

Frustrations and Challenges: The Grantee's Perspective

June 9, 2015

“1939 House,” Shek O

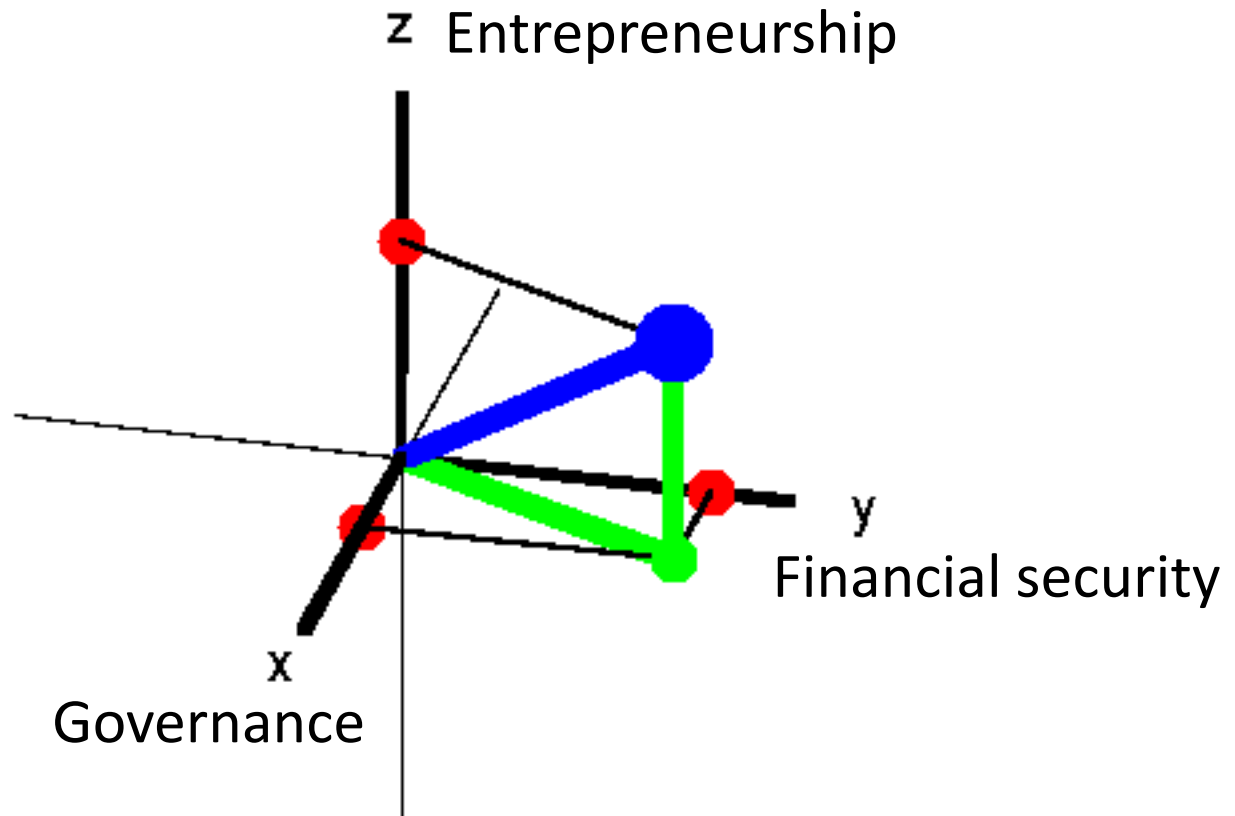
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Road map

- My personal experience
- Three dimensions of NPO-donor harmony
- Three dissonant notes
- Some suggestions

