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What Makes International NGOs Distinctive? Contributions, Characteristics and Challenges

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Building on a discussion at the April 2009 NGO Leaders Forum at Greentree, this paper explores the distinctive contributions that international NGOs have made in development and humanitarian crises, the characteristics that enable them to make these contributions and the limitations to their effectiveness. Twenty-six interviews – with leaders of international NGOs, scholars of civil society and a few southern NGO leaders and senior foundation staff – provided the fodder for this paper. Rather than synthesizing the views gathered, we have teased out major points of convergence and freestanding nuggets into a concise articulation of what makes international NGOs distinctive.

DISTINCTIVE CONTRIBUTIONS

There was considerable convergence on the most significant contributions of international NGOs. We highlight five distinctive contributions, along with illustrative examples. The characteristics that enable international NGOs to make such contributions are discussed in the next section. The distinctive contributions most often identified in our interviews are:

1. International NGOs play an important role in strengthening civil society in developing countries and promoting the role of civil society actors in the global arena.

International NGOs have: helped to establish, develop and scale up local NGOs; provided them training (in organizational governance, strategic planning, financial management, fundraising, advocacy, etc.); and “accompanied” them by serving on their boards, helping gain access to global expertise, and linking them to funding and networks. Although the relationships formed between international NGOs and local organizations are often fraught with power imbalances, international NGOs have played a significant role in building an infrastructure of local capacity – including professionally-managed local NGOs – to implement development programs. As employers in developing countries, international NGOs have provided a training ground for thousands of citizens of developing countries (especially women) who have become leaders in civil society, government and academia. By engaging in advocacy and speaking on behalf of poor people, international NGOs have won a seat at the global policy table. This can make it easier for local NGOs and civil society groups to claim their seat at the table as well.

Example: The AIDS Service Organization (TASO) in Uganda, which is now highly respected in the global HIV and AIDS arena, was established a quarter century ago with a small grant from

ActionAid. In India, Peru and the Philippines, CARE's microfinance programs evolved into independent entities that now play major roles in those countries' microfinance sectors.

2. International NGOs respond rapidly to humanitarian crises throughout the world and mobilize "northern" publics and governments in support of these responses.

Many international NGOs were born of humanitarian responses and maintain strong capacities to respond rapidly to natural disasters and conflict situations. Their long-term presence in countries gives them useful contextual knowledge to improve the quality of emergency responses and to transition from relief to rehabilitation to development. Their long-term presence also enables them to bring crises in neglected parts of the world to the attention of "northern" publics and governments, and to mobilize resources for action. Because of their relative independence from governments, international NGOs have the latitude to take risks (that local NGOs may find it hard and even dangerous to take) in speaking out about situations they witness. In addition, leveraging their experience, international NGOs have played a leading role in the development of global normative standards for humanitarian action; these are embodied in the SPHERE standards.

Examples: The International Rescue Committee's research and advocacy shone a light on widespread rape and deprivation in the Democratic Republic of Congo. Several international NGOs acted collectively to draw the connection between dire poverty and recurrent humanitarian crises in Sudan and the north-south conflict as an underlying driver, and pressed for a just peace. International NGOs also raised early awareness of atrocities being committed in Darfur.

3. International NGOs leverage their presence in developing countries and their constituencies in industrialized countries to influence policy change.

Many international NGOs have developed a capacity to transform field experience into policy influence (via policy analysis, evidence building and advocacy). They have also invested in building constituencies in support of their "causes" and mobilizing these constituencies to press lawmakers and other actors to take specific actions. Increased NGO engagement in public education and policy advocacy has been driven by an evolution in international NGOs' understanding of the nature of poverty and their commitment to address root causes of poverty. This is coupled with an ambition to contribute to change at a much larger scale than the aggregation of NGO projects would allow. International NGOs have come to understand that root causes of poverty sometimes lie in "northern" countries, the home bases of the same NGOs. To varying degrees, international NGOs are leveraging their reputations, constituencies and access to advocate for more consistent and effective development policies and practices on the part of industrialized countries.

