# Influencing Factors on Emerging Capabilities of Environmental Non-Governmental Organizations (ENGOs): Using Grounded Theory

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**Abstract**: The emergence of ENGOs represents an organized response by civil society for environmental protection particularly where the government has failed to fulfill it properly. ENGOs have many functions and roles that by them empower communities and ultimately help to achieve sustainable development.

The purpose of this study was to construct a theory that explores how capabilities of ENGOs emerge.

This study intended to answer three questions (a) under what causal, contextual, and intervening conditions capabilities of ENGOs emerge? (b) What are interactions due the emerging capabilities of ENGOs, and (c) What are consequences of interactions? To answer these questions, grounded theory methodology was used.

Data was obtained from multiple sources, including interview with 30 managers of ENGOs and 11 environmental experts in environmental protection organization and forests, range and watershed management organization in Iran and 5 meetings of the board of directors meeting. Another part of data extracted from second hand information sources such as published research findings, topics quoted from interviews and field notes.

Findings of the research indicated that knowledge management, creativity and innovation, organizational culture, effective leadership, and entrepreneurship as causal conditions impact on emerging capabilities of ENGOs. Flexible structure, institutional capacities, and strategic planning as contextual conditions and governmental supports and commitment and loyalty to the organization as intervening conditions in addition to emerging capabilities of ENGOs influence the interactions of ENGOs with target groups, other ENGOs, government and donor agencies. Finally, social capital building, empowering of target groups, accountability and sustainability are consequences of these interactions that facilitate achieving sustainable development.

Keywords: ENGOs, Capabilities, Sustainable Development, Theory

# Introduction

Human's anxiety about environment has always been a significant issue, but serious concern for consequences of resource depletion and environmental degradation began after world war II, coincided with onset of industrialization. Since that time, international topics adverted to stew about environment and therefore natural resources protection placed in the forefront of international policies and to achieve this goal, various activities have been done by government (Gupta, 2012). The fiftieth of Iran's constitution is a progressive principle about environment. Based on this principle, environmental protection is regarded as a public duty. In this regard, economic and other activities which cause pollution or irreversible environmental damage are prohibited.

Despite this legislation, during the recent decades, rapid development and implementation of numerous development programs in Iran has caused that environment has not been considered sufficiently. Lack of appropriate and effective

environmental proceedings has lead to catastrophic environmental disaster in the country (Ramezani Ghavamabadi, 2011).

According to environmental performance index (EPI) report in 2006, Iran's index was 53 among 133 countries. In the next evaluation in 2008, Iran's index ranking dropped 15 grades and reached to 68. In the last ranking in 2012, Iran's index fell to 114 (Yale university, 2012).

In recent years, a wide range of political actors and researchers have emphasized that ENGOs can play an important role in environmental protection, especially in developing communities (Wright and Anderson, 2012). In this regard, ENGOs can do different activities such as collection, analysis and dissemination of information, providing data to set the agenda and the process of policy development, providing services, environmental assessment, monitoring environmental agreements and defending the environmental rights towards sustainable development (Gemmill and Bamidele-Izu, 2002).

Experiences of ENGOs in developed countries demonstrate these organizations in the process of environmental sustainable development were effective. ENGOs in developed countries pressure on government and the private sector and even on developing countries to amend the environmental destructive activities through advertising and extension activities (UNDP, 2000).

On the other hand, one of the major barriers to successful implementation of sustainable development activities arises from general assessment of non-governmental organizations. Generally, most of researchers tend to examine NGOs as a case study rather than as a whole. In fact, the results that obtained from case studies are limited, in addition to generalizing case studies results to other cases create contradict (Werline, 1991). As a result, there isn't thorough understanding of necessary conditions to emerging capabilities of ENGOs (Vivan, 1994).

In Iran, agenda 21 as one of the most important environmental documents have emphasized on the key role of ENGOs in the protection of environment. At the moment there are more than 720 ENGOs in Iran that, unfortunately many of them haven't active and strong presence in protection of environment and sustainable development and despite the increasing in number of ENGOs in recent years, their qualitative growth had not been significant (Department of Environment, 2014).

