

Introductory essay

Development management and the aid chain: the case of NGOs

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NGOs have become key in disbursing aid money to organisations and individuals in the South: how they conceptualise and manage such funds has a profound effect on the nature of the development they can promote. Recipients of their aid may find that the terms and conditions for accepting it have changed, and not always in ways which promote the values NGOs are best known for, including transparency, participation, and partnership.

It has long been agreed that NGOs form part of civil society, and that civil society is distinct from government (the state) and business (the market). While we lack precise definitions, NGOs are usually seen as an integral and institutional form of civil society. NGOs are bearers of values which they openly promote through their literature and fund-raising, and they define themselves as very different from the other two sectors. The three sectors are often delineated in terms of triangles or circles; analysts scrutinise where their function and roles in development are distinct and where they overlap. While this representation helps to clarify the separateness of the three types of institutions, it is blind to the values, dynamics, and politics between and within the circles:

... as a matter of fact, a distinctive feature of this perspective is its preoccupation with dilettante methods — ahistorical models and magical geometric shapes, of triangles, circles and arrows in lieu of the analysis of historical relations. Thus it is not surprising that instead of political economy... the services of management science are summoned to define and explain 'civil society'. (Acharya 1999:4)

While ‘development management’ as presented in this volume seeks to accommodate the idea of complex negotiation between a range of social actors, many NGOs have bought into a narrow concept of managerialism. Drawing, often uncritically, from the experience of the other sectors, especially business, they have taken on outmoded thinking and ignored the original purposes and context of these models. I shall argue that there are inherent dangers for NGOs in taking on apolitical ‘managerial’ — and at times discredited — approaches to the way they define themselves, organise their procedures, and conduct their work. Behind the adoption of language and methods borrowed largely from the business sector, changes may be taking place which, rather than enhancing the work of NGOs, may be pushing them into roles which contradict their stated values, mission, and vision. As they receive increasing funding from donors who support them precisely because of their claimed flexibility, responsiveness, and closeness to the ground, the procedures and approaches they have accepted in disbursing this money have often become a threat to these positive characteristics.

Focusing on NGOs is important when looking at issues of development management for a number of reasons: NGOs are now key players in the development process, and it is important that the ways in which they work should be scrutinised in a professional way. They are very vocal players, voicing critiques of the work of others and promoting their own views on good development practice. It is therefore critical to explore the extent to which the values and practices they espouse in development are reflected in their own organisational structures and to see how this in turn affects their development practice. It is clear that other kinds of institutions that promote democracy or participation are often themselves undemocratic and suffer a participation deficit (for instance, the European Commission or the UN). Third, NGOs have a duty to stand back and be self-critical both to examine how far their own practice promotes the values they espouse, and to look at whether the way in which they operate does or does not enable them to engage positively with the lives of poor people.

Defining NGOs

There are now literally hundreds, even thousands, of NGOs in most countries around the world. They have exploded in number, and some have grown greatly in size; many British NGOs, for instance, now have annual incomes of more than £80–100 million. They differ in size, in

sectoral focus, in ways of working, and in religious affiliation. They are so diverse that whatever is said of one kind of NGO can be contradicted by looking at another one elsewhere. To avoid becoming entangled in discussions of typology, this paper will focus entirely on UK-based NGOs, and on the most prominent and larger ones among them. However, much of what is said applies more generally across the NGO sector in both the North and the South; and there is clear evidence of growing convergence among many NGOs and between the NGO sector and other development actors, especially donors.

The role of institutional donors

The role of institutional donors (for example, bilateral government donors and multilaterals such as the European Commission, the UN, or the World Bank) has grown significantly in relation to British NGOs. Today, donors are not only the source of money but increasingly of ideas and conditions which directly affect the NGO sector — initially primarily NGOs in the North, but now also large NGOs in the South. Down the funnels through which the money is channelled come a range of procedures, understandings, and the latest ‘development thinking’, all of which have a major influence on NGO policy and practice; some funding is completely tied, and the NGOs become straightforward implementers of bi- and multilateral aid programmes, rather than independent development actors. Some aid is less ‘tied’, but still carries with it certain conditions.

Over the years, the theoretical underpinning of official aid has shifted considerably, and understandings of what development is and how to promote it have changed radically. In the early days of post-independence, the focus was entirely on the role of the state in promoting agricultural and industrial change, and on training public officials to behave in ways appropriate to developing modern, economically flourishing states. This focus on the state and agents of the state was gradually eroded by the poor economic performance of many countries and replaced by the belief in markets as the mechanism for delivering efficient and effective development. Structural adjustment programmes (SAPs) brought with them a wave of liberalisation requirements, including the ‘rolling back’ of the state, trade liberalisation, devaluation, cuts in public spending, and the privatisation of key state functions in line with the macroeconomic analysis promoted by the IMF and the World Bank. NGOs began to attract the attention of the donors in two ways: because they were criticising the effects of structural adjustment on the poor (though not necessarily

analysing or opposing the basis on which SAPs were built); and because they were seen as an alternative conduit for aid which would allow for development funds to be channelled to certain countries without offering financial support to the state. The state by this time was seen as inefficient, corrupt, and over-staffed.

