

## CHAPTER 2. LITERATURE REVIEW AND THEORETICAL FRAMEWORK

### 2.1 *Introduction*

The purpose of this literature review is twofold. Firstly, it describes the context of CBOs working in development in South Africa. This begins with the development situation in South Africa, in terms of likely scenarios for the future, and the particular role of civil society in those scenarios. The history and structure of civil society in South Africa is then outlined showing the position of CBOs, and particularly of CBOs working in the AIDS service industry, in that sector. The discussion then focuses on the relationship of those CBOs to funding agencies in terms of the impact and nature of these so-called partnerships.

The second purpose is to provide a methodological context of the starting point of this exploratory study. The aim of this research is to explore alternative forms of evaluation. Evaluation approaches are discussed as the second thematic area covered in this review.

The literature review is therefore divided into two major sections:

- The HIV/AIDS and development contexts in South Africa, and the position of civil society community organisations in that context, particularly with regard to accountability, evaluation and their relationships with funding agencies;
- A conceptual framework comprising the various methodological threads that applies to grounded research in general, with particular emphasis on their application in CBO evaluation.

### 2.2 *HIV, development, civil society and accountability*

In 1994 South Africans dreamed of a bright and empowered future as the country's first democratic government took over its reins. It could not have been expected to be an easy task. Socially deeply fragmented, administratively cumbersome and economically crumbling, the task of rebuilding the nation was not for the faint-hearted (Posel, 1999). In 2003 a scenario planning exercise was led by leaders from corporate, civil and public sectors to consider the state of progress in the nation, and the directions in which it might evolve given certain conditions (Government Communications, 2004). By 2010, by all appearances, the worst case scenario was being realised, and another scenario exercise was led by Old Mutual (Dinokeng, 1999). Both sets of scenarios highlight the

nature of development, and the position of civil society in development, and therefore offer useful, accessible and summarised snapshots of the context for our purposes.

### 2.2.1. South African scenarios for the future: The position of civil society in the institutional fabric

In a government-led scenario planning exercise in 2003 some of the country's visionaries, planners and strategists met, debated and identified the factors most likely to affect South Africa over the next 10 years (Government Communications, 2004). The work was based on the scenario planning concepts of Clem Sunter (1992). The scenario team identified two key variables that it considered to determine the likely possible futures at that time as: *i) global political and economic trends*; and *ii) social cohesion in South Africa*. The team developed storylines describing four different scenarios for South Africa in the medium-term (Figure 1), based on these dimensions for change.

		Global political and economic trends	
		Hostile	Enabling
Social Cohesion	Low	SKEDONK	S'GUDI S'NAIS
	High	DULISANANG	SHOSHOLOZA

**Figure 1** Four Scenarios for South Africa's future

Source: 10 December 2003 - Issued on behalf of The Presidency by Government Communications

**Skedonk:** An unfriendly outside world with an internally divided and dispirited society, and deep social divisions. Growth in South Africa is low, the poor get poorer and AIDS has devastating effects on the population. By 2014 there is high unemployment and general social dislocation in the country.

**S'gudi S'nais:** A more accommodating and accepting world, but a nation characterised by conflicts between 'the haves' and the 'have nots'. Growth starts off high, but drops with the impact of social fragmentation. This is mainly because the rich ignore social inequalities and concentrate on selfish and often unethical amassing of wealth, and the state is indecisive in containing this.

**Dulisanang:** A hostile world, unfriendly to developing countries, but where South Africans none-the-less manage to create a more considerate and inclusive society. South Africa responds to heightened global insecurity and economic crisis by turning inwards to its own resources. Growth is low, but participation in the economy is high and compassionate values emerge strongly. Despite limited resources, the state delivers on its social obligations but is unable to sustain such social delivery in the long-term due to low growth.

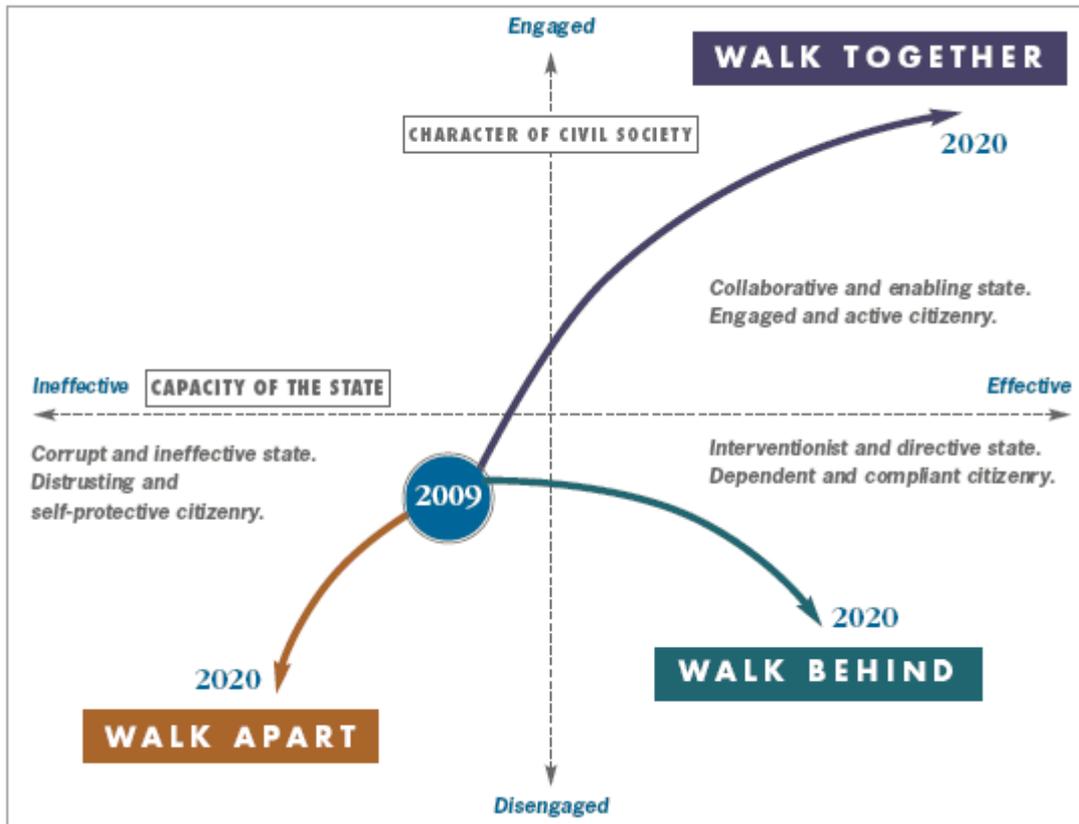
*Shosholoz*a: An accommodating world and an inclusive, diverse and tolerant South African society. High economic growth has created millions of jobs and much greater participation in the robust economy. South Africa is well poised for a third decade of freedom, opportunity and prosperity.

Almost 10 years later, in a context of global recession, we see many of the signs of the 'skedonk' scenario. In a divided and dispirited society the poor are becoming poorer, AIDS is wreaking devastation and political leadership has been weak (Dinokeng, 2009).

In a follow-on scenario planning exercise in 2009 at Dinokeng, a team of contemporary thinkers and visionaries defined three scenarios for the next ten years (Figure 2). Somewhat more inward-looking, the new scenarios identify disengaged, complacent, depoliticised and state-dependent civil society as one major determining force, and a crippled and incompetent state at the other (Dinokeng, 2009). The analysts describe a situation where private, public and civil sectors all lack clarity of purpose, and are increasingly self-interested, unethical and unaccountable. They describe a present state in direct polarity with the foundations of moral integrity which underpinned the dreams of 'shosholoza' in the last decade. The keys to moving from 'skedonk' to 'dulisanang' continue to lie in the values of consideration and inclusiveness, wider participation in the economy and encouragement of the state to deliver on its social obligations.

The 2009 scenario planners saw democracy and development as depending on a "*healthy interface between the state and an alert and active citizenry*" (Dinokeng, 2009). In the tantalising 'walk together' scenario, the central role of civil society is acknowledged, together with a collaborative, effective and enabling state. The role of civil society most critical to moving forward and upward will be that of holding the state to account for delivering its mandate with courage and commitment. These are seen to be core forces for South Africa's emergence from 'skedonk', towards the elusive future of inclusion, prosperity and social cohesion.

In addition to promoting public accountability, Dinokeng saw citizenry as being responsible for proactively addressing the needs of society that lie within its own power. This duality of expectation and aspiration of advocating for public accountability, while providing development input, lies behind much of the dynamic tension and contradiction of civil society.



**Figure 2** Three scenarios for a future of engaged civil society and effective state

Source: Dinokeng (2009)

### 2.2.2. History: Civil Society in post-apartheid South Africa

The civil society movement in South Africa emerged in the pro-democracy movements of the 1970s after a colonial history of indigenous social repression. It attracted the active support and encouragement of the international community as a legitimate vehicle for international contact. The opposition structures were seen as a valuable source of long-term stability in the region, and a democratic government in waiting (Bebbington, 1997; Hearn, 2000; Harvey & Peacock, 2001; Heinrich, 2001). It was essentially the civil society of the day, which orchestrated the struggle for democracy in South Africa (NDoSD, 2005).

Despite these roots, the advent of democracy in South Africa brought with it severe tests for civil society. By design, the cream of civil society leadership was absorbed into government (Heinrich, 2001). International donors shifted the focus of their funding to support establishment of the new government and institutionalisation of democracy in the country (Hearn, 2000; Harvey & Peacock, 2001; Heinrich, 2001). Simultaneously,

having achieved democracy, civil society seemed to have lost its relevance. The battle was won. Organisations found themselves faced with redefining their identity, role and their norms of practice to suit a new political environment (Bebbington, 1997; Jaime Joseph, 2000).

