Governing at a distance: Non-governmental organizations' strategic responses to donor pressure

A minor field study from Nepal

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Abstract

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This thesis explores the mechanisms through which donors govern the international aid system. By looking closer at the case of donor—NGO relationships in Nepal this paper aims at uncovering (some of) the technologies of power used by donors, consequences of these (power effects), and strategic responses from NGOs. Applying a combined governance and resource dependence approach, through a neo-institutionalist lens, the thesis sheds light on three distinct, but interconnected, managerialist governance technologies (selecting partners; tendering, bidding and underfunding; and standardization and scientization). Because very few NGOs are membership-based, the only source of funding are donors – most of them from the global North – with their own interests and development strategies. Thus, each of these technologies applies pressure on NGOs to conform; to maintain their legitimacy and access to resources. As a result NGOs have to adapt and apply standardized tools and matrices, which triggers an increased pressure on NGOs to become professionalized. By recognizing that NGOs are agents, with power to act, we can also see how they use their agency strategically to fulfill their duties to an environment with multiple accountabilities (external and internal), both short-term and long-term. Normally NGOs either conform to donor demands because of their dependance on funding, or shared normative and cultural-cognitive frameworks; or they avoid donors with different priorities or seemingly complicated conditionalities. However, in-between these two outliers, is an array of diverse strategies – ranging from innovation, leveraging, bargaining, influencing, convincing, buffering (i.e. decoupling and professionalization) and controlling. However unique, also agency is structured; and responses from NGOs are highly dependent on social structures and organizational recipes – blueprints – for their actions. Moreover, consequences of the power technologies and their responses, are further discussed in relation to development as a complex and long-term process, including perspectives on partnerships, ownership, participation, and organizational learning.

Keywords: NGOs, governmentality, institutional environment, strategic responses
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Acronyms & Abbreviations

CBO – Community Based Organization
DAC – Development Assistance Committee
Danida – Danish International Development Agency
EU – European Union
IFI – International Financial Institution
IMF – International Monetary Fund
INGO – International Non-Governmental Organization
M&E – Monitoring and Evaluation
MDG – Millennium Development Goal
NGO – Non-Governmental Organization
NPM – New Public Management
OECD – Organization for Economic Co-operation and Development
RBM – Results-Based Management
Sida – Swedish International Development Agency
ToR – Terms of References
UN – United Nations
USAID – United States Agency for International Development
WB – World Bank
1. Introduction

According to Peter Townsend (2004: 48) social policy is too often conceived as government policy, not taking into account the critical influence of other actors, such as religious institutions, family, community, regional actors and voluntary organizations. Focusing on governments alone fails, according to Wood & Gough (2006), to describe the reality for most people in the world, as both the state and the market in many poor developing countries are problematic and people rely to a greater extent on informal relationships for their survival. Similarly, most governmentality research has focused on the relationship between states and their populations, while the concept extends to a number of actors, including NGOs (non-governmental organizations) (McGregor et al., 2013). I reason that, in line with methodological transnationalism, social policy analysis has to turn an eye to the global context and transnational processes that influence the way social welfare is financed, regulated and provided. More researchers have started to analyze the ways in which governments are directly and indirectly affected by international norms and laws, ideas and ideologies; how external government agencies (i.e. donors) and I/NGOs form coalitions and play a role in policy-making processes; and how policies in Western countries are linked to those in developing counties (Yeates, 2008: 8-9).

As part of the basic needs basket rolled out in development thinking in the 1970s, popular participation by the poor was seen as a necessity to break away from the top-down, technocratic and economical interventions. Participation by the people was not only seen as a basic need – but as a basic human right, not only a tool for projects and programs, but as an encompassing instrument for evaluation, priority setting and policy design (Cornwall, 2002). In the 1980s a ‘New Policy Agenda’ was formulated, which meant the ‘rollback of the state’, and the opening up for non-governmental actors. Because of their cost-effectiveness in reaching those who are out of reach, NGOs have become a preferred option for official aid agencies. Moreover, NGOs are also viewed as vital parts of civil society and champions of democratization; of protecting human rights, offering a voice to the voiceless through participation, providing training and promoting pluralism (Edwards & Hulme, 1998; Edwards & Hulme, 2002: 188).

1 There are many definitions of NGOs (see e.g. Heinz, 2008 for range within the NGO category). Such organizations may vary in size, formality, funding sources and professionalism; and are involved in a range of activities, including policy reform and human rights campaigning, to provision of service and humanitarian relief. In this study we will focus on non-governmental development organizations, whose presence is legitimated by the existence of poverty (Lewis, 2001: 2-3). Fowler (2000b) warns against adopting a one-size-fits-all view of NGOs, as this may lead to assumptions about what they are, what roles they play and what they can achieve. Keeping this in mind, I will apply the somewhat wide term 'I/NGO' to all of the organizations, unless it is important to stress otherwise.
Based more on a leap of faith rather than empirical evidence, NGOs were seen as a way of bringing 'adjustment with a human face' as they were perceived by mainstream development institutions as more participatory, less bureaucratic, more flexible and more cost-efficient in reaching poor and marginalized people. Highlighting the effectiveness of private initiatives for service delivery and economic growth; NGOs played an important role, not only as a provider of service delivery, but as a provider and representative of those whom were out of the markets reach (Cornwall, 2002). According to Jessica Vivian (1994), NGOs have been portrayed as a 'magic bullet', because of their presumed inherent characteristics; i.e. targeting the poorest of the poor; their participatory methods; and the view of NGOs as an 'alternative' sector within the field of development – as less bounded by politics, more innovative and 'filling gaps' where other actors are unable to reach. In the 1990s empowerment became adopted by the international development agents, much so because of the influence of Sen's 'capabilities approach' (Lutrell & Quiroz, 2009). Empowerment, it is said, leads to the increased participation of the marginalized poor in the social, economic and political domains of society – and NGOs are championed as the perfect instrument as they can reach the grassroots, thus decentralizing power and enhance local governance (Kilby, 2006). The word is probably one of the most overused in the development lexicon, but little agreement exists on what it means (Smillie, 1995: 81).