While NGOs were raising important issues about the impact of SAPs on people living in poverty during this period, it should be noted that since the collapse of the Berlin Wall the NGO sector has offered no serious challenge to, or rejection of, the neoliberal model of economics. The debates have been essentially carried on within an implicit acceptance that many aspects of SAPs are essential in order to restructure failing economies. More fundamental critiques of SAPs have come from feminist economics than from the majority of UK-based NGOs which lobby the World Bank on these issues. Indeed, many NGOs have benefited from their own lobbying about the effects of structural adjustment by receiving funds from the Bank to ameliorate the worst effects of these programmes for the poor in certain countries, especially in Africa.

NGO funding increased significantly during this period, partly because NGOs became part of the privatisation agenda. Donors and NGOs identified many areas of mutual interest in terms of development; but this growth in funding did not come 'free'. In return for money, gradual changes had to be made to NGO development practice in order to bring this more into line with the procedures and approaches of the donors. NGOs continued to be critical of much donor practice, while at the same time receiving ever more money from official sources and being shaped by these. There was continuing dialogue between the two — indeed, donors were also influenced by the NGO sector. Hence their discourse started to reflect the language of NGOs in concerns about sustainability, the need for participation, a focus on gender, and agreement on the need for special provisions for the poorest who were affected by SAPs.

The language of the donors is currently shifting again, with a growing recognition of the importance of the role of the state in development, not as an implementor, but as an enabler and regulator. The ideology of rolling back the state is being replaced with a focus on partnerships with the state; conditionality is giving way to 'comprehensive development frameworks'. The emphasis is on working with like-minded governments to create a policy development framework to be delivered by a range of institutional actors. There is a renewed focus on poverty and, to a lesser extent, on rights as the overall goal of development work. In this scenario, NGOs, especially Northern NGOs, are still being seen as a key channel for development aid,

but only as one of a range of possible conduits for implementing development goals. Other actors include private consultants, markets, local groups, community-based organisations (CBOs), and local government. It remains to be seen whether budgets previously allocated to NGOs will be squeezed as they start to compete with other civil society players including the churches, unions, women's movements, as well as with development actors from both the business and government sectors.

The increased communication between NGOs, donors, and governments has led to a growing homogenisation of language; this is the language of strategic and business planning, efficiency, accountability, cost effectiveness, and impact; but also of sustainability, participation, facilitation, enabling frameworks, capacity-building. Several questions arise, which will be addressed here. How far have donors changed NGOs' agenda and processes of development practice, as well as their language and procedures? To what extent are NGOs still independent players? How compatible are these two languages, one of (development) management and the other of social change? If they are incompatible, what are the implications for donor-dependent NGOs? The other set of major questions — to what extent NGOs have changed the understanding and working of the bilateral and multilateral donors, rather than merely their language, and what other factors encouraged donors to take up issues of participation and civil society involvement — are for another time.

The changing face of NGOs

British NGOs have diverse origins and have changed significantly over the past three decades. Many which started as refugee-relief, child-welfare, or solidarity organisations have developed into multi-million agencies, processing money given by institutional donors as well as by the public. They have grown from small voluntarist groups into bureaucratic organisations with clearly defined hierarchies, roles, and responsibilities; many employ professionals in their headquarters and in their offices around the world. Towards the end of the 1980s there was a growing concern within many NGOs that they were facing problems arising from a lack of focus and of procedures and structures to maintain their work. At the same time, donors started to channel more resources through the NGO sector, both in order to by-pass the state in many countries and for ideological reasons. NGOs became part of the 'privatisation' of aid agenda in keeping with the dominant politics of the time, and donors exerted pressure on them to become more rigorous, more professional, and more accountable.