The actions of the new government also provided a mixed blessing. After a history of largely illegal and therefore strongly autonomous existence, civil society had to begin to conform to systems. The Non-Profit Organisations Act 71 of 1997 was passed, with the intent of creating an enabling, transparent and regulated environment for civil society (NDoSD, 2005). For the first time in history, civil society was acknowledged and formally sanctioned (Bebbington, 1997). Reforms to policy, registration, tax and funding were instated, providing legitimacy, formality and structure (Heinrich, 2001). Equally, they provided conditions for legitimacy and legality, including regulation of management, governance and auditing. A recent review of the NPO Act found that its impact has been weakest around intentions for enablement, governance, transparency, cooperation and accountability; and strongest in the area of regularisation (NDoSD, 2005). Smaller organisations continue to fail to comply with the complex and administratively demanding conditions of the Act (DoSD, 2009b). The Act is considered to have been more of a burden than a blessing thus far (NDoSD, 2005).

The early 1990s saw rapidly changing policy and regulations (Bebbington, 1997; Harvey & Peacock, 2001), a sudden loss of favour with funding agencies and crises of purpose and legitimacy for civil society. A great many organisations folded at that time. Official structures, legal constraints and formal processes continue to weigh heavily on the capacity and culture of civil organisations (Hearn, 2000; Heinrich, 2001).

In a society in which political loyalty is embodied by uncritical support, party allegiance and 'quiet diplomacy', the role of critic is not endearing. Post-apartheid civil society has emerged as largely inhibited in voicing criticism, and government is defensive and sensitive (NDoSD, 2009a, 2005). Robust, healthy, encouraged confrontation is yet to find expression and a modern culture of South African activism has yet to be reawakened (Dinokeng, 2009).

### 2.2.3. The "third sector": Defining civil society

The concept of civil society is abstract and ambiguous. Civil society is notoriously difficult to define, and tends to be explicitly redefined to suit the purposes of different contexts. Heinrich (2004) calls it "*the space where citizen action takes place*", and "*the arena, outside of the family, the state, and the market where people associate to*

*advance common interests*". Gray, et al., (2005) refer to "*all that lies between state, family and commerce*". Swilling & Russell (2002) describes civil society as being organised, private (although possibly state funded), self-governing, not for profit and voluntary. NDoSD (2005) considers a role in support to the disadvantaged, driven and moulded by community, to be essential to qualification as civil society. For the purposes of their work, Birdsall and Kelly (2007) include all non-government, non-commercial organisations, excluding parastatals, educational institutions, donor agencies and for-profit ventures. All of these definitions recognise the grey areas in their boundaries and exclusions.

It is important to note that there is no political, moral or legislative condition in qualifying as civil society. It is possible for a civil society organisation to espouse beliefs that are exclusionary, discriminatory or socially extremist if they so choose. "Bring Back the Death Penalty" is as likely a civil society organisation slogan as "Right to Life". It cannot, therefore, be assumed that civil society is uniformly in support of the South African constitution, human rights or progressive social development (NDoSD, 2005).

In fact, there is little or nothing that unites the sector. It is defined far more by its diversity than by any commonality. As an inconsistent, uncoordinated and erratic force in society, civil society does not necessarily target the poorest, is not well-shaped for consistency or scale, and has no central coordinating mechanism around the areas of greatest need (Howell 2000; Kilby, 2006). This is critical when considering the interface of civil society organisations with bureaucratic, standardised, 'best practice', services mentalities of the public and international development financing communities.

Civil society is not easily categorised (Heinrich, 2004; Gray, et al., 2005; Birdsall & Kelly, 2007). The civil society discourse is well populated with acronyms and subtly different, overlapping definitions. The following distinctions are useful for the purposes of this study:

**CSO: Civil Society Organisation.** An encompassing term which includes all non-state, non-profit organisations, including all those described below. The Boy Scouts, all churches, Alcoholics Anonymous and the World Wildlife Fund for Nature are examples of well-known CSOs.

In its broadest sense, civil society is sometimes used to refer to all non-public entities, including the private sector. For the purpose of this study, and in line with most definitions, we would regard civil society to be limited to the non-profit sector.

***NPO: Non-Profit Organisation.*** In South Africa this refers to legal registration with the Department for Social Development, under the NPO Act, as an organisation not for profit. Many CBOs, most NGOs and various other not for profit CSOs have this registration.

A small proportion of non-profit organisations prefer to register with the Department of Trade and Industry, Companies and Intellectual Property Registration Office (CIPRO) as Section 21 Companies, which entails slightly different tax, governance and regulatory conditions. This registration is seldom used by social or community development CBOs.

***NGO: Non-Government Organisations.*** By convention 'NGO' refers to a well-established non-profit organisation that is generally larger than a CBO. The Nelson Mandela Children's Fund and the Hospice Association are well known national NGOs. Many international NGOs have national and regional offices in South Africa. Oxfam, Care and Save the Children are examples of these. Established, registered CBOs may also refer to themselves as NGOs.

Although the terms are used loosely and interchangeably and the distinction is by no means formal or rigid, many of these larger organisations tend to be less closely connected to community. Their established institutional structures and non-voluntary professionalism confer looser connections to local level community development (Harvey & Peacock, 2001; Heinrich, 2001).

***CBOs: Community-Based Organisations.*** Also known as Grassroots Organisations (GROs), CBOs are defined as non-profit organisations that respond to the development needs of their own communities from within those communities. These are usually smaller than any of the other forms. They are resident and active in the community in which they have emerged, and are lead and staffed by people from their immediate locality.

CBOs range in formality from informal groups of a few concerned individuals (voluntary associations) which have never been funded or registered; to substantial, established organisations with several sources of funding, dozens of staff and an annual budget that may run to a few million rands.

***AIDS Service Organisations:*** The AIDS epidemic has created a vast, urgent and human resource hungry demand for health and social services. Virtually all social welfare and health NGOs and CBOs have a focus on AIDS-related services. Their services are specifically funded through government stipends to registered, trained volunteers

managed within these organisations, creating a sub-sector within the broader non-profit sector.

The CBOs that participated in this study fall into this category

*Networks.* Various umbrella or networking organisations have emerged in response to the organisational needs of the vast number of CBOs, many with particular attention to ASOs. Some examples include Children in Distress Network (CINDI); AIDS Foundation of South Africa; AIDS Consortium; Western Cape Networking AIDS Community of South Africa (WC-NACOSA). Networks provide a central source of support, shared experience and information to CBO members. They may offer a variety of services such as legal advice, advice on registration and tax, distribution of materials, access to online facilities, training courses, networking opportunities and mentorship. Along with yet another class of organisation, Grant-Making Organisations, some networks also act as conduits for funding for their member organisations.

These networks are often powerful players with potential to catalyse both influence upwards to national policy, and impact downwards in support of services to communities (Heinrich, 2004).

The AIDS Consortium has been the key partner in this study.

#### 2.2.4. Tensions and interests: The roles of civil society

##### 2.2.4.1. *The third sector*

Alongside the public and private sectors, civil society has been referred to as the third sector in the "*trinity of state, civil society and market*" (Howell, 2002). Civil society represents the interests of those excluded by the public and private sectors. Its position there is to protect human rights, strengthen local level participation and facilitate influence for those with least voice. Civil society is meant to be the agent of democracy (Biggs & Neame, 1995). Through their community connections CBOs are assumed to represent the marginalised (Heinrich, 2001; Kilby, 2006).

Having been largely neglected in unfolding development agenda design (OECD, 2005), the global position of civil society in development was formally recognised in the Accra High Level Forum for Effective Development in 2008. Article 20 of the Accra Declaration states that "*we [global development agenda] will deepen our engagement with civil society organisations, as independent development actors ... whose efforts compliment those of government and the private sector*" (OECD 2008). As a condition, no doubt, of their inclusion and influence, Accra considered evaluation to be a top global priority for

all sectors including “*enhancing CSO accountability for results*” and “*improving information on CSO activity*”. Recognition, influence and responsibility have come to be commensurate with playing by the rules of the global game, even where the rules themselves should be the subject of influence.

#### *2.2.4.2. The public-private-civil services niche*

In a global trend, governments have withdrawn from public service delivery, in favour of subcontracting services to the private sector (Miraftab, 1997; Lewis & Sobhan, 1999; Kilby, 2006; Albareda, 2008). Referred to as the “Thatcherite Revolution” of the 1980s, there has been a global trend in state disengagement from society (NDoSD, 2005). Under “neo-liberal imperialism”, market forces and capitalism have replaced human need as a driver of delivery, leaving a service gap to the poor. Lacking access to effective state support, and without the financial means of accessing commercial services, the poor have become steadily poorer (Salamon, 1994; Gray, et al., 2006; Lehman, 2007). Services for the poor have increasingly become the responsibility of non-government organisations, which are emerging in greater numbers throughout the world in response to this niche (Miraftab, 1997; Kilby 2006; Edwards & Hulme 1995, p. 4).

#### *2.2.4.3. Agents of democracy?*

Even without the interference of outside interests, civil society’s legitimacy in representation, democracy and participation is variable, idealised, challenging and often questioned (Kilby, 2006; Gray, et al., 2004).

The South African NGO sector is largely depoliticised (Miraftab, 1997; Howell, 2000; Birdsall & Kelly, 2007; Dinokeng, 2009; NDoSD, 2009a), with few organisations attempting influence over the policies and causes of social problems (Robinson & Friedman, 2007). NGOs and CBOs tend to avoid becoming embroiled in political debate. Where they do, they easily fall prey to party politics, losing sight of their original community standpoint (Kilby, 2006).

Funding which requires bureaucracy and efficiency further reduces consultation and inclusion (Heinrich, 2001; Kilby, 2006). As service providers, few organisations pretend to represent their constituents, and are unlikely to be democratically managed in practice, even if they aspire to be.

