-value is greater than the significant level which is equal 0.05 (p-value. > 0.05). This in turn reveals that the data follows normal distribution, and so parametric tests must be used.

Table (4.1)
One-Sample Kolmogorov-Smirnov Test

Number	Section	Kolmogorov-Smirnov Z	P- value
1	Board of Directors Membership	0.706	0.701
2	Board Management	0.918	0.369
3	Policies and Procedures	0.806	0.534

Number	Section	Kolmogorov-Smirnov Z	P- value
4	Performance Measurement	0.977	0.295
5	Meetings and Committees	0.835	0.489
6	Financial Management and Control	0.709	0.697
7	Relationship wit the Funding Organizations	1.196	0.114
8	Relationship with the General Director	0.825	0.504
9	Relationship with the General Assembly	1.108	0.172
	Total	0.965	0.310

4.3 Personal and Organizational Characteristics

4.3.1 Personal Characteristics

A) Age in years:

Table No.(4.2) show that 9.8% from the population the age is less than 30 years, and 24.6 % from the population the age is range from 30- less than 40 years, and 47.5 % from the samples the age are range from 40- less than 50 years, and 18.0 % from the population the age is older than 50 years. This indicates that majority (65.5%) of the general directors age 40 or more. This properly reflects their level of experience in their field of work.

Table No (4.2)

Age:

age	Frequency	Percent
Less than 30 years	6	9.8
30 – less than 40 years	15	24.6
40 – Less than 50 years	29	47.5
Older than 50 years	11	18.0
total	61	100.0

B) Sex:

Table No. (4.3) show that 80.3 % from the population is male, and 19.7 % are female. This is expected since the number of male NGO managers is much greater than those of the female NGO managers. This is probably due to the Palestinian and Arab culture and history.

Table No (4.3)**Sex**

sex	Frequency	Percent
male	49	80.3
female	12	19.7
Total	61	100.0

C) Education:

Table No. (4.4) show that 91.8% of the research population has a bachelor degree or higher. This reflects the high level of education that the general directors of the NGOs have which reflects their skills and abilities.

Table No (4.4)**Education**

Education	Frequency	Percent
High school or less	2	3.3
Diploma	3	4.9
Bachelor degree	36	59.0
Post graduate	20	32.8
total	61	100.0

D) Years of Experience:

Table No. (4.5) show that 65.6% of the research population has over 10 ear of management experience which clearly shows that most of the NGOs’ directors have enough experience and education level to successfully run their institutions.

Table No (4.5)
Years of Experience

Years of Experience	Frequency	Percent
Less than 5 years	3	4.9
5 – Less than 10 years	18	29.5
10 years or higher	40	65.6
Total	61	100.0

4.3.2 Organizational Characteristics

A) Age of organization in years:

Table No.(4.6) shows that 3.3% of the population the age of organization less than 5 years, and 16.4% of the population the age of organization range from 5 to less than 10 years, and 26.4% of the population the age of organization range from 10 to less than 15 years, and **54.1%** of the population the age of organization equal 15 years or higher. This result shows that 80.3% of the NGOs have more than 10 year of existence which reflects their sustainability and success.

Table No (4.6)
Age of organization in years

Age of organization in years	Frequency	Percent
Less than 5 years	2	3.3
5 – Less than 10 years	10	16.4
10 – Less than 15 years	16	26.2
15 years or higher	33	54.1
Total	61	100.0

B) Number of staff:

Table No. (4.7) show that all the NGOs that had been selected for the study employ 10 persons or more. Moreover, 68.8% of the research population employs 20 persons or more. These results match the selection criteria that were set up by this research.

Table No (4.7)

Number of staff

Number of staff	Frequency	Percent
10 – Less than 20	12	31.2
20 – Less than 50 members	20	32.8
50 – Less than 100	16	26.2
100 or higher	6	9.8
Total	61	100.0

C) Number of board of directors:

Table No. (4.8) show that 1.6 % of the NGO's the number of board of directors are 5 members, and 41.0% of the NGO's the number of board of directors are 7 members, and 32.8% of the NGO's the number of board of directors are 9 members and 16.4% of the NGO's the number of board of directors are 11 members , and of the NGO's the number of board of directors are 13 members or higher.

Table No (4.8)

Number of board of directors

Number of board of directors	Frequency	Percent
5 Members	1	1.6
7 Members	25	41.0

9 Members	20	32.8
11 Members	10	16.4
13 Members or higher	5	8.2
Total	61	100.0

D) Number of general assembly:

Table No.(4.9) show that 1.6 % of the NGO's the number of general assembly less than 10 members, and 6.6% of the NGO's the number of general assembly range from 10 to less than 20 members, and 34.4% of the NGO's the number of general assembly range from 20 to less than 50 members, and 37.7% of the NGO's the number of general assembly range from 50 to less than 100 members, and 19.7% of the NGO's the number of general assembly are 100 members or higher.

Table No (4.9)

Number of general assembly

Number of general assembly	Frequency	Percent
Less than 10 members	1	1.6
10 – Less than 20 members	4	6.6
20 – Less than 50	21	34.4
50 – Less than 100	23	37.7
100 members or higher	12	19.7
Total	61	100.0

E) Average annual budget for last two years (2005/2006):

Table No.(4.10) show that 5.1 % of the NGO's the Average annual budget for last two years (2005/2006) are less than \$50000, and 11.9% of the NGO's the Average annual

budget for last two years (2005/2006) range from \$5,000 – Less than \$100,000 , and 35.6% of the NGO's the Average annual budget for last two years (2005/2006) range from \$100,000 – Less than \$500,000, and 13.6% of the NGO's the Average annual budget for last two years (2005/2006) range from \$500,000 – Less than one million, and 33.9% of the NGO's the Average annual budget for last two years (2005/2006) are One million or higher. The results show that 47.5% of the research population have average annual budget of more than \$500,000. The high budget level of these NGOs is expected since most of them have high experience of work and high level of sustainability. Further, the donor countries usually provide their support to old and experienced NGOs.

Table No (4.10)

Average annual budget for last two years (2005/2006)

Average annual budget for last two years (2005/2006):	Frequency	Percent
Less than \$50,000	3	5.1
\$50,000 – Less than \$100,000	7	11.9
\$100,000 – Less than \$500,000	21	35.6
\$500,000 – Less than one million	8	13.6
One million or higher	20	33.9
Total	59	100.0

4.4 Discussion and Interpretation of the Research Fields

In the following tables the research uses a one sample t test to test if the opinion of the respondents in the content of the sentences are positive (weight mean greater than "60%" and the p-value less than 0.05) or the opinion of the respondent in the content of the sentences are neutral (p- value is greater than 0.05) or the opinion of the respondent in the content of the sentences are negative (weight mean less than "60%" and the p-value less than 0.05).

4.4.1 Level of NGO Good Governance

Table 4.11 represents a summary of the overall results of research fields. The table shows that the overall (aggregate) level of the NGO good governance for Gaza NGOs is 80.77%. This figure shows that Gaza NGOs have a high level of good governance. This result is somehow expected since the target NGOs are the largest and the most effective ones in the Gaza Strip. In addition, the new Palestinian law (law number 1 for year 2000-Katamish 2003) has played an active role in enhancing the level of good governance in the Palestinian NGOs. It had forced the NGOs to have general assembly and specified its duties. The law also specified the role of the board of directors and stressed the necessity of conducting periodic election for the board of directors. Furthermore, the law had forced the NGOs to keep records of the financial figures, the board minutes of meetings, and minutes of meetings for the general assembly.

Table No. (4.11)
Level of Good Governance in Gaza NGOs

Number	item	Mean	Weight mean	t-value	P-value
1	Board of Directors Membership	7.43	74.28	9.391	0.000
2	Board Management	8.20	82.03	13.207	0.000
3	Policies and Procedures	8.37	83.75	14.519	0.000
4	Performance Measurement	6.90	68.97	3.919	0.000
5	Meetings and Committees	7.72	77.17	9.623	0.000
6	Financial Management and Control	9.10	90.96	17.440	0.000
7	Relationship with the Funding Organizations	7.32	73.16	4.817	0.000
8	Relationship with the General Director	8.68	86.80	15.606	0.000
9	Relationship with the General Assembly	8.29	82.93	11.249	0.000
	Total	8.08	80.77	17.122	0.000

The critical t value at significance level 0.05 and degrees of freedom "60" equal 2.05

4.4.2 Board of Directors Membership

Table No. (4.12) which illustrated that the respondent agree that " The board is elected periodically as indicated in the internal bi-lows of the NGO " with weight mean equal "93.93%" , and agree that " The NGO has a written document that specifies the number of the board members " with weight mean " 93.44%", and agree that " The existing board is characterized by the variety of skills and specialization among its members " with weight mean " 81.64%", and agree that " The existing board has the required skills " with weight mean " 74.43%", and agree that " The board determine the required skills for its members " with weight mean " 69.67%", and agree that " The required skills are written and documented " with weight mean " 61.80%".