There was clearly a need for NGOs to make internal organisational changes and to address issues of policy and procedure as they grew, both as the early founders moved on and were replaced by new directors, and as the development world changed around them. The question is: why did the NGO sector borrow so heavily from procedures developed in the business sector and even within the US military, rather than building on their own experience in order to develop new approaches and methods? Business organisations and the military are very different types of organisation with quite different aims: one is measured by profit rather than performance (and the two are not as closely related as the literature suggests), the other by success in arenas of war. The limitations of military strategic planning were recently highlighted in NATO's involvement in Kosovo, where poor information and understanding of local conditions turned a three-day onslaught into a war of several weeks. To what extent do these 'borrowed' management practices enable NGOs to fulfil their stated aims of empowering poor people, building civil society, addressing rights — including women's rights — or promoting sustainable poverty reduction, all of which require a deep understanding of the people and contexts in which they are working? How compatible are they with the approaches that have grown more directly out of NGO experience of working with people, for example participatory methods of research and planning, and participatory video?

The pressures for change

Links between funding and approaches to development

The pressures for change were to be found not only from the donors, but also within many NGOs themselves. Staff were dissatisfied with lack of clarity about their roles and responsibilities; issues such as where decisions could be made in UK-based NGOs that worked internationally were unresolved, and fragmented visions existed of what the organisation was about, especially in those NGOs which expanded fast during the 1970s and 1980s. Some of the field staff and Southern partners also advocated change in terms of devolution, resource allocation, and decision-making.

But a major pressure for change did come from the donors. The donors are rarely discussed in the paradigms that are represented by circles and triangles, yet they have had a massive impact on the shape and workings of many British NGOs and on the sector as a whole. Vastly increased sums of money have been spent through UK-based NGOs around the world, in

both development and emergency work. Many NGOs which prided themselves on never taking more than 10 per cent of their funding from institutional sources in the 1980s are today much more coy about discussing their percentages; moreover, percentages can be calculated in many ways, and NGOs often deliberately cover up the volume of aid from institutional donors.

Table 1 Money channelled through UK-based NGOs from the Department for International Development (DFID) 1987–95* (in millions, rounded to £ sterling)

Budget lines	1987–8	1994–5
Emergency work	£19,581	£83,093
Joint Funding Scheme	£ 8,424	£34,360
Geographical desks and other	£ 5,635	£42,320
Total	£33,630	£161,773

Note: In 1987, no money was channelled through geographical desks; by 1990 this had risen to £1,176,800. As DFID has decentralised budgets and increasingly pays money directly to NGOs in certain countries, compiling figures of grants and contracts through the regional offices has proved impossible, but it is certainly rising all the time.

The Reality of Aid 1997/8 (Eurostep 1998) calculated that US\$281.7 million went through British NGOs in 1995–96, US\$184.8 million of which was bilateral aid for NGOs to work as part of the British government’s aid programme, compared to half that sum (US\$96.9m) for grants to fund NGOs’ own projects.

The key donor for UK-based NGOs is DFID (formerly the ODA) which funds them in several ways. A flexible form of funding was available through the Joint Funding Scheme (JFS); this was responsive (matching) funding which allowed NGOs broadly to set their own agendas. The JFS is relatively small at £35 million a year and has recently been transformed into the Civil Society Challenge Fund, the impact of which is not yet known. Since the Hodges Report (ODA 1992), government funding has been given to NGOs directly to assist in implementing Britain’s bilateral programme in various countries; NGOs have thus become implementers of the UK government aid programme. This is not flexible funding, but funding to be either a direct contractor for clearly defined parts of the DFID programme, or for accountable grants, the terms of which are negotiable within the strict parameters of the DFID strategic plan for each country. The bulk of the growth of donor funding for NGOs has come within this part of the bilateral programme, along with the exponential growth in emergencies funding.

The influence of this direct government funding has been immense: it has put increasing pressure on NGOs to become 'accountable', professional, to demonstrate their efficiency and effectiveness, and to show their impact in terms of poverty reduction. NGOs have been required to use procedures developed for the bilateral aid programme. Hence, NGOs have adopted approaches such as strategic planning, project-cycle management, and logical framework (logframe) analysis, even where they have felt that these are not in keeping with their way of working or their concepts of development processes.¹ Even the JFS, which started as a flexible fund, moved on to train NGO staff in DFID methods of planning and implementing the project-cycle from the mid-1990s. University-based advisers have made more demands on the NGOs that request funding, and most have promoted formal systems of planning, monitoring, and evaluation in cooperation with DFID.

The increase in institutional funding has been profound, but many NGOs still have access to voluntary contributions and 'untied' money for their work; in 1996–7 their voluntary income was estimated at twice their 'tied' income (US\$569.2 million compared to US\$281.7 million in donor money). Thus other pressures must have added to this donor push for NGOs to use procedures commonly accepted within government and business for developing their vision, planning their work, and disbursing their money through projects.