Therefore, this research sought to understand (a) what are requirement conditions for emerging ENGOs capabilities? (b) What kind of interactions is required for emerging these capabilities? (c) And what are the consequences of these interactions?

# **Materials and Methods**

The study is based on a qualitative methodology, in combination with a grounded theory approach. Grounded theory uses a kind of inductive approach, it means, moves from the component to the whole. So to answer research questions, was interviewed with 30 managers of Iranian ENGOs and 11 peoples of environmental experts in department of environment and forestry, range and watershed organization in Islamic republic of Iran. In addition with presence in 5 meetings of the board of directors meeting were gathered other part of information. In this stage, the systematic implementation of the basic theory, when faced with a lack of information for more information, was referred to the next sample. This process, so called theoretical sampling. This process continues until the researcher to reach theoretical saturation.

Another part of data extracted from second hand information sources such as published research findings, topics quoted from interviews and field notes.

Data analysis was conducted in three steps including open coding, axial coding and selective coding. Accordingly three steps, is constructed a theory that shows how capabilities of ENGOs emerge.

#### Results

In open coding, the researcher categorizes initial information such as interviews, observations, and researcher's memos or notes by segmenting them (Creswell, 2012).

In open coding step, 79 concepts were extracted from managers of ENGOs' remarks and 37 concepts from experts' statement. In Table 1, M indicates members and managers of ENGOs' remarks and E shows statement of experts.

Axial coding involves drawing a diagram which depicts relationship between casual, contextual and intervening conditions, core phenomenon, interactions and consequences (Creswell, 2012).

In axial coding, 116 concepts were classified in 18 categories, respectively. In selective coding were written a theory from the interrelationship of the categories in the axial coding model.

Code	Concepts	Categories
$M_7$	NGOs should use of the results of academic research.	
$M_8$	Universities need to identify the capacity of NGOs.	•
M <sub>46</sub>	NGOs should report their experiences in	
	documentary format.	
M <sub>49</sub>	NGOs should have updated information and statistics.	
M <sub>50</sub>	Members of NGOs should study new books and articles.	
M <sub>41</sub>	Older NGOs should share their experiences with other NGOs.	Knowledge managemer
M <sub>16</sub>	The relationship between NGOs helps to exchange knowledge among them.	
E <sub>3</sub>	NGOs should work in a particular field.	
M <sub>51</sub>	NGOs should complaint based on strong scientific evidences.	
E <sub>23</sub>	NGOs should analyze issues of day.	
M <sub>48</sub>	NGOs should spend money for updating their members' knowledge, skills and information.	
M <sub>42</sub>	NGOs should hold training courses for their members and hereby enhance the capabilities and knowledge of them.	
M <sub>68</sub>	NGOs should use the latest research findings about local community empowerment and facilitation techniques.	
E <sub>32</sub>	Specialist recruitment in various fields and using of their knowledge and expertise is necessary.	
E <sub>21</sub>	NGOs need to provide a suitable environment for expressing new and creative ideas of members.	
M <sub>56</sub>	NGOs should use members' talents.	
M <sub>20</sub>	Recruiting young and active people is important because new people have new ideas.	
M <sub>37</sub>	Members should be creative and innovative for earning enough revenue.	Creativity and Innovation
M <sub>39</sub>	Members should use of any change that occur in the environment in order to earn revenue.	
M <sub>72</sub>	Common beliefs, norms and values help to member commitment.	
M <sub>73</sub>	Strong common idea and opinion cause to create motivation and innovation.	
M <sub>74</sub>	Leaders should create cultural values in NGOs and make them recognizable.	Organizational cultur
M <sub>75</sub>	NGOs should avoid the culture of action and before	