It is important to notice from table (4.12) that the majority of the respondents indicated that the NGOs do not follow the good practice of limiting the membership of the board to two consecutive terms as a maximum and the board members become a general assembly member only. This practice only got a 40.73% weighted mean. This is an area that NGOs need to consider in order to enhance their governance.

For general the results for all statements of the field show that the average mean equal 7.43 and the weight mean equal 74.28% which is greater than " 60%" and the value of t test equal 9.391 which is greater than the critical value which is equal 2.05 and the p-value equal 0.000 which is less than 0.05, which means the respondent of the sample agrees that The board determine the required skills for its members and the board is elected periodically as indicated in the internal bi-lows of the NGO. This study disagrees with Izzat Abdel Haddi study (2002) which indicated that most of Arab NGOs suffer from lack of good governance and limited skills. In addition, Shamiyah (2005) recommended improving the good governance practice in the Palestinian NGOs to enhance their sustainability to match the donor conditions to receive fund.

Table No. (4.12)
Board of Directors Membership

Number	Item	Mean	Weight mean	t-value	P-value
1	The board determine the required skills for its members	6.97	69.67	3.658	0.001
2	The required skills are written and documented	6.18	61.80	0.619	0.539
3	The existing board has the required skills	7.44	74.43	6.596	0.000
4	The existing board is characterized by the variety of skills and specialization among its members	8.16	81.64	10.896	0.000
5	The NGO has a written document that specifies the number of the board members	9.34	93.44	18.487	0.000
6	The board is elected periodically as indicated in the internal bi-lows of the NGO	9.39	93.93	21.816	0.000
7	The board membership has a term limit of two turns then the board member become a general assembly member	4.07	40.73	4.480-	0.000
	Total	7.43	74.28	9.391	0.000

The critical t value at significance level 0.05 and degrees of freedom "60" equal 2.05

4.4.3 Management of Board Affairs

Table No. (4.13) which illustrated that the respondent agree that " The board keeps and documents formal minutes of meeting that states the decisions that had been taken " with weight mean equal " 95.41%" , and agree that " The NGO has written and clear job description for the deputy chairperson, secretary, and treasurer " with weight mean " 92.62%", and agree that " The NGO has a written and clear job description " with weight mean " 92.00%", and agree that " The NGO has a board manual that determine the roles and responsibility of the board members, the general policies of the NGO, the internal bi-lows, etc " with weight mean "86.67%", and agree that " The board members understand their legal responsibilities " with weight mean " 83.44%", and agree that " The NGO has a written system for the appointment

and removal of the chairperson " with weight mean "78.83%", and agree that " The board meetings are held based on a clear plan " with weight mean " 76.56%", and agree that " There is a clear and written procedure for dealing for board members who consistently fail to attend meetings without good and convincing causes " with weight mean "72.79%", and agree that " Each board member has a copy of this manual " with weight mean " 72.50%", and agree that " The procedure is implemented without discrimination " with weight mean " 68.83%".

For general the results for all statements of the field show that the average mean equal 8.20 and the weight mean equal 82.03% which is greater than "60%" and the value of t test equal 13.207 which is greater than the critical value which is equal 2.05 and the p-value equal 0.000 which is less than 0.05, which means the respondent of the sample agrees that The NGO has a board manual that determine the roles and responsibility of the board members, the general policies of the NGO, the internal bi-lows, etc.

These results is expected due to the new NGO law that enforce the NGOs to written minutes of meetings, written job description for the chairperson and his deputy, etc. (Katamish, 2003). The item that the NGOs need to enhance is how to deal with board members who fail to attend board meetings without good and convincing causes.

Table No. (4.13)
Management of Board Affairs

Number	item	Mean	Weight mean	t-value	P-value
8	The NGO has a board manual that determine the roles and responsibility of the board members, the general policies of the NGO, the internal bi-lows, etc.	8.67	86.67	10.570	0.000
9	Each board member has a copy of this manual	7.25	72.50	3.329	0.002
10	The board members understand their legal	8.34	83.44	14.492	0.000

Number	item	Mean	Weight mean	t-value	P-value
	responsibilities				
11	The NGO has a written system for the appointment and removal of the chairperson	7.88	78.83	4.923	0.000
12	The NGO has a written and clear job description	9.20	92.00	14.885	0.000
13	The NGO has written and clear job description for the deputy chairperson, secretary, and treasurer	9.26	92.62	18.835	0.000
14	The board meetings are held based on a clear plan	7.66	76.56	6.313	0.000
15	There is a clear and written procedure for dealing for board members who consistently fail to attend meetings without good and convincing causes	7.28	72.79	4.206	0.000
16	The procedure is implemented without discrimination	6.88	68.83	2.494	0.015
17	The board keeps and documents formal minutes of meeting that states the decisions that had been taken	9.54	95.41	30.557	0.000
	Total	8.20	82.03	13.207	0.000

The critical t value at significance level 0.05 and degrees of freedom "60" equal 2.05

4.4.4 Policies and Procedures

Table No. (4.14) which illustrated that the respondent agree that " The NGO has a written mission statement "with weight mean equal 96.39%" , and agree that " The policies and the procedures of the NGOs are written " with weight mean " 90.33%", and agree that " The organizational policies and procedures are available to staff and others with an interest in the organization " with weight mean "87.54%", and agree that " The NGO has a conflict of interest policy " with weight mean "84.43%", and agree that " The board plays an active role in the strategic planning process for the NGO " with weight mean "80.67%", and agree that " The board has clear procedure for ensuring that the policies and the procedures of the NGO are being implemented " with weight mean "77.33%", and agree that " The NGO has a cod of ethic and code of conduct " with weight mean "68.83%".

In general the results for all statements of the field show that the average mean equal 8.37 and the weight mean equal 83.75% which is greater than "60%" and the value of t test equal 14.519 which is greater than the critical value which is equal 2.05 and the p-value equal 0.000 which is less than 0.05, which means the respondent of the sample agrees that The board has clear procedure for ensuring that the policies and the procedures of the NGO are being implemented. Yet, the Gaza's NGOs need to develop and follow clear code of ethic and conduct.

These results match the results of Salamon and Geller Study (2005) which indicated that the over whelming majorities of the NGO boards involve in strategic issues (developing mission, vision, policies, etc.).

Table No. (4.14)
Policies and Procedures

Number	item	Mean	Weight mean	t-value	P-value
18	The NGO has a written mission statement	9.64	96.39	33.947	0.000
19	The board plays an active role in the strategic planning process for the NGO	8.07	80.67	7.432	0.000
20	The NGO has a cod of ethic and code of conduct	6.88	68.83	2.058	0.044
21	The NGO has a conflict of interest policy	8.44	84.43	8.273	0.000
22	The policies and the procedures of the NGOs are written	9.03	90.33	16.481	0.000
23	The organizational policies are procedures are available to staff and others with an interest in the organization	8.75	87.54	12.730	0.000
24	The board has clear procedure for ensuring that the policies and the procedures of the NGO are being implemented	7.73	77.33	6.717	0.000
		8.37	83.75	14.519	0.000

The critical t value at significance level 0.05 and degrees of freedom "60" equal 2.05

4.4.5 Performance Measurement

Table No. (4.15) which illustrated that the respondent agree that " The board and NGO director review the determined objectives annually " with weight mean equal "78.67%" , and agree that " The board ensure that the NGO measure its performance based on the determined objectives " with weight mean "76.39%", and agree that " The NGO director discuss the results of the performance measurement with the staff " with weight mean "69.34%", and agree that " The board discuss with the staff the NGO performance periodically " with weight mean "67.38%", and agree that " The board measure its performance annually " with weight mean "63.77%", and agree that " The board put an annual plan for its development " with weight mean "63.17%", and agree that " The plan is implemented " with weight mean "63.00%".

For general the results for all statements of the field show that the average mean equal 6.90 and the weight mean equal 68.97% which is greater than "60%" and the value of t test equal 3.919 than 0.05, which means the respondent of the sample agrees that The board ensure which is greater than the critical value which is equal 2.05 and the p- value equal 0.000 which is less than the NGO measure its performance based on the determined objectives.

Overall, the Gaza's NGOS need improvement in the area of evaluating the board of directors' performance. They need to measure their performance against well define sets of indicators and they need to develop annual plans to measure and enhance their performance. Izzat Abdul Hadi (2002) stressed that Palestinian NGOs need to improve their management, accountability and performance which of course include the need to consider the evaluation of their performance in order to identify their limitations and to improve them.