Changes in NGO management and staff

Trustee boards have been one such factor in changing NGO practice. Through the 1980s and 1990s, many people from the private sector were deliberately brought onto trustee boards to bring a new perspective and new skills to the NGO world. They have repeatedly asked that NGOs work in ways familiar to them, find ways to demonstrate their impact, and prove that they are worth funding. Many trustees have no knowledge of development; some even pride themselves on this. They see the management of development as the same as any other form of management, requiring certain disciplines, skills, and procedures which are relatively uniform across the three sectors. Under the influence of trustees and external consultants, one UK agency has developed a set of training modules for management competencies which draws heavily on generic management principles and is to be uniformly applied to all managers across the world.

This pattern of applying management principles from one sector to another, using private sector experts as trustees and consultants, has also

been a dominant factor in reshaping the public sector in UK, raising similar questions for staff working in health, education, and social services. To what extent *is* 'management just management'? And to what extent do we need management approaches that are developed specifically in relation to the organisation's purpose — be that development, education, or health — and tailored to the cultural context in which management is practised?

The 1990s also saw the rise in the number of private sector staff employed by NGOs, initially in the finance departments and marketing, then in information technology (IT), policy, and planning. They have brought with them very different values and perspectives from those held by most of the staff who are responsible for running the development programmes. Clashes have occurred between marketing and advertising staff, campaigners, and advocates on the one hand, and field programme staff on the other. Private sector management consultants saw a new niche in becoming management consultants to the burgeoning NGO sector, and many leading NGOs shared the experience of being reviewed by one of a handful of companies that specialised in working with the non-profit sector. Their techniques and approaches were all drawn from standard business management practice and theory.

Many parts of the university system have also begun to draw on the same pool of ideas, especially those found in the new public sector management; and development studies programmes increasingly include management studies and business studies. While some have grappled with the issues of whether NGO management is unique, others have adopted business management techniques almost wholesale, perhaps adding some cultural sensitivity. Some of the academics who teach these management courses have no direct experience of working in development in Africa, Asia, or Latin America — and do not see this as a problem. They are teaching 'basic standards' which they understand to be universally applicable. In addition, as student numbers have dropped and financial stringency has become increasingly common within those UK development studies departments which are self-financing, ever more resources for academic research and consultancy come from the same set of institutional donors. Inevitably, the language and understanding of development being promoted by these academics to some extent reflect the interests of the funding agencies. Few academics feel that they are in a position to 'bite the hand that feeds them' at a time of real competition for shrinking resources in academia. Rather, they try to respond positively to donor concerns that development ideas be translated into easily used planning tools, measurable indicators, and impact assessment guidelines.

These pressures, combined with the fast-changing funding context in which increasing numbers of NGOs compete for the same or declining resources, and competition becomes acute, led many NGOs to adopt management packages from the private sector and apply them to their development work. The changes that have taken place in most NGOs in the UK have been driven more by the desire for financial growth, for maintaining access to large donors, for meeting bilateral and trustee demands, than by trying to learn from their own experience, to develop their own strategies and processes, and to promote good development practice. It is interesting to speculate what NGOs might look like if half the resources spent on professional Northern management consultants and 'off the peg' management training in tools developed outside the NGO sector such as strategic planning and logframes, had been spent on operationalising concepts drawn from within their own practice. This experience would offer important lessons such as how to work effectively with those whose voices are hardest to hear, to plan from the basis of local realities in a way which responds to their needs, to find ways of combining local and external knowledge into real forces for development, and to empower women and men who are excluded by current local, national, and international contexts.

Does this matter?

Many may be shaking their heads by now, asking why any of this matters. There can be no harm in adopting practices which promote clarity of thinking, apply logical analyses to problems, streamline project implementation, and raise levels of accountability. These are all worthwhile goals, but many questions arise when business concepts are taken into development. Businesses which talk about accountability are often quite closed organisations, and their primary motivations are to maximise profit and market share and to maintain market dominance. While many NGOs feel comfortable with a focus on market share and dominance of the NGO sector, others do not; and none of them would want to be accountable only to a small group of 'shareholders'. NGOs know that they need to serve a wide range of stakeholders, but they are adopting approaches which are not designed for multiple accountability. Are procedures for accountability to donors and trustees the same as, or even compatible with, accountability to beneficiaries? To what extent are 'market surveys' and the search for ways of assessing public opinion relevant to NGOs, which after all must listen to, learn from, and plan in the light of the needs of their Southern partners and

beneficiaries? While Epstein et al. (1991) have advocated the benefits of consumer-survey approaches to development beneficiaries, most NGOs have rejected this because they see the shallowness of these methods when advocating beneficiary participation, bottom-up planning, and responsive frameworks.