#### *2.2.4.4. So aren’t NGOs and CBOs actually private sector?*

Instead the NGO sector stands accused of being co-opted or ‘consumed’ by government and international donor agencies (Kilby, 2006; Birdsall, 2007; Birdsall & Kelly, 2007;

NDoSD 2009b; Winkler, 2009). Organisations are funded for service delivery by state and donor agencies, in preference to advocacy or policy influence. In a world of market imperialism, it might be asked whether funder relationships strengthen civil society and address social inequity. Or, cynically, do they simply use organisations to further their externally motivated agendas, particularly those around the flow of funds through a lucrative industry (Kilby, 2006). The intangible goals of the development sector such as utopian vision, the capacity to question and oppose, radical criticism and political activism are compromised when organisations become financially dependent (Bebbington, 1997; Lewis & Sobhan, 1999; Hailey, 2000; Jaime Joseph, 2000; Miraftab, 1997).

Non-government organisations (NGOs) and community-based organisations (CBOs) are conventionally defined as part of civil society. This definition has been contested, however, as they cast themselves as service providers to the state and donor agencies (Biggs & Neame, 1995). NGOs and CBOs, motivated by growth and expansion and responding to niches in the market, are not dissimilar to their commercial counterparts in the private sector.

These tensions between contractually funded service deliverers and advocacy-focused representatives penetrate the essence of the identities of these organisations. To the extent that NGOs and CBOs are paid to deliver services, they are essentially an extension of the private sector, rather than a member of civil society (Uphoff, 1995). As a player in the consumer pipeline, CBOs too become commodities, as do their clients (Fowler, 1995).

#### *2.2.4.5. Service providers to the poor*

Most organisations are satisfied with a safe, funding-friendly role limited to service provision, and the skills of an alert and active citizenry are not commonplace. This arrangement suits government well, with its preference for viewing NPOs as organisations and are “not for profit and service oriented” (NDoSD, 2009a). It also suits funding agencies well, with their preference for quantifiable output-based projects.

Provided they are recognised as such, and not dressed up as agents of social transformation or participatory governance, the role of most CBOs in providing services in this critical niche, is a valued one.

#### *2.2.4.6. The role of CBOs*

NGOs and CBOs are by no means a panacea to all situations. Reservations around them are largely based on theoretical, idealistic principles around democracy and equity, and

objections to legitimised 'values corruption'. If expectations are reasonable and correct, however, CBOs remain the organisations with the greatest potential to provide for both services to the needy, and some degree of local level representation of the causes behind marginalisation (Chaskin, 2009).

#### *2.2.4.7. Sustained developmental impact?*

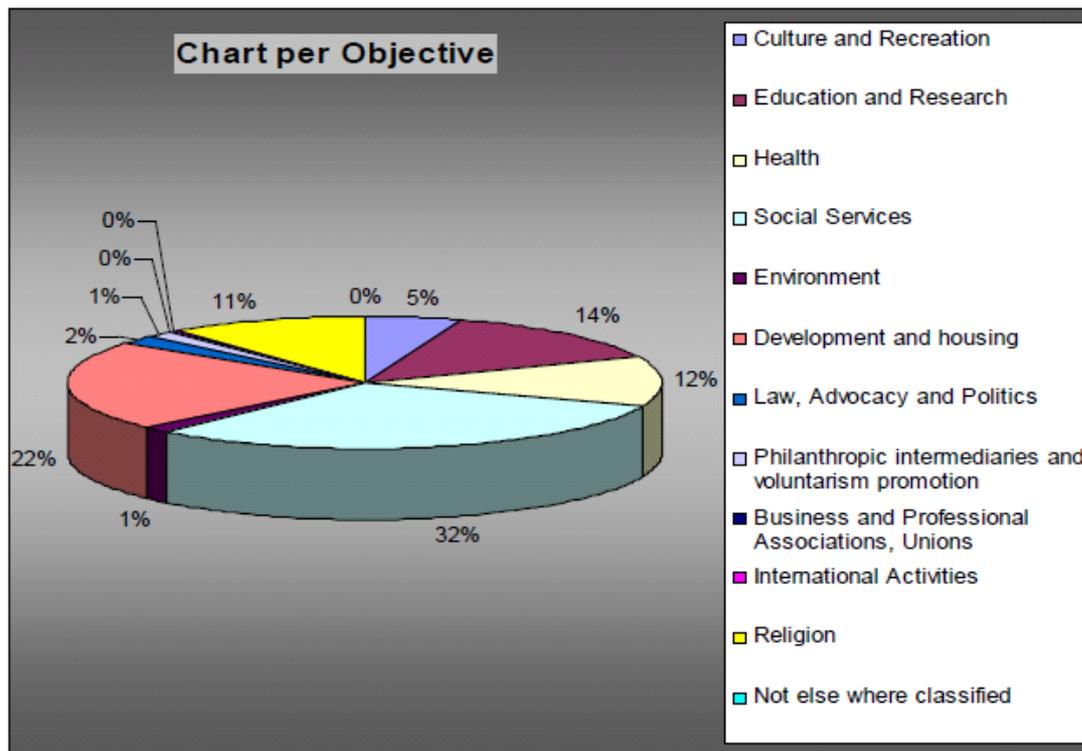
In embracing an organisational purpose of service delivery, CBOs risk engendering dependency among their clients and becoming part of a system of patronage. In creating a sense of dependency, they may disempower as much as developing (Biggs & Neame, 1995; Mirafatab, 1997; Senge, 2006, p. 61). Mirafatab (1997) observes the distinction between new NGOs working *for the poor* as consultants, rather than *with the poor* as activists.

It would be a matter of debate and research, to understand if and how CBO services, similar to public welfare and grant systems, contribute to the genuine upliftment of people, communities and society. Perhaps, like social welfare, they are a poor substitute for deeper socio-economic solutions to underdevelopment.

As relationships between the major development structures are currently arranged, however, CBOs are severely limited in the extent of their impact. With a substantial, constructive, development-focused review of the principles and processes in the industry, they have potential to contribute far more substantially and meaningfully, to more situations. While the ideal is unlikely to be achieved, far more enabling relationships could at least partially address the concerns and frustrations of commentators.

#### *2.2.4.8. CBOs in the HIV and AIDS response*

NGOs and CBOs include organisations working in agriculture, water, economic development, youth, alcohol abuse, drug abuse, the elderly and HIV, and more (Figure 3). Most NGOs and CBOs limit themselves to a broad focus area and/or a specific group of target beneficiaries (e.g. youth, children, people living with HIV), on the basis of the passion of their leaders and the skills they offer. By definition, CBOs also have a clear geographic focus around 'community'. Although an ambiguous and contested concept, 'community' serves to focus CBOs within the area that is accessible by their staff, and the range within which their clients regard them as being accessible.



**Figure 3** *NDoSD analysis of objectives of registered NPOs*

*Source: NDoSD 2009b*

As front-line service providers, CBOs have to be responsive to the integrated, holistic needs of their client base (Birdsall & Kelly, 2007). Although they are defined by thematic boundaries, these need to be far broader than the focused specialisations of organisations that are not community based.

One of the most demanding emergencies of the last decade has been the crisis of the HIV and AIDS epidemic. Southern Africa, and South Africa in particular, has been hardest struck, and is known as the epidemic's global epicentre. With around 5 million HIV+ people, 28% of those aged 15-49, South Africa has the world's largest epidemic. Despite also providing the world's largest anti-retroviral treatment programme, over 1000 people per day die from AIDS related diseases in South Africa (Dorrington et al., 2006).

Due to the cross-cutting impact of the HIV and AIDS epidemic in South Africa, many organisations, working in virtually all sectors, include HIV as one area to which they give attention (Russel & Schneider, 2000; White & Morton, 2005; Kelly, et al., 2006; Amuyunzu-Nyamongo, et al., 2007). HIV has direct mutual impact with water, housing, food security, transport, economic development, education, recreation, children, youth, the elderly, all aspects of health, town planning, immigration, crime, rural and

urban development, legal services, the workplace and the private sector, and no doubt a myriad other areas of social action.

South Africa has found itself weakly equipped to face this state of emergency. The health system is virtually dysfunctional. The public sector does not have the organisational structures or the scale or strength of systems to effectively address AIDS (Birdsall, 2007). As government and international aid agencies grapple with attempts to contain the spread and impact of HIV, civil society organisations have been important, even central players in the response (Birdsall, 2007; Birdsall & Kelly 2007; Doyle & Patel, 2008). A substantial portion of the responsibility for delivery of HIV and AIDS services in South Africa has been delegated to CBOs and funded by government and aid agencies (National Department of Health (NDoH), 2006; NDoSD, 2006).

In response to these new opportunities and the trauma being experienced in communities, the number of AIDS support organisations has burgeoned, even beyond the international trend for expanding civil society. Many CBOs are launched by those who have had personal experiences of illness, stigma, discrimination and death in their families. Many CBOs are formed as groups of officially trained and state-registered Home and Community-based Carers (HCBC). They receive modest stipends, largely from the state, to provide HIV and AIDS care in their communities. Their role is to relieve the burden on clinic and hospital systems, while providing a potentially higher standard of comfort and care to patients in their homes. CBOs also support those who are HIV+, but not AIDS-sick, with counselling and healthy life-style advice. They support those on anti-retroviral treatment with adherence training and support (Friedman, 2002; NDoSD, 2002, 2003). Given the reluctance of the health sector to provide treatment, palliative care for the terminally ill and care for children made vulnerable in the process, is among the oldest, and once most frequent, roles of CBOs. Most organisations also lobby for food parcels, social grants and ID documents, improved housing and access to social workers.

Most of all, the advantage of CBO service providers lies in being sufficiently community-centred and locally conscious to meet the varied, integrated needs of their clients in a comprehensive manner (Chaskin, 2009). Only a community organisation can have the structure, access and capability of providing household-centred, integrated services in such a wide range and variety. It is this quality that makes the network of CBOs in South African a core resource in holistic social development and in the HIV response.

## 2.2.5. Size of the NGO / CBO sector

### 2.2.5.1. *In money*

Although precise figures are impossible to collate, INTRAC (1998) estimated a global annual spend through civil society of around US\$ 1 trillion, equivalent to some of the worlds largest national economies. The World Bank estimates that around 15% of all Official Development Assistance<sup>7</sup> is channelled through NGOs (Lehman, 2007). The distribution of this financial flow, however, is concentrated into large, non-community based, established NGOs. Internationally, the spending is massively distorted towards large multi-national organisations, even more remote from the coalface of development.