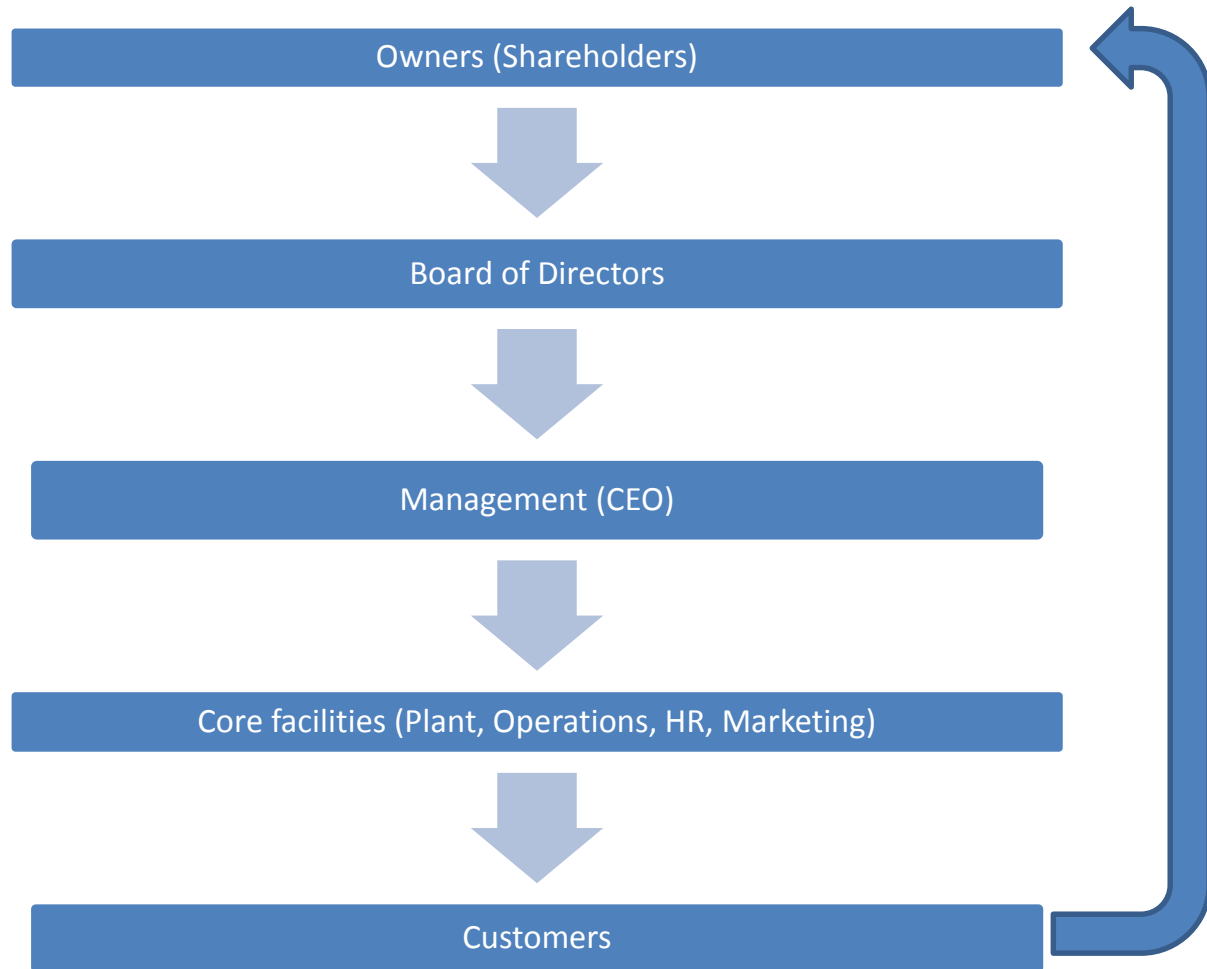
Three Dimensions to characterize NPOs



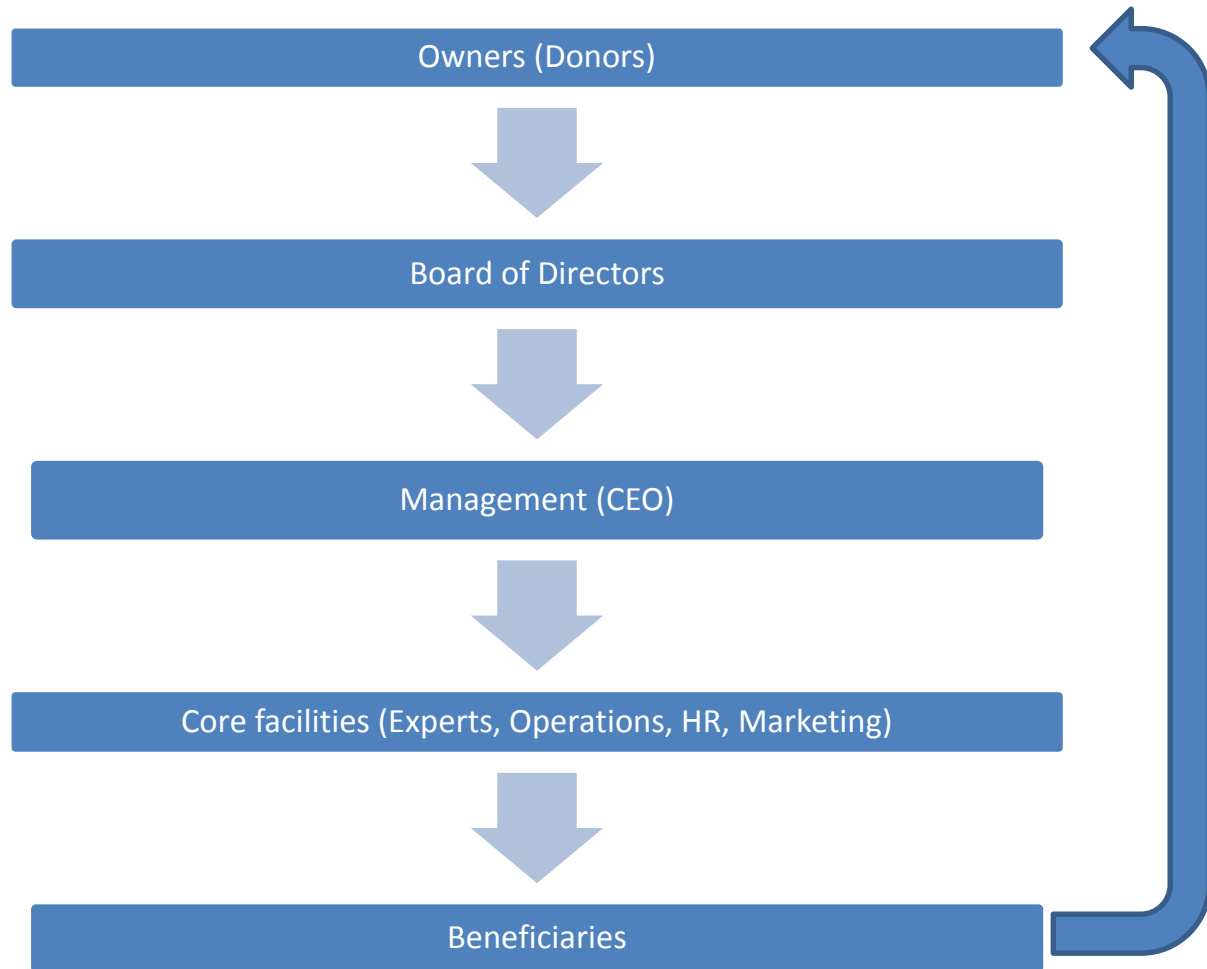
Three Dissonant Notes

- i) Doing the wrong thing right:
 - NPO governance and inverted agendas
- ii) Remedies worse than the disease:
 - Funding restrictions
 - More reporting requirements
 - International best practise
 - Toxic targets
- iii) In sheep's clothing?
 - CSR and social enterprise