Table No. (4.15)
Performance Measurement

Number	item	Mean	Weight mean	t-value	P-value
25	The board ensure that the NGO measure its performance based on the determined objectives	7.64	76.39	6.779	0.000
26	The board and NGO director review the determined objectives annually	7.87	78.67	8.303	0.000
27	The NGO director discuss the results of the performance measurement with the staff	6.93	69.34	3.202	0.002
28	The board discuss with the staff the NGO performance periodically	6.74	67.38	2.407	0.019
29	The board measure its performance annually	6.38	63.77	1.110	0.271
30	The board put an annual plan for its development	6.32	63.17	0.992	0.325
31	The plan is implemented	6.30	63.00	0.982	0.330
		6.90	68.97	3.919	0.000

The critical t value at significance level 0.05 and degrees of freedom "60" equal 2.05

4.4.6 Meetings and Committees

Table No. (4.16) which illustrated that the respondent agree that " The board meetings are organized and effective " with weight mean equal "91.31%" , and agree that " The decisions are taken through discussion and consensus " with weight mean "90.82%", and agree that " The number of meetings is suitable to the NGO needs " with weight mean " 87.38%", and agree that " The board meets periodically " with weight mean "86.89%", and agree that "The board agree on annual plan for meetings " with weight mean "73.28%", and agree that " There are board committees such as fundraising committees, financial control, etc.)" with weight mean "71.15%", and agree that " The committees

meet periodically " with weight mean "59.51%", and agree that " The committees are effective " with weight mean 57.05%".

For general the results for all statements of the field show that the average mean equal 7.72 and the weight mean equal 77.17 % which is greater than " 60%" and the value of t test equal 9.623 which is greater than the critical value which is equal 2.05 and the p-value equal 0.000 which is less than 0.05, which means the respondent of the sample agrees that The board meetings are organized and effective and the decisions are taken through discussion and consensus. The results clearly show that the boards of directors are, in general, effective in their meetings while the boards' committees are not as effective as they should be.

**Table No. (4.16)
Meetings and Committees**

Number	item	Mean	Weight mean	t-value	P-value
32	The board meets periodically	8.69	86.89	11.892	0.000
33	The number of meetings is suitable to the NGO needs	8.74	87.38	11.071	0.000
34	The board agree on annual plan for meetings	7.33	73.28	3.815	0.000
35	The board meetings are organized and effective	9.13	91.31	20.085	0.000
36	The decisions are taken through discussion and consensus	9.08	90.82	18.060	0.000
37	There are board committees such as fundraising committees, financial control, etc.)	7.11	71.15	3.164	0.002
38	The committees meet periodically	5.95	59.51	0.147-	0.884
39	The committees are effective	5.70	57.05	0.956-	0.343
	Total	7.72	77.17	9.623	0.000

The critical t value at significance level 0.05 and degrees of freedom "60" equal 2.05

4.4.7 Financial Management and Control

Table No. (4.17) which illustrated that the respondent agree that " The board members have skills and experience to be able to analyze and interpret financial management, budget and accounts system that " with weight mean equal "78.85%" , and agree that " The board ensure that the financial is used by the NGO is effective " with weight mean "83.77%", and agree that " The board continuously receive quarterly or semi-annually financial reports " with weight mean " 88.52%", and agree that " The board makes regular comparisons between budgeted income / expenditure and actual income / expenditure " with weight mean "80.98%", and agree that " The board receives regular written reports highlighting any exceptional items in the financial statements " with weight mean "87.21%", and agree that " Budget and financial income and expenditures are prepared by the end of the financial year " with weight mean "70.11%", and agree that " The board ensures that there are written and documented procurement procedures for the NGO " with weight mean "91.97%", and agree that " The board ensures that procurement are carried out based on the procurement procedure of the NGO " with weight mean "89.34%", and agree that " The NGO has external financial auditor " with weight mean "98.03%", and agree that " The chairperson meets with the external auditor at least once a year " with weight mean "90.82%", and agree that " The board discusses the external auditor report " with weight mean "94.17%".

For general the results for all statements of the field show that the average mean equal 9.10 and the weight mean equal 90.96% which is greater than " 60%" and the value of t-test equal 17.440 which is greater than the critical value which is equal 2.05 and the p-value equal 0.000 which is less than 0.05, which means the respondent of the sample agrees that The board members have skills and experience to be able to analyze and interpret financial management, budget and accounts.

This study agrees with Izzat Abdul-Hadi (2002) and agrees with Shamiyah (2005). This reveals that the transparency in dealing with funds and meeting donor conditions would enhance the NGOs financial positions.

Table No. (4.17)
Financial Management and Control

Number	item	Mean	Weight mean	t-value	P-value
40	The board members have skills and experience to be able to analyze and interpret financial management, budget and accounts	7.89	78.85	7.453	0.000
41	The board ensure that the financial system that is used by the NGO is effective	8.38	83.77	10.110	0.000
42	The board continuously receive quarterly or semi-annually financial reports	8.85	88.52	15.775	0.000
43	The board makes regular comparisons between budgeted income / expenditure and actual income / expenditure	8.10	80.98	9.176	0.000
44	The board receives regular written reports highlighting any exceptional items in the financial statements	8.72	87.21	12.471	0.000
45	Budget and financial income and expenditures are prepared by the end of the financial year	7.11	70.11	2.664	0.010
46	The board ensures that there are written and documented procurement procedures for the NGO	9.20	91.97	17.535	0.000
47	The board ensures that procurement are carried out based on the procurement procedure of the NGO	8.93	89.34	12.561	0.000
48	The NGO has external financial auditor	9.80	98.03	47.324	0.000
49	The chairperson meets with the external auditor at least once a year	9.08	90.82	13.723	0.000
50	The board discusses the external auditor report	9.42	94.17	21.359	0.000
	Total	9.10	90.96	17.440	0.000

The critical t value at significance level 0.05 and degrees of freedom "60" equal 2.05

4.4.8 Relationship with the Funding Organizations

Table No. (4.18) which illustrated that the respondent agree that " The board reviews the financial agreements with the funding organizations " with weight mean equal " 82.13%" , and agree that " The board meets annually with the main funding bodies of the NGO to examine their satisfaction and expectation from the NGO " with weight mean "71.83%", and agree that " The chairperson conduct period meetings with the funding organizations " with weight mean "70.98%", and agree that " The chairperson informs the rest of the board members about his meetings with the funding organizations " with weight mean " 74.59%", and agree that " The board participates in the fund raising efforts of the NGO " with weight mean " 66.23%".

For general the results for all statements of the field show that the average mean equal 7.32 and the weight mean equal 73.16 % which is greater than " 60%" and the value of t test equal 4.817 which is greater than the critical value which is equal 2.05 and the p-value equal 0.000 which is less than 0.05, which means the respondent of the sample agrees that The board meets annually with the main funding bodies of the NGO to examine their satisfaction and expectation from the NGO and the board participates in the fund raising efforts of the NGO.

The results show that the relationship with the funding agencies is good. Yet, the board members are not making enough effort for fundraising. This is probably to the lack of skills and time they need to devote to their affiliated bodies. This study agrees with Salamon and Geller (2005).

Table No. (4.18)
Relationship with the Funding Organizations

Number	item	Mean	Weight mean	t-value	P-value
51	The board reviews the financial agreements with the funding organizations	8.21	82.13	7.553	0.000
52	The board meets annually with the main funding bodies of the NGO to examine their satisfaction and expectation from the NGO	7.18	71.83	3.716	0.000
53	The chairperson conduct period meetings with the funding organizations	7.10	70.98	3.035	0.004
54	The chairperson informs the rest of the board members about his meetings with the funding organizations	7.46	74.59	4.041	0.000
55	The board participates in the fund raising efforts of the NGO	6.62	66.23	1.870	0.066
	Total	7.32	73.16	4.817	0.000

The critical t value at significance level 0.05 and degrees of freedom "60" equal 2.05

4.4.9 Relationship with the General Director

Table No. (4.19) which illustrated that the respondent agree that " The general director submits periodic reports for the board " with weight mean equal "91.31%" , and agree that " The general director participate in the board meetings "with weight mean " 88.83%", and agree that " There is a clear written job description for the general manager " with weight mean "88.69%", and agree that " The relationship between the board the general director is characterized by understanding and cooperation "with weight mean " 88.69%", and agree that " The board follows and monitors the performance of the general directors " with weight mean "84.75%", and agree that " The board does not intervene in the daily management of the NGO " with weight mean "78.47%".