Despite the size of the organisational and human capital in the NGO and CBO sectors, both state and aid funding through local level civil society is insignificant (NDoSD, 2005, 2009b). Although support to CBOs began to rise more steeply in 2001, community-based practitioners continue to receive least financial support (Kelly, et al., 2005). Many local organisations have no access whatsoever to any form of financial support (Birdsall & Kelly, 2007; Birdsall, et al., 2007). Much of the effective cost of this sector is carried by the poorest themselves, in the form of contribution of time, volunteerism and payment-in-kind (Wolvaardt, 2008).

### 2.2.5.2. *In numbers*

The last 20 years have seen a worldwide explosion in the size of the civil society sector (Salamon, 1994; Fowler, 1995; Kilby, 2006; Birdsall & Kelly, 2007; Lehman, 2007). This is largely due to the trend towards subcontracting public service provision for the poor through NGOs, rather than any indication of a particularly vibrant global civil society (Edwards & Hulme, 1995, p. 4).

This increase in numbers has been dramatic in South Africa, and the voluntary sector constitutes a massive proportion of organised social activity in the country. A total of 57,633 organisations had been registered in South Africa under the NPO Act by NDoSD by June 2009. An estimated 54,000 additional non-registered voluntary associations also contribute to this workforce (Swilling & Russell, 2002), providing an overall total of around 111,600 structures. Kelly (2005) calculates a 108% increase in the total numbers of organisations between 1995 and 2004. In three communities studied by Kelly (2005),

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<sup>7</sup> Official Development Assistance refers to country to country aid from governments, or international agency support such as the UN or World Bank.

researchers reported a 29% increase in HIV work by government between 2000 and 2004, compared with a 61% increase in effort by NGOs and CBOs in the same time period.

One of the by-products of the AIDS epidemic that is least celebrated and least leveraged, and yet most powerful, is the changing face of social fabric. In numbers, community members have organised themselves and created focal points for the flow of information and resources. Clustered into networks of organisations, they have further created the national construct of a very different future style of citizen influence. Across Africa, we see the seeds of a new form of governance and engagement across Africa (Swidler, 2006).

#### *2.2.5.3. In people*

Using the health sector as an example, a comparison between the public and civil sectors provides some reflection of the relative scale of NGO and CBO human resources. NDoSD (2005) estimates an average of 14.3 members, employees or active volunteers per NGO or CBO. Approximately 12% of the 111,600 odd organisations work in health and/or HIV (Figure 3). On this basis we might estimate a workforce converging around health-related NGOs and CBOs alone, of over 200,000 people in around 13,000 organisations.

The public health sector employed a total of 136,985 health professionals of all types, across all disciplines in 2008 (HST, 2008). Ramkisson, et al., (2004), recorded a total of 3,435 formal public health facilities at all levels.

In terms of both warm bodies and institutional fabric, the NGO sector provides a shadow workforce, 2/3 more numerous, in almost four times as large and complex an institutional fabric, receiving a fraction of the financial investment (NDoSD, 2005, 2009b). This discrepancy of effort resides in the officially mandated, tax-supported, legal responsibility of public health provision.

With 32% and 22% of organisations working in social services and housing /development respectively, we might expect to see an even more pronounced civilian contribution to the broader development agenda.

It is important to note that while most professional medical skills (remaining with the health example), are not transferable to voluntary organisations, neither are the social mobilisation, holistic, household-centred services of community organisations easily transferable to public agents. Also, there are services that could be provided in the paramedical setting of HCBC, but have been excluded from delegated services, thereby

effectively denying these services to large numbers of patients. The workforces can only be effective together if they dovetail and compliment their respective strengths, and learn to work with mutual trust and respect.

## 2.2.6. Organisational behavior and organisational relationships:

### 2.2.6.1. *Power*

Power and politics lie at the heart of development (Quinn Patton, 2002, p 103; Miraftab, 1997). Self-perpetuating, power is distributed through norms constructed by the powerful in their own interest. The less powerful have become so through social systems that have evolved to meet the interests of the more powerful (Kaplan, 2002, p 93; Kilby, 2006).

Development practice is rooted in power dynamics. While the powerful may endeavour to 'empower' those who are less powerful, "*power being bestowed to those without power is itself a manifestation of power*" (Kilby, 2006). Development faces the conundrum of investment in the existing distribution of power, in systems designed not only by development agendas, but also by global economics and politics. Intentions of empowerment that confer dependency, either materially or emotionally run the risk of ultimately disempowering (Kilby, 2006; Senge 2006, p. 61).

Power is therefore complex and paradoxical. It is desirable and yet it corrupts. Power begets power, and yet it also undermines itself, as distance, ignorance and delusions grow in synchrony with the growth of power (Kaplan, 2002, p. 93). CBOs squarely straddle the cultures of capitalist market-forces (paying for service delivery) and socialist community contribution (voluntary community development). Power play and contradiction, each vested in different ways at the heart of these two global paradigms, are rife in this context.

NGOs and CBOs themselves are by no means immune from the siren of power. People and organisations that emerge as leaders with influence in poor communities are unlikely to relinquish their own hard-gained positions (Uphoff, 1995). These organisations themselves become intent on holding onto their own position of influence. This distorts their allegiances upwards to those more powerful, and away from those below them in the 'food chain' with least power (Eade, 2007).

Despite its great influence, power is essentially a perception (Sen, 1987; Bhana, 1999, p. 235; Kaplan, 2002; Ebrahim, 2003). Social conditioning, including perceptions of power, is constructed and embedded by society and culture, requiring the collusion of

both the powerful and the powerless (Kaplan, 2002; Kilby, 2006). In hierarchies, individuals at each level are far more likely to believe in their own relative powerlessness, than to imagine themselves elsewhere in the hierarchy of influence (Senge, 2006, p. 145).

Power becomes even more challenging to confront when we consider how little people are aware of their own power. More often than experiencing positions of power or powerlessness with awareness, people simply react as the system seems to dictate, feeling compelled to behave in certain patterned ways (Senge, 2006, p. 4).

Although contrary and fraught with the unanticipated, engaging constructively with power dynamics is key to exploring social potential. Power imbalance and tensions between disparate positions, have the potential to fuel great creativity and innovation, if these tensions are surfaced and engaged. Smoothing, denying, avoiding or fearing tensions, prevents learning and cripples relationships. To the extent that power is the problem, its forces are equally the solution.

#### *2.2.6.2. Donor relationships*

One of the problems most consistently cited by almost all CBOs is that of financial sustainability (Bebbington, 1997; Harvey & Peacock, 2001; Brown & Kalegaonkar, 2002). As voluntary, non-profit organisations, CBOs, and particularly those in the service industries, have come to rely more on funding from government and aid agencies (Edwards, 1999; Edwards & Hulme, 1995, p. 5) than on the membership fees or unconditional charitable donations of historic civil society. For the great majority, neither funders nor CBOs have experience, skills, time or precedent for mutually powerful partnerships (Soal, 2001). They market themselves, submit project proposals and attempt to persuade funders of the value of their services in order to raise a regular flow of funding to sustain their organisation and its work.

Qualification for funding is determined by existing organisational capacity, such as banking, infrastructure, communication systems and an ability to write well in English (Kelly, et al., 2005). Organisations that meet such criteria are generally those that are most resourced. They seldom come from more deprived communities. Neither do these resources or capacities necessarily correlate with ability to work effectively for constituents, or understand their needs and concerns. Funded organisations are also more likely to be those offering services, than those which provide social mobilisation as representatives of the marginalised (Edwards & Hulme, 1995, p. 7).

Most funding agencies regard support to core functions, such as office space, communication or salaries to be unsustainable, and expect these to be mysteriously provided from elsewhere (Kelly, et al., 2005). Organisations therefore design their programmes in terms of projects for different funding agencies, and siphon off percentages for core functions, using creative budget line items that fall within donor permissions.

Despite the vast numbers of available organisations, funding tends to be clustered among a few 'old favourites' or established recipients (Koch, 2009). At community level this often leads to well-funded organisations working adjacent to those doing the same work on an entirely voluntary basis (Kelly, et al., 2005). Many small organisations have never received financial support (Birdsall & Kelly, 2007).

Constructive, respectful, aligned, locally owned and mutually accountable relationships are critical to effective development (OECD, 2008; Wheatley & Frieze, 2006). Given the vast gulf in organisational cultures, and the intensive, low-cost, high input work of CBOs, large donor agencies do not have the manpower, inclination or capacity to enter into funding agencies with community organisations (Birdsall, et al., 2007).

One solution to this has been the inclusion of mechanisms and intermediaries that recognise the different needs or local practitioners, into the organisational equation. These are intended to provide a supportive, direct, flexible interface between funders and CBOs (Birdsall, et al., 2007; NDoSD, 2009b). Even then, the role of intermediaries is a challenging one. It requires facilitating both reporting against funder requirements, and developmentally sound use of funding that compliments and supports CBOs (Kelly, et al., 2005).

Perhaps the most intractable challenge in manoeuvring towards more mutually constructive stakeholder dynamics is the size and weight of the global structures in which these challenges are hosted. "*... All of us are trapped in structures; structures embedded both in our ways of thinking and in the interpersonal and social milieus in which we live. ... Often the structures are of our own creation. But this has little meaning until the structures are seen*" (Senge, 2006, p. 160). Few of the structures of mindsets in this context are more intricate than those that define accountability.

#### 2.2.6.3. *Downward accountability: Constituents*

The concept of accountability is central to funding relationships and evaluation. Who has legitimate rights and responsibilities to act in any particular context? How are their performance and commitment in those rights and responsibilities judged and upheld?

Accountability asks that each participant in a relationship fulfils its role (Gray, et al., 2006; Kilby, 2006; Soal, 2001). CBOs have multiple, often conflicting, sometimes mutually distracting, sources of accountability (Edwards & Hulme, 1995, p. 9).