Table 1.	Categories	resulting	from anal	lyzing	extracted	concepts

	in the presence of the members.	
M <sub>52</sub>	Managers of NGOs should have role of an effective leader and be able to attract new people for	
E <sub>25</sub>	participating in their NGOs. Effective leaders encourage members to participation and innovation.	
M <sub>53</sub>	NGOs shouldn't just rely on one person.	
M <sub>40</sub>	All people in NGOs should participate in the management of NGOs.	Effective leadership
M <sub>54</sub>	Effective leaders motivate members to do beyond of their obligations.	
M <sub>55</sub>	Effective leaders committed members to goals and policies of NGOs by power of word.	
M <sub>38</sub>	Members should be familiar with the principles of entrepreneurship.	
E <sub>11</sub>	NGOs should raise their required funds without depending on the government.	
E <sub>34</sub>	NGOs need to prepare financial resources by identifying opportunities and proposal writing.	Entrepreneurship
E <sub>10</sub>	Members should be able to take projects and plans through lobbying.	
M <sub>59</sub>	ENGOs should be flexible against environmental changing owing to structure of NGOs differs from structure of governmental organization.	
E <sub>27</sub>	There isn't organizational hierarchy in ENGOs such as governmental agencies.	
M <sub>60</sub>	Rules and laws of ENGOs are flexible.	Flexible structure
M <sub>62</sub>	Members of ENGOs don't have distinct and fixed duty and in each project be delegated responsibility to them depending on their ability.	r lexible structure
M <sub>57</sub>	The broad of director in ENGOs should be elected every two years by votes of members.	
E <sub>4</sub>	ENGOs have the capacities for institutional and political changes.	
M <sub>25</sub>	ENGOs have capacities to create sustainable changes in local communities.	
E <sub>17</sub>	Members should have the ability for proposal writing.	
M <sub>28</sub>	Members should be familiar with facilitation techniques.	Institutional capacities
E <sub>29</sub>	Volunteers that have environmental concerns cause to progress towards the goals.	
M <sub>21</sub>	ENGOs should have bargaining power.	
E <sub>35</sub>	ENGOs should empower their members.	
M <sub>27</sub>	Managers and members' optimism lead to advance	

E <sub>14</sub>	Older ENGOs have more experience for working with local people.	
M <sub>78</sub>	Every ENGO should have clear visions, goals and	
141/8	missions.	
M <sub>64</sub>	ENGOs should hold explanatory meetings for all	-
1 <b>v1</b> 64	members, especially new members and explain	
	organizational vision for them.	
M <sub>29</sub>	ENGOs shouldn't have a cross-section view, but	-
1 <b>v1</b> 29	they should have a view beyond the plan or project.	
Б	ENGOs should can continue to carry out their	-
E <sub>30</sub>	activities with environmental changing and don't	Strategic planning
	give up their goals.	
M <sub>10</sub>	Goal setting and planning is very important.	-
		-
M <sub>76</sub>	If ENGOs don't have a program document, their targeting may be temporary and change their goals	
Б	based on the budget (money) at any time.	-
E <sub>24</sub>	Managers of ENGOs should have sufficient	
Б	knowledge about the management of NGOs.	-
E <sub>13</sub>	ENGOs should not take the passive role against	
	policies changing but also should exploit of every	
	situation towards themselves interests.	-
E <sub>31</sub>	ENGOs should indicate an appropriate response	
	against their challenges.	_
M <sub>13</sub>	Members of ENGOs should be aware of the	
	objectives and missions of ENGOs.	
M <sub>19</sub>	Should be adopted laws for supporting of ENGOs by	
	legislatures.	_
M <sub>31</sub>	Positive view of the government towards ENGOs	
	creates a good atmosphere for their activities.	
E <sub>37</sub>	Centralized and controller system of government is	Governmental support
	obstacle against ENGOs activities.	_
M <sub>24</sub>	Positive attitude of the government towards	
	capabilities of ENGOs will be very helpful.	_
$E_7$	Rapid changes of state officials and their different	_
	approach towards ENGOs is one of the challenges	
	that prevent the emergence of ENGOs capabilities.	
$E_8$	The political atmosphere in the country will cause to	
	people be volunteer for activity in these	
	organizations.	
M <sub>77</sub>	Organizational commitment is a bet for entering to	
	the ENGOs.	
M <sub>33</sub>	Peoples who are ENGOs membership often ignore	-
20	their personal interests.	
M <sub>34</sub>	Members may work on three projects but get money	-
57	for working on one project.	
M <sub>35</sub>	Members should be committed to the values and	-
1.135	goals of the organization.	
		Commitment and loyalty t