For general the results for all statements of the field show that the average mean equal 8.68 and the weight mean equal 86.80 % which is greater than " 60%" and the value of t test equals 15.606 which is greater than the critical value which is equal 2.05 and the p-value equal 0.000 which is less than 0.05, which means the respondent of the sample agrees that The relationship between the board the general director is characterized by understanding and cooperation.

These results were expected since the board members are not involved in the daily management of the organization and they delegate their duties to the general director whom they trust. Izzat Abeul Hadi (2002) and Shaymiayh (2005) emphasized the need of close coordination between the board members and the general directors.

Table No. (4.19)
Relationship with the General Director

Number	item	Mean	Weight mean	t-value	P-value
56	There is a clear written job description for the general manager	8.87	88.69	11.783	0.000
57	The board does not intervene in the daily management of the NGO	7.85	78.47	5.935	0.000
58	The general director participate in the board meetings	8.88	88.83	12.311	0.000
59	The general director submits periodic reports for the board	9.13	91.31	18.853	0.000
60	The relationship between the board the general director is characterized by understanding and cooperation	8.87	88.69	14.831	0.000
61	The board follows and monitors the performance of the general directors	8.48	84.75	9.849	0.000
		8.68	86.80	15.606	0.000

The critical t value at significance level 0.05 and degrees of freedom "60" equal 2.05

4.4.10 Relationship with the General Assembly

Table No. (4.20) which illustrated that the respondent agree that " The membership conditions for the general assembly are clear and written " with weight mean equal " 93.00%" , and agree that " The general assembly elects the boards every two years " with weight mean "89.33%", and agree that "The membership conditions make it easy for new members to join the NGO" with weight mean "86.33%", and agree that " The general assembly members participate in the NGO activities when asked to do so " with weight mean "81.86%", and agree that" The general assembly members receive the annual management and financial reports" with weight mean "80.00%", and agree that "Copies of the annual management and financial reports are sent to the members" with weight mean "75.25%", and agree that "The general assembly meets annually" with weight mean "72.83%".

For general the results for all statements of the field show that the average mean equal 8.29 and the weight mean equal 82.93% which is greater than " 60%" and the value of t test equal 11.249 which is greater than the critical value which is equal 2.05 and the p-value equal 0.000 which is less than 0.05, which means the respondent of the sample agrees that The membership conditions make it easy for new members to join the NGO and Copies of the annual management and financial reports are sent to the members.

These results were expected due to the enforcement of the Palestinian NGOs law that board elections should be conducted periodically and carried out by the general assembly. This agrees with Balser and McClusky (2005) and also agrees with Friedman and Philips (2004).

Table No. (4.20)
Relationship with the General Assembly

Number	item	Mean	Weight mean	t-value	P-value
62	The general assembly meets annually	7.28	72.83	3.664	0.001
63	The general assembly elects the boards every two years	8.93	89.33	10.047	0.000
64	The general assembly members receive the annual management and financial reports	8.00	80.00	6.104	0.000
65	The membership conditions for the general assembly are clear and written	9.30	93.00	16.107	0.000
66	The membership conditions make it easy for new members to join the NGO	8.63	86.33	11.616	0.000
67	Copies of the annual management and financial reports are sent to the members	7.53	75.25	4.792	0.000
68	The general assembly members participate in the NGO activities when asked to do so	8.19	81.86	7.577	0.000
		8.29	82.93	11.249	0.000

The critical t value at significance level 0.05 and degrees of freedom "60" equal 2.05

4.4.11 Training needs

Table No. (4.21) illustrates that ranks of the training needs as follows:

- Fundraising and relationship with funding organizations occupied the first rank.
- Strategic planning occupied the second rank
- Monitoring and evaluation occupied the third rank
- Good governance occupied the forth rank

- Change management occupied the fourth rank
- Crises management occupied the fifth rank
- Financial management occupied the fifth rank
- Project management occupied the sixth rank
- Networking occupied the sixth rank
- Human resource management occupied the seventh rank
- Advocacy occupied the eighth rank
- Directing and motivation for staff occupied the ninth rank
- Team work occupied the tenth rank
- Public relation occupied the eleventh rank
- Staff performance evaluation occupied the twelfth rank
- Others occupied the thirteenth rank

The first two priorities (fundraising and strategic planning) are within the main roles of the board of directors for the NGOs. Since these areas are essential for the success of the organizations and they are within the main roles of the boards, the general directors had put a lot of emphasis on them.

Abdul-Latif (2002), Abdul-Hadi (2002) and Shamiyah (2005) recommended in their studies to improve the good practice and management of the Palestinian and Arab NGOs. They had emphasized that Arab and Palestinian NGOs leaders should have a strategic vision for the future of their NGOs.

Change management and crises management were selected due to the current unpredicted political situation. Increasing the skills in those two areas will enhance the NGOs' abilities to cope up with the unstable environment of the Gaza Strip. The need to improve the monitoring and evaluation skills of the board members was clearly identified in the previous section.

Table No. (4.21)**Training Needs**

Number	Training need	sum	rank
3	Fundraising and relationship with funding organizations	49	1
1	Strategic planning	48	2
5	Monitoring and evaluation	38	3
2	Good governance	27	4
8	Change management	27	4
9	Crises management	22	5
13	Financial management	22	5
4	Project management	21	6
6	Networking	21	6
11	Human resource management	19	7
7	Advocacy	18	8
15	Directing and motivation for staff	15	9
10	Team work	13	10
12	Public relation	12	11
14	Staff performance evaluation	11	12
16	Others (please specify)	3	13

4.5 Research Hypothesis

4.5.1 First Hypothesis – Aspects of NGO Good Governance

1. There is a significant correlation between the level of NGO good governance and its components (board membership, board management, performance measures, policies and procedures, financial management and control, relationship with funding organization, relationship with the general director, relationship with the general assembly)

To test the hypothesis above we use person test and the result shown in table No. (4.21), as follows:

There is a strong positive correlation between level of NGOs governance and the board membership since person correlation equals 0.610 which is greater than the critical value which is equal 0.267, and the p- value equal 0.000 which is less than 0.05.

There is strong positive correlation between level of NGOs governance and the board management since person correlation equals 0.780 which is greater than the critical value which is equal 0.267, and the p- value equal 0.000 which is less than 0.05.

There is even a strong positive correlation between level of NGOs governance and the board polices and procedures since person correlation equals 0.819 which is greater than the critical value which is equal 0.267, and the p- value equal 0.000 which is less than 0.05.

In general, as Table 4.22 shows, all the independent variables are very much correlated to the dependent variable. Hence, the nine independent variables that had been used in the questionnaire are statistically representing the aspects of the Gaza's NGO good governance. The more the relation is positive and active, the more good governance there is (for further details see chapter 2). The nine aspects are:

- Board of directors' membership

- Board management
- Policies and procedures
- Performance measurement
- Meetings and committees of the board
- Financial management and control
- Relationship with funding organizations
- Relationship with the general directors
- Relationship with the general assembly

Table No. (4.22)
Aspects of NGO Good Governance
Correlations between the Dependent and Independent Variables

		Board of Directors Membership	Board Management	Policies and Procedures	Performance Measurement	Meetings and Committees	Financial Management and Control	Relationship with the Funding Organizations	Relationship with the General Director	Relationship with the General Assembly
Level of NGO good governance	Pearson Correlation	0.610	0.780	0.819	0.810	0.787	0.369	0.551	0.675	0.541
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	N	61	61	61	61	61	61	61	61	61

The critical r value at degrees of freedom "59" and significance level "0.05" equals 0.267

4.5.2 Second Hypothesis - General Director Characteristics

2: There is no significant statistical differences at significant level ($\alpha = 0.05$) in the level of NGOs good governance due to the characteristics of the general director (sex, experience, qualification, age and work)

From the hypothesis above we can derive the following sub-hypothesis:

2.1 There is no significant statistical differences at significant level ($\alpha = 0.05$) in the level of NGOs good governance due to the general director sex

To test the hypotheses we use the independent sample t test and the result in table No. (4.23) which show that the P-Value for each field and whole statements are greater than 0.05 and the absolute value of t test equal 0.140 which is less than the critical t value ($=2.05$) and the p-value equal 0.889 which is greater than 0.05, so we fail to reject the hypotheses and conclude that there is no significant statistical differences at significant level ($\alpha = 0.05$) in the level of good governance of the NGOs in the Gaza Strip due to the general director sex.