What gives an organisation the right to intervene when it has not been democratically elected? Should it not be answerable to its community for its actions? Whose interests does the organisation serve? What are its hidden self interests? Who is included, and who is not? Who holds it to account? How is this implemented or negotiated? How does it have impact? Impact on whom? Could it have negative impact? These questions apply equally to CBOs, as to the global organisations of which the CBOs themselves are beneficiaries. They are the concerns of downward accountability (Edwards & Hulme, 1995, p. 9; Kilby, 2006).

Accepted wisdom assumes that CBOs are best placed to address issues at the local level, and have the closest understanding of the complexity of the underlying problems and needs in this context (Kaplan, 2002; Strode & Grant, 2004; NDoH, 2006). Despite their community origins and proximity, however, their legitimacy in this role is often questioned (Hearn, 2000; Heinrich, 2001; Ebrahim, 2003; Gray, et al., 2006). These organisations are often self-appointed and self-regulating. Their decisions and approach are usually primarily hinged on their own perceptions of local needs. These decisions may be well-informed by their experience, but they are not necessarily taken with much democracy or participation (Edwards and Hulme, 1995:7; Kilby, 2006; Abrahams, 2008).

Power, including the power to demand accountability, increases up the organisational hierarchy, until donor agencies are held to ultimate account by their political leaders and employers (Kilby, 2006). With the weight of the hierarchy above them, CBOs claims to democracy, community participation and downward accountability are completely subsumed by accountability for funding. Despite having been commissioned as service providers to the poor by funding agencies, the rhetoric of community is merely lip service to a structurally impossible set of values where the power wielded from above far outweighs the power of beneficiaries to have their interests taken into account (Uphoff, 1995). In a decidedly patriarchal fashion, this lip service generally takes the form of international agencies imagining and defining the needs of community members.

Kilby (2006) provides insight from practice on options for more effective downward accountability. Legitimate downward accountability is possible in the form of

representation. This is where a community organisation is seen as an owned insider by sufficient community members, and where its clear, unambiguous purpose is defined and accepted by those it represents. Organisations in Kilby's study in India which had strongest solidarity with constituents, also achieved the great impact in terms of local empowerment. Collective, disinterested consensus on funding decisions and funder relations would require delicate balancing in this setting, balance which would be readily derailed by both local and external interests. Representation is seldom, therefore, the reality for communities or organisations.

Less convincing, and also rare, is accountability through participation. In this model, constituents are asked for input. Mechanisms or spaces for communication are made available. Input is taken into account by decision-makers (Kilby, 2006).

The vast majority of CBOs do not create formalised downward accountability at all (Gray, et al., 2006). CBO accountability to communities is informal and voluntary, based largely on good intentions and local relationships (Edwards & Hulme, 1996; Edwards, 1999; Ebrahim, 2003; Kilby, 2006). Although informal and inconsistent, NPO registration, public visibility, the media and peer pressure all provide for CBO accountability. Furthermore, community members tend to vote with their feet. After a while they may close their doors on CBOs that they do not consider likely to provide a positive change in their lives.

#### *2.2.6.4. Inward accountability: Staff and volunteers*

Inward accountability is critical to individual and organisational motivation, governance and performance (Hall, et al., 2007). CBOs are dependent on volunteers or low-salaried employees to staff their efforts. In a context of marginalisation and unemployment, volunteerism is a form of subsistence and a source of opportunity (Kelly, et al., 2005). Organisations are therefore particularly accountable to the needs of their workforce and to the motivation that inspires their staff to contribute (Swidler & Watkins, 2009).

Equally, an attitude of commitment, responsibility and accountability by members in the workplace is essential to individual and organisational effectiveness (Hall, et al., 2007). This is difficult to institutionalise in a voluntary setting. Motivation and volunteer discipline are a perennial challenge for CBO managers, and are nurtured most by an ethic of strong, personally relevant, internal accountability by leadership.

For most, weak human resource management systems, with little or no attention to the personal goals or career paths of staff and volunteers, are more common than 'happy

families' in CBOs. Organisations face regular internal conflict and management battles, and high staff and volunteer turnover is inevitable (Birdsall, et al., 2007).

#### *2.2.6.5. Upward accountability: Funding sources*

While questions of downward and internal accountability may challenge CBOs, few if any routine conventions facilitate accountability in these relationships (Eade, 2007). By contrast, upward accountability to funders is clear, structured, formal and enforced (Bornstein, 2006a). It is the subject of global interest and attention (O' Dwyer & Unerman, 2008; OECD, 2008).

Framed by funder:recipient power dynamics, the terms of accountability are defined by the donor (Ebrahim, 2003). These may be in direct conflict with downward and inward accountability (Kilby, 2006). Funding recipients are accountable to funders first for honest expenditure, and second, for achieving the goals against which they were contracted (Ebrahim, 2003, Kelly, et al., 2005). Accountability is generally concerned with policing short-term, rule-following behaviour (Gray, et al., 2006).

In practice, few funding agencies prioritise learning, constructive social process or organisational development (Edwards & Hulme 1995, p. 9). The main reason for this is that funders find it difficult to sell the long time-frames and the unmeasurable, abstract qualities of all except simple outputs to the politicians and shareholders to whom they are accountable. Upward accountability invariably compromises recipient autonomy and authenticity (Abrahams, 2008).

Accountability for funding remains set in corporate concepts of cost:benefit (Gray, et al., 2006), despite these concepts being irrelevant to social settings. Profit is not a measure of success here, and a great deal of cost is carried in kind by volunteers. The benefits of social change are intangible, largely unquantifiable and priceless.

Ebrahim (2005) suggests that the current norm of 'the more accountability, the better' warrants reconsideration. Even financial reporting can be used to disguise irrelevance and ineffectiveness. Meaningful accountability depends more on relationship and integrity than bureaucratic systems. Accountability should serve development, as opposed to serving the developed, or being an end in itself. Binary donor:recipient relationship accountability should be replaced with the more holistic network of relationship and responsibility for all parties.

Organisational success has been found to be greater where accountability is informal, personal and founded in opportunistic feedback and ongoing discussion on norms and

values between members of funding agencies and practitioner organisations (Edwards, 1999; Kilby, 2006; Gray, et al., 2006).

Gray, et al., (2006) suggest that accountability should be rights-based, particularly with regard to supporting the rights of funding recipients to hold their power and dignity. Accountability should meet criteria of i) morality (*Do we have the right to hold to account?*); ii) performance (*Does this accountability improve effectiveness?*); iii) political space (*Does accountability support influence and credibility?*); and iv) democracy (*Does it represent the people?*). Scientific concerns around data trustworthiness, rigorous measurement, randomness and sampling, proofs and evidence, do not particularly feature in any of these criteria for successful accountability relationships.

#### *2.2.6.6. Holding the powerful to account*

The holding of the state to account should be a central function of civil society (Habib, 2008; Dinokeng, 2009). Advocacy is challenging when there is financial and regulatory dependency. The role of civil society in representing the interests of communities to the state is far simpler if not complicated by funding. Financial support is mildly suggestive of an underlying agenda of control, and the use of civil society to build citizen allegiance that is tolerant of public sector under-performance (Hearn, 2000; Edwards & Hulme, 1995, p. 14). Financial support becomes a source of power and a hold on loyalty, where holding to account is seen as a form of disloyalty.

While holding ones own government to account has its challenges, it is virtually impossible for local representation to hold international government agencies or independent charitable organisations to account. Despite their enthusiasm for accountability, these agencies themselves have virtually no responsibility to answer to constituents in their beneficiary countries. The fundamental mind shift necessary for mutual accountability to become conceivable is not a recent observation, but it does remain elusive and is a long way from resolution (Fowler, 1995).

#### **2.2.7. Monitoring and evaluation (M&E)**

Evaluating the achievements of organisations depends on the goals concerned. In commercial organisations, evaluation may focus on sales, profitability, shareholder satisfaction and staff retention. For non-profit development organisations, the measurement of organisational performance is more complex (Gasper, 2000; Gray, et al., 2006; Soal, 2001; Chaskin, 2009). The science (or art) of development M&E is the

focus of a rapidly growing collective body of knowledge and discourse<sup>8</sup>. This is largely motivated and financed by funding agencies to meet their needs for accountability.

M&E is well-established as a fundamental element of management by international development funding agencies (Gasper, 2000; Bornstein, 2006a; Kilby, 2006). The discipline of M&E has also recently emerged as increasingly important for the South African government. The current government has established a Department of M&E within the Presidency, as a further mechanism for establishing public sector M&E from the highest level. Positioned at the bottom of the hierarchy for both donor agencies and government, the demands for M&E from CBOs have been considerable.

In common with most organisations, CBOs are not naturally inclined towards M&E or reflection (Gasper, 2000; Kaplan, 2002; Bornstein, 2006a). They are organisations that tend to be caught up in the urgency and action of their community work. In allocating their overcommitted human and financial resources, they are unlikely to prioritise either counting their productivity (monitoring) or reviewing its effectiveness (evaluation) (Birdsall, et al., 2007).

When CBOs find themselves obliged by government and/or external funders to meet M&E requirements, they tend to view these new concepts, practices and reporting requirements with little enthusiasm (Mebrahtu, 2002; Bornstein 2006a; Yachkaschi, 2006). Evaluation is experienced as expensive and wasteful (Ebrahim, 2003). Organisations feel that they are sufficiently knowledgeable of their situations and aware of their impacts. The time-consuming, tedious process of formal documentation has little relevance for their operations. Despite its potential for organisational value, the term 'M&E' causes many to quail and resist. This is likely to be largely due to the style, processes and power dynamics that surround M&E.

The form, frequency and methods for M&E tend to be donor dictated (Gasper, 2000). Its concepts and terminology are remote from the interests and vocabulary of CBO managers and field staff (Clarke, 2006). Furthermore, evaluation tends to require that information on a particular donor-funded intervention be reported in artificial isolation from the other integrated activities of the organisation. Furthermore, evaluation is invariably disinterested in the health and development of the organisation itself (Ebrahim, 2003; Bornstein, 2006a).