In addition, these discussions ignore the reality of the relations of dominance within aid processes, and the potentially disempowering and alien discourse of formal tools. Long and Long (1992), Scoones (1993), and Chambers (1986) all show the negative impact which positivist, rationalist, Western epistemologies have on local people's knowledge and what counts as knowledge. This can be extended to analyse what space beneficiaries can find and what language they can use in order to enter the debates set by strategic planning and project-cycle management systems. Systems for upward accountability which are framed within the business concepts of proving efficiency, effectiveness, and value for money, have become far more developed than have tools used for downward accountability to beneficiaries. Indeed, they may have become additional barriers which prevent local people from access to development processes that directly affect their own lives.

There is a value in applying logical analysis to problems, but whose logic is used? Whose information guides the completion of project documents? Who sets the criteria by which a project will be judged a success? Can participatory processes really change the structural factors that shape projects for agencies, and intrude into the neatness of the project-framework language of inputs, outputs, and indicators?² Complex evaluations have highlighted the reality that what constitutes success for an NGO's headquarters, or in terms of the project document, may differ from definitions of success by its staff on the ground; these may themselves differ from the criteria used by the partner organisation; and women may have different understandings of success from men within the same village and even household.³ When insisting on measurable impact within two to three years, what happens to risk-taking, to working on the difficult, sometimes almost intractable, problems which often underpin the causes of poverty for some groups of people? How does learning take place when the focus is on showing concrete achievements? How are the unintended consequences of the way a project is framed and the indicators set handled?

Two examples from the public sector in the UK illustrate the thorny issues that arise in measuring effectiveness by focusing on demonstrable impact, and at how these concerns can militate against the very changes desired. Each service has had to select a range of indicators against which

to assess their work. When the police service selected 'clear up' rates for crime as a key indicator, there was no improvement in crime detection, because these issues are complex and long term. Instead, police officers started to make routine visits to prisons and to cross-examine prisoners about other crimes they might have committed so that these could be declared as closed. The effect on crime on the streets and on crime deterrence was zero, but numbers had been recorded and impact assessed. There are myriad examples of this kind in all public services; for instance, cutting hospital waiting lists can be done in many ways apart from actually seeing and treating patients faster and well. Speed can push out quality; people can be deleted from lists on grounds of poor health, disability, or age; people can be seen but not treated. The NGO sector has undertaken no serious assessment of how measurable impacts are possibly skewing public service work, although it is embracing similar concepts of measurable impact, often uncritically.

Three concrete examples will serve to highlight some of the tensions and dilemmas raised by the wholesale adoption by some NGOs of policies and procedures derived from outside. Many in the NGO sector, and some observers, feel that these approaches can undermine their stated commitment to changing social relations, confronting structures of oppression and exclusion, building local capacity, enabling participation of the excluded, and may force them become short-term contractors, service providers, or project implementers working to plans drawn up by institutional donors.

Illustrating the tensions

Working for management or social change?

Research carried out with 17 UK-based NGOs during 1996 highlighted several areas of tension for staff in Northern NGOs (NNGOs) as well as Southern NGOs (SNGOs). These included the real tensions between staff based in the North and working to Northern paradigms drawn from the business sector, and staff in the South who felt that their perspectives, analyses, and understandings were irrelevant to the organisational changes being made in relation to management and development practice:

Muchunguzi is not the first to describe how SNGOs lump all international agencies together as donors (multi-, bi-laterals and NNGOs) but because his statements are based on extensive SNGO

contacts they carry weight highlighting this as a crucial point in current development relationships. SNGOs did not experience the diversity of NNGOs (something NNGOs stress all the time) but experience them all as having their own clear agendas and procedures which shaped the work. SNGOs feel imposed on, often ignored and their cultural values and concepts are devalued. The feelings expressed were very strong. Smillie echoes these themes, and talks of the swelling chorus of complaints from SNGOs about their exclusion... and the lack of Northern accountability to the South. (Wallace et al. 1997:108)

There were also tensions between those preaching the limitations of seeing projects as synonymous with development and the fact that the current management tools were in fact increasing the focus on projects and project management and impact, rather than looking at alternative ways of promoting social change.

Gender was one issue which highlighted many of the inherent tensions between those advocating a managerial approach and those preferring a more analytical and social relations approach to development work. While many agencies have formal gender policies and implementation plans, and although most agencies agreed that 'gender mainstreaming' was essential, in reality few of the political issues of power relations between women and men had been addressed, either internally or within the NGOs' programmes. Few NGOs support local women's movements; many had no equal opportunities policies, and women were not represented at the top either in the directorate or on the board of trustees. Little money was spent on gender equity in relation to overall budgets, much of it on no more than 'add-on' women's projects, or on microfinance and income-generation projects for women; very small sums were given for work on women's rights (Wallace 1998).

