

Czech University of Life Sciences Prague

Faculty of Economics and Management

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Diploma Thesis

Sustainable Financing and the Future  
Development of the Christian Refuge Orphanage  
Centre in Ghana

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## Declaration

I declare that I have worked on my diploma thesis titled "Sustainable Financing and the Future Development of the Christian Refuge Orphanage Centre in Ghana" by myself and I have used only the sources mentioned at the end of the thesis.

Prague, 6th April 2010

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Vladimír Víšek

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Trvale udržitelné financování a budoucí rozvoj  
Christian Refuge Orphanage Centre v Ghaně

Sustainable Financing and the Future Development  
of the Christian Refuge Orphanage Centre in Ghana

Souhrn:

Tato diplomová práce se zabývá návrhem projektu, který přispěje k trvale udržitelnému financování a budoucímu rozvoji sirotčince v Ghaně. V teoretické části práce se autor věnuje tématům sociální ekonomika a rozvojová pomoc. Dále je pak v krátkosti představena Ghana, kde je celý projekt realizován. V praktické části práce je navržen projekt oficiální webové stránky s detailním popisem realizace projektu. Dále jsou navrženy projekty, které by přispěly ke zlepšení životních podmínek v sirotčinci, či přispěly k jeho částečné samostatnosti. Je také vysvětlena důležitost zapojení místní komunity do celého procesu. Samostatnou část práce pak tvoří "oficiální projekt", sloužící k žádosti o finanční grant pro vytvoření webové stránky.

Klíčová slova:

Sociální ekonomika, rozvojová pomoc, Ghana, projekt, sirotčinec, komunita, trvale udržitelné financování

Summary:

This diploma thesis suggests a project that will lead to the sustainable financing and the future development of the Christian Refuge Orphanage Centre in Ghana. In the theoretical part of this thesis, the reader is introduced to the problematic of the social economy and the development aid. As this project is realized in Ghana, this African country is briefly introduced. In the practical part, a project for creation of an official website is suggested together with a detailed description of achieving it. Further in this work, other projects that would improve the living conditions in the orphanage or contribute to its partial self-sufficiency are suggested. The author of this work also emphasises the

importance of engaging the local community in the whole process as much as possible. A separate part of this work is an “official project” intended for submission when applying for a financial grant to create the website.

Key words:

Social economy, development aid, Ghana, project, orphanage, community, sustainable financing

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## 1 Introduction

It is estimated that there are more than one billion people around the world living under the poverty line. This means that they live on less than one dollar per day. These people do not have access to education or health care, they simply do not even have a proper diet and starvation is not unusual. The majority of those affected are in sub-Saharan Africa. High mortality rates (HIV, malaria, war conflicts) mean that there are millions of orphans left to their own destiny. For obvious reasons they create one of the most vulnerable groups. With uneducated children suffering from poor health and lack of any social values, these countries are caught in a vicious circle of never ending problems. The author of this work believes that if this vulnerable group is supported and children from orphanages are provided with education, provided with adequate health care and are taught common social values and skills, they can be an asset to the whole society in the future rather than a burden.

This work starts with a brief introduction to the social economy which is the umbrella concept behind development aid activities. The history and means of development aid are presented with a brief overview of Ghana, where the practical part of this work is applied.

In the practical part, the Christian Refuge Orphanage Centre is introduced together with the description of the starting situation. The main part of this work is a detailed description of the official website project for the orphanage. Later, other projects that would lead to the future development of the orphanage are suggested. In the following chapters the author explains why engaging the local community is important and possible ways of achieving it. The work is concluded by acknowledging criticism and the author's responses, and his future

vision. A separate part of this work is a project proposal that could be used when searching for the funds to realize the website project.

## 2 Objectives of Thesis and Methodology

### 2.1 Objectives

The main aim of this diploma thesis is to propose a project that will significantly improve the situation of the Christian Refuge Orphanage Centre in Ghana and will contribute to its future development and at least partially to its self sufficiency. Apart from the main aim, other projects that could follow are suggested.

In the theoretical part of this work the aim is to introduce the reader into the whole situations and problems. This is done by defining the *social economy sector*, describing *development aid* activities and last but not least, providing essential information about *Ghana*, where the whole project is applied.

The **hypothesis** of this work is: The official website can contribute to the sustainable financing and the future development of the Christian Refuge Orphanage Centre.

### 2.2 Methodology

Two types of data were used in this diploma thesis, *primary data* and *secondary data*. The primary data were collected by means of **interviews** and the author's **own observation**. The interviews were done with the management of the orphanage, staff of the orphanage and selected stakeholders and were focused on defining the problems and evaluating needs. Also **brainstorming** was used to identify the main problems and possible solutions. In the Czech Republic, some points were discussed with the members of a local NGO Humanitas Afrika. Data based on

observation were collected by the author himself during his two stays in Ghana.

Secondary data that were used mainly in the theoretical part of this work were obtained from different sources such as **books, specialized publications** or the **internet**.

When evaluating the website project, a **SWOT analysis** was used. This analysis evaluates four main aspects that can influence the success of the project. Those are *strengths* and *weaknesses* (internal factors) and *opportunities* and *strengths* (external factors).

### 3 Literature overview

#### 3.1 Position of the Social Economy

The economy itself can be divided according to different criteria. The division relevant for this work is a *division based on an ownership*. According to this, the economy can be divided into *three main sectors*. Those are as follows: *private sector*, *public sector* and *third sector*.

- **Private sector**

This sector of economy, which can be also referred to as a business sector or a non-governmental sector, is privately owned and profit oriented. It consists of households and firms. [6]

- **Public sector**

This sector known also as a governmental sector is owned by a state. It is represented by municipal, local or national governments and state owned enterprises. [6]

- **Third sector**

Third sector can be defined as a "*segment of a nation's economy that is made up of, neither public nor business concerns.*" (The free dictionary, 2010) The third sector organizations are considered to fill the gaps left by the market and the state. However defining this sector is not very easy and we also come across terms such as *social economy* and *non-profit sector*. This matter will be discussed and explained later. For now the *third sector* will be referred to as a social economy.

### 3.2 What is social economy?

*"Social economy organizations are growing in number and relevance in advanced, developing and transition economies. Whilst their relevance for balanced social and economic development is now widely recognised, economic theory is not yet able to explain their existence properly..."* (Social Economy, OECD 2007, p.23) This quotation from the OECD publication on social economy describes the problematic of the whole social economy (third, non-profit sector) sector. With different approaches to this concept, in different parts of the world, there is not consensus on what belongs into the third sector and what does not. There is not even a unified *definition* or *terminology* concerning this social phenomenon. However, this work will try to apprise the reader with this topic.

#### 3.2.1 History of the social economy concept

The concept of Social Economy seems to be a "trend" of recent decades. However we can find its roots as far as in the Egypt of the Pharaohs where collective relief funds were created. The Greeks formed so called religious brotherhoods in order to ensure its members to get a burial. Similar organizations existed also in ancient Rome. In the 18<sup>th</sup> century "friendly societies" were formed in England. Their aim "*was to provide their members with allowances in case of sickness or death.*" (Defourny, Develtere, The Social Economy, 1999, p. 5) This concept later spread to other Europeans countries and also outside the Old continent, namely to the United States, Australia or New Zealand. In the late 19<sup>th</sup> century and early 20<sup>th</sup> century the *first legal framework* for these types of organizations appeared. [3]

It was again in the seventies of the last century when the *social economy* concept begun gaining an importance. As a reason for that is seen not only a *decline of a welfare state* but also other factors like *exclusion of some vulnerable groups from the society* or move away from traditional conception of civil society. There are several approaches that try to define the whole concept and therefore, apart from social economy, we come across of terms, as mentioned above, such as third or non-profit sector. [10]

### **3.3 Two main approaches to define social economy**

There are two main approaches that try to define the whole concept - the *legal and institutional approach* and the *normative approach*. Let's examine them both in order to get better understanding of the whole problematic.

#### **3.3.1 Legal and institutional approach**

The first approach is focused on identification of legal and institutional forms that are part of the social economy. Past three hundred years three types of organizations have been considered to be part of the social economy. Those are *co-operatives*, *mutual benefit (aid societies)* and *associations*. In the case of associations they have different legal statutes in different countries. However the term association is considered as to be more general one. [3, 10]

Co-operatives, mutuals and associations:

For better orientation in the problematic, these three types of organizations are briefly defined bellow.