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<sup>8</sup> E.g. International Development Evaluation Association (IDEAS); International Initiative for Impact Evaluation (3iE), European; American Evaluation Association (AEA); African Evaluation Association (AfrEA); South African Monitoring and Evaluation Association (SAMEA), all of which have websites, conferences and members.

In the circumstances, it is not surprising that evaluation has minimal value to organisations outside of donor record-keeping. Organisations perform M&E functions dutifully, to meet the requirements of their funders. They seldom embrace the positive intent behind M&E or adopt evaluation practices for their own management purposes (Ebrahim, 2003; Lewis & Sobhan, 1999; Birdsall, et al., 2007).

Compliance M&E also tends to absorb any time and enthusiasm organisations might have had for structured, deliberate learning from experience. Set in M&E systems that are rife with irrational conventions, all of those involved in perpetuating it become entrenched in 'skilled incompetence'. They become expert at upholding sophisticated systems to protect themselves from learning (Senge 2006, p. 172).

The failure of conventional M&E to serve development through CBOs lies less in the principle of learning from practice, than in the processes and systems by which this is designed. Balance of power is profoundly affected by the processes through which organisations engage with each other (Miraftab, 1997; Kilby, 2006). Dictated, external systems, rigid reporting, intimidating terminology and complicated quantitative approaches are the epitome of power disparity. The standardised processes, checklists, templates, forms and complex ambiguous terminology tend to be meaningless in the peculiarities of an organisation's context. The experience of feeling uncertain and ignorant, but forced to comply, undermines power and creates unequal relationships (Creswell, 2007, p. 40). These are the characteristics of the entrenched, conventional systems of M&E training, funding conditionality and the funding environment.

#### *2.2.7.1. Conventional, 'logical' evaluation methods for M&E*

In the last several decades, development by international funding agencies has used predictive, linear models, or logical frameworks, for planning and evaluation (Table 1) (Norwegian Development Agency, 1999; World Bank, 2000; British Department for International Development, 2002; Australian Agency for International Development, 2005). This 'corporate-derived managerialism' remains entrenched despite decades of objection (Edwards & Hulme 1995, p. 13; Biggs & Neame, 1995; Fowler, 1995; Gasper, 2000; FAHAMU & CAE, 2004).

Organisations designing the time-bound, output-oriented projects favoured by most funding agencies for the first time face an entirely new set of terminology (Clarke, 2006; Abrahams, 2008). Beyond bringing new vocabulary, however, the underpinning assumptions and concepts are foreign and ill-suited to a local development setting. Some of the core concepts include:

- Specific *activities* and *outputs* are described and quantified for the project time period in advance.
- The *outcomes*, *impacts* and *higher level impact* that will results from this must be predicted from project *objectives*, *purpose* and *goal*. This abundance of synonyms must all be used, and correctly distinguished according to the carefully regulated, but different, conventions of each funding agency.
- *Objectively verifiable indicators* must be defined in advance, which will show that the intended impacts, outcomes and outputs have been achieved.
- Each indicator requires a *mode of verification*, or a concrete performance audit trail, as documented evidence of achievements.

**Table 1.** *Abbreviated outline of a typical logical framework type matrix*

<i>The linear results chain</i>	<i>Programme commitments</i>	<i>Indicators</i>	<i>Means of Verification</i>
<b>Goal</b>	<b>Collective impact:</b> What are the high level problems that the programme will contribute to (e.g. inequality in society)	How will we measure progress against this goal (e.g. GINI Coefficient)	Evidence that proves that this indicator result is valid
↑	Does the purpose contribute to the goal		
<b>Purpose</b>	<b>Impact:</b> What immediate and tangible difference will the programme make in society (e.g. more effective CSI)	How will we measure (e.g. CSI index)	
↑	Does the outcome contribute to the purpose		
<b>Outcome</b>	<b>Objectives:</b> What do we expect the audience of this programme to experience (e.g. CSI awareness and strategy raised)	How will we measure this (e.g. CSI participating companies review strategies and increase budget allocations to CSI)	
↑	Do the outputs achieve the outcome?		
<b>Input/ Output/ Activities</b>	<b>Activities:</b> What direct resources, actions and overall projects the programme undertakes to achieve this outcome (e.g. workshops, documents, guidelines).	What will we count (Budgets, numbers of copies, numbers of participants, workshop evaluations)	

Rooted in positivism, these concepts make several assumptions which are open to interrogation:

- *Linear and simplistic:* What are the ripples and interwoven social impacts of an intervention? Does social development have linear influences along single dominant directions in a simplistic causal chain (Senge 2006, p. 73)? Can they be captured meaningfully in a simplistic, uni-dimensional framework (Gray et al.,

2006; Chaskin, 2009)? How does a narrow goal and purpose reflect a holistic system (Gasper, 2000; Soal, 2001)?

'Input > output > outcome > impact' is routinely dignified as social intervention (Bornstein, 2006a). Although possibly too simplistic for even the most basic activity, frameworks of this nature are used from complex local social settings, right up to multifaceted national strategies (Gasper, 2000).

The results chain is also the standard core content of planning and M&E training courses. It can be helpful in planning rationale, although even in this application it is far more restrictive than 'Theory of Change' thinking. In evaluation, however, the results chain stifles common sense.

- **Short-term:** Projects, milestones, predefined indicators and outputs *prevent* permanent, sustained development.
- **Predictability - Predefined criteria for success:** Can we predict the outcomes and impacts of what we do in a complex social setting (Bornstein, 2006a)? Can we predict the evidence and indications of outcomes and impacts?

To the extent that social change is emergent, it is also unpredictable and uncontrollable (Fowler, 1995; Seel, 2006). Evaluation priorities, issues and questions emerge from organisations and interactions as they unfold, and the impressions, assumptions and imaginations during conception are little more than crystal ball gazing (Bhana, 1999:228; Potter, 1999, p. 220). If viewed correctly, as the rationale for decisions and a step in a learning process, the crystal ball is powerful. Regarding these statements as fact, however, is delusion.

To the extent that we restrict our attention to our predictions during evaluation, we then exclude and undermine far more powerful and sustainable emergent and unpredictable impacts (Uphoff, 1995).

- **Denominators:** How do we rationally define the denominators for any social outcome? What are proportions of our efforts relative to the total need?
- **Tangibility:** Most funders focus on measurable, demonstrable, tangible achievement in short-term, project-styled interventions (Gasper, 2000; Conlin & Stirrat, 2008). How often are these the most powerful opportunities for impact (FAHAMU & CAE, 2004)?

Focusing only on the tangible is in direct opposition to sustained, meaningful development. It is the follow-through, value and appreciation beyond the intervention that confers its permanence and meaning (Uphoff, 1995). The process of an intervention, as opposed to outcome, is seldom reflected in M&E, although how things are done can have far more powerful, and lasting, social implications than what is done (Gasper, 2000).

- *Economics*: What are the cost:benefits of social interactions? How do we know whether a person or a community has received a good, cheap programme, or a weak, expensive one? How do we assign a monetary value to dignity, hope, relief of anxiety, or community participation in politics or the socio-economy?
- *Density*: The meanings of the terminology used with these models and frameworks tend to be overlapping and ambiguous.
- *Top-down*: Dictated from a position of financial authority, insistence on standardised bureaucratic methods epitomises donor power and control. At the same time, it absolves the powerful themselves from being held accountable (Gasper, 2000).
- *Standardised*: The various illogical concepts of predictability, tangibility and social economics are obstructive to effective process. But even logical, sound processes would be doomed, if based on the assumption that a bureaucratic, detailed, prescriptive and homogenous structure can capture the vast array of situations, contexts and organisations participating in the development milieu (FAHAMU & CAE, 2004). Is any standardised, externally contrived planning and management system justified (Gasper, 2000)?

#### 2.2.7.2. *The impact of funding and evaluation on organisations*

While many CBOs aspire to lucrative sponsorship they seldom appreciate the organisational sacrifice implied. Donor agencies do not ask, and are not told by their ever-respectful recipients, of the impacts of their relationship style and methods (Gasper, 2000). Despite the rhetoric of accountability, there are a great many sacred cows in the development industry that are excused from exercises in self-evaluation. The principles and practice of standardised, linear evaluation are among these.

Rather than being guided by community

“Our work is being dictated from abroad, and communications with the funding agency becomes defining moments in the life of the centre

*Interview with local NGO (Birdsall 2007)*

development, priorities tend to follow funder opinion which has a propensity for faddishness and is informed a long way from reality (Howell, 2000; FAHAMU & CAE, 2004). Organisational goals, culture and values are often influenced, if not replaced, by those of the funder or the current funding fashion (Edwards & Hulme, 1995, pg. 5; Bebbington, 1997; Miraftab 1997; Lewis, 1998; Lewis & Sobhan, 1999; Hailey, 2000; Hearn, 2000; Heinrich, 2001; Birdsall and Kelly 2007). Organisations tend to feel pressurised to align their activities to meet the conditions, preferences and changing fashions of donor thinking, towards tailoring their organisation fundability (Edwards, 1999; Gasper, 2000; Kilby, 2006). Funding may well also carry donor-defined moral imperatives and value-based conditions, particularly in the fields of sexual health and HIV (Kelly, et al., 2005).

Another major challenge to organisation is the preference for donors to fund projects with specific, measurable outputs. These may be planned over a defined time period, often even in prescribed location, and perhaps for a donor-selected target groups (Edwards, 1999; Bornstein 2006a; Birdsall, et al., 2007; Birdsall & Kelly, 2007). In many cases these conditionalities bear little relation to local development agendas, or even national priorities (Lewis & Sobhan, 1999; Heinrich, 2001). Beyond their content, the concept of measurable outputs is in conflict with CBO culture. Many of the achievements of community organisations are relationship-based, abstract and unmeasurable. Those that are most relevant cannot be captured quantitatively.