Structural change in three major UK-based NGOs

A second example comes from a recent meeting of the UK Development Studies Association's (DSA) NGO study group in Oxford, which looked at the structural changes taking place in three major UK NGOs, and at how these structural and managerial changes relate to the different visions of the respective organisations. Interestingly, all these NGOs have a strong independent financial base but have accepted increasing amounts of institutional donor money over the years because of their desire to grow, to raise their profile, and be 'market leaders'. The pressures on these

particular NGOs probably come less from the donors in a direct sense, and more from their high-level and constant discussion with donors about development issues and their wish to remain significant players on the development stage. They all have businessmen among their trustees, and these trustee boards are predominantly male. These three NGOs interpreted their understanding of how to best achieve development for poor people, and their own roles, very differently.

The meeting asked the following questions: As UK-based NGOs undergo major restructuring, what vision is shaping the organisation and its management? To what extent do the current structures and practices enable them to fulfil their vision of development and change? In answering these questions, there were close similarities between two NGOs, while the third was being driven by contrasting sets of values and commitments. This was a useful reminder that NGOs are not changing identically across the board. There are, nevertheless, growing convergences between many NGOs which in the past were starkly different (as the two sharing a similar analysis once were), and most are converging with a range of official donors and increasingly using a shared language. This language can now be read in government documents, public sector reports, private sector policies and plans, and NGO papers. It draws on concepts and approaches that were once seen as the unique preserve of NGOs. Hence both government and the private sector now talk about the need to consult, for participation, and for being 'learning organisations'. These concepts are seen as easily compatible with the language of new public management (NPM), but experience throws doubt on this conclusion.

In relation to their restructuring processes, two of the leading British NGOs stressed the need for structures and management which would enable their organisations to retain and extend a high public profile, work efficiently, and increase their impact. Both manage their work from the UK; their new strategic frameworks are developed and set from the centre — with greater or lesser degrees of consultation and participation of staff, and almost none of Southern partner organisations. Management control and overarching decision-making remain at the centre, in a context of devolving certain functions to regional or country offices. The concepts and ideals driving the change processes included the need to develop a global programme and to have a recognisable and consistent 'global branding' (whatever the local context) so that people around the world recognise the product as belonging to a specific NGO. Other concerns included the need to cut running costs; a desire to develop the

organisation and strengthen management, ostensibly for the purpose of accountability, but also implicitly for control; the felt imperative to work across boundaries and transcend country contexts or parameters (although the reasons for this regional rather than local approach remained unclear); and the need to redefine and clarify the strategic intent and character of the NGO and its programmes.

The presentations were couched in terms of the need for staff to understand and work within the agreed objectives for strategic change, and to implement comprehensive management functions at the regional levels in order to meet the centrally set targets; these would ensure that everyone's work would meet the needs of the entire organisation — including marketing, advocacy, and fund-raising as well as the development programme. Within the agreed overall strategic objectives, decisions can be made about allocating resources at the regional and even national level; however, these must retain the organisation's 'brand' style and organisational coherence, in order to ensure the development of a distinctive profile for marketing and fund-raising purposes. There was a fear of regions' and countries' autonomy and even secession if power and control were devolved. There was a marked anxiety about having diverse responses to seemingly similar problems across different countries, which was thought to fragment and weaken the organisation's power to lobby for change on the wider stage.

The aim is clearly to show that the NGO adds value, that it has impact, that it is making a difference, and especially that it has influence. This is being driven partly by the trustees and auditors and closely corresponds to the growing trend for 'accountability' in the public sector, leading to the development of targets, indicators, and impact assessment. It is also driven by the ambitions of many top NGO staff to be influential in the world of development policy and practice, to 'punch above their weight'. These NGOs are trying to integrate their development projects with advocacy work, to 'scale up' their impact, to make their mark; they are keen to play their role in shaping policies at the highest level. While there is tremendous pressure on development work to demonstrate quality and impact through developing and using measures of effectiveness, little credible work has been done on how effective advocacy work is, whether NGOs are being co-opted and compromised in their advocacy work (because of their relationships with powerful players such as governments or the World Bank), or to what extent a change in policy actually has a positive impact on the lives of the poor around the world.⁴

The speakers talked about 'selling the vision' to staff, about 'getting staff on board', about the problems faced if the values of some staff appeared to conflict with the current trajectories. They talked about the need for highly skilled staff to be recruited on 'competency-based frameworks'; some staff, however committed and experienced, may not find a place in the new order. One NGO had managed its change process in a way that gained staff support, while the other was grappling with a demoralised and discontented staff in some departments and country offices.