- **Co-operatives**

We can define a co-operative as "*an enterprise or organization that is owned or managed jointly by those who use its facilities or services.*" (The free dictionary, 2010) This concept is widely spread all around the world which illustrates the fact that *International Co-operative Alliance brings* together more than 750 million co-operatives and the purpose of their activities varies from agriculture, housing, financial or social types of organizations. [3]

- **Mutuals**

Mutual benefit or aid organizations can be defined as organizations "*in which members are the exclusive shareholders and the recipients of profits distributed as dividends in proportion to the business that such members did with the company.*" (The legal dictionary, 2010) So as the co-operatives these organizations have a long history and nowadays only in Europe there are more than 66 million members united under the *Association Internationale de la Mutualite*. The members of mutual organizations share risks in diverse fields such as health care costs, material support of families if a family member dies, or risks connected with poor harvest. [3]

- **Associations**

Unlike in the two previous cases there is no precise definition of what association is. It has different legal forms in different countries and it has a *variety of names* also. The associations include non-profit organizations, voluntary organizations, non-governmental organizations, foundations or charities. If attempted to define these types of organizations it can be said that they encompass "*together all other forms of individual freedom of association that aim to produce goods or*



*services but whose primary objective is not profit."* (Defourny, Develtere, *The Social Economy*, 1999, p. 13)

For better understanding of the three types of organizations, see supplement 1. *It is important to say that in different countries with different legal forms some types of these organizations may blend.* For example combination of a saving and credit cooperatives with mutual health insurance societies are becoming common. [3]

### **3.3.2 Normative approach**

This approach, rather than concentrating on a legal status of an organization, seeks to identify some common principles for those types of organizations. It means that according to this approach an organization with co-operative, mutual organizations or association status does not need to be necessarily a part of the social economy if it does not meet the criteria recognized by the normative approach. The authors of the publication *The Social Economy: The worldwide making of a third sector* defined the social economy according to this approach as follows. *"The social economy includes all economic activities conducted by enterprises, primarily co-operatives, associations and mutual benefit societies, whose ethics convey the following principles:*

- § *placing service to its members or to the community ahead of profit,*
- § *autonomous management,*
- § *a democratic decision-making process,*
- § *the primacy of people and work over capital in the distribution of revenues*

*The fact that the objective of the social economy is to provide services to its members or to a wider community, and not to serve as a tool in the service of capital investment, is particularly important." (Defourny, Develtere, The Social Economy, 1999, p. 13)*

### **3.4 Different definitions of Social Economy**

As mentioned above there is no unique definition of the social economy. To present more points of view and also to stay objective three definitions from different points of view are published below.

- **International definition**

The international definition was created in 1997 by the International Center of Research and Information on the Public, Social and Cooperative Economy (CIRIEC): *"Private companies created to meet their members' needs through the market by producing goods and providing services, insurance and finance, where profit distribution and decision-making are not directly linked to the capital contributed by each member, each of whom has one vote. The social economy also includes non-profit organisations that are private non-market producers, not controlled by government, produce not-for-sale services for specific groups of households and whose main resources come from voluntary contributions by the households as consumers, payments from the government and income from property."* (Social Economy Student Network, URL, 2010)

- **Canadian Practitioner Definition**

The Canadian Social Economic Hub which undertakes research to understand and promote Social Economy across Canada defines it as follows:

*"The Social Economy consists of association-based economic initiatives founded on values of:*

- § Service to members of community rather than generating profits;*
- § Autonomous management (not government or market controlled);*
- § Democratic decision-making;*
- § Primacy of persons and work over capital;*
- § Based on principles of participation, empowerment.*

*The Social Economy includes: social assets (housing, childcare, etc.), social enterprises including cooperatives, equity and debt capital for community investment, social purpose businesses, community training and skills development, integrated social and economic planning, and capacity building and community empowerment. The social economy is a continuum that goes from the one end of totally voluntary organizations to the other end where the economic activity (social enterprise) blurs the line with the private sector." (Canadian Social Economy Hub, URL, 2010)*

- **European Union Definition**

In European Parliament report from January 2009 it is stated that *social economy is un-represented at institutional level and very little recognized at European level*. The report says that the social economy has a role to play in both; economy and in society and clear recognition of this concept should be stated. The report stated some founding characteristics of the social economy.

*"Social economy enterprises can be defined by the characteristics and values that they share:*

- § primacy of the individual and the social objectives over capital;*

- § *defence and implementation of the principles of solidarity and responsibility;*
- § *coincidence of the interests of user members and the general interest;*
- § *democratic control by members;*
- § *voluntary and open membership;*
- § *self-management and independence of public authorities;*
- § *mobilisation of the bulk of surpluses in pursuit of the aims of sustainable development, the of service to members and the general interest" (European Parliament, URL, 2009)*

### **3.5 Europe vs. USA approach**

We can see the different points of view e.g. when comparing the USA and Europe. The perception of so called "*non-profit sector*" in the USA is different from "*third system*" in Europe. In this case as a main difference can be seen *exclusion of co-operatives from this sector of economy in the USA*. The John Hopkins University in the USA defined "non-profit sector" as a voluntary entities which do not distribute profits. On the other hand co-operatives have a long tradition in Europe. It was in 1997 when European Commission included all organizations which place a limit on profit distribution in the concept of social economy. [10]

Mark Lyons in his book on "third sector" problematic distinguishes between two types of organizations - *public benefit* and *member benefit*.

Public benefit organizations do not allow distributing any potential profit to its members or any surplus assets in case the activity of the organization is terminated. These organizations are referred to as non-profit organizations, which means, that they do not distribute any profit.

In the USA only this type of organization is recognized as a third sector organization.

Member-benefit organizations on the other hand distribute their profit among its members in a form of benefits such as lower prices for services. Those are e.g. cooperatives or mutuals. In Europe the social economy sector consists of non-profit organization but also cooperatives and mutuals. [5]

A book *Placing the Social Economy* divides the approaches to the social economy concept as follows. In the USA due to the "*absence of a strong welfare state, there has been a well-established tradition of seeking to build a sense of community and encourage local bottom up community development gradually distanced from the politically-inspired community activism in which it was originally rooted.*" (Amin, Cameroon, Hudson, 2002, p.9)

On the other hand, in Western Europe the point of view is "*that recourse to private supply, especially when it replaces public supply, should be financed wholly or at least partly out of public funds.*" (Amin, Cameroon, Hudson, 2002, p.9) This results in a fact that state plays an important role in supporting the local community development.

### **3.6 Associations**

Further in this work, the focus will be on activities of the third group of organizations united under the name of *associations* (according to the "legal and institutional approach"). Those are e.g. voluntary organizations, non-governmental organizations (NGO), foundations or charities. Those organizations, unlike cooperatives and mutuals, provide services not only to its members (not necessarily) but also to wider community. The range of their activities includes activities such as

human rights protections, humanitarian aid, development aid, empowerment of women and many more. The *development aid* will be further elaborated in this work.

- **Definition of NGO**

*"A non-governmental organization (NGO) is any non-profit, voluntary citizens' group which is organized on a local, national or international level. Task-oriented and driven by people with a common interest, NGOs perform a variety of service and humanitarian functions, bring citizen concerns to Governments, advocate and monitor policies and encourage political participation through provision of information. Some are organized around specific issues, such as human rights, environment or health. They provide analysis and expertise, serve as early warning mechanisms and help monitor and implement international agreements. Their relationship with offices and agencies of the United Nations system differs depending on their goals, their venue and the mandate of a particular institution."* (NGO Global Network, URL, 2010) The NGO gain its resources by several different ways such as private donations or grants from governments or specialized institutions. They may even get part of their funding from the sale of good or services or from membership fees.

### **3.7 Development aid**

The *development aid* is characterised as "*aid given by governments and other agencies to support the economic, social and political development of developing countries*". (Answers.com, 2010) It can be also referred to as *development cooperation, development assistance* or *foreign aid*. The *World Health Organization* prefers to call it development cooperation as it expresses the idea that there should be a partnership between the donors and recipient. This concept tends to rise nowadays as it is regarded to be more beneficial for both sides. In last decades the approach was more of donators' countries allocating funds without cooperation with the recipient countries.

#### **3.7.1 Development help vs. Humanitarian help**

It is important to distinguish development aid from humanitarian aid. "*Humanitarian aid is material or logistical assistance provided for humanitarian purposes, typically in response to humanitarian crises. The primary objective of humanitarian aid is to save lives, alleviate suffering, and maintain human dignity*". (Answers.com, 2010) On the other hand *development help* focuses on "alleviating poverty in the long term, rather than alleviating suffering in the short term". (Answers.com, 2010)

#### **3.7.2 Means of distributing aid**

We can distinguish the help on *bilateral* and *multilateral*.

Bilateral help is when a donor country provides the help directly to the recipient country.

Multilateral help is when a donor country provides funds to some specialized organization, e.g. United Nations, which afterwards distribute the help to developing countries where needed.