Funding also brings stringent demands for accountability and demonstrable impact (Bornstein, 2006a). Many donors dictate formal, linear, standardised methods and approaches, especially around planning, monitoring, evaluation, financial management and reporting (Biggs & Neame, 1995). The ability to spend rapidly according to the associated budgets is then seen as an essential organisational competency (Chambers, 1995). These approaches are not aligned with competencies that are available, desired or needed in the organisation's core functioning.

The systems needed in order to manage funding tend to place extraordinary, conflicting demands on CBO systems. CBO systems tend to be informal, sometimes subconscious, and apparently simplistic. They have evolved, however, with the organisation to meet its ordinary needs. Community participation and membership involvement, for example, may be central to an organisations' culture. These operate at the slow and apparently unproductive pace of collective activities and lengthy consultation (Chambers, 1995). Slow pace and invisible productivity are generally scorned by funding agencies.

Caught in the funding chase, organisations can find themselves at a loss for an organisational identity of their own (Kilby, 2006). This is exacerbated by the penchant of certain donors to have branding as conditions of their support. Local initiative, lead, motivated and managed by members of a community, emblazoned with “from the American people”, is sure to create identity, credibility and associational confusion.

Unless well-managed, relationships between NGOs and their funders can threaten the essence of the CBOs existence. The core competencies that make NGOs competitive in terms of their contribution to society, from society, and by society, are in danger of being lost in the urgency for professionalism, sustainability and measurable impact (Heinrich, 2001). In addition to the distraction from advocacy and influence work (Dinokeng, 2009) donor relationships tend to neglect internal attention to organisation development, in favour of focusing on providing increased volume and range of services (Kilby, 2006). Development organisations risk being caught up by the economic logic of maximum output for minimum cost (Lehman, 2007).

Funder systems may require that an entire raft of new systems be superimposed on existing ways of doing things, potentially to the detriment of the established order (INTRAC, 1998). The highly technical production of M&E reporting and funding proposals tends to be allocated to leaders, and excludes field staff. It draws leaders from their critical roles, and marginalises the influence and input of field staff (Bornstein, 2006a; Clarke, 2006; Abrahams, 2008). Leaders in organisations become preoccupied with fulfilling requirements that are neither understood nor embraced, replacing their own original, pragmatic and relevant thought and communication processes (Ebrahim, 2003; Bornstein 2006a). Frameworks or rules are intended to help people think. Used in excess or inappropriately, however, they prevent thinking, ‘freeze thought’ and reduce peoples’ faith in their ability to think without these rules (Gasper, 2000).

In a survey by Bornstein (2006a), more than half of interviewed NGO managers’ time was devoted to meeting donor reporting requirements. Excessive reporting detracts from the real work of organisations. It causes a distortion in planning and activities towards attempting to force reportable achievements into set timeframes (quarterly reports, for example).

In sum, funding has profound structural and institutional impact. These may be seen to be desirable at the outset, but they can prove disastrous in the longer term. Staff may be increased, systems created, activities and expectations expanded and connections multiplied. Staff members begin to be selected for professional skills, where they were

previously attracted for their social commitment and ideology. Funding is bound to increase the scale and scope of small organisations (Miraftab, 1997), particularly where it is attached to projects and activities that have not been part of established organisational functions. All of these growth areas create funding dependency, and carry the associated risk (Kelly, et al., 2005; Birdsall, et al., 2007; Kilby, 2006). If funding ends, professional staff lose their jobs, voluntary staff are disenchanted, programme beneficiaries are no longer served, infrastructure cannot be supported, and there is every possibility of the organisation regressing to a state far weaker than before it was funded. Chasing funds on the treadmill of donor flattery therefore becomes fundamental to survival, and each 'successful' relationship continues to raise the stakes and the risks.

In the light of this pressure, among the most disempowering impacts of donor funding, and the associated M&E requirements is the encouragement of deception as "*the only sensible way out of an irrational and semi-coherent situation*" (Bornstein, 2006a; Chambers, 1995). Massaging of results for the purposes of donor relationship may be justified as 'doing no harm' and 'a fair means to an honourable end'. How, however, does this mindset impact on organisations founded in moral integrity and values? The costs of selective reporting include self humiliation; time to master the rules of winning the game; fear and anxiety distracting from focus; a loss of realness and seriousness; and self-deception (Bornstein, 2006a). Critically, also, the market spin in reporting that exaggerates success and downplays failure, constitutes a loss of learning opportunity (Ebrahim, 2003; Kelly, et al., 2005; Kilby, 2006). Deceit and manipulation are the weapons of the powerless. Their use reinforces a self-perception of powerlessness.

In some cases intermediaries, managing agencies or consultants are tasked, and paid, to report and show accountability on behalf of those who are '*not good at writing*' (Kelly, et al., 2005). Subcontracting M&E, reporting or planning creates a consultancy niche and a cost to development which adds little value to the delivery of development outcomes. Indeed the loss of ownership and power are detrimental (Lewis & Sobhan, 1999; Gasper, 2000; Bornstein, 2006a). The use of consultants in this role reinforces dependency, dramatically dilutes autonomy and self-representation, diverts funding and precludes learning. Organisations subcontract their thinking, and give away their right to intuition and trust in their own perspectives (Soal, 2001). The loss of intuition is a further injury to power. Intuition, more than rationality, constitutes most a manager's skill in guiding complex systems (Senge, 2006, p. 157). Trusting intuition is part of the essence of power.

Where independent, external evaluation is deemed valuable, it should always be commissioned by the organisation through its own procurement processes. It is non-negotiable that it should also be framed as a learning tool, rather than an exercise in judgement. Financial audits, as a normal legislated requirement of registration, are intended for the purpose of honesty. Every other evaluation is ultimately about learning, organisational support and programme development. These evaluations should also include strong two-way accountability, where the parts played by both funder and recipient are a subject for mutual reflection and communication (Bornstein, 2006a).

In their passion for funding, few organisations would thank us for dismissing its value altogether. It would also be a profound loss of opportunity to 'throw out the baby with the bathwater'. For funding relationships to be constructive either in organisational or community development, however, the approach, philosophy and ground rules need to be revolutionised. Constructive funding relationships need to be built on partnership, learning and transparency. These depend on long-term, trust-based, communicative, personally connected, committed inter-organisational relationships (Lewis & Sobhan, 1999; Kilby, 2006). Relationships need to be based on open dialogue and evolving understanding of the situation being addressed. The typical short-term, evidence-based, uncommunicative and disconnected relationships have little potential for serious contribution. Specified outputs, systematised communication and a 'contract culture' have little place in mutually respectful relationships.

#### 2.2.8. Capacity building

CBOs are widely regarded as lacking "capacity to manage their affairs and delivery services" (NDoSD, 2005). A great many CBO contracts therefore include a weighty capacity building element. Organisation can take different paths to achieve the same learning or capacity outcomes (Birdsall, et al., 2007). The term 'capacity building' refers to a spectrum of support and training interventions. It ranges from training on donor compliance and funder language (most M&E courses); to individualised, personal support which responds to the needs of the CBO (Kelly, et al., 2005).

The impact of training, ownership of learning and application of context vary along this scale. At the lowest end of the scale, value is generally minimal in compliance training. Besides, capacity can hardly be regarded as enhanced, when the purpose of training is to overcome obstacles constructed by the 'capacity builders' themselves (NDoSD, 2005). Responsive, dynamic mentorship approaches can, by contrast, be transformative.

Offset against the differences in impact, however, standardised, packaged training is far cheaper and can reach far larger audiences than personalised interventions. Larger, established organisations can derive useful tools and procedural compliance information from mass training, making it cost-effective and efficient where this is its purpose.

## ***2.3 Towards alternative principles and practice in evaluation for CBOs***

### **2.3.1. Organisational Learning: Moulding organisational behaviour**

Organisations, groups and individuals only deeply embrace change when they have actively seen, felt or experienced a new truth. Peter Senge (2006) considers the achievement of a learning organisation as a culmination in organisational sophistication. A learning organisation is one that *"proactively creates, acquires and transmits knowledge and that changes its behaviour on the basis of new knowledge and insights"* (Kreitner & Kinicki, 1997, p. 628). It is a continual state of learning which defines such an organisation. Learning is not an achievement, or an endpoint, it is a state of being (Senge 2006, p. 132).

A learning organisation is characterised by strong leadership, a willingness to experiment and fail, realistic and broad-minded interpretations of success, and an enthusiasm for reflecting on all experiences (Chambers, 1995. Birdsall, et al., 2007). Self-awareness and self-evaluation are essential competencies (Kreitner & Kinicki 1997, p. 631). Skills, tools and communication for learning do not necessarily come naturally to organisations. The behaviour of a learning organisation needs to be nurtured and institutionalised. The ability to learn needs to be learnt (Robbins, et al., 2003, p. 416).

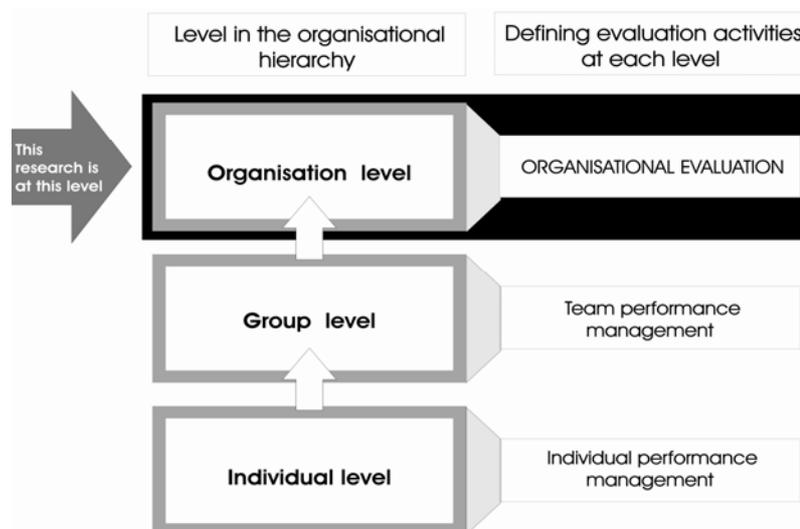
The encouragement of a learning culture in the CBO sector would be an opportunity for stronger, more legitimate and more relevant development practice (Sen, 1987; Hailey & James, 2002). Organisational evaluation and organisational learning are not necessarily mutually inclusive (McClintock, 2004). Learning needs to grow to be viewed by both funders and organisations as an essential, valuable organisational competency. It is learning which underpins developmental evaluation, not bureaucratic requirements for accounting for funds (Ebrahim, 2005).