	reward or appreciation.	the organization
E <sub>28</sub>	People in our society when want to be useful, become a member of an ENGO and do charitable activities.	
M <sub>63</sub>	Some of responsibility is given to the people with respect to their ability when enter to the ENGOs.	
E <sub>26</sub>	Membership in the ENGOs is usually an honor for people.	
M <sub>4</sub>	Dialogue between ENGOs and target group is important.	
$M_6$	Dialogue between ENGOs and universities, students and teacher is important.	Interaction with target
M <sub>69</sub>	Managers should have the power to communicate with all members, stakeholders and partners about sustainable development.	group
M <sub>30</sub>	Conflict between ENGOs is a great challenge for them.	
E <sub>2</sub>	The relationships between ENGOs help them to learn from each other and convert their experiences to sustainable flow.	Interaction with other ENGOs
$E_1$	ENGOs should create network.	
M <sub>5</sub>	Dialogue between ENGOs and government should be sustainable dialogue.	
E <sub>22</sub>	Demanding in the emotional space decreases the level of interaction.	Interaction with government
M <sub>43</sub>	Managers of ENGOs should have lobbying power to convince government officials.	
E <sub>6</sub>	ENGOs should communicate with donor organization.	
M <sub>32</sub>	ENGOs staff should communicate with key staff at donor agencies	Interaction with donor agencies
E <sub>19</sub>	ENGOs should be able obtain fund by relationship with donor agencies.	
E <sub>12</sub>	ENGOs must be able to simultaneously satisfy donor agencies while pursuing their corporate objectives.	
E <sub>5</sub>	ENGOs should be able to gain local people's trust.	
M <sub>26</sub>	Members and staff should have the ability to adapt to different cultures.	
M <sub>12</sub>	Collaboration between ENGOs and community cause to use of local resources towards problem solving.	Social conital huilding
M <sub>11</sub>	Knowledge is shared between ENGOs and local people towards problem solving.	Social capital building
M <sub>79</sub>	Income-generation programs increase social confidence.	
E <sub>36</sub>	Community participation in planning lead to build trust.	

M <sub>9</sub>	Collaborative spirit among members is very important.	
M <sub>71</sub>	Internal relationships or strengthening social capital is important.	
M <sub>66</sub>	Members of ENGOs have special morality; they don't work in ENGOs for getting financial benefits.	
M <sub>67</sub>	Consensus among members on the rules and guidelines make possible achieving the goals.	
M <sub>70</sub>	Managers of ENGOs should create the friendly atmosphere and full of trust among members and use the potentials for progress towards goals.	
M <sub>61</sub>	Decision making should be done by partnership.	
M <sub>3</sub>	Team work is the core activity of ENGOs and its basic element is interaction between individuals.	
M <sub>65</sub>	Creating space for interaction and dialogue between members lead to developing a common sense among members towards achieving the goals.	
E <sub>16</sub>	ENGOs can be effective in public opinion through the media and create environmental awareness.	
M <sub>47</sub>	ENGOs play an important role in poverty alleviation and environmental sustainability through local community empowerment.	Empowerment of target
E20	ENGOs will help to create jobs for the local communities by revival of indigenous culture.	group
M <sub>58</sub>	ENGOs should identify their target group and make a plan for responding to them.	
M <sub>22</sub>	If ENGOs be rated and projects are given them according to their rating, they will perform better their duties.	
M44	Effectiveness of ENGOs should be evaluated.	
M <sub>17</sub>	Self-assessment of ENGOs is effective on their success towards goals achievement and sustainable	
E <sub>33</sub>	development. ENGOs should present financial reports to their donors or the public sector.	Accountability
M <sub>2</sub>	ENGOs should be able to create similar organizations to themselves (replication).	
E9	ENGOs should set an ethical document that includes all their ethical responsibilities.	
M <sub>18</sub>	ENGOs shouldn't just chant, but should be effectiveness at their work in practice.	
M <sub>23</sub>	Board of directors should be accountable to other members for their performance.	
E <sub>18</sub>	Environmental issue are considered everywhere by activities of ENGOs.	
M <sub>14</sub>	Funding plays an important role in the sustainability of provided services by ENGOs.	Sustainability

	provided services.
$M_1$	ENGOs should develop their services (up-scaling).
M <sub>45</sub>	Services to the local communities should continue until lead to sustainable development.
E <sub>15</sub>	Successful ENGOs continue their operation under any situation, whether favorable or unfavorable conditions.