Table No. (4.23)
Independent samples T test due to sex

Section	Sex	No.	Mean	Standard deviation	T value	P – value
Board of Directors Membership	Male	49	7.4247	1.06195	-0.041	0.967
	Female	12	7.4405	1.66430		
Board Management	Male	49	8.2241	1.22999	0.254	0.800
	Female	12	8.1167	1.62639		
Policies and Procedures	Male	49	8.3435	1.34536	-0.382	0.704
	Female	12	8.5020	0.99024		
Performance Measurement	Male	49	6.8688	1.81613	-0.247	0.806
	Female	12	7.0119	1.73735		

Meetings and Committees	Male	49	7.7883	1.43709	0.802	0.426
	Female	12	7.4271	1.21246		
Financial Management and Control	Male	49	9.1150	1.51403	0.213	0.832
	Female	12	9.0189	0.69002		
Relationship wit the Funding Organizations	Male	49	7.3286	2.12916	0.089	0.929
	Female	12	7.2667	2.25039		
Relationship with the General Director	Male	49	8.5772	1.45049	-1.209	0.232
	Female	12	9.0972	0.62546		
Relationship with the General Assembly	Male	49	8.2161	1.63703	-0.760	0.450
	Female	12	8.6071	1.41307		
Total	Male	49	8.0688	.940970	-0.140	0.889
	Female	12	8.1119	1.01605		

The critical t value at significance level " 0.05" and degrees of freedom "59" equal 2.05

2.2 There are no significant statistical differences at significant level ($\alpha = 0.05$) in the level of NGOs good governance due to the general director age in years.

To test the hypotheses we use the one way ANOVA test and the results in table No. (4.24) and table No.(4.25) , which show that the P-Value for the whole statements are less than 0.05 and the value of F test equal 0.969 which is smaller than the F critical value ($=2.76$ at degrees of freedom "3,57" and significance level "0.05" , and the p-value equal 0.414 which is greater than 0.05, so we fail to reject the hypotheses and conclude that there are no significant statistical differences at significant level ($\alpha = 0.05$) in the level of good governance of the NGOs in the Gaza Strip due to the general director age in years.

Table No. (4.24)

One way ANOVA test due to Age in years

Dependent Variable	Source of variance	Sum of Squares	df	Mean Square	F	Sig.
Board of Directors Membership	Between Groups	4.514	3	1.505	1.071	0.369
	Within Groups	80.089	57	1.405		
	Total	84.603	60			

Board Management	Between Groups	5.152	3	1.717	1.013	0.394
	Within Groups	96.673	57	1.696		
	Total	101.826	60			
Policies and Procedures	Between Groups	7.661	3	2.554	1.613	0.196
	Within Groups	90.247	57	1.583		
	Total	97.908	60			
Performance Measurement	Between Groups	4.585	3	1.528	0.465	0.708
	Within Groups	187.135	57	3.283		
	Total	191.720	60			
Meetings and Committees	Between Groups	093.	3	031.	0.015	0.997
	Within Groups	116.467	57	2.043		
	Total	116.559	60			
Financial Management and Control	Between Groups	17.430	3	5.810	3.382	0.0773
	Within Groups	97.926	57	1.718		
	Total	115.356	60			
Relationship wit the Funding Organizations	Between Groups	7.738	3	2.579	0.554	0.648
	Within Groups	265.606	57	4.660		
	Total	273.344	60			
Relationship with the General Director	Between Groups	2.575	3	858.	0.465	0.708
	Within Groups	105.323	57	1.848		
	Total	107.898	60			
Relationship with the General Assembly	Between Groups	14.415	3	4.805	1.990	0.126
	Within Groups	137.657	57	2.415		
	Total	152.072	60			
TOTAL	Between Groups	2.615	3	0.872	0.969	0.449
	Within Groups	51.259	57	0.899		
	Total	53.874	60			

The critical value at degrees of freedom "3,57" and significance level " 0.05" = **2.76**

Table no. (4.25)**Descriptive statistics for Age in years**

section	Mean (Age)			
	Less than 30 years	30 – less than 40 years	40 – Less than 50 years	Older than 50 years
Board of Directors Membership	7.2897	7.8508	7.3851	7.0390
Board Management	7.8833	8.6837	8.0112	8.2273
Policies and Procedures	8.5714	8.9524	8.1281	8.1299
Performance Measurement	6.9048	7.2952	6.6355	7.0390
Meetings and Committees	7.6875	7.7833	7.6897	7.7159
Financial Management and Control	8.7121	9.0727	8.8197	8.9917
Relationship wit the Funding Organizations	7.0000	7.7800	7.0138	7.6545
Relationship with the General Director	9.0556	8.6300	8.5172	8.9697
Relationship with the General Assembly	7.3810	9.0476	8.1632	8.1039
Total	8.8902	8.3982	7.8957	8.0468

2.3 There are no significant statistical differences at significant level ($\alpha = 0.05$) in the level of NGOs good governance due to the general director qualifications

To test the hypotheses we use the one way ANOVA test and the results in table No. (4.26) and table No.(4.27) , which show that the P-Value for the whole statements are less than 0.05 and the value of F test equal 0.284 which is smaller than the F critical value (=2.76 at degrees of freedom "3,57" and significance level "0.05" , and the p-

value equal 0.837 which is greater than 0.05, so we fail to reject the hypotheses and conclude that there are no significant statistical differences at significant level ($\alpha=0.05$) in the level of good governance of the NGOs in the Gaza Strip due to the general director qualifications.

Table No. (4.26)
One way ANOVA test due to qualification

Dependent Variable	Source of variance	Sum of Squares	df	Mean Square	F	Sig.
Board of Directors Membership	Between Groups	5.217	3	1.739	1.248	0.301
	Within Groups	79.387	57	1.393		
	Total	84.603	60			
Board Management	Between Groups	1.592	3	0.531	0.302	0.824
	Within Groups	100.234	57	1.758		
	Total	101.826	60			
Policies and Procedures	Between Groups	1.241	3	0.414	0.244	0.865
	Within Groups	96.667	57	1.696		
	Total	97.908	60			
Performance Measurement	Between Groups	5.182	3	1.727	0.528	0.665
	Within Groups	186.538	57	3.273		
	Total	191.720	60			
Meetings and Committees	Between Groups	1.301	3	0.434	0.214	0.886
	Within Groups	115.259	57	2.022		
	Total	116.559	60			
Financial Management and Control	Between Groups	398.	3	0.133	0.066	0.978
	Within Groups	114.958	57	2.017		
	Total	115.356	60			
Relationship wit the Funding Organizations	Between Groups	1.460	3	0.487	0.102	0.959
	Within Groups	271.884	57	4.770		
	Total	273.344	60			
Relationship with the General Director	Between Groups	1.424	3	0.475	0.254	0.858
	Within Groups	106.474	57	1.868		
	Total	107.898	60			
Relationship with the General Assembly	Between Groups	0.187	3	0.062	0.023	0.995
	Within Groups	151.885	57	2.665		

	Total	152.072	60			
TOTAL	Between Groups	0.794	3	0.265	0.284	0.837
	Within Groups	53.080	57	0.931		
	Total	53.874	60			

The critical value at degrees of freedom "4,54" and significance level 0.05) = **2.53**

Table no. (4.27)

Descriptive statistics for qualification

Section	Mean (qualification)			
	High school or less	Diploma	Bachelor degree	Post graduate
Board of Directors Membership	8.7143	6.7302	7.4854	7.3000
Board Management	8.9000	8.5407	8.2015	8.0851
Policies and Procedures	9.1429	8.3333	8.3638	8.3238
Performance Measurement	7.8571	5.8571	6.9444	6.8714
Meetings and Committees	8.5000	7.6250	7.7083	7.6688
Financial Management and Control	9.3182	8.7879	9.1149	9.0864
Relationship wit the Funding Organizations	6.7000	7.7667	7.3444	7.2600
Relationship with the General Director	9.2500	8.1778	8.6736	8.7083
Relationship with the General Assembly	8.2857	8.5238	8.2672	8.3057
Total	8.6250	7.8565	8.0906	8.0317

2.4: There is no significant statistical differences at significant level ($\alpha = 0.05$) in the level of NGOs good governance due to the general director years of experience

To test the hypotheses we use the one way ANOVA test and the results in table No. (4.28) and table No.(4.29), which show that the P-Value for the whole statements are less than 0.05 and the value of F test equal 0.417 which is smaller than the F critical value (=3.15 at degrees of freedom "2,57" and significance level "0.05" , and the p- value equal 0.661 which is greater than 0.05, so we fail to reject the hypotheses and conclude that there is no significant statistical differences at significant level ($\alpha = 0.05$) in the level of good governance of the NGOs in the Gaza Strip due to the general director years of experience.