### **2.3.2. Principles of developmental M&E**

Everyone shares responsibility for problems generated by the system (Senge, 2006, p. 78). How then do CBOs and funder agencies each contribute to resolving the woeful inadequacies of correct funding relationship and M&E conventions?

Evaluation serves two main purposes (Cummings & Worley, 2005, p. 89). Firstly, it guides the organisation towards better performance and productivity. Secondly, it enables the organisation to communicate this to external stakeholders. Evaluation, for the purposes of this study, constitutes performance management, learning and change at the organisational level (Figure 4) primarily, although necessarily supported by learning at group and individual levels. Learning is defined by H.M. Weiss as “any relatively permanent change in behaviour that occurs as a result of experience” (Robbins, et al., 2003, p. 49). Evaluation is the process by which organisations understand themselves, communicate and change their practice.

Evaluation is about *value*. Far from being used to criticise or judge, it should be used to examine the good and the lessons that have emerged from experience. It asks how the unfolding reality is an improvement. The criteria for improvement depend on the lens of values through which we evaluate (McNiff, 2002). The perspective of the evaluator, as organisation member, funder, beneficiary or independent facilitator profoundly impacts on the criteria and definitions for improvement



**Figure 4** Evaluation and learning from experience in relation to the organisational hierarchy. For the purposes of this research, the term “evaluation” refers to performance assessment at the organisational level.

The approaches discussed above for conventional, linear, quantitative, tangible evaluation are based on the scientific disciplines or philosophies of empiricism and positivism. Empirical research assumes that there is a truth and that a final answer exists towards which to strive. It is the close cousin of positivism, which seeks the

causes and effects of phenomena (Quinn Patton, 2002, p. 69). Positivism elevates simplicity, objectivity and precision over social outcome (Conlin & Stirrat, 2008). In being determined to ascertain objective, verifiable, demonstrable, quantifiable fact, it is argued that positivist evaluation promotes research that reinforces the power distribution of inequitable social orders (Gasper, 2000; Bornstein, 2006a).

In the complex, dynamic systems of development organisations, the integrated principles of action research, grounded theory and process-use provide the polar opposite of positivist research (Potter, 1999, p. 219, Bhana, 1999, p. 228). Action research claims that an assumption of the existence of truth is not always valid (McNiff, 2002). The next moment does not exist until it is created by the entity that lives it. Truth is therefore an unfolding reality. Truth is not yet there to be tested.

Organisations and development practitioners themselves should be those most interested in the results of evaluation (Dierolf, et al., 2002). Learning organisations emerge where a sincere curiosity about our own performance guides our planning and action (Bloch & Borges, 2002; Dierolf, et al., 2002; Padaki, 2002; Clarke, 2006). In practical terms, this means organisations having far more control over their own M&E. M&E needs to become cast as thinking and organisation development, rather than administration and compliance (McClintock, 2004).

Even based on grounded, rational, realistic principles, it is not easy to conduct M&E that has programmatic and organisation value, while remaining cost-efficient (Kelly, et al., 2005). The selection, collection, collation, analysis, interpretation and application of even a single, basic monitoring variable can be expensive and systems intensive. It can only succeed if virtually all M&E is built into an organisation's normal operations, and is appreciated in guiding the day-to-day decisions of all responsible staff members.

Methodology alone, cannot transform society. Narrative methods, participatory processes and grounded approaches may be essential in redressing the power imbalances of local level development. They do not, however, guarantee it. Qualitative, systems-oriented approaches, wielded in a context of authoritarianism, are no more likely to produce trustworthy data or effective process-use (Rhodes, 1996).

Beyond its use in management, evaluation for communication with funders carries the corollary of 'showing' as well as 'knowing' about programme performance. Powerful evaluation therefore depends on a constructive, empowered funder:recipient relationship. Gray, et al., (2006) observe how closeness is inverse to formality. Distant, formal, protocol-intensive, simple relationships are juxtaposed against close, personal,

complex relationships. In the context of highly complex social change, the simplicity of formal, distant relationships do not permit effective communication.

People are complex and unpredictable. Human-centered processes, which involve an absolute minimum of specifications and accept unpredictability as a normal feature of programme process, are essential to effective outcomes (Dick, 2007). Partnerships are strongest where funders have little influence over recipient organisations' administration but have frequent, substantial personal communication (Lewis & Sobhan 1999; Soal, 2004).

A radical transformation in the development industry would be needed to achieve this (FAHAMU & CAE, 2004). Intangible impacts, such as shifting power relations, should be both goal and substance of development interventions. The tangible, pragmatic elements of work and activities need to draw their relevance and meaning from systemic, abstractly described shifts in human and social psyche (FAHAMU & CAE, 2004).

These concepts have been on the table or twenty years, and have had little impact on accepted, mainstream practice. A system can only be turned from its familiar self-destructive ruts by acknowledging the underlying forces at play (Senge, 2006, p. 65). Once these complex forces are seen, small changes can have massive leverage in shifting system momentum.

It is the role of development practitioners and of students of organisational behaviour and relationships in this setting, to be awake and sensitive to understanding the forces of inertia that hold us in under-achievement, and to seeking out the small changes that might inspire a deeply 'stuck' industry.

### 2.3.3. Complex dynamic emergent systems

Development is set in an increasingly complex global environment (McPhee, 2002). CBOs in this environment, indeed most organisations in most environments, are open, complex adaptive systems (Fowler, 1995; Olney, 2004; Senge 2006, p. 72). They are based more in the connections between and within different entities, than in their autonomous, independent identities (Gray, et al., 2006; Wheatley & Frieze, 2006). They are created in the image of the structures and patterns in which they have evolved, many of which have been destructive reactions in self-perpetuating feedback cycles (Senge, 2006, p. 59). These are the underlying patterns, forces and systemic feedbacks that need to be understood before the system can be consciously shifted.

Complex systems have certain qualities, some of which are relevant to thinking about their evaluation (Ramalingam & Jones, 2008). In complex systems causes and effects are not linear. Glaser and Strauss in the 1967 work on grounded theory rejected the concept of single cause hypothesis testing in social research (Dey, 2004). Across both business and social organisations, the value of cause and effect rationale has been questioned (McAdam, et al., 2008). Philosophies such as conventional Total Quality Management tend to neglect *meaning* in complex socio-political situations. Conceptual frameworks that reflect the dynamism and complexity of organisational process are called for.

Over-mechanising and over-planning are symptoms of imagining complex systems to be complicated systems (Rogers, 2009). Even the simplest machine is complicated. 'Machine-thinking' requires that design is exhaustively detailed, thorough and well-quantified. This is necessary for machines, because machines cannot think. Complex systems differ fundamentally from complicated systems. Good complex processes allow human and social interactions to form their own systems.

#### 2.3.4. Emergence

Complex systems are defined as being emergent by nature (Beeson & Davies, 2000; Seel, 2006). In defining 'emergence', Stacey (1996 quoted in Seel, 2006) offers: "*emergence is the production of global patterns of behaviour by agents in a complex system interacting according to their own local rules of behaviour, without intending the global patterns of behaviour that come about. In emergence, global patterns cannot be predicted from the local rules of behaviour that produce them. To put it another way, global patterns cannot be reduced to individual behaviour*". Grounded theory asks that understanding emerges from data. Action research is the process by which decisions and management emerge from that understanding. The principle of emergence asks that we trust process, and embrace what the path provides.

Dey (2004) points out how meaning is not discovered. Meaning is attached, created and attributed. This 'demolishes the pretensions' of indicators, which create armchair meaning in isolation from experience (Dey, 2004).

### 2.4 *Conclusions of the literature review*

The literature reviewed has revealed a context in which civil society, in all its convolutions, is central to the South African socio-economic agenda. Among these actors are NGOs and CBOs – pseudo-civil, semi-commercial, abundant and contested. They create a fine mist of human and organisational resources across virtually every disadvantaged community in the country.

Their role in practice, although it is not without tensions, is to provide services for vulnerable individuals, households and communities, for which either the public sector is not the appropriate vehicle, or in which the public sector fails to deliver. This role is financially supported by relationships between organisations and government, charities and aid agencies.

In entering into these relationships, CBOs accept a further mantle of complex power dynamics. In accepting financial support from one party, with responsibility for delivering relevant services to another party, CBOs find themselves at the centre of a sticky web of accountability relationships.

In reality, money talks loudest. Power over accountability, purpose, process and systems is determined by funding. The associated systems are conventionally not conducive to either relevant community development, or to sustained organisational development. Among the most burdensome of these systems, are those used for M&E. The M&E approach of choice for the last 20-30 years has remained at the behest and convenience of offices in the north.

In attempting to understand the recalcitrance of entrenched systems for improvement, this study explores alternative methods, approaches and principles for evaluation. While acknowledging that method cannot change paradigm, the study uses an exploration of method to uncover principles and contradictions from practical experience.

Several central theoretical concepts underpin more developmental methods for evaluation. Approaches to evaluation need to acknowledge community-based development organisations as complex, dynamic systems. In working with these systems, approaches need to be strongly utilisation-based, and set in an action research paradigm. These are approaches that are grounded primarily in reality, and not vested in prediction or narrow, externally-derived conditionalities.

In exploring these dynamics in the context of CBOs in particular, I hope to deepen the practical and conceptual implications of evaluation in this particular setting, toward CBO:funder:government partnerships that begin to take socio-economic equity in South Africa a little more seriously. This exploration of method takes the form of an action research process of evaluation and meta-evaluation, conducted from a perspective of grounding and emergence in the context of CBOs.