# **Casual Conditions**

Causes or causal conditions are needed for manifestation of core phenomenon or the central idea (Creswell, 2012). For this reason, respondents were asked, what conditions are required for emerging capabilities of ENGOs.

From point of view of the experts and mangers of ENGOs, knowledge management, creativity and innovation, organizational culture, effectiveness leadership and entrepreneurship as causal conditions were effective on emerging capabilities of ENGOs.

Managers of ENGOs mentioned ENGOs should litigate by strong, sufficient and scientific evidence and updated information. Therefore these organizations should act as a professional and know all subjects in their professional field until can defend environmental rights. So, they should apply knowledge management.

Study of secondary sources and managers quotes showed that organizational culture is dynamic and growing sector in ENGOs. Organizational culture affects on employee performance, job satisfaction and commitment to their organization and so emerging capabilities of ENGOs.

Respondent cited ENGOs need fresh idea and new thoughts for survival and continuation of positive and constructive itself role until can guarantee their dynamics by getting new views and ideas and theories based on field research. ENGOs must exploit all the possibilities and talents of members.

On the other side, leadership is one of the most important factors in ENGOs. They are able to move members towards aspiration and goals of ENGOs. Various sources show that effective leaders have been successful in NGOs managing. Interviewees argued ENGOs previously depended on the state budget, donations and other private sources for carry out their mission. Today, these resources are rapidly declining and competition for access to the resources has become difficult. To compensate this effect, ENGOs should follow the entrepreneurial attitudes and attend to the organizational entrepreneurship and establish entrepreneurial characteristics in NGOs.

# **Contextual Conditions**

Contextual conditions include particular conditions that impact on the interactions (Creswell, 2012). In the interviews, it becomes clear that three categorizes of flexible structural, institutional capacities and strategic planning provide context of emerging capabilities of ENGOs. Many mangers of ENGOs and experts mentioned in most countries, ENGOs had been the source of great effects. In Iran, the results of their activities in many local areas have shown that although ENGOs, especially older organizations have been successful in empowerment of local communities, but they have capacities to create greater and deeper transformations in the field of institutional and political changes that haven't been used.

Respondents believed that shouldn't exist any hierarchy in ENGOs. Board members should be elected by votes of members every two years and present their performance reports in the monthly or weekly meetings. It is better to be delegated responsibilities to members rotationally so that be used all potentials of members; therefore ENGOs should have flexible structure.

According to the respondents, perhaps at the first it seems that ENGOs haven't any profit target and aren't accountable to the government therefore they don't require the strategic planning, but any organization that has a purpose or goal and a defined particular destination for itself, requires strategic planning. So, strategic planning is another effectiveness contextual condition on interaction of ENGOs.

# **Intervening Conditions**

Intervening conditions mitigate or increase the intense of interactions (Strauss & Corbin, 1998). Intervening conditions in this study include governmental support and loyalty and commitment to the ENGOs. Managers of ENGOs believed that the issue of legitimacy and popularity is very important to create a favorable atmosphere for ENGOs. Legitimacy is granted to the ENGOs by the government. If the view of government towards these organizations be positive, dialogues between the government and people certainly will be sustainable development conversation.

According to managers of ENGOs views, membership in the NGOs brings many responsibilities for members. Organizational loyalty and commitment to the ENGOs is one of the most important duties of the members. People achieve organizational commitment by job satisfaction or emotional relationship or through external force, but most important factor for organizational loyalty is internal force due to moral responsibility for organizational interests. So, preference organizational interests over personal interests should be seen as a moral principle in ENGOs.

#### **Core Phenomenon**

The core phenomenon consists of the idea, tenet or supposition of the phenomenon that is the basis and pedestal of the process (Creswell, 2012).

In general, it can be said that the interviewees emphasized emerging capabilities of ENGOs derived from other casual conditions. They admitted that if capabilities of ENGOs emerge they can to communicate with target groups, other ENGOs, government and donor agencies.