The proportion is about 70 % in favour of bilateral help. About 80 percent of the funds come from governmental resources. The remaining 20 percent come from private organizations like NGOs (non-governmental organizations), foundations or charities. [14]

### **3.7.3 Official development assistance**

*As Official development assistance (ODA) is regarded "the amount of money any government gives that can be considered as official aid...includes any form of expenditure that follows the guidelines set out by the Organisation for Economic Cooperation and Development's (OECD) Development Assistance Committee (DAC)." (Aid Watch, 2010)*

There is some criticism on what should and what should be not included in ODA. Civil society organizations often criticize that some governments artificially inflate their help by including activities like funding war on terror, housing of refugees or debt cancellation. According to many civil society organizations this should not be regarded as development aid. [13]

### **3.7.4 History of providing aid to developing countries**

According to Aid Watch we can track the inflow of aid in the developing countries from the time of Colonialism. However the resources provided to the countries were limited and rather focused on boosting of economy



of the ruling country than actually concentrating on the improvement of the living conditions of the developing country.

During the post-war development (1944-49) the United Nations were founded along with institutions such as International Bank for Reconstruction and Development (IBRD or World Bank) or the International Monetary Fund (IMF). The focus was mainly on *industrialization and attracting investors*. The approach worked for many European countries however it had disastrous consequences for people and environment in Africa, Asia and the Pacific. The reason for that was different social, economic and historical context in these parts of the world which was not taken on the account. This view was strengthened e.g. by the president of the USA Harry Truman who believed that undeveloped countries have to modernize and industrialize if they want to escape the poverty and improve their economies. This vision of aid was conducted in practice during 50s and 60s. Also the 50s and 60s were characterized by the process of decolonisation.

The 70s are by Aid Watch characterised as "more human approach". In this period a new approach was adopted when the *focus was on social considerations such as health issues as life expectancy or child mortality, education or gender equality*. The previous approach was more focused only on macroeconomic growth. This approach led to some significant grows but had a little impact on alleviating poverty.

This promising beginning ended up in the 80s when the world was hit by *recession* in developed countries and *debt crisis* in developing countries. Reforms of privatizations and deregulations in the developing countries were implemented by the World Bank. [11]

In the year 2000 Millennium Development Goals (MDGs) were set by all members of United Nations countries, supported with more than 20 international organizations. Those goals are supposed to be achieved by 2015 and include:

- § Eradicate extreme poverty and hunger
- § Achieve universal primary education
- § Promote gender equality and empower women
- § Reduce child mortality
- § Improve maternal health
- § Combat HIV AIDS, malaria and other diseases
- § Ensure environmental sustainability
- § Develop a Global Partnership for Development

*"Although the MDGs have been justifiably criticised for their top down, one-size-fits-all approach, at the very least they have managed to unite international development efforts around the single focus of tackling the poverty crisis". (Aid Watch, 2010)*

In February 2005 the OECD organized a conference in Paris which result was Paris Declaration Principles. It was agreed that the current help is still led by the priorities of the donors with little participation of the recipient countries. It was agreed that the future reforms of the international aid system are needed. Again the result of the meeting was *criticised by some civil society organizations* as they do not go to deep and set just weak targets. Also, that *human rights and justice are not recognized* as a core of the development. [12] More about the Paris principles in the following chapter.

### **3.8 Effectiveness of development aid**

The effectiveness of the development aid is often a subject of fierce discussion. In this chapter, the latest significant reform of the international aid system is presented (*Paris principles*) together with its criticism of some civil society organizations. Also, recommended *fields for effective investments* are suggested by an economist Jeffrey Sachs.

#### **3.8.1 Paris principles**

The five *Paris principles* are stated bellow together with issues that some civil society organizations pointed out and are summarized on the website of Australian NGO Aid Watch.

##### Ownership:

*"Partner countries should exercise effective leadership over their development policies, and strategies and co-ordinate development actions."*

##### Issue:

The ownership should not be limited only to government of the country but communities and those affected by development policies should have ownership over them. Also the role of democracy should play an important role.

##### Alignment:

*"Donors should base their overall support on partner countries national development strategies, institutions and procedures."*

Issue:

It is stressed that the national development strategies must be developed independently by the recipient country. The importance of democratic decision making and local ownership is again pointed out. Informal pressures from donor countries are criticised.

Harmonisation:

*"Donors actions should be more harmonised, transparent and collectively effective."*

Issue:

Aid Watch points out that harmonisation often reduces competition and limits choices of the recipient countries. Also it reinforces role of the international financial institutions.

Managing for results:

*"Decision-making and resource management should be improved towards a results-focused approach."*

Issue:

It is believed that this approach can be effective only the results that are targeted are poverty reduction, promotion of human rights and gender equality.

Mutual Accountability:

*"Donors and partners should be mutually accountable for development results."*

Issue:

It is recommended that some specific mechanism should be developed, by which recipient could hold donors to account. Again not only government but also communities should be involved. <sup>[12]</sup>

### **3.8.2 Required fields of investment**

Jeffrey Sachs, the economist and the author of the book *The End of Poverty*, states in his work where the aid from international donors should be delivered. He says: "*One of the weaknesses of development thinking is the relentless drive for a magic bullet, the one decisive investment that will turn the tide. Alas, it does not exist. Each one of the six identified types of capital is needed for an effective, well-functioning economy. Each one is needed to escape the poverty trap. Even more to the point, success in any single area, whether in health, or education, or farm productivity, depends on investments across the board.*" (Sachs, 2005, p. 255-256)

Here are *the fields in which* according to Jeffrey Sachs *should be invested*.

#### Business capital:

With household income where some money can be spared to reinvest, households are able to invest in things such as mosquito's nets, piped water, they can afford health care, better nutritious diet etc. This means that people are healthier and able to work more efficiently a therefore contribute to the development of the economy.

Human capital:

Investments in key human capital such as nutrition, health care (immunization), family planning, mothers literacy or public health awareness.

Infrastructure:

This category of investments consists of investments into safe drinking water and sanitation, power supplies, emergency transport to hospitals, and also information and communications technologies.

Natural capital:

Investments in this field should be focused on protection against natural hazards (e.g. El Nino-induced droughts), control of disease vectors and pests, the crop productivity should be supported by conservation of ecosystem. Also it should be avoided to discharge toxic waste in the air and water.

Knowledge capital:

Investments in this group include investments to improve organizational procedures for fighting epidemic diseases, investments to develop new drugs or low-cost energy source for the household so they are able to prepare food and store commodities in adequate temperature.

Public institutional capital:

Investments in this area enhance extension of public health services, nutrition programmes or community participation schemes. [9]

### **3.8.3 Top down vs. bottom up approach**

As it is clear from the chapters above, the top down approach to development help is more and more criticised as ineffective and not tackling the main problems of the developing countries. So called bottom up approach, where things are organized by those who are affected, is seen as more effective. The emphasis is on *engaging local community, local ownership or democratic decision making*.

Also there does not exist one key field in which should be invested. The whole development aid should come in some sort of “package” as described by Jeffrey Sachs.

The author of this work will follow these trends in the practical part of this diploma thesis.

### **3.9 Ghana overview**

As the practical part of this work is applied in Ghana, this country will be briefly introduced.

- **General information**

The *Republic of Ghana* is located in the West Africa and borders with Ivory Coast, Burkina Faso and Togo. On the South it has 539 km of coastline of Gulf of Guinea. Ghana is a former British colony (Gold Coast) and as the first sub-Saharan state, it gained its independence in 1957. The capital of the Republic of Ghana is Accra. There is a constitutional democracy and *Ghana is regarded to be one of the best governed countries in Africa*. The population of Ghana is estimated to be almost 24 millions and life expectancy is 60 years. The literacy is estimated to be 57, 9 percent. [25]

- **Economy overview**

Ghana's the most important *natural resources* are gold, timber or industrial diamonds. The main *agriculture products* are cocoa, rice and cassava, peanuts or corn. Lately, rich deposit of *oil* has been discovered in the territorial waters of Ghana. GDP per capita (estimate 2009) is \$1,500 and puts Ghana on 199th place in comparison with other countries. GDP composition by sector is as follows: agriculture 37,3 percent, industry 25,3 percent, services 37,5 percent. If divided by occupation it is as follows: agriculture 56 percent, industry 15 percent, services 29 percent. Unemployment rate is 20 percent (estimate 2008) [20] and inflation is 14,2 percent (April 2010). [19] Ghana is still heavily dependent on financial and technical assistance from abroad and it is estimated that 28, 5 percent of the population live bellow the poverty line. Public debt is estimated to be 67, 5 percent of the GDP and puts Ghana on 23<sup>rd</sup> rank in comparison with other countries. [25]

Picture 1: Map of Africa



Source: <http://www.imagined-community.com/images/ghana/ghana-1.gif>



## 4 The Christian Refuge Orphanage Centre

### 4.1 General information

The Christian Refuge Orphanage Centre is located in a small town of *Bawjiase* in the Central region of Ghana, in West Africa. It has been founded by Paul Elisha Asamoah in 2007. The orphanage currently provides *shelter for 31 children*. Apart from the shelter, the kids are fed three times a day and they are also provided with basic education. At the beginning, the orphanage was financed solely from Mr. Asamoah`s funds together with a help of his family living abroad. Nowadays there is a support from volunteers from all around the world who started to come to Bawjiase in May of 2009.