Table No. (4.28)**One way ANOVA test due to Years of Experience**

Dependent Variable	Source of variance	Sum of Squares	df	Mean Square	F	Sig.
Board of Directors Membership	Between Groups	5.035	2	2.517	1.835	0.169
	Within Groups	79.568	58	1.372		
	Total	84.603	60			
Board Management	Between Groups	2.945	2	1.472	0.864	0.427
	Within Groups	98.881	58	1.705		
	Total	101.826	60			
Policies and Procedures	Between Groups	3.631	2	1.815	1.117	0.334
	Within Groups	94.277	58	1.625		
	Total	97.908	60			
Performance Measurement	Between Groups	1.184	2	592	0.180	0.836
	Within Groups	190.536	58	3.285		
	Total	191.720	60			
Meetings and Committees	Between Groups	1.527	2	763	0.385	0.682
	Within Groups	115.033	58	1.983		
	Total	116.559	60			
Financial Management and Control	Between Groups	19.177	2	9.588	4.28	0.018
	Within Groups	96.179	58	1.658		
	Total	115.356	60			
Relationship wit the Funding Organizations	Between Groups	3.237	2	1.618	0.348	0.708
	Within Groups	270.107	58	4.657		
	Total	273.344	60			
Relationship with the General Director	Between Groups	0.363	2	0.182	0.098	0.907
	Within Groups	107.535	58	1.854		
	Total	107.898	60			
Relationship with the General Assembly	Between Groups	11.075	2	5.537	2.278	0.112
	Within Groups	140.997	58	2.431		
	Total	152.072	60			
TOTAL	Between Groups	0.764	2	0.382	1.117	.0334
	Within Groups	53.111	58	0.916		
	Total	53.874	60			

The critical value at degrees of freedom "2,58" and significance level "0.05" = **3.15**

Table no. (4.29)

Descriptive statistics for Years of Experience

section	Mean (Years of Experience)		
	Less than 5 years	5 – Less than 10 years	10 years and higher
Board of Directors Membership	6.4762	7.7659	7.3470
Board Management	7.2519	8.3111	8.2256
Policies and Procedures	8.3810	8.7474	8.2065
Performance Measurement	7.3333	7.0238	6.8071
Meetings and Committees	7.2917	7.9306	7.6531
Financial Management and Control	7.5758	9.1364	8.8966
Relationship wit the Funding Organizations	7.1333	7.6722	7.1700
Relationship with the General Director	8.5000	8.7889	8.6437
Relationship with the General Assembly	6.4206	8.3677	8.3999
Total	7.3699	8.2502	8.0047

The results of the above tables related to hypothesis three were logic and expected since both type of sex (male and female) belongs to the same environment and the same sector and both are professional in their field of work. The same argument applies for the work experience, age and education (Please refer to section 3 of this chapter that is related to the director personal characteristics and the organizational characteristics).

4.5.3 Third Hypothesis - NGO Characteristics

3: There are no significant statistical differences at significant level ($\alpha = 0.05$) in the level of NGO good governance due to the characteristics of the NGOs (Average annual budget, size, age)

From the hypothesis above we can derive the following sub-hypothesis:

3.1: There are no significant statistical differences at significant level ($\alpha = 0.05$) in the level of NGO good governance due to the age of the NGOs

To test the hypotheses we use the one way ANOVA test and the results in table No. (4.30) and table No.(4.31) , which show that the P-Value for the whole statements are less than 0.05 and the value of F test equal 0.259 which is smaller than the F critical value (=2.76 at degrees of freedom "3,57" and significance level "0.05" , and the p- value equal 0.854 which is greater than 0.05, so we fail to reject the hypotheses and conclude that there are no significant statistical differences at significant level ($\alpha = 0.05$) in the level of the NGO good governance due to the age of the NGO.

Table No. (4.30)
One way ANOVA test due to Age of organization in years

Dependent Variable	Source of variance	Sum of Squares	df	Mean Square	F	Sig.
Board of Directors Membership	Between Groups	2.394	3	0.798	0.553	0.648
	Within Groups	82.209	57	1.442		
	Total	84.603	60			
Board Management	Between Groups	4.504	3	1.501	0.879	0.457
	Within Groups	97.322	57	1.707		
	Total	101.826	60			
Policies and Procedures	Between Groups	2.000	3	0.667	0.396	0.756
	Within Groups	95.908	57	1.683		
	Total	97.908	60			
Performance Measurement	Between Groups	4.756	3	1.585	0.483	0.695
	Within Groups	186.964	57	3.280		
	Total	191.720	60			
Meetings and Committees	Between Groups	7.900	3	2.633	1.381	0.258
	Within Groups	108.660	57	1.906		
	Total	116.559	60			
Financial Management and Control	Between Groups	8.741	3	2.914	1.558	0.210
	Within Groups	106.614	57	1.870		
	Total	115.356	60			
Relationship wit the Funding Organizations	Between Groups	7.125	3	2.375	0.509	0.678
	Within Groups	266.218	57	4.670		
	Total	273.344	60			
Relationship with the General Director	Between Groups	2.545	3	0.848	0.459	0.712
	Within Groups	105.353	57	1.848		
	Total	107.898	60			
Relationship with the General Assembly	Between Groups	4.378	3	1.459	0.563	0.641
	Within Groups	147.694	57	2.591		
	Total	152.072	60			
TOTAL	Between Groups	726.	3	0.242	0.259	0.854
	Within Groups	53.149	57	0.932		
	Total	53.874	60			

the critical value at degrees of freedom "4,54" and significance level 0.05) = **2.53**

Table no. (4.31)

Descriptive statistics for Age of organization in years

section	Mean (Age of organization in years)			
	Less than 5 years	5 – Less than 10 years	10 – Less than 15 years	15 years and higher
Board of Directors Membership	7.0714	7.0738	7.6622	7.4430
Board Management	7.7000	7.6700	8.4516	8.2744
Policies and Procedures	7.7143	8.6000	8.5149	8.2785
Performance Measurement	7.3571	7.0429	7.2589	6.6494
Meetings and Committees	6.6875	8.3375	7.8906	7.5076
Financial Management and Control	8.1364	9.8773	8.9148	9.0055
Relationship wit the Funding Organizations	8.7000	7.7800	7.2000	7.1485
Relationship with the General Director	8.0833	9.0833	8.6615	8.6020
Relationship with the General Assembly	8.8571	7.7190	8.4104	8.3759
Total	7.7794	8.0220	8.1834	8.046

3.2: There are no significant statistical differences at significant level ($\alpha = 0.05$) in the level of NGO good governance due to the number of general assembly of the NGO

To test the hypotheses we use the one way ANOVA test and the results in table No. (4.32) and table No.(4.33) , which show that the P-Value for the whole statements are equal 0.133 which is greater than 0.05 and the value of F test equal 1.843 which is less than the critical F value which is equal 2.53 at degrees of freedom "4,56" and significance level "0.05" , so we fail reject the hypotheses and conclude that there are no significant statistical differences at significant level ($\alpha = 0.05$) in the level of the good

governance of the NGOs in the Gaza Strip due to the number of general assembly of the NGO.

Table No. (4.32)

One way ANOVA test due to Number of general assembly

Dependent Variable	Source of variance	Sum of Squares	df	Mean Square	F	Sig.
Board of Directors Membership	Between Groups	6.060	4	1.515	1.080	0.375
	Within Groups	78.543	56	1.403		
	Total	84.603	60			
Board Management	Between Groups	13.440	4	3.360	2.129	0.089
	Within Groups	88.386	56	1.578		
	Total	101.826	60			
Policies and Procedures	Between Groups	3.009	4	0.752	444.	0.776
	Within Groups	94.899	56	1.695		
	Total	97.908	60			
Performance Measurement	Between Groups	28.939	4	7.235	2.489	0.054
	Within Groups	162.780	56	2.907		
	Total	191.720	60			
Meetings and Committees	Between Groups	18.342	4	4.586	2.615	0.045
	Within Groups	98.217	56	1.754		
	Total	116.559	60			
Financial Management and Control	Between Groups	1.897	4	0.474	0.234.	0.918
	Within Groups	113.459	56	2.026		
	Total	115.356	60			
Relationship wit the Funding Organizations	Between Groups	51.527	4	12.882	3.252	0.018
	Within Groups	221.816	56	3.961		
	Total	273.344	60			
Relationship with the General Director	Between Groups	5.678	4	1.419	0.778.	0.544
	Within Groups	102.220	56	1.825		
	Total	107.898	60			
Relationship with the General Assembly	Between Groups	5.558	4	1.389	0.531.	0.713
	Within Groups	146.514	56	2.616		
	Total	152.072	60			