#### Interactions

Interactions are processes that arise from core phenomenon, contextual and intervening conditions. Interactions are response to changes (Browns & et al. 2002). According to the respondents the relationship between ENGOs helps them to learn from each other's experiences and their spot experiences transform to steady flow. If ENGOs have self-assessment and publish itself reports, is prevented the repetition of mistakes by others. Networking of ENGOs is also one of the factors that contribute to the formation of this process. Brainstorm and interact between ENGOs and development their constructive interaction with public, media activists, scientific communities, private sector and governmental policy-making institutions is essential and necessary. On the other hand, ENGOs through communication with donor agencies should attract projects and by this way cover part of their expenses. Active interaction with governmental staff is one of the necessities that ENGOs should attend to it. Interaction with government provides situation for their impact on the state laws.

#### **Consequences of Interactions**

Some extracted categories describe consequences of interaction. Interaction with target group, other ENGOs, government and donor agencies lead to social capital building, empowerment of target group, accountability and sustainability.

Social capital building point to the links and connections between members of a network as a valuable source that by creation of norms and mutual trust lead to achieve the goals. Unlike other capitals, social capital increase when be used. Social capital includes features such as trust, collaboration, shared norms and beliefs and interaction between members.

Interviews cited empowerment of target group is one of the most important activities that ENGOs can do towards protection of environment. This work requires sufficient experience and facilitation skills. Sustainability is an important index of the quality of empowerment of target group. The issue of sustainability of ENGOs isn't merely to economic ideals, but also is cultural values that consider sustainable ways of doing, health of employees, customers and local communities and at the same time organizational income. Employees of ENGOs have rights to feel that be supported by their organization and be cooperated in the issue of ENGOs. When employees of ENGOs feel such sense, organizations achieve more sustainable and better results. ENGOs sustainability means ability of ENGOs to continue their work in the community and meet the needs of target group in the long term, and to maximize their effectiveness by improving the quality of services and functions and to minimize financial vulnerability through development of financial resources.

ENGOs should obtain legitimacy from different stakeholders to achieve success. Trust, credibility and accountability are bets of legitimacy. ENGOs should be accountable to people and their donor organizations.

# Line Style

In recent years, governmental supports to ENGOs have increased in Iran. This situation have caused to people be willing to form such organizations. Therefore, the number of ENGOs has grown. However, it should be noted only the increasing the number of ENGOs don't lead to sustainable development. ENGOs to be effectiveness need to gain competitive advantages and capacities that empower them for getting projects, revenue and thus funding recourses. In fact, when the number of ENGOs increase, is formed a competitive space between them that cause to remove some of them owing to their inability for advocacy and writing proposal. In this situation, only organizations can remain that identifies opportunities and exploit of them by using of young, specialist, creative and innovative people towards

entrepreneurship and earning income. These ENGOs is directed by effective leadership. Effective leaders create common beliefs, norms and cultural values and make them recognizable. These leaders always follow the latest scientific and research fields, and also encourage members to learn. In fact, knowledge management is an essential component of such organizations. Combination of these features affect on emerging organizational capabilities. On the other side, if ENGOs have a clear vision, goals and missions and so, strategic planning regardless hierarchy and strict rules can impact on interactions of ENGOs by their institutional capacities. In this situation, positive attitude of government towards ENGOs in addition to commitment and loyalty's members to the organization can influence interaction of ENGOs with target groups, other ENGOs, government and donor agencies. Interacting with other active ENGOs leads to the formation of the environmental networks that by dividing tasks cover the whole country. Establishing an intimate relationship with the target group help to local community's empowerment and increasing accountability. Sustainability of the provided services to the target groups in during time arises from relationship with donor agencies. This process is visible as a theoretical model in figure 1.



Figure1- theoretical model of emerging capabilities of ENGOs towards sustainable development

#### Discussion

The last step is comparison between designed theory and existing literature. The comparisons improve validity, generalizability of theory and its theoretical level (Eissenhardt, 1989). In this study, in order to check the reliability, the results were compared with other studies.

The results of this study showed that emerging capabilities of ENGOs affected by three categories of factors including casual, contextual and intervening conditions.

Casual conditions consist of knowledge management, creativity and innovation, organizational culture, effective leadership and entrepreneurship as required factors for manifestation of phenomenon impact on emerging capabilities of ENGOs.