Examples: After seeing the toll that HIV and AIDS were taking in Africa, World Vision raised awareness among its evangelical Christian constituency and mobilized that constituency to press the U.S. government to commit major resources to an AIDS response. The Jubilee 2000 campaign tapped into the notion of debt forgiveness among the world's major religions and mobilized a constituency that effectively advocated for debt relief for the most highly-indebted countries.

4. International NGOs act as conduits for sharing knowledge and innovation within and across countries.

International NGOs, because of their long presence in many developing countries, can identify innovations and promising practices in one context, share the ideas across borders, and help adapt approaches to other contexts. This could involve "technical" areas like basic education or

maternal health, or it may speak to principles like gender equity or partnership. International NGOs play this role best when they are deliberate about being a transmission channel and facilitator, and not as the owner of the knowledge or the initiator of the innovation. By adopting and refining approaches that they absorbed from working in thousands of poor communities, international NGOs have helped to establish values like community participation, gender equity and local ownership as cornerstones of good development practice. International NGOs have helped bring more people-centered and rights-based approaches into the mainstream of development thinking.

Example: Microfinance innovations in Bangladesh, spearheaded by Grameen Bank, BRAC and others, were absorbed by international NGOs, and then adapted and advanced around the world, bringing financial services to millions of poor people, especially women.

5. International NGOs raise substantial private resources that might otherwise not go to relief and development efforts, and enable their supporters to express solidarity with people in some of the poorest communities in the world.

International NGOs have cultivated an expanding set of donors and supporters, engaging them in caring about poverty as a moral issue (and, in the case of faith-based groups, as a spiritual issue). This engagement has resulted in hundreds of millions of dollars being raised for development and humanitarian response around the world. International NGOs have developed sophistication in branding, marketing, media relations and fundraising to attract new supporters and retain existing ones. Deploying models ranging from child sponsorship to issue-based campaigns, international NGOs seek to: forge a connection between people in industrialized and developing countries; instill a sense of responsibility for and engagement in building a better world; and enable people to stand in solidarity with individuals and communities who are less fortunate.

Examples: A handful of international NGOs came together to establish the Better Safer World campaign, which eventually evolved into the ONE campaign. ONE has gone on to engage tens of thousands of individuals in “northern” countries in supporting poverty reduction efforts. Despite the recession, child sponsorship revenue in many U.S. NGOs has been resilient, demonstrating supporters’ strong commitment to sponsored children.

ENABLING CHARACTERISTICS

Several characteristics or features of international NGOs enable the above contributions. Some of these characteristics can be empirically verified. Other characteristics should be understood as aspirational; they might not be fully realized. The major enabling characteristics of international NGOs are:

A global footprint – Most large international NGOs have a global presence covering both developing countries and industrialized countries. Most such NGOs are members of international alliances that typically bring together multiple national organizations under a shared brand and governance mechanism. Many of these alliances are seeking to incorporate more “southern” representation.

Long-term presence – International NGOs are often present in developing countries over a long period – well beyond the life span of any one project. This is seen as a key to developing relationships of trust, building knowledge of local context and establishing a reputation as an effective actor.

Independence – International NGOs are non-partisan and have the latitude to take independent positions, based on principle and mission. They formally answer only to their boards of directors,

and this gives them considerable flexibility and agility. NGO leaders argue that their independence, combined with their expertise and track record, give them legitimacy and credibility.

Partnerships with local organizations – International NGOs’ preferred mode of operation is to work with and through “southern” NGOs, local governments and community-based groups. In addition to channeling funds and providing technical support to local actors, international NGOs seek to represent and amplify their voices in policy arenas.

Diversity of funds – International NGOs can raise and steward funds from diverse sources, ranging from institutional and individual donors giving millions of dollars to individuals giving \$10 or \$20. The availability of unrestricted funds (that can be invested at the discretion of the organization) is a vital feature of international NGOs.