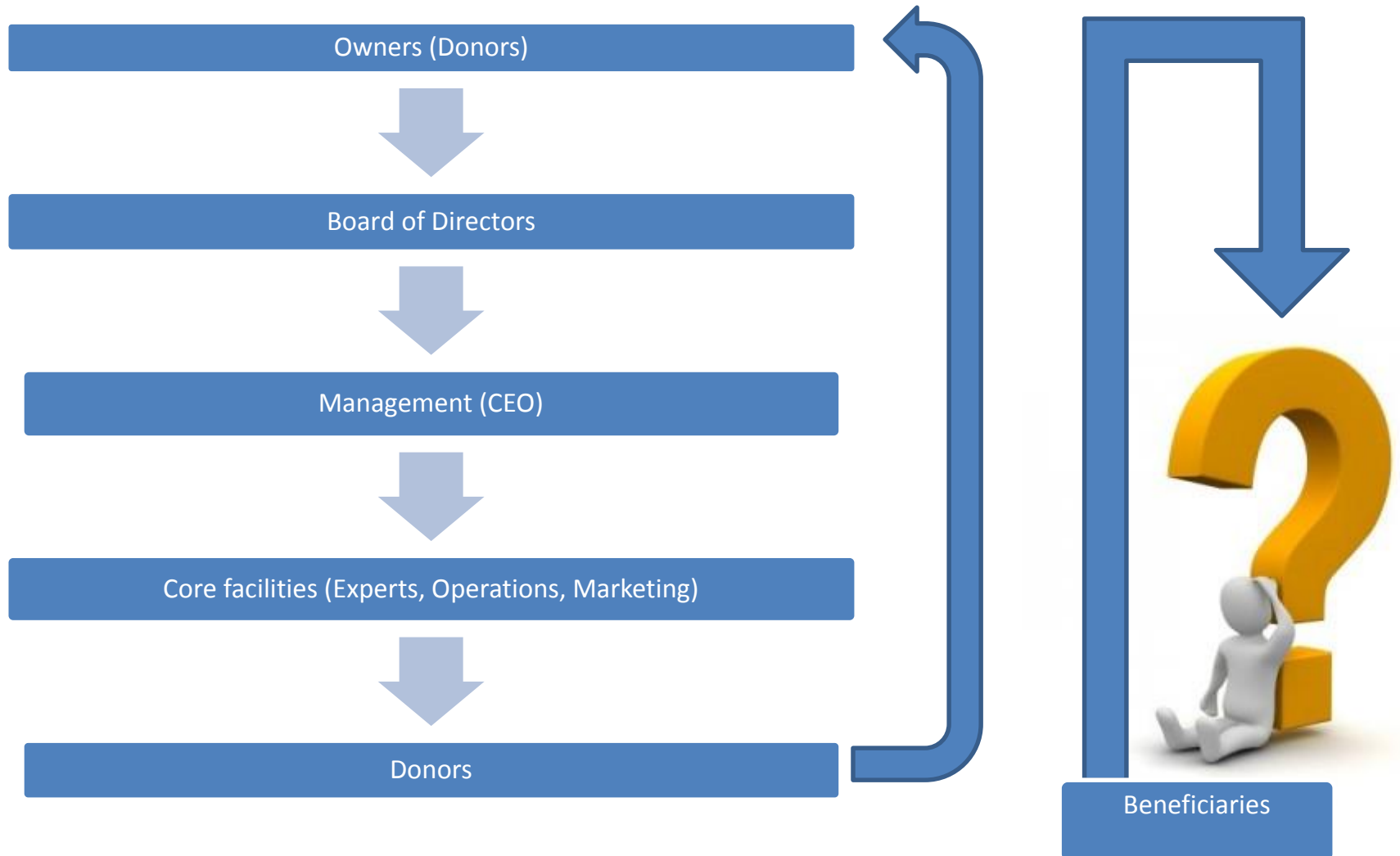
Standard Model of Corporate Governance



Assumed Model of NPO Governance



Perverted Model of NPO Governance



The Donors' Response

- Greater restriction on uses of funds;
- More direct involvement in project planning;
- More reporting requirements;
- Greater emphasis and investment in M&E;
- Requirements for measuring progress against numerical targets.

The Financials

- “We don’t fund overhead or administrative costs.”

Planning and implementation

“People spend more time trying to do things right than doing the right things.”

Ramalingam, Ben (2013-09-28). Aid on the Edge of Chaos: Rethinking International Cooperation in a Complex World (p. 26). Oxford University Press. Kindle Edition.