While these NGOs are clearly taking their concepts and approaches from the world of business, they appear to be out of step with much of the recent business literature which talks about the need to embrace values, to empower and value staff as the key organisational resource, and to find ways of managing them and structuring them that will allow them to perform to their best potential. The issues for successful business are no longer total control or total devolution but rather managing diversity, coordinating variety, releasing potential:

both over-centralised (over-integrated) and over-decentralised (over-differentiated) companies perform to significant degrees. Differentiating and integrating need to be synergised or reconciled. The corporation with the best integrated diversity is the one which excels. (Trompenaars and Hampden-Turner 1998:171)

There is a great deal of interesting business literature that deals with issues of how to work cross-culturally, of how to motivate staff to perform well, and of how to encourage learning and positive change, which are not reflected in this dominant model of contemporary NGO practice. It appears safe to say that, when borrowing from the business sector, many NGOs are acting uncritically and also missing some of the most recent and potentially relevant ideas to be found there.

The third NGO had a different starting point, one which in the past might have been felt to be the more distinctive approach of a Northern NGO, although it also fits with some current thinking in the business literature. Its restructuring was driven by the need to see how it could best support the work on the ground in the South, how it could shift the balance of power from the North to the South and closer to the people, and how it could decentralise and hand over power to those most affected by development processes. The shape of the organisation and the role of the central office became very different when that vision and those values were used as the starting points. Certainly there are as yet unresolved problems about how to retain a coherent organisation within the growing diversity

of country strategies and regional approaches which have been shaped to fit specific contexts, and how to prevent regional directors from creating their own unaccountable fiefdoms. Accounting for money raised in the UK under the existing governance laws of NGOs remains problematic, although field offices are developing new decentralised procedures to encourage local responsibility and accountability. The overall focus here is more on enabling staff to find management systems which enable them to do good work, rather than on supervision and control.

This NGO felt that its tentative steps towards shifting the balance of power and decision-making, even incrementally, towards to the staff and partners in the South, had unleashed energy and commitment among staff and partners in various countries and was leading to new ways of working and new relationships. They were seeking new ways to structure the NGO and management systems which could enable poor people to benefit more by involving them in developing the NGO's agenda. Different decisions had been taken in relation to management systems because delegation was prioritised over control, and local needs were chosen over global approaches; finding ways to learn from experience to promote better change processes in the future was seen to be important.

The three NGOs' restructuring processes differed according to the driving motivation behind the organisational change. It is hard to see how to reconcile the two approaches taken: one is driven by a concern to try to lessen unequal power relations with Southern partners, to shift the centre of gravity, if only a little, towards the South, to allow locally derived solutions to problems rather than adhering to 'coherent and consistent' responses. The other has as its driving force coherent organisation and management, the management of objectives that are set at the centre, and the need to show effectiveness to donors and supporters. This sits uneasily with concerns about locally derived solutions, the participation of partners and beneficiaries in planning, monitoring and evaluation, and listening to the voices of women as well as men.

Two ways of mainstreaming gender

The third set of examples is drawn from a conference on mainstreaming gender in policy and planning run by the Development Planning Unit at London University. Here again there appeared to be two discourses; some participants saw them as existing in healthy tension and not in conflict, while others experienced them as being in direct contradiction. On the one hand were several presentations from agencies, including UN and

government agencies and NGOs, detailing their gender-mainstreaming policy and strategies. These presentations included discussions on their strategic planning processes, the ways they had found of persuading policy makers to take gender seriously and include it in planning, and the different processes of implementation. The latter included the appointment of focal points on gender around the organisation, or universal staff training in gender; plans included complex sets of consultations and training on gender and the need to include gender within project logframes. The concerns were to ensure the allocation of organisational resources, the monitoring of gender, the development of measurable indicators, and proving positive impact. The speakers were all familiar with the language of NPM, including the need to prove efficiency, value for money, meeting targets, benchmarking, and demonstrating impact.

These were all valid and interesting presentations, but at the heart of them was a perception that in the context of gender, unequal social relations can be changed through planning, management, and monitored implementation. None of these presentations addressed the personal issues facing women within their organisations, nor did they look at the extent to which women were promoted, or were able to perform well, within the dominant organisational culture. The personal was excluded in favour of the professional. There was little analysis of the political and cultural barriers to promoting gender equality in the development arena.