Picture 2: The orphanage<sup>1</sup>



<sup>1</sup> All the pictures in this diploma thesis were taken by the autor of this work, if not stated otherwise.

However, there is still inconsistency in funding. Sometimes there is a sufficient amount of money one month and on the other hand there is no money next month to even buy food. Also due to the lack of money, it is impossible to realize projects that would contribute to the future development of the orphanage. This work will elaborate the whole situation together with suggestions for improvements. The main focus will be on a *project of a new official website* of the orphanage as it is believed that it is essential for the future successful development of the orphanage. At the time of writing, parts of the project were already in effect and therefore at the end of this work some achievements and failures will be evaluated.

## **4.2 Starting situation**

The orphanage was officially registered with Ghanaian authorities under the Companies Code, 1963 (Act 179) on 24<sup>th</sup> of August 2007. The author of this work visited the orphanage for the first time in July 2009. At that time, the situation in the orphanage was as follows:

- **Nutriment**

As mentioned above the orphanage was financed solely from the private funds of Paul Asamoah, with the help of his family or small donors from local community. As there were 31 kids in the home it was very costly. Only to feed all the kids costs about 20 000 CZK a month which in Ghana terms is high amount of money (e.g. teacher in a government school earns in average 4 800 CZK per month). This resulted in a fact that the children did not get proper food and it was no exception when the kids were starving.

- **Water supply**

The water is fetched from orphanage's well. However, people from neighbourhood also use this well. The water from the well is not of very good quality and contains parasites that cause healthy problems to the children and the staff. There is not capacity to boil the water all they long which would solve this problem. In the dry season the well sometimes dries up. The water is also used to bath the kids.

- **Sanitary facilities**

As running water in Africa is very rare, there are no showers in the orphanage. The kids are bathed outside using water from the orphanage's well. Behind the orphanage building there are latrines where children and staff go to the toilet. The latrines are dilapidated and unhygienic.

Picture 3: Bathing the kids



- **Housing**

All the kids live in two separate bedrooms - girls and boys. The ratio is about 50:50. There were not enough beds so the kids sleep on the floor on mattresses in very poor conditions. Due to lack of malaria nets the kids suffer from many bites and consequently with illnesses with this connected. Unhygienic conditions and *crowded rooms* also contribute to quick spread of diseases.

Picture 4: Mattresses the children slept on



- **Health Care**

There is a local clinic in Bawjiase. However, due to the high costs for visits and medication, the children rarely attend the clinic. They were taken to see a doctor only in the most serious cases. This results in poor health state of the children.

- **Education**

Very basic education is provided by local volunteers who teach maths or English. Lack of teaching experience and irregular attendance of the local teachers is however reflected in the quality of the classes. The children are taught outside as there are no classrooms.

- **Volunteers**

The volunteers who come to help to the orphanage are organized by an international organization which after receiving a registration fee from the volunteer “transfers” them to another local, profit making organization. This organization then provides volunteers to different orphanages around Ghana. The fact that there are *two middle organizations* makes the whole process long and very expensive. Also the communication with the local organization is not on a good level.

### **4.3 Projects overview**

The author of this work has visited the orphanage two times, spending there 19 months in total. During his stay he monitored and evaluated the problems and the needs of the orphanage. As a result of this he *suggests* several projects that would contribute to the future development of the orphanage.

Those are:

- § creating an official website
- § agricultural farm
- § poultry farm
- § new dormitories + toilets and water well

## **5 Website project**

For the future development of the orphanage and the wellbeing of the children the ownership of an official website was evaluated as a main pillar for the further activities. The reasons for that are as follows:

### **5.1 To let people know the orphanage exists**

It is important to let people know the Christian Refuge Orphanage Centre exists. Representative, functional and regularly updated website will give a good impression to visitors and catch their interest. It is believed that when visitors find lot of information together with personal statements of previous volunteers/donors with possibilities to contact them, the whole orphanage will get a good credibility. Also the fact that the webpage is run by volunteers and no money is taken by “middle man” will be communicated.

### **5.2 To attract qualified volunteers**

The next aim of the website is to attract new, qualified volunteers who would be willing to arrive to Bawjiase and work and help in the orphanage. The volunteers programmes are very expensive and not many people can afford them. The high costs of the volunteers’ programmes are caused by the fact, that most of them are organized by “third” companies who only mediate the contact between volunteers and a particular orphanage. Unfortunately a big amount of money paid by volunteers is deducted by the third organizations. The official website should solve this problem. The prices offered for potential volunteers are in some cases even more than 50 % lower than prices offered by companies engaged in providing the volunteer programmes. Also all the

money will go to the orphanage and will cover all the costs connected with volunteers such as airport pick up, accommodation, food, drinking water etc. The low prices make our volunteer programmes very competitive and attractive.

An informational booklet will be available to download on the website with useful information written very personally. Also names and experience of previous volunteers are available to make the website more personal.

### **5.3 Tool of fundraising**

As the orphanage is now heavily dependent on external help the website is very useful when fundraising. The webpage will be regularly updated to inform about ongoing projects together with photos to prove the progress. Also all names of those who donate will be published to keep the whole process as transparent as possible. The advantage is again that there is no third organization to deduct the money. The only costs are the costs connected with the transfer of money.

Two ways of fundraising through the website are planned. Those are:

#### **5.3.1 Adoption of kids**

It is planned that in menu section "our kids" every kid will have its picture together with some basic information such as age or characteristics. There will be possibility to "adopt" each kid for 1 USD per day. The length of the "adoption" will be optional and will depend on every single donor. This will enable even small donors to help as they can decide how much money they want to donate. In reality all the

money raised will be used to help to cover day to day cost of the orphanage such as food, sanitarries, etc. For understandable reasons the money will be split among all kids which means that if one kid is “adopted” and another is not, they will both benefit from the donations.

Financial overview:

There are currently 31 children to be taken care for in the orphanage. It was calculated that to provide all of them with full value diet and basic sanitary and hygienic products it will cost approximately 1 400 GHC (1 000 USD per month).

Also if costs for primary education (uniforms, books, fees) are included, they are estimated to be 21, 4 USD per 1 kid per one school year.

The tables bellow shows the calculations and the percentage of the costs that will be covered if the adoption project is successful.

Table 1: Estimated costs for food and sanitary products<sup>2</sup>

Costs: food and sanitary products (in USD)		
Total costs/1 month		1 000
Costs per 1 kid/1 month	$1\,000 / 31$	32,26
Costs per 1 kid / 1 day	$32,26 / 30$	1,08
Costs: Education		
1 kid / 1 year		21,4
1 kid / 1 day	$21,4 / 365$	0, 06
Total costs 1 kid / 1 day	$1,08 + 0,06$	1, 14

<sup>2</sup> All the tables and calculations in this diploma thesis were done by the author of this work, if not stated otherwise.



Table 2: Expected income from the "adoption"

Expected income: (in USD)		
Adoption / 1kid / 1 day		1
Transaction costs	5 % of the amount	0 , 05
Net income / 1 kid / 1 day	1 - 0 , 05	0 , 95

Table 3: Costs expected to be covered

Income - costs: (in USD)		
1 month expected income	31 (kids) * 0,95 * 30	883,5
1 month costs	31*1,14*30	1 060,2
Income - costs	883,5 - 1 060,2	- 176, 7
% of the costs covered	883,5/(1 060,2/100)	83, 33 %

In the calculations of costs for primary education it is calculated with all the kids in the orphanage. However, 15 out of the 31 children are less than six years old and therefore they will not attend the school minimally in the following year. Assuming the fifteen of the kids will not attend the school in the following year the percentage of the costs covered by the adoption project will change as follows:

Table 4: Cost expected to be covered when only 16 kids attend school

Income - costs:(in USD)		
15 kids not attending school / month	$15 \times 0,06 \times 30$	27
Costs after deductions / month	$1060,2 - 27$	1 033,2
% of the costs covered	$883,5 / (1\ 033,2 / 100)$	85,51%

The table above shows that if fifteen children will not attend the school in the following year, the project will cover 85, 51 % of the costs.

The calculations above are based on the fact that all the kids in the orphanage will be "adopted". Naturally there is a risk that this will fail and e.g. only a certain percentage of the kids will be adopted at a time.