TOTAL	Between Groups	6.267	4	1.567	1.843	0.133
	Within Groups	47.608	56	0.850		
	Total	53.874	60			

the critical value at degrees of freedom "4,54" and significance level 0.05) = **2.53**

Table no. (4.33)

Descriptive statistics for Number of general assembly

section	Mean (Number of general assembly)				
	Less than 10 members	10 – Less than 20 members	20 – Less than 50	50 – Less than 100	100 members and higher
Board of Directors Membership	9.1667	6.8929	7.6610	7.3499	7.2024
Board Management	10.0000	7.1250	8.2774	7.9459	8.7750
Policies and Procedures	9.1429	8.2143	8.1848	8.3551	8.7341
Performance Measurement	8.2857	5.8571	6.2245	7.1056	7.9048
Meetings and Committees	9.7500	7.2813	7.3571	7.5543	8.6354
Financial Management and Control	9.1818	8.9318	8.9913	8.8024	8.9053
Relationship wit the Funding Organizations	8.8000	5.7500	6.3429	7.8913	8.3167
Relationship with the General Director	10.0000	8.5417	8.4762	8.5812	9.1597
Relationship with the General Assembly	10.0000	7.9929	8.2449	8.1253	8.6567
Total	9.4030	7.4978	7.8716	7.9979	8.5129

3.3 There are no significant statistical differences at significant level ($\alpha = 0.05$) in the level of NGO good governance due the average annual budget for last two years (2005/20060):

To test the hypotheses we use the one way ANOVA test and the results in table No. (4.34) and table No.(4.35) , which show that the P-Value for the whole statements are less than 0.05 and the value of F test equal 3.003 which is greater than the critical F value which is equal 2.53 at degrees of freedom "4,56" and significance level "0.05" , so we

reject the hypotheses and conclude that there are a significant statistical differences at significant level ($\alpha=0.05$) in the level of good governance of the NGOs in the Gaza Strip due to the average annual budget for last two years (2005/2006).

These results were logic since the financial positions of NGOs were influenced with the good governance practice. When the board of directors include skilled persons with clear responsibilities and coordinate efficiently with the general director they could achieve a health financial position.

Table No. (4.34)

One way ANOVA test due to Average annual budget for last two years (2005/20060)

Dependent Variable	Source of variance	Sum of Squares	df	Mean Square	F	Sig.
Board of Directors Membership	Between Groups	6.038	4	1.510	1.052	0.389
	Within Groups	77.486	56	1.435		
	Total	83.524	60			
Board Management	Between Groups	4.471	4	1.118	0.681	0.608
	Within Groups	88.693	56	1.642		
	Total	93.164	60			
Policies and Procedures	Between Groups	23.731	4	5.933	4.372	0.004
	Within Groups	73.285	56	1.357		
	Total	97.017	60			
Performance Measurement	Between Groups	30.705	4	7.676	2.669	0.042
	Within Groups	155.291	56	2.876		
	Total	185.996	60			
Meetings and Committees	Between Groups	10.800	4	2.700	1.395	0.248
	Within Groups	104.536	56	1.936		
	Total	115.337	60			
Financial Management and	Between	12.832	4	3.208	3.007	0.062

Control	Groups					
	Within Groups	101.552	56	1.881		
	Total	114.385	60			
Relationship wit the Funding Organizations	Between Groups	31.183	4	7.796	1.751	0.152
	Within Groups	240.471	56	4.453		
	Total	271.654	60			
Relationship with the General Director	Between Groups	14.290	4	3.573	2.178	0.084
	Within Groups	88.572	56	1.640		
	Total	102.862	60			
Relationship with the General Assembly	Between Groups	3.325	4	0.831	0.303	0.875
	Within Groups	148.358	56	2.747		
	Total	151.683	60			
TOTAL	Between Groups	9.716	4	2.429	2.763	0.037
	Within Groups	43.677	56	0.809		
	Total	53.393	60			

The critical value at degrees of freedom "4,56" and significance level" 0.05" = **2.53**

Table no. (4.35)

Descriptive statistics for Average annual budget

section	Mean (Average annual budget)				
	Less than \$50,000	\$5,000 – Less than \$100,000	\$100,000 – Less than \$500,000	\$500,000 – Less than one million	One million and higher
Board of Directors Membership	8.1429	7.0816	7.1848	7.9792	7.4393
Board Management	9.1667	8.1714	8.0275	8.5781	8.2311
Policies and Procedures	9.8095	8.1463	7.6451	9.0893	8.6857
Performance Measurement	8.7143	6.8571	6.1293	7.8750	7.0929
Meetings and	9.1667	7.4643	7.3452	7.9219	7.9188

Committees					
Financial Management and Control	9.4242	8.3312	8.5801	9.4318	9.1455
Relationship with the Funding Organizations	8.2667	7.6857	6.4571	8.5250	7.4450
Relationship with the General Director	8.8889	8.8095	8.0675	9.2708	9.0933
Relationship with the General Assembly	9.0635	8.0408	8.1168	8.3214	8.4414
Total	9.0199	7.8701	7.6132	8.5874	8.2223

CHAPTER 5

CONCLUSIONS, RECOMMENDATIONS AND FUTURE RESERACH

5.1 Introduction

This chapter provides the main conclusions related to the field work and the appropriate recommendations to overcome the weaknesses of Gaza's NGOs governance bodies.

5.2 Conclusions

The over all conclusion that can be drawn from this study is that Gaza's NGOs board of directors are well governed. The overall mean for the nine aspects of the NGO good governance is 80.77. This conclusion is some how expected since the study had concentrated on the large and active NGOs (the ones that have 10 employees or more) of the Gaza Strip.

The following is a summary of the conclusions that can be drawn from this study list based on the research fields:

5.2.1 Board of Director Membership

The board of director membership is well performed by the Gaza's NGOs board of directors. The overall weighted mean is 74.28. In addition, the highest item in the board of director membership table was the election of board of directors which was carried out periodically as stated in the bi-lows of the organizations. The weighted mean for this sub-function was 93.93. The NGOs are performing very well in this area.

Yet, there are two areas that need improvement:

- NGOs need to improve their abilities in determining the required skills for its members and in documenting those required skills (69.67 weighted mean)
- The majority of the respondent indicated that the NGOs do not follow the good practice of limiting the membership of the board to two consecutive terms as a maximum and then board members become general assembly members only. NGOs need to pay special attention to this area (40.73 weighted mean)

5.2.2 Management of Board of Directors Affairs

The management of board of director affairs was also well performed. The overall weighted mean is 82.03. Furthermore, the highest item in the management of board of director affairs was “the board keeps and documents formal minutes of meeting that states the decisions that had been taken. The weighted mean for this item was 95.41. This can be attributed to the Palestinian NGOs new law that demands NGOs to have and document formal minutes of meetings.

The item that got the lowest weighted mean was “NGOs have and implement a clear and written procedure for dealing with board members who consistently fail to attend meetings without good and convincing causes” The overall weighted mean was 68.83.

5.2.3 Policies and Procedures for board of directors

Gaza NGOs have good policies and procedures that managing their affairs. The overall weighted mean was 83.75. The following highlights that main findings:

- The board of directors are active in the strategic planning process of the NGOs (80.67 weighted mean)
- The NGOs have mission statement (96.39 weighted mean)
- The board has clear procedures for ensuring that the policies and the procedures of the NGO are being implemented (77.33 weighted mean)
- The NGO has a code of ethic and code of conduct (68.83 weighted mean)

5.2.4 Performance Measurement

This area is the one that need special attention from NGOs. The study showed that boards of directors need to measure their performance annually, establish annual development plans for the board members, and to implement such plans. The overall weighted mean was 68.97. This overall weighted mean was the lowest among the nine overall weighted mean for the nine aspects of the NGOs good governance.

5.2.5 Meeting and Committees (Overall 77.17 weighted mean)

The study showed that boards of directors are effective and meet periodically. The overall weighted mean was 77.17. Yet, the boards committees are not meeting periodically and they are not effective (57.05 weighted mean).

5.2.6 Financial Management and Control

Gaza NGOs board of directors play very active role in managing and controlling the financial affairs of the NGOs. This got the highest overall weighted mean of 90.96. The research showed that most of the Gaza NGOs have external auditor. The weighted mean was 98.03. Furthermore, the boards of directors do discuss the external audit reports in their meetings and take appropriate actions. The weighted man was 94.17.

5.2.7 Relationship with Funding Organizations

The study showed that the relationship with the funding agencies is good. The overall weighted mean was 73.16. Yet, the board members are not making enough effort for fundraising although this is an essential role of the board of directors. This is probably due to the lack of skills and time (66.23 weighted mean).