Constituents in “northern” countries – International NGOs can mobilize a base of supporters to take action in industrialized countries. Traditionally, these NGOs have had donors whose main supportive action was donating money. In recent years, international NGOs have invested in building constituencies that can be mobilized to influence policy change.

Technical capacity – International NGOs have deep technical expertise. Many international NGOs have worked in multiple sectors (from agriculture to education, and from health to microfinance) for decades, and have a breadth and depth of technical capacity by sector, by cross-cutting theme (e.g. rights-based approaches, good governance) and by skill (e.g. policy analysis, advocacy).

Operational systems – International NGOs often have a strong capacity to manage operations, finances and human resources effectively and efficiently. This positions them as a trustworthy steward of large grants and as a capacity builder of local organizations.

Values base – International NGOs are guided by a mission, vision and principles. These values could be faith-oriented or secular; something larger than organizational strategy or project goals drives the organization and motivates its staff and supporters.

Mission-driven board and staff – Boards and staffs of international NGOs are often deeply committed to the mission, vision and values of the organization. Many interviewees felt that the strength of commitment – to contributing to the fight against poverty and, in some cases, to activism to advance social justice – of NGO staff was qualitatively different from that of staff of government agencies or private contractors.

Collective action – International NGOs have the capacity and motivation to take collective action on issues of importance, ranging from advocacy to advance policy change (e.g. reform of U.S. foreign assistance) to the establishment of normative standards that promote more effective field programs (e.g. SPHERE).

MAJOR LIMITATIONS

Notwithstanding the distinctive contributions of international NGOs and the characteristics that enable them to make these contributions, these organizations do have limitations that prevent them from living up to their full potential. These limitations are identified below.

- The funding models of international NGOs are often not aligned with their vision and goals. Despite their best efforts at advocacy and donor education, international NGOs face the reality of donors who make project funding available for short periods (e.g. 1-2 years), even though

the issues they address require long-term (e.g. 5-10 years) commitments that leverage systemic change (far beyond projects) and depend on local ownership. This puts international NGOs in constant grant-seeking mode, which distracts from a long-term mindset, and hampers their ability to be strategic and focus on deep impact.

- International NGOs operate in contexts in which military operations are taking place (and where “northern” militaries are active) and humanitarian aid is used for security objectives and, therefore, is politicized. Despite concerted efforts, international NGOs have not been able to develop rules of engagement that sufficiently secure independence, security and effectiveness.
- International NGOs are not sufficiently global. The power within these organizations tends to be concentrated in the “northern” offices and their offices in the “south” do not have sufficient voice or representation in the governance of the organization. Their accountability systems often focus on reporting to “northern” donors and headquarters in “northern” countries. Mechanisms for “downward” accountability, which empower and acknowledge the importance of field staff and poor communities, have been insufficiently developed.
- International NGOs do not coordinate well enough, although their track record on this front (especially in emergency settings and in policy advocacy) has improved in recent years. They have also not been skilled at working together to: capture and share promising practices; learn from setbacks and failures; set rigorous standards for measuring impact; or even collect and share basic data with each other.
- International NGOs’ partnerships with local organizations reflect significant power imbalances. Most often, because international NGOs are channeling funds to local NGOs, they are acting as a donor and monitor, in addition to seeking to be a facilitator and capacity builder. When partnerships are based on implementation of a project, the international NGO’s focus on results can override the building of a relationship that is sensitive to local aspirations, knowledge and capacity. This can cause tension in “partnerships”. These tensions are exacerbated when local NGOs perceive that the seats at the policy table are being taken by international NGOs.
- While international NGO staffing models rely much less on expatriate staff (in most international NGOs, some 98 percent of staff are citizens of developing countries) than do multilateral organizations or private contractors, their use of expatriates is still striking compared to local organizations. As a result, expenses and cost structures stand out in low-income countries, causing resentment and generating a perception that international NGOs are “outsiders”.
- In some developing countries (e.g. Zimbabwe, Ethiopia, Sri Lanka, Sudan), international NGOs are encountering an increasingly inhospitable and restrictive climate, in some measure because their actions to stand in solidarity with marginalized groups have been perceived as overreaching and intrusive.
- Critics argue that the independence of international NGOs, stemming from only having to answer to their boards of directors, can lead to poor accountability. The increasing politicization of aid has also raised questions about just how independent these NGOs are from institutional donors and their policies.