On the other hand, costs for the food are based on full nutritious diet which is desirable for the good development and the health of the kids. If there is not sufficient amount of money, the spending could be reduced by the less necessary items of the diet.

### 5.3.2 Donations to particular projects

It will be also possible to donate particular ongoing projects where the funding is needed. The information about the projects will be published a those interested will be able to donate any amount they wish.

## Ways of donating:

There will be to main ways of how to donate money.

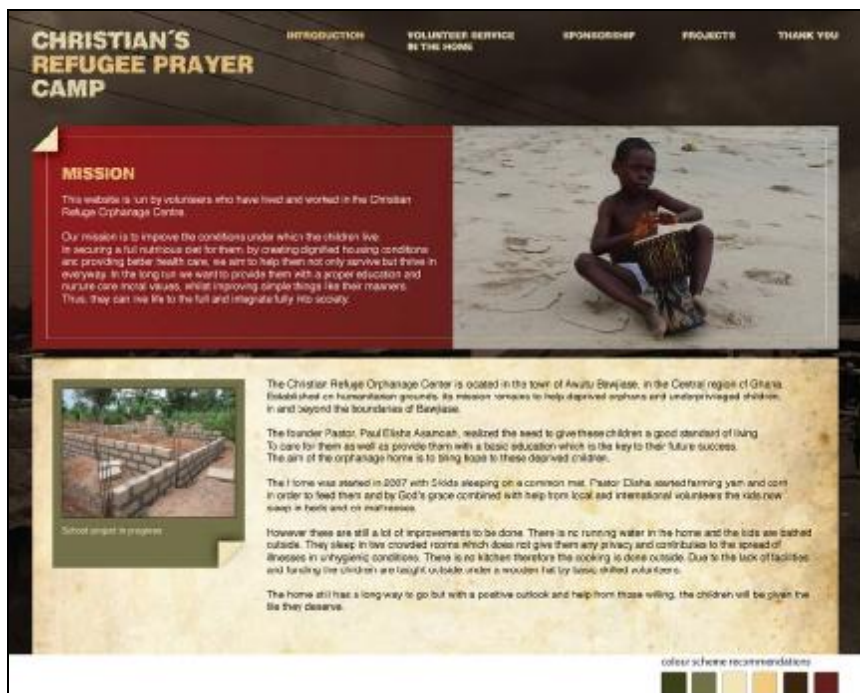
- **Paypal button**

Paypal is a secure online paying method which guarantees a safe procedure when paying online. It is very easy and has low transaction costs. "Donate button" will be integrated on the website so it will be enough to just click and simply donate.

- **Direct bank transfer**

It will be also possible to make a regular bank transfer straight to the orphanage's account in Ghana.

Picture 5: Suggested design of the website<sup>3</sup>



<sup>3</sup> Source: David Němec, Michal Becker

### **5.3.3 Transparency**

The whole fundraising project should be as transparent as possible. Therefore all donors' names will be published on the website. Also the volunteers currently in Bawjiase will be regularly informed about the amount of money raised and the purpose it should be used for so they can monitor the spending.

## **5.4 How will the project be achieved?**

When planning this project a professional webmaster from among the volunteers promised to create the website free of charge.

### **5.4.1 Funding**

The budget to fund this project is estimated to be 146 USD. It includes costs for one year of service. An official project is written and submitted to potential donors (*the project is part of this work*).

### **5.4.2 Creating a website**

The volunteer designer will create a functional, representative website for the orphanage. The content of the website has been after discussion between management of the orphanage and the volunteers suggested and structured as follows:

- **Introduction**

A homepage where basic information about the orphanage will be presented; it will consist of a *mission statement*, brief *history* of the

orphanage, *news* column - where updated news will be regularly published, to make the web more attractive, and a link to the official orphanage's Facebook group.

- **Volunteer service**

In this section basic information about the orphanage's volunteer programmes will be available. There will be also an extensive booklet with more information available for download for those who will be interested. Visitors will be also able to find a list of all previous volunteers who worked in Bawjiase, so they can contact them and ask for more information. This is believed to make the whole process more personal. It is also planned to run "*I will never forget...*" section with short statements of previous volunteers about things they will never forget about when working in the orphanage. This again, will make the website more personal.

- **Our kids**

In the part of the website every kid will have his or her own picture. After clicking on a particular picture, more info about the kid - such as name, age or characteristics will appear. A visitor of the website will be able to "adopt" the kids for 1 USD a day. The money raised will be used to cover the daily costs of the orphanage.

- **Projects**

In this section of the web, information about ongoing and accomplished projects is to be found. The list of accomplished projects will be linked with a photo gallery where a visitor will be able to see photos concerning the projects. Ongoing projects will be accompanied with updated pictures of the progress in order to show that there is a real progress done for the money raised.

- **Thank you**

Thank you section will be dedicated to list the names of people who helped to the development of the orphanage. Also the total amount of money raised will be published here.

Design and the layout of the website will be suggested by the webmaster himself.

### **5.4.3 Purchasing domain and webhosting**

A domain [www.ghanaorphange.org](http://www.ghanaorphange.org) will be purchased. The name of the domain was agreed on after discussion between the management of the orphanage and the volunteers. Suffix "org" was chosen instead of more common suffix "com". The reason for that was to make it clear that this is a non profit project.

Apart from the domain it is necessary to purchase webhosting or MYSQL Database. This all will be organized by the webmaster.

### **5.4.4 Promoting the website**

The main means of communications will be as follows:

- **Social networks**

Social networks are nowadays a very powerful mean of communication. One of the most known, and therefore the most successful, is [Facebook](https://www.facebook.com). It allows to its users by a single click to communicate with all people he or she is sharing details with. Therefore, the link for the orphanage's website can be spread very quickly to a large number of users without any costs.

Also a Facebook group will be set up, which people interested can join and get regular information about the orphanage's activities (ongoing projects, current needs, photos, fundraising events, etc.)

- **Blogs**

Blogs of volunteers are expected to present the orphanage effectively.

- **Discussion forums on the internet**

There are many forums where it is possible to share experiences from volunteering programmes and also search for relevant information when considering volunteering. Past volunteers will join these forums and recommend the orphanage's website. Again, there are no costs for this activity and the information will get directly to the target group.

- **Presentation at the universities**

The university students are the main target group when considering the help with fundraising or willingness to volunteer. Presentations at the universities are an ideal way of promoting the website and to inform the students about the possibilities to get involved. Presentations will be done by volunteers who have already been in the orphanage and therefore the whole presentation of the project will be personal and done by a competent person. The target groups of students are in the UK, USA and Canada as the most of the volunteers come from these countries.

- **PR in newspapers and magazines**

Several articles in newspapers or magazines are planned to promote the orphanage's website. The articles should cover topics such as situation in orphanages in Africa, development aid, ability to get involved, personal stories etc.

## 5.5 Management of the project

Two people will be engaged in the management of the website project.

### Vladimír Víšek

Vladimír Víšek is a *senior volunteer* and author of the project. After discussion with Mr. Asamoah he will instruct the designer and the webmaster of the website.

### Paul Asamoah

Paul Asamoah is the *founder and the director* of the orphanage. He will provide necessary updated information from the orphanage and discuss it with Vladimír Víšek.

## 5.6 Swot analysis

Table 5: SWOT analysis of the website project

<u>Strengths:</u> <ul style="list-style-type: none"><li>• easy to remember domain</li><li>• run solely by volunteers</li><li>• no third organization involved</li><li>• affordable prices for volunteering</li></ul>	<u>Weaknesses:</u> <ul style="list-style-type: none"><li>• hard to promote the web - competition</li><li>• website built by a volunteer</li><li>• inerrability of the local management</li></ul>
<u>Opportunities</u> <ul style="list-style-type: none"><li>• increasing trend of CSR</li><li>• willingness of small donors to donate money</li><li>• popular trend of volunteering in Africa</li></ul>	<u>Threats:</u> <ul style="list-style-type: none"><li>• lack of interest from volunteers</li><li>• lack of interest from public</li><li>• financial crisis</li></ul>



## Strengths:

- **Domain**

The domain [www.ghanaorphange.org](http://www.ghanaorphange.org) is easy to remember which is good for the further promotion of the website. From the name it is also clear what kind of website will be found by a potential visitor. The suffix "org" was used instead of more common one "com" as the "org" suffix makes it clear the website is not commercial.

- **The website is organized by volunteers**

The fact that the website will be run by volunteers who have already worked in Bawjiase makes it more personal and credible. The people involved in the project are familiar with the needs and the problems of the orphanage.

- **No "third" organization involved**

As the whole project will be run on voluntary basis there is no third organization to deduct the money for administration costs. If somebody decides to donate or to volunteer, all the money will go straight to the orphanage.