Knowledge management was recognized as one of casual components because reduces the risk of the loss of valuable knowledge of organization by staff burn-out and reduces the risk of the loss of memory organization when the members and staff leave the organization. Studies by Stonehouse and Pemberton (1999), Lopez (2005), Vasconcelos et al (2005) and Soakell-Ho & Myers (2010) indicate that knowledge management create new competencies in the organization and help to dominate current situation and let them for competition.

Creativity and innovation were other casual conditions that were mentioned in interviews. Fyvie & Ager (1999) in their study stated NGOs need innovation such as commercial organizations. Based on Højgaard (2012) producing new and creativity idea able them to compete.

Cultural organization as one of the causal factors was mentioned in the interviews. Findings of Duke and Edet (2012), Schueber (2009) Givens (2008) studies revealed that there is positive relationship between organizational culture in NGOs and their performance. NGOs should be considered this factor to achieve high levels of effectiveness. As mentioned above leadership as another casual conditions effects on organizational results through organizational behavior, organizational commitment, job satisfaction and performance improvement. Data were obtained from Mahalinga Shiva & Suar study (2012), Arora (2008) and Thomas and Thomas (2000) research showed that NGOs in compared with profit NGOs face with more unpredicted external problems and smaller sources. Addressing and resolving these problems fundamentally requires effective leadership. Effective leadership stimulates followers to do more than is expected of them. Effective leaders enhance the quality and quantity of member's performance by stimulating organizational behavior.

James (2004) believes that there are logical relationship between development of NGOs and the kind of leadership. Leadership development is one of the essential elements of capacity building in these organizations. Also, Thomas and Thomas (2000) in their study said that the leader's personality, communicating with clarity, strong motivation and the ability to monitor can be used to improve the sustainability of NGOs as a strategy. Based on interviews, entrepreneurship in NGOs leads to gaining competitive advantage in the long term.

Echols and Neck (2012) and Moqimi researches (2003) indicate that NGOs should know how to manage theirselves in the complex and rapidly changing world. they stated that NGOs had been rely on the governmental funding in the past but today, these resources are rapidly declining and competition for access to resources becomes harder. For this reason, NGOs should accomplish its mission through entrepreneurial financial attitudes for access to resources. Contextual condition or particular factors include flexible structure, institutional capacities and strategic planning. Flexible structure is important organizational characteristic of NGOs that distinguished them from government agencies from the respondents' perspective. Based on Yeon Park (2011) study flexibility is most notable and positive aspect of NGOs. According to Krishna & Neog (2012) flexibility structure is critical to effectiveness of NGOs. Respondents believed that emerging capabilities of NGOs affected by institutional capacities.

The results of Nanthagopan (2011) and Squire (2006) researches revealed that all aspects of institutional capacities of NGOs including financial, physical and human resources impact on performance of NGOs. The results show that institutional capacities building empower organizations to gain competitive advantage. So to strengthen these organizations, it is necessary to hold training courses in order to familiarize members and directors with facilitation techniques and working with the local community, how to prepare proposals and identifying internal and external opportunities for earning income. It is suggested that organizations are established as ENGO support centers and while help them to provision of credit, give them the necessary training and improve their capacities.

Strategic planning was another contextual condition that was mentioned in the interviews. <u>Analoui & Samour</u> (2012) in their study expressed lack of strategic planning lead to overlapping and duplication of activities, poor performance and lack of sustainability, effectiveness and development. Based on Bryson (2012) it is seldom that a leader have all the necessary information about an effective strategy and it is rare that a strategy developed by one

person and others be committed to do it. An organized and structured process of strategic planning helps organizations to efficiently collect the information needed to develop a strategy. It also provides discipline and commitment necessary for effective implementation strategies.

Results of Shubair (2003) and Jordan (2013) in their studies declared if NGOs haven't any strategic planning fail to reach their goals.

In another dimension, governmental support and commitment and loyalty to the organization played intervention roles. In the interviews, it became clear that positive view of the government towards NGOs creates a good atmosphere for their activities. Also, Hrabanski, et al (2013) in their research by comparison between three countries including Costa Rica, Madagascar and France showed that although large international NGOs develop strategies for ecosystem services and payments for ecosystem services (PES), but publication of these strategies primarily depend on the local and national context. The history of environmental policies and the role of government are essential to understand the concept of ecosystem services. Similarly, the position that political systems give to the large NGOs is important.