EMERGING TENSIONS

Interesting tensions emerged in the process of gathering views on which to base this paper. Some of them are identified below.

- The funding model of many international NGOs is significantly dependent on official development assistance (ODA), which propagates short-term project approaches, while their missions and visions point to the need to have deeper, broader impacts on long-term challenges.
- ODA, which now consists of only 10 percent of investments flowing to developing countries, is a diminishing driver of development. However, the funding and operating models of most international NGOs are tied to ODA. This links them to a paradigm of development that is waning. To be relevant in the future, international NGOs must become comfortable engaging with the multiple factors driving development, including aid, trade, remittances, climate change, etc.
- International NGOs tend to perceive their own growth as a validation of their worth. Indeed, many international NGOs have achieved significant growth in the past decade. However, larger organizations are not necessarily more effective at contributing to social change in ways that make greater and more lasting contributions to fighting poverty.
- Being large organizations occupying a very competitive sphere (the competitiveness is related to funding), international NGOs are concerned about building their brand, maintaining a distinct identity and preserving their institutional strengths. This can sometimes be in conflict with their intention to be a partner, facilitator, connector and catalyst for local action.
- International NGOs have helped raise awareness of the consequences of poverty and conflict, and have generated enthusiasm for personal engagement in developing countries. At the same time, international NGOs have become increasingly professionalized and less able to accommodate volunteers and visitors in their programs. This hamstrings international NGOs' ability to tap into the growing desire, especially of young people, to personally connect with poor communities and give of themselves for the cause of fighting poverty.
- The characteristics and contributions that make international NGOs distinctive may not help them raise funds. It is often technical capacities combined with implementation and operational management abilities that help international NGOs secure funding, especially from governmental and other institutional donors.

CONCLUSION

The views and insights gathered in our interviews come from an admittedly small group of NGO leaders, civil society scholars and funders. However, they provide good fodder for a candid conversation at the NGO Leaders Forum about the strengths of international NGOs and the challenges that must be confronted by leaders of international NGOs. Deeper exploration of the issues raised could be valuable and timely.

Inputs to Discussion Paper

The following people provided their perspectives in interviews:

1. Nancy Aosse, International Medical Corps
2. Peter Bell, Hauser Center for Nonprofit Organizations
3. David Brown, Hauser Center for Nonprofit Organizations
4. Alnoor Ebrahim, Harvard Business School
5. John Garrison, World Bank
6. Helene Gayle, CARE USA
7. Ken Hackett, Catholic Relief Services
8. Steve Hollingworth, CARE USA
9. Joel Lamstein, John Snow International (JSI)
10. Jo Luck, Heifer International
11. Chip Lyons, Bill & Melinda Gates Foundation
12. Charles MacCormack, Save the Children U.S.
13. Ezra Mbogori, AkibaUhaki
14. Ray Offenheiser, Oxfam America
15. Tony Pipa, independent consultant
16. Balasubramaniam Ramaswami, Swami Vivekananda Youth Movement
17. Jonathan Reckford, Habitat for Humanity International
18. George Rupp, International Rescue Committee
19. Lester Salamon, Johns Hopkins University
20. Ramesh Singh, ActionAid International
21. Smita Singh, William & Flora Hewlett Foundation
22. Ian Smillie, development writer
23. Rajesh Tandon, Society for Participatory Research in Asia (PRIA)
24. Sam Worthington, InterAction

The following people provided their perspectives in writing:

1. John Ambler, Oxfam America
2. Rachel McCleary, Harvard Kennedy School of Government