- **Competitive prices for volunteer programmes**

Volunteer programmes will be offered for very competitive prices with highlighting the fact that all money go straight to the orphanage. Also the management will be involved in the process of selecting volunteers.

## Weaknesses:

- **Hard to promote the web**

As the orphanage has no funds to promote the website, it will be very difficult to promote it. There are many organizations that concentrate on

fundraising or mediating volunteer programmes. It is usual that they pay a big amount of money to promote themselves on the internet (Google links, servers focused on this problematic). This weakness will be tried to be eliminated by suggesting marketing activities that will efficiently hit the target group with as low costs as possible.

- **The website is built by a volunteer**

In this case the fact that the website is built and maintained by a volunteer may result in longer process when building the web or when updating it. Also the volunteer may terminate the cooperation.

- **Inerrability of the local management**

Currently, there is no person with knowledge of management in the orphanage. This may result in mistakes being made when realizing/running the projects. Therefore, all important decision should be discussed also with the author of this work and other volunteers.

#### **Opportunities:**

- **Increasing trend of CSR**

Nowadays, there is an increasing trend of *Corporate Social Responsibility* concept that can be taken advantage of. With well organized and transparent activities of the orphanage, possible donors can be attracted.

- **Willingness of small donors to donate money**

There is a willingness of people to donate money to support the development projects in poor countries. Again, if the activities of the orphanage are well organized and transparent, there is an opportunity to attract these donors.

- **Popular trend of volunteering in Africa**

Volunteering in developing countries, and especially in Africa, becomes a trend nowadays. With using our strengths, qualified volunteers can be attracted to volunteer in the orphanage.

**Threats:**

- **Lack of activity from volunteers**

There is a chance that certain percentage of the volunteers will lose their interest after some time and will stop helping with the whole project. This concerns activities such as presentations at the universities, helping with fundraising, etc.

- **Lack of interest from public**

Nowadays there are many charity projects around the world and a lot of people may be sceptic to our activity or simply overlook it.

- **Financial crisis**

As all businesses and organizations are affected by the world financial crisis, the same applies for the activities of the orphanage.

## **5.7 Up to date evaluation**

During the writing of this work, parts of the website project were already put in effect. The trial version of the website was started in November 2009. This allows to the author of this work to evaluate some accomplishments and failures of the project.

### Fulfilment of the goals:

- **Fundraising**

Two main ways of fundraising were planned - *adoption of the kids* and *donations* to particular projects.

- **Adoption of the kids**

This part of the project has not been realized yet. The reason for that is that it was found out that it is quite technically challenging and time consuming to implement this feature on the website. Anyway, some basic design has been already suggested and within the next months a trial version should be tested, and if successful, also implemented.

- **Donations to particular projects**

This part of the project has been evaluated as successful. Donors started sending money shortly after the website was put online. A special Christmas event "*give up one Christmas to support the orphanage*" was launched and brought 2 170 USD. People were simply asked to give up one Christmas present and donate some money to the orphanage instead. Since the beginning of 2010 (after finishing the Christmas event) more than 1 000 USD has been raised to support particular projects.

- **Attracting new volunteers**

It has proved to be very difficult to fulfil this task. There are a lot of profit-making companies that offer volunteering programmes and invest heavily into marketing. This results in a fact that when searching the internet for volunteering opportunities, majority of the links that are listed on the first few pages are links of those organizations. However several inquiries about volunteering have been received and it is expected that it will take longer time to promote the website.

## 6 Other suggested projects

Following chapter will briefly describe other projects that could be realized in the orphanage. Some of them are simply projects to improve the living conditions in the orphanage (dormitories), other are projects that would contribute to self sufficiency of the orphanage (farms). It is only suggestion and brief description of the projects. If realized, a qualified project proposal will have to be worked out for every single project. The priorities of the mentioned projects are dependant on finding a qualified person for running the particular project.

### 6.1 Agriculture farm

Establishing an agriculture farm would significantly contribute to the self sufficiency of the orphanage and the children would definitely benefit from it. It would provide orphanage with food and even with some revenue if the surplus of the production is sold on the local market. An ideal way would be if the farm was close to the orphanage (there is lot of available land). *Two possibilities* are suggested:

- **The farm would be owned and run by the orphanage**

The land would be purchased by the orphanage and subsequently farmed by the staff/volunteers of the orphanage.

The advantage here would be that all possible revenues would go back to the orphanage without any third party deducting money. On the other hand the disadvantage would be that without proper know-how of farming and skilled management of the project, it may not be as profitable as possible or even end up as a failure.

- **The farm would be co owned together with local farmers**

In this case the farm would be owned jointly by the orphanage and some of the local farmer, farmers. The possibilities are that either new land would be purchased and cultivated or already existing farm could be used. In the second case, the orphanage would help financing the whole project and according to a contract it would gain agreed amount of products and revenue.

The advantage here would be that the orphanage would not have to deal with problems concerning farming as it would be done by a professional farmer. Also the local community would be engaged. The disadvantage is lower revenue from the project. There is also possible threat of an unreliable partner. However this should be alleviated by a properly written contract and carefully chosen partner.

The products that would be subject of farming would be chosen after thorough consultation and evaluation of the local market - prices, demand. The possibilities are pineapples, lettuce, tomatoes or carrots.

## **6.2 Poultry farm**

A poultry farm would be another suitable project that would contribute to the self sufficiency of the orphanage. The meat in children's diet is rare (twice a week and small portions) and therefore stable supplies of meat would improve their alimentation. Again, as in the case of the agriculture farm, two ways of realizing this project are possible; farm *owned solely* by the orphanage or *co-owned* with some of the local farmers. Also the advantages and disadvantages remain the same as in the case of the agriculture farm.

Ideally, if both projects are realized, farms should be as close as possible, or even create one farm. It would cut the costs of labour as one person who farms could also take care of the feeding etc. On the contrary, manure from the animals could be used as fertilizer for the land etc.

### **6.3 New dormitories**

As the conditions the kids sleep in (two crowded rooms) are not suitable, new dormitories are desired to be built. Ideally, if enough funds is raised the dormitories should contain rooms of maximum four beds per one room. This would significantly improve their conditions of living. New, smaller rooms would provide kids with more privacy and also the hygienic conditions would improve.

Also rooms for the local nannies and staff of the orphanage are planned as they currently sleep on the floor on the corridor. A common room is also planned where the kids could socialize and play in the case of rain.

Rooms for the volunteers could also be in the new building. This would cut the costs for volunteer house which is currently being rented.

### **6.4 Toilets and water well**

In addition to the new dormitories, new toilets and water well are planned. Current toilets are in totally unsatisfactory hygienic conditions. New water well would be also desirable as the current one does not provide enough water for the daily need of the orphanage (drinking, bathing). It has often a low level of water and during the dry season it dries up.

To minimize the costs of those projects, local volunteers and volunteers from abroad could be engaged.



## 7 Engaging local community

One of the future goals that would be desirable to achieve is to more engage the local community in the support of the orphanage. It is very important that Ghanaians themselves take responsibility a help with problem solving, not only in the Christian Refuge Orphanage Centre, but in general.

During the writing of this work partial success in this case was achieved. First of all, local boys formed a *football club* and during the Christmas period a *fundraising event* was held.

- **Football team**

The local boys established a football team which aim is to promote the orphanage in the Bawjiase region. As the football is the most popular sport in Ghana, there are lots of football matches all year round, usually with attendance of locals, who take it as a social occasion. As the orphanage is relatively new, existence of the football team plays an important role as many people still do not know there is an orphanage in Bawjiase. Apart from promoting the orphanage, the footballers also train boys from the orphanage who need to get some attention and some goals to focus on.

Picture 6: The football team



- **Fundraising event**

A fundraising event was organized over the Christmas period in Bawjiase. Using posters displayed in the region, the local community was informed about the incoming event. Also the local volunteers organized a small truck with loudspeakers and during a one day were cursing around the region to promote the event. In the day of the fundraising, a local radio station and a national television arrived to cover the event. About one hundred locals turned up. Several speeches were given by the founder of the orphanage Mr. Paul Asamoah and the senior volunteers. Then the kids had a performance during which they were reciting poems and dancing. After the programme the present people were asked to donate money.

The result of the event was that financially the orphanage broke even. However, in material help, nine bags of rice, instant nutritious drinks, several packages of toilet paper and some other minor things were

donated. Also it is believed that the whole event brought publicity to the orphanage. It is planned to organize this event again next Christmas.

Picture 7: The fundraising event



Planned activities:

- Engaging locals into planning and decision making process

The members of the local community should be engaged in the process of identifying problems and finding solutions. A committee of people interested could be set up and meet on regular basis; to discuss the development, evaluate the progress and suggests solutions.