5.2.8 Relationship with the General Director

The relation with the general director is highly satisfactory and this is expected since the board members are not involved in the daily management of the organizations. The overall weighted mean was 86.80.

5.2.9 Relationship with the General Assembly

The relationship is highly satisfactory and this is also expected due to the enforcement of the NGOs law that indicates the boards are elected periodically by the general assembly of the organizations. The overall weighted mean was 82.93.

5.2.10 Training Needs

The main five training needs are:

- Fundraising and relationship with funding.
- Strategic planning
- Monitoring and evaluation
- Good governance
- Change management
- Crises management

The first two are expected since they are among the major roles that boards of directors play in guiding the organizations. The third one, monitoring and evaluation goes along with item number 5.1.4, performance measurement, that indicates that the board members of the Gaza's NGOs need to develop their skills and enhance their abilities in this area. Change management and crises management got the fourth and fifth priority. This is understandable due to the dynamic and unpredictable environment that Gaza's NGOs are working on.

5.3 Recommendations

In order to improve their governance role and enhance the sustainability and the impact of their services, Gaza NGOs need to improve their performance in the following:

- Enforce the good practice of limiting the membership of the board to two consecutive terms

- Establish a written procedure and enforce the implementation of such procedure of dealing with board members who consistently fail to attend the board meetings without good and convincing reasons
- Establish and implement a solid system of measuring and improving the board performance
- Develop cod of ethics and conduct for both the NGO and the board of directors
- Improve the effectiveness of the board committees
- Play more active role in fundraising efforts for the organizations
- Establish and implement yearly development plans to develop the board members

5.4 Future Research

The researcher would like to point out that more research is needed in the area of the NGOs governance due to the limited research efforts that had been devoted to this topic in the Arab World in general and in Palestine in particular. The following are suggestions for future research ideas:

- Conduct a comparative study on governance between Gaza based NGOs and West Bank NGOs
- Conduct a study that compare governance issue between small, medium and large NGOs
- Conduct study on NGO governance that compare the general director perspective and the chairperson of the same NGO
- Conduct a study that study in details the relationships between governance, accountability and sustainability of NGOs

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ANNEXES

Annex (1) – The Questionnaire

Dear NGO Manager:

The researcher is conducting an academic research about the role of the board of directors of the NGOs in the Gaza Strip. The research is a requirement for the fulfillment of the Master of Business Administration degree.

Please fill the questionnaire with care and accuracy bearing in mind that the information will be treated with utmost care and privacy. It will be only used for the purpose of academic research.

Thanks a lot for your cooperation

Alaa Mahmmoud Ghalayini
Researcher

First: Personal data:

(Please put (X) on the appropriate answer)

Age in years: Less than 30 years 30 – less than 40 years
 40 – Less than 50 years Older than 50 years

Sex: Male Female

Education: High school or less Diploma
 Bachelor degree Post graduate

Years of Experience: Less than 5 years
 5 – Less than 10 years
 10 years and higher

Second: NGO data:

Age of organization in years:

- Less than 5 years
- 5 – Less than 10 years
- 10 – Less than 15 years
- 15 years and higher

Number of staff:

- Less than 10 members
- 10 – Less than 20
- 20 – Less than 50 members
- 50 – Less than 100
- 100 and higher

Number of board of directors:

- 5 Members
- 7 Members
- 9 Members
- 11 Members
- 13 Members and higher

Number of general assembly:

- Less than 10 members
- 10 – Less than 20 members
- 20 – Less than 50
- 50 – Less than 100
- 100 members and higher

Average annual budget for last two years (2005/20060):

- Less than \$50,000
- \$5,000 – Less than \$100,000
- \$100,000 – Less than \$500,000
- \$500,000 – Less than one million
- One million and higher

Third Board of Directors Membership

Please identify the degree of correspondence from 1 to 10 where 1 is the least correspondence and 10 is the highest correspondence:

	Item	Mark
1	The board determine the required skills for its members	
2	The required skills are written and documented	
3	The existing board has the required skills	
4	The existing board is characterized by the variety of skills and specialization among its members	
5	The NGO has a written document that specifies the number of the board members	
6	The board is elected periodically as indicated in the internal bi-lows of the NGO	
7	The board membership has a term limit of two turns then the board member become a general assembly member	

Fourth: Board Management

	Item	Mark
8	The NGO has a board manual that determine the roles and responsibility of the board members, the general policies of the NGO, the internal bi-lows, etc.	
9	Each board member has a copy of this manual	
10	The board members understand their legal responsibilities	
11	The NGO has a written system for the appointment and removal of the chairperson	
12	The NGO has a written and clear job description	
13	The NGO has written and clear job description for the deputy chairperson, secretary, and treasurer	
14	The board meetings are held based on a clear plan	
15	There is a clear and written procedure for dealing for board members who consistently fail to attend meetings without good and convincing causes	
16	The procedure is implemented without discrimination	
17	The board keeps and documents formal minutes of meeting that states the decisions that had been taken	

Fifth: Policies and Procedures

	Item	Mark
18	The NGO has a written mission statement	
19	The board plays an active role in the strategic planning process for the NGO	
20	The NGO has a cod of ethic and code of conduct	
21	The NGO has a conflict of interest policy	
22	The policies and the procedures of the NGOs are written	
23	The organizational policies are procedures are available to staff and others with an interest in the organization	
24	The board has clear procedure for ensuring that the policies and the procedures of the NGO are being implemented	

Sixth: Performance Measurement

	Item	Mark
25	The board ensure that the NGO measure its performance based on the determined objectives	
26	The board and NGO director review the determined objectives annually	
27	The NGO director discuss the results of the performance measurement with the staff	

28	The board discuss with the staff the NGO performance periodically	
29	The board measure its performance annually	
30	The board put an annual plan for its development	
31	The plan is implemented	

Seventh: Meetings and Committees

	Item	Mark
32	The board meets periodically	
33	The number of meetings is suitable to the NGO needs	
34	The board agree on annual plan for meetings	
35	The board meetings are organized and effective	
36	The decisions are taken through discussion and consensus	
37	There are board committees such as fundraising committees, financial control, etc.)	
38	The committees meet periodically	
39	The committees are effective	

Eighth: Financial Management and Control

	Item	Mark
40	The board members have skills and experience to be able to analyze and interpret financial management, budget and accounts	
41	The board ensure that the financial system that is used by the NGO is effective	
42	The board continuously receive quarterly or semi-annually financial reports	
43	The board makes regular comparisons between budgeted income / expenditure and actual income / expenditure	
44	The board receives regular written reports highlighting any exceptional items in the financial statements	
45	Budget and financial income and expenditures are prepared by the end of the financial year	
46	The board ensures that there are written and documented procurement procedures for the NGO	
47	The board ensures that procurement are carried out based on the procurement procedure of the NGO	
48	The NGO has external financial auditor	
49	The chairperson meets with the external auditor at least once a year	
50	The board discusses the external auditor report	

Ninth: Relationship with the Funding Organizations

	Item	Mark
51	The board reviews the financial agreements with the funding organizations	
52	The board meets annually with the main funding bodies of the NGO to examine their satisfaction and expectation from the NGO	
53	The chairperson conduct period meetings with the funding organizations	
54	The chairperson informs the rest of the board members about his meetings with the funding organizations	
55	The board participates in the fund raising efforts of the NGO	

Tenth: Relationship with the General Director

	Item	Mark
56	There is a clear written job description for the general manager	
57	The board does not intervene in the daily management of the NGO	
58	The general director participate in the board meetings	
59	The general director submits periodic reports for the board	
60	The relationship between the board the general director is characterized by understanding and cooperation	
61	The board follows and monitors the performance of the general directors	

Eleventh: Relationship with the General Assembly

	Item	Mark
62	The general assembly meets annually	
63	The general assembly elects the boards every two years	
64	The general assembly members receive the annual management and financial reports	
65	The membership conditions for the general assembly are clear and written	
66	The membership conditions make it easy for new members to join the NGO	
67	Copies of the annual management and financial reports are sent to the members	
68	The general assembly members participate in the NGO activities when asked to do so	

Twelve: Training needs

The following is a list of expected training needs for the board of directors members, please select and give priority for the most five important needs where (1) is the first priority, (2) second priority and so on:

	Training need	Priority
1	Strategic planning	
2	Good governance	
3	Fundraising and relationship with funding organizations	
4	Project management	
5	Monitoring and evaluation	
6	Networking	
7	Advocacy	
8	Change management	
9	Crises management	
10	Team work	
11	Human resource management	
12	Public relation	
13	Financial management	
14	Staff performance evaluation	
15	Directing and motivation for staff	
16	Others (please specify)	