Another set of voices grew during the conference, raising questions about the politics of gender relations, the power struggle inherent in confronting gender inequalities, the fact that struggles can be won and later reversed. These people felt that progress towards adopting a gender-sensitive approach is neither linear nor straightforward, that the work is marked by struggle, that is it exhausting, and that the issues go far beyond the technical approaches of 'managing gender mainstreaming' within an organisation. While those involved in mainstreaming work themselves recognised many of these issues, and talked of the evaporation of gender between the policy commitment and project implementation, and of the problems of keeping gender on the agenda, their analysis was couched in management language, not the language of social relations, transformation, struggle. It was perhaps no coincidence that those who rejected the language and process of management for addressing gender equity were those who came either from countries where the politics of social change are well understood — South Africa, Philippines, India — or from the feminist tradition in the North, from women who have been

involved in struggles around gender for many years, and from younger women who were involved in issues such as rape and violence against women, issues which are highly contentious and heavily politicised.

One result of using the language of strategy, change objectives, logframes, and impact assessment appears to be the depoliticisation, almost the sanitisation, of development. While there is reference to the context and the possible barriers to change, these are often minimised or (over)simplified in programme and project documents. Development is often seen as linear, as a rational and managed process, rather than one of engagement, struggle, facilitation, and of enabling people to take control of their environment. The language used may be more suited to the work of service delivery, although even in that context, issues of access, rights, or control require more dynamic analysis; it appears ill-suited to the work needed to address the causes and structures of poverty and inequality — yet these are the causes most development NGOs espouse.

Conclusions

There is diversity within the British NGO sector, but there are trends showing a growing similarity of language, procedures, and concepts of development with those of institutional donors and decision-makers within governments, the UN, and the World Bank. There are clearly tensions between the growing ‘professionalisation’ of development, the NGO adoption of ‘new public management’ practices and approaches, and the increased focus on upward accountability and communication on the one hand, and the commitments within these organisations to participation, downward accountability, local empowerment, and gender equity on the other. The managerial paradigm — which in the NGO sector still has the project as its primary focus and method of disbursing and accounting for funds — runs a real danger of being remote from the social, political, and economic realities and processes that take place at country and local levels, and of ignoring cultural patterns and local understandings.

The growing centralisation of some UK-based NGOs contrasts with the language of devolution, and is running behind the decentralisation agenda that is currently driving many governments. In many NGOs, power is becoming concentrated in small senior management teams and trustees who are shaping the vision and ways of working. Their targets for change are usually institutions and those in power in the North, and their advocacy work involves intense and direct interaction with people who hold power and influence in the North. Far less emphasis is placed

on national or local processes and decision-makers, yet these also have a profound effect on keeping people in poverty. These NGOs implicitly subscribe to 'globalisation', seeing the world as increasingly shaped by forces that are external to individual countries. This focus on communicating with those with money and power in the North is not matched by efforts to hand over the work or to develop real partnerships that would enable NGOs and people in the South to tackle those causes of poverty which are embedded in their own societies.

The few British NGOs that are trying to decentralise power see the sources of inequity and poverty as being rooted in social and economic relations at the local as well as the global level, and believe that working at the micro level is important for changing unequal social relations for poor people. It is an approach which emphasises capacity-building, self-development, empowerment; and involves taking a back seat, becoming a supporter not a leader, starting to hand over power, and developing systems of accountability downward to beneficiaries rather than only upward to donors and trustees. However, these NGOs are hampered in shifting the balance of power by the rules governing financial accountability for UK-based charities, and also by the procedures they use which are largely dominated by a project focus and rational planning approaches, including logframes.

There is an argument which says that these very different approaches are not in opposition but can sit together and work in synergy; so there is talk of bottom-up and top-down strategic planning, of participatory logframes, of participatory impact assessment sitting alongside milestones, indicators, and targets set by NGOs. However, the evidence is lacking that the managerial and technical approach to development and the demands of addressing long-term issues of social change can combine and work together. Evidence from a 1999 conference on NGOs went the other way: many writers and NGOs based in the North placed great emphasis on global processes, the increasing homogenisation of the world, and the need for clear responses which are identifiable 'brands' etc.⁵ This caused a major outcry from many participants, often Southern-based, who stressed the diversity, differences, and complexities according to geography, history, gender, race, and religion that mark processes of subordination. There are no 'one size fits all' solutions. If change is to be sustainable it has to be location-specific, owned by the people, rooted in their experiences and understandings, and meeting their criteria. The gulf between these two broadly accepted development paradigms was wide at the conference, and remains wide in practice.

Notes

1 This emerges from research done with 17 UK-based NGOs presented in Wallace et al. (1997).

2 An argument well put by Cleaver (1998).

3 The ODA evaluation of NGO projects undertaken by Surr (1995), and impact assessment work carried out by ACORD, highlight these issues very clearly.

4 Jenny Chapman (1999) shows that for advocacy work to be effectively translated into changes on the ground requires work at all levels, and work at the local level with the people who are intended to benefit, are essential for turning policy into development practice.

5 'NGOs in a Global Future' conference convened at the University of Birmingham, 10–13 January 1999.

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