- Engaging locals into the voluntary work

As projects, where manual labour is needed are planned, help of local volunteers would help a lot as it would cut the cost for the building. The idea is that e.g. once a month over the weekend, the local volunteers could meet and help with building or other manual work. Apart from

cutting the costs this would engage locals in the problematic of the orphanage and direct help to it.

- **Cooperation with another orphanage**

Cooperation with another, more developed orphanage would be desirable. It would be useful in the terms of know-how and sharing experience when realizing the projects.

- **Universities**

Ideal situation would be if one of the local universities became a "patron" of the Christian Refuge Orphanage Centre. The students interested could then organize e.g. fundraising events, voluntary work, entertaining and educational activities for the kids, promote the orphanage in Ghana, and in general, to point out the problems of orphanages in Ghana. At the moment, a contact with several universities students has been established and discussion is in progress.

- **Corporate Social Responsibility (CSR)**

To start with, the definition of CSR is: "*Corporate social responsibility is a commitment to improve community well-being through discretionary business practises and contributions of corporate resources*". (Kotler, 2005, p.3) Regional, national and multinational companies will be addressed to support the orphanage within their programme of CSR. This marketing concept is not very widespread in Ghana which can make it difficult at the beginning. On the other hand, it also gives the orphanage the opportunity to inspire a certain company to start with the whole CSR concept.

## **8 Criticism and future vision**

### **8.1 Criticism**

During the writing of this work criticism has been brought up to parts of the website project; particularly to “attracting new volunteers” to the orphanage. It has been argued that too many, often inexperienced volunteers, arriving in the orphanage actually do not accomplish many things as they usually come for a *short period of time* and therefore they can not understand the problems the orphanage is facing. It has been also pointed out that the children may suffer from such a high turn around of the volunteers as some of them may get emotionally attached.

The author of this work considered this criticism and responds as follows:

It is very true that majority of the volunteers do not even have a chance to engage themselves in the projects for the future development as they stay for a short period of time. They are more helpful with day to day help in the orphanage (bathing kids, washing clothes, teaching English). Those who are staying for a longer period of time (more than 2 months) are actually able to start seeing the problems, challenges and possible solutions for the orphanage. However, as mentioned at the beginning of this work, the orphanage already receives volunteers from a profit making organization based in Ghana. In fact, the website will just partly eliminate this “middleman” and the orphanage will be able to organize and choose volunteers itself. Apart from this, volunteers will pay about 50 % lower prices for their volunteer programmes which will give them opportunity to financially participate on particular projects in the orphanage, if they wish. Also, as no third organization is involved, all the money from volunteers will go straight to the orphanage.

Other point is that the kids get emotionally attached to some of the volunteers and may suffer when the volunteers leave. This fact has been also considered and the author agrees with it. On the other hand, it is believed that at the current situation the presence of the volunteers (even for a short period of time) is, if not necessary, then definitely beneficial. The reason for that is that the international volunteers, contribute to the development of the children by teaching them English and other primary school subjects or just entertain them. Also they may bring interesting ideas for the future development, and last but not least, they are source of funding. Past nine months, since the volunteers have been arriving to Bawjiase, several projects have been accomplished.

Volunteers' contribution:

- **Improvement of the housing conditions**

The conditions the kids lived in were very poor. All 30 of them sleep in two crowded rooms. There were only a few beds and majority of children slept on the floor. The others shared in number of two or three one bed. The mattresses they were using were very thin and often musty. No mosquitoes' nets were available which caused high risk of getting malaria and other illnesses transmitted by insect.

With the financial help of volunteers and voluntary help of locals, old beds were fixed, some new were made and also new mattresses purchased. To prevent kids from being bitten, mosquito's nets were purchased and nets in the windows were installed.

- **Connecting electricity**

There was no electricity in the premises of the orphanage. At night candles were used which posed a high threat of fire. Also the children were scared when going to bed.

With the financial help of volunteers the electricity was connected.

- **Securing a good quality diet**

Due to the lack of funds, sufficient amount and good quality food could not be purchased. Also, there was no planning when making the budget which resulted in unmonitored spending when sometimes money was spent for ingredients that were not entirely necessary and sometimes there were not enough funds to even provide three meals per day.

A list of food and ingredients necessary to provide the kids with nutritive food three times a day was prepared together with a timeline of spending. The budget is supported by volunteers who are in Bawjiase at that time. Later, it should be supported by possibility of "adopting" a child on the orphanage webpage.

Picture 8: Breakfast



- **Regular access to health care**

Even the basic health care is paid for in Ghana. As the funds of the orphanage are very limited, the children did not attend the local clinic at all, only in very serious cases such as malaria. They were usually given random medications that were usually left by volunteers who departed or local medications.

A one year health insurance was purchased for all the kids. It covers all visits of a doctor and even all the prescribed medications. It means that the visits of the clinic are not postponed and the kids receive a proper treatment. The insurance was paid for by donors from the Czech Republic.

- **Improvement of education conditions**

The kids are taught by local volunteers who are not very qualified. Also the desks and benches they were using were of very poor quality.



With the manual help of local volunteers and financial support of international volunteers, old tables were fixed and new benches were made. They were also painted to improve the positive atmosphere in the orphanage. Volunteers with teaching experience also advise local volunteer teachers of how to teach effectively.

## **8.2 Future vision and activities**

The future vision of the whole project can be divided in several parts. *Concerning the funding*, in the future, the orphanage should become as self sufficient as possible. Projects like agriculture or poultry farms should significantly contribute to this. The website is only meant as a starting point for the whole development project. In the following years it should play only a side role of the project and Ghanaians themselves should take over the responsibilities.

Concerning the aspect of the *volunteers*, once the website is established, the volunteers will be chosen by the staff of the orphanage and past volunteers who will be involved. The idea is that in the future, only qualified, long term volunteers will be required to come and work in the orphanage.

Concerning the author's activities, he is in the progress of establishing a *civil association* in the Czech Republic. Its role will be to back all the activities concerning the help to the orphanage such as fundraising etc.

## **9 Official project proposal**

*A project proposal for creating an official website for the Christian Refuge Orphanage Centre in Ghana (title page and executive summary are omitted). A project of the following structure should be submitted when applying for a financial grant etc.*

*This project was written on the basis of publications "Projekt není problém" [7,8] and was also consulted with Mgr. Zdislava Kratěnová from Humanitas Afrika.*

### **I. Current situation**

The Christian Refuge Orphanage Centre was established in 2007 and provides a shelter to 31 children. The orphanage is located in a village Bawjiase in the Central Region of Ghana, Africa. The orphanage is run by Mr. Paul Asamoah Elisha and it is incorporated under the Companies Code, 1963, in the Republic of Ghana. The mission of the Christian Refuge Orphanage Centre is to help deprived children, provide them with dignified living conditions, education and help them to be able to engage in normal live when leaving the orphanage.

#### General conditions:

There are 31 children living in the Christian Refuge Orphanage Centre. The conditions they live in are very poor. Due to the lack of funds the orphanage struggles to purchase food on regular basis. It results in inability to provide kids with at least 3 meals per day. There is no access to clean drinking water either. The premises of the orphanage are not satisfactory for accommodating the number of children that live in the

orphanage. All children sleep just in two rooms (divided on girls and boys). Crowded dormitories cause quick spread of illnesses. Half of the children sleep on the floor, as there are not enough beds. Lack of the mosquito's nets puts the kids at the risk of contracting malaria or other transferable diseases. Due to the lack of funds, the children have also limited access to healthcare which has to be paid for in Ghana. Nowadays the money needed to run the orphanage is obtained from random donors, either local or from abroad.

#### Volunteers:

The orphanage is dependent on the presence of international volunteers who help with day to day running of the orphanage. The volunteers assist the kids with the morning and evening hygiene, help with dressing, serving food or washing clothes. Some of them also teach English or other subjects. Apart from this, pro active volunteers are source of ideas for the future development, and last but not least, the source of money - either from their private funds or from their fundraising activities.

## **II. Problem identification**

#### General conditions:

As mentioned above the **lack and inconstancy of funding** is the biggest problem for the orphanage. The orphanage is two and half years old with no contacts to possible donors. The lack of money causes poor living condition of the orphans and restricts the orphanage from the future development.

#### Volunteers:

Volunteers are currently provided by local organization that provides international volunteers to different projects across the country. However, the **number of volunteers** placed in the orphanage depends totally on the decision of the providing organization and the number of

volunteers arriving in particular month is usually known only a couple of days before their arrival. This makes it almost **impossible to plan**. Besides that, lots of **volunteers come only for a short period** of time (less than one month) and are **not qualified**.