Interviewees cited commitment and loyalty' members to the organization lead to goals achievement.

The results of Bramer's study (2007) showed there is a positive relationship between employees' perceptions of social responsibility and their commitment to the organization. If members see their organization as the organ with social responsibility towards the community, their sense of belonging to the prestigious organization enhances their individual identity or their understanding of themselves. Also, Salim et al (2012) and Liu & Inkabi (2015) showed employees' perception of organizational support is significantly related with organizational commitment.

According to this interviewee, interactions of NGOs include interaction with target group, other ENGOs, government, and donor agencies.

NGOs in interaction with government should have lobbying power to convince government officials.

Asad and Kay (2014), Jelinek (2006) and Campbell (1996) found that NGOs increase the likelihood of their success if set how to communicate with governments by negotiation process and coordination of their benefits. They claimed that there is often a conflict between the two development actors but cooperation between government and NGOs is necessary because this relationship is beneficial for both of them. Governments and NGOs have mutual dependency, governments need NGOs for providing services and NGOs need governments for financial, cultural and other facilitator resources, but governmental actors make decision for negotiations and how to use resources.

From the analysis carried out, the relationship between ENGOs and target group lead to achieve the goals.

This finding approved by Mathew & Ogedebe (2012), Bhati (2013), Stenberg (2010). As said respondent relationship between ENGOs help them for learning from each others.

According the result of Clare's study (2014), northern NGOs try to locate near each other and in their meetings help to each other by information exchange. Srinivas (2015) argued networking helps NGOs in solving their administrative, financial and legal problems and innovative implementation of projects.

According to this interviewee, interaction between ENGOs and donor agencies help them to obtain credit.

Ebrahim (2005) argued relationship between NGOs and donors is based on resource sharing. He believed that NGOs need fund and donors need information in order to leverage resources and minimize interference.

Based on Orjuela (2005) mostly NGOs are accountable to donors rather than to the local population and this is a problem in the relations between donors and NGOs.

The results of Packer et al (2013) research in Turkey showed that the interactions between NGOs and government organizations and donors funding impact on their performance.

Turning to another of the research section, social capital building, empowerment of target groups, accountability and sustainability are consequences of interactions.

The results of research showed that social capital build in NGOs when exists friendly atmosphere and full of trust among members.

The results Habib & Christine (2013) study revealed that mutual trust between NGOs and local people cause to NGOs such as MFIs deliver loans to local people and finally improve community livelihood. Jamil & Muriisa's (2004) study showed that NGOs mitigate challenges of HIV/AIDS by creating solidarity, mobilize resources and most importantly building social capital. Islam (2014) found that two NGOs\_Proshika and Practical Action Bangladesh (PAB) play a fundamental role in social capital building and community empowerment. Hye Mondal (2001) with the examination of NGOs in Bangladesh found that NGOs contribute in the implementing poverty reduction policies by building social capital.

According to this research NGOs play an important role in poverty alleviation and environmental sustainability through empowerment of target groups. This finding be supported by Mekonnen (2007), Banks and Hulme (2012) and Neff (2009). Also, based on Nikkhah & Redzuan (2010) NGOs empower communities by microfinance, capacity building and self-reliance.

As this paper demonstrated accountability is another consequence of interaction NGOs. <u>Balaban</u> et al. (2012) and Weidenbaum (2009) in their research revealed that sustainable development is not possible without social responsibility and NGOs are an important part of social responsibility in the projects and activities.

The conducted research study revealed that sustainability in every situation is effect of interaction of ENGOs. This finding be supported by Okorley & Nkrumah (2012) and Thomas & Thomas (2000).

Therefore, ENGOs for sustainability of their activities can't depend on government assistance. In fact, while they should want from government and insist on their demand to open space for ENGOs growth and allocate transparent and targeted funding to support their activities but should not fall into dependency trap through the state budget. Like the business model of the private sector, ENGOs should have a specify model of earning income from various sources, including governmental aids, public assistance, revenue generated from services or products, etc.

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