“International Best Practice”

‘...rarely can something that has worked well in one location and in one situation be applied directly to another. ...

Who can define good practice?

We believe it is the person who uses the practice next, who determines whether it makes a difference to what they are doing.’

Parcell, C. and Collison, G. (2001), *Learning to Fly: Practical Knowledge Management from Leading and Learning Organizations* (Oxford: Capstone), p. 6 quoted in Ramalingam (2013)

“Empty” analysis

“Notwithstanding the lip service paid to “participation”, the majority of aid organizations develop their programmes on the basis of their own priorities and their own visions.

In most cases there is an external analysis of what local people lack, and plans are designed to address this lack.”

Trench, P., Rowley, J., Diarra, M., Sano, F., and Keita, B. (2007), ‘Beyond Any Drought: Root Causes of Chronic Vulnerability in the Sahel’. The Sahel Working Group (London: IIED) quoted in Ramalingam (2013)

An Example Report:

Progress towards The Project's Goals

- In the project region, over 569 people still are living with less than \$1.25 a day;
- 21 children still have no access to school at all;
- 27 % of births in the region still occur without any qualified medical attention;
- More than 20% of children under 5 are underweight;
- 42% of people still had no access to basic sanitation facilities. The proportion of those without access to basic sanitation fell by only 37 %, far short of the 50 % target.

Example 2:

Progress toward the Project's Goals

- The proportion of the population living on less than \$1.25 a day in the project area decreased from 53% in 1990 to 14% by 2012;
- Between 2000 and 2012, the number of primary-aged children out of school dropped by 51%, and with much improved gender parity in attendance;
- 2/3rds of the sites in the region have halved the proportion of population without access to drinking water.

Reporting: Three options for NPO communications:

- “It worked! (sometimes or sort of);”
- “We are doing our best to improve so as to reduce failures”; or
- “We admit that this is a complex endeavour where some degree of failure is inevitable.”

Modified from Ramalingam, Ben (2013-09-28). [Aid on the Edge of Chaos: Rethinking International Cooperation in a Complex World](#) (p. 8). Oxford University Press. Kindle Edition.

Recommendations from Howman Wong

- Keep things simple;
- Don't add layers and make an obstacle course;
- Get to know the grantee, not the proposal;
- Get personal, not bureaucratic and based only on structure;
- NGO is first about the heart, followed by intellect in implementation.

My own suggestion

- Encourage learning, don't penalize it

PDIA, a.k.a. “Muddling Through”

Problem Driven Iterative Adaptation

- Locally driven and looking to solve particular problems
- ‘Muddling through’ with learning and experimentation encouraged
- M&E useful for local adaptation
- Diffusion of feasible practice across the organization and through communities of practitioners
 - Andrews, Pritchett, and Woolcock (2012) ‘Escaping Capability Traps through Problem-driven Iterative Adaptation’. Working Paper 299 (Washington, DC: CGD).

Problem Driven Iterative Adaptation

Table 1: Contrasting current approaches and PDIA		
Elements of approach	Mainstream Development Projects/Policies/Programs	Problem Driven Iterative Adaptation
What drives action?	Externally nominated problems or 'solutions' in which deviation from 'best practice' forms is itself defined as the problem	Locally Problem Driven—looking to solve particular problems
Planning for action	Lots of advance planning, articulating a plan of action, with implementation regarded as following the planned script.	'Muddling through' with the authorization of positive deviance and a purposive crawl of the available design space
Feedback loops	Monitoring (short loops, focused on disbursement and process compliance) and Evaluation (long feedback loop on outputs, maybe outcomes)	Tight feedback loops based on the problem and on experimentation with information loops integrated with decisions.
Plans for scaling up and diffusion of learning	Top-down—the head learns and leads, the rest listen and follow.	Diffusion of feasible practice across organizations and communities of practitioners

- Andrews, Pritchett, and Woolcock (2012) 'Escaping Capability Traps through Problem-driven Iterative Adaptation'. Working Paper 299 (Washington, DC: CGD).