Also, as the majority of volunteer programmes are paid for by volunteers themselves, this is not an exception. Unfortunately, majority of the money paid by the volunteers when applying for the programme ends up in the providing organization. The orphanage receives hardly enough money to provide volunteers with food and accommodation.

### **III. Overall goal of the project**

The overall goal of this project is to **improve the living conditions** in the orphanage. If regular and sufficient funding together with presence of qualified, long term volunteers in the orphanage is secured, the standard of living will inevitably increase. The children would be provided with regular and nutritious diet, they will have access to health care and education. Also investments in the future development of the orphanage such as building new dormitories or establishing an agricultural farm will be possible.

#### **The aim of the project**

There are two main aims of this project. Those are:

- securing **regular inflow of money** to the orphanage
- securing **required number of qualified volunteers** all year round

Once the website is in service and well promoted, it will be possible to "adopt" every single kid. The money raised will be used to provide the kids with nutritious and regular diet. If all kids are "adopted" there would be also money to pay for school fees so they can attend school.

Also the website will inform about the ongoing projects in the orphanage so people interested to help will be well informed about what is going on and how the money is spent.

There will be all information about the possibility to volunteer in the orphanage together with possibility to contact the orphanage directly. As there will not be any third organization involved, the prices of volunteering programmes will be even 50% cheaper than it is offered nowadays by the majority of providing organizations. The management of the orphanage will be able to choose volunteers themselves according to their qualification, experience and intended length of stay.

### **Output**

An output of this project will be a brand new, functional official website of the orphanage.

### **IV. Activities**

Activities to accomplish this project are as follows:

- creating a website
- purchasing domain and web hosting

#### Creating a website:

The volunteer webmaster will create a functional website according to submission. The content of the website has been discussed and approved earlier after evaluating the problems and needs of the orphanage. The design of the website will be suggested by the webmaster.

#### Purchasing domain and web hosting:

A domain and web hosting need to be purchased in order to run the website. This will be organized by the webmaster. The suggested domain, the website will be available at, is [www.ghanaorphanage.org](http://www.ghanaorphanage.org).

## **V. Stakeholders of the project**

### **Direct beneficiaries**

#### Orphans:

The children are the main beneficiaries of this project as the result will have direct impact on them.

#### Staff:

Also the staff of the orphanage will benefit from this project as it will make their work easier. Also, the majority of the staff currently working in the orphanage is underpaid or not paid at all. If they are paid regular salary the moral of the local staff will improve.

### **Indirect beneficiaries**

#### Volunteers:

As the website will offer affordable volunteering programmes (even 50 % cheaper than providing organizations) the volunteers will save a significant amount of money when deciding to volunteer in the orphanage. Also, it will make the possibility to volunteer affordable for more people.

#### Donors:

Those willing to donate will find all information about the possibilities to donate on the orphanage's website - updated info about the ongoing projects and ways of how to contribute.

#### Local community:

The local community will also benefit from the increased inflow of the money and volunteers as more spending will be done in the village (food

for the kids, spending of volunteers). Also, when accomplishing some project (e.g. building new dormitories) the locals will benefit from job opportunities.

## VI. Staffing

Vladimír Víšek - coordinator of the project

Vladimír Víšek is a senior volunteer of the Christian Refuge Orphanage Centre. He has spent in the orphanage 4 months during his two visits and is well aware of the current problems and needs of the orphanage.

Paul Asamoah Elisha - director of the orphanage

Paul Asamoah Elisha is the founder of the orphanage who lives there and runs the orphanage on daily basis. His advice will be useful when solving current problems going on in the orphanage.

## VII. Budget

Table 6: Estimated budget for the project is as follows (in USD)

Standard Windows hosting package Yearly	74.3
Domain / 1 year	16.5
Domain Privacy Direct	9.3
MYSQL Database Yearly	46.5
<b>Total</b>	<b>146.6</b>

## VIII. Logical framework of the project

LOGICAL FRAME WORK	Narrative summary	Objectively verifiable indicators	Means of verifications	Assumptions
Overall goal	Improvement of the living standard in the orphanage	Sufficient amount of food and volunteers	Comparison with past years	N/A
Purpose	Securing sustainable financing  Securing regular supply of qualified volunteers	Cash inflow  Supply of volunteers	Accounting  Volunteer agenda	No more situations when orphanage is without funds to purchase food Regular influx of qualified volunteers over the year
Results / i Outputs s k	Visitors of the website can get required info	Functional web available online	Internet	Ensured maintenance / update
Activities / Inputs a n	Web creation Purchasing domain and webhosting	Resources	Budget	Skilled volunteer webmaster

## IX. Risks and Assumptions

### On the level of overall goal

#### Assumptions:

No more situations when orphanage is without funds to purchase food and regular influx of qualified volunteers.



Risk:

There is a possibility of failure to promote the website and therefore to fail to meet the stated assumptions. There is a strong competition in this field (profit-making organizations invest a lot of fund into marketing). This risk will be alleviated by a suggestion of low cost marketing activities with precise targeting. The risk was evaluated as medium.

**On the level of purpose**

Assumptions:

Continuing cooperation with the volunteer webmaster and thus ensured maintenance of the website (updates, technical problems)

Risk:

As the webmaster will be working on volunteer basis there is a chance he may easily end up the cooperation. It seems unlikely but if it happens, he can be substituted by a new volunteer webmaster. This risk was evaluated as low.

**On the level of outputs**

Assumptions:

Skilled volunteer webmaster is expected to be found.

Risk:

There is a risk that no volunteer webmaster will be willing to create the website free of charge. However, nowadays this occupation is common and it is likely that from the social network of the people involved in volunteering in the orphanage, this person will be found. This risk is evaluated as low.

## 10 Conclusion

The main **objective** of this diploma thesis was to suggest a project that would ensure sustainable financing and possibilities for the future development of the Christian Refuge Orphanage Centre. A project was therefore chosen to create an official website for the orphanage. The **main aims** of the website are to *let people know that the orphanage exists*, to *attract qualified volunteers* and to create a *tool for fundraising*. Steps to realize the project were described and included *funding, creating the website, purchasing a domain and marketing activities* to promote the website. A *SWOT analysis* was conducted to evaluate the whole project, which demonstrated that it had a good chance of being successful. The author sees the official website project as a “pillar” project to the other projects suggested in the text. These are projects such as establishing agriculture or poultry farms that would lead to at least partial self-sufficiency of the orphanage. Also, projects to improve living conditions in the orphanage are suggested. These are new dormitories, toilets and a water well. The website project will help with fundraising to support these projects or in terms of know-how provided by qualified and experienced volunteers.

Great importance is put on *engaging the local community* in the whole process. The author suggests activities that could help achieving this. These are for instance establishing a local committee for the orphanage, involving Ghanaian students or companies.

The **conclusion** is that the official website of the orphanage can kick-start and support the sustainable financing and future development of the orphanage. With the initial help of effective funding from abroad and the help of qualified volunteers, the projects as a whole would

contribute to improved living conditions and to the self-sufficiency of the orphanage. Also, the local community would be progressively engaged in the whole process and eventually take the lead.

This conclusion **confirms the hypothesis** that “the official website can contribute to the sustainable financing and the future development of the Christian Refuge Orphanage Centre.”

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Consultation:

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## 12 Supplements

Supplement 1: Overview of “third sector” organizations (legal and institutional approach)

<u>Type</u>	<b>Association</b>	<b>Mutuelle</b>	<b>Cooperative</b>
<b>Role</b>	Provides services to its members or to wider community	Provides services to its members and family dependants	Provides goods and services to its members or to community at large
<b>Products types and benefits</b>	Generally non-market goods and services. Both community and the members may benefit.	Essentially non-market services. Members benefit from these services according to their needs.	Market good and services. Each member benefits from these in proportion to the number of transactions he or she carries out.
<b>Membership</b>	Private individuals or corporate entities.	Private individuals only.	Private individual or corporate entities
<b>Division of power</b>	One person one vote.	One person one vote.	One person one vote.
<b>Financing</b>	Dues and/or donations	Dues paid at regular intervals	Subscription to capital shares and/or contributions made at regular basis.
<b>Distribution of surplus</b>	Never distributed to members.	Never distributed to members.	Partially refunded to members.

Source: Defourny, Develtere: The Social Economy: The worldwide making of a third sector ,p.15, Catholic University of Leuven, 1999

Supplement 2: List of incorporation

No. G-26,509



REPUBLIC OF GHANA

## Certificate of Incorporation

I hereby certify that the

CHRISTIAN REFUGE ORPHANAGE CENTRE

is this day incorporated under the Companies Code, 1963 (Act 179) and that the liability of its members is limited by guarantee.

Given under my hand and official seal at Victoriaberg, Accra,

this 24TH day of APRIL, 2007



  
REGISTRAR OF COMPANIES, GHANA