More recently – especially since the World Summit in 2000 and the Millennium Development Goals (MDGs), empowerment – especially of women – has been hammered home, with a focus on the development of global goals and indicators. This was further anchored in the harmonization efforts of the Paris Declaration (2005), and later top meetings in Accra (2008) and Busan (2011). These documents are littered with contradictory buzzwords, such as 'harmonization', 'partnerships', 'accountability', 'effectiveness', 'ownership' and 'focus on results'. However, looking at the Busan (2011) document for example, NGOs play a new role: a role that has shifted from reaching the poor with services, to enabling people to claim their rights, promoting a 'rights-based approach', and overseeing implementation ('watch-dog') (Eyben, 2010). The same document also encourages NGOs to strengthen their accountability, and their contribution to development effectiveness.
1.1. Purpose & Research questions

While extensive research has been done on business and government management, few researchers have considered the structure and management of NGOs; and exceptions have tended to ignore wider contexts and politics (Lewis, 2001: 2). Moreover, little research focus has been put on the strategic responses from NGOs to cope with such pressure from donors (Elbers & Arts, 2011). Similarly, Alnoor Ebrahim (2004) states that much research has been done on struggles over funding, but that the role of other resources such as information, reputation and prestige has been scarce.

By applying a combined resource dependency and governmentality approach, viewed as institutionalized rationalities and practices, this paper aims at exploring what technologies of power donors employ to control development funding. It also seeks to understand what effects these have on development initiatives; and how organizations – which get their legitimacy from their environment – respond to such pressure to overcome constraints to their objectives and goals. Thus, NGOs will not be considered as automatons – following the 'beat of the drum' – but as agents. By recognizing the agency of NGOs, we may make sense of their responses as strategic choices. Thus, in short, this thesis will seek to uncover what donor governance technologies affect NGOs behavior; and how these NGOs respond to these – thus exploring positive effects of power, and avenues for action and change. For this purpose two research questions have been developed:

- How is NGO behavior influenced by institutionalized development discourses?
- How does NGOs respond strategically to these to gain and retain resources and legitimacy when under pressure from multiple rationalities?

Of particular interest to this thesis is how power is enacted and operationalized; i.e. what means, mechanisms, procedures, instruments, tactics, technologies and vocabularies that are used to 'govern at a distance' (McGregor et al., 2013). Research has been relatively scarce on how specific mechanisms used by external actors have been both exerted and resisted (Ebrahim, 2002). Thus, this thesis aims to uncover institutionalized regimes of practice, i.e. the taken for granted way of doing things; what extended effects this might have; and gives shape to different forms of knowledge and expertise. The hope with this thesis is, therefore, not only to better understand how NGOs are constrained by the pressure from their environment, but also how they act in response to pressure from their institutional

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environment – discussing how their practices may (re)structure the organizational field.

The thesis is structured as follows: section two gives a background to some of the concepts relevant to this thesis. The third section presents a theoretical framework, while section four provides the reader with the methodology. In section five we turn to the analysis of the collected material; and section six takes shape as a summary and discussion. The paper ends with a conclusion in section seven.

2. Background

This background section offers an insight to some of the most prevailing discourses in international development today, through the lens of managerialism. First the concept is presented, then further broken down into two sub-sections: partnership, and effectiveness and efficiency. The two concepts are interesting as they are not only related to each other, but also contradictory – and serves as a backdrop to the rest of the paper.

2.1. Managerialism

Much of today's world has, in one way or another, become touched by science. Science is accompanied by rationalization and empowered actorhood – offering an image of the world as ordered and governable (Drori & Meyer, 2006). Modernist management analysis has been based on an understanding of organizations as logical machines, which need maintenance and fine tuning. Management was seen as a rational endeavor, where improvements in efficiency could be managed through the right structure and process (Lewis, 2001: 14). Through its rationalizing qualities, scientization is closely linked to the creation of global standards, such as the MDGs; and both donors and NGOs are engaged in 'practices of government', or 'developmentalities', where reality becomes technical, measurable, improvable and apolitical (McGregor et al., 2013). According to Meyer & Bromley (2013), such cultural and environmental rationalization creates a framework for 'formal organization' – but also to human rights and empowerment discourses. These are transmitted to local settings through legal (hard and soft laws), accounting and professional principles. Thus, scientization brings with it models of how to manage organizations; standard practices and conceptual frameworks (Drori & Meyer, 2006).
Managerialism may be defined as the dominance of management practices and ideas (Meyer et al., 2013). This discourse is closely linked to 'New Public Management' (NPM) thinking – embedded in Northern perspectives of what stands for an effective intervention (Wallace, 2004). Main characteristics of NPM includes the surveillance and management of the public sector through the formulation of quantifiable indicators and targets; and the tail of extensive documentation (Mawdsley et al., 2005). Managerialism spread in the 1980s, first within the public sectors of neo-liberal governments, trying to improve efficiency and transparency, by adopting management techniques from the private sector. These techniques were then transferred to NGOs through foreign policy and aid – from the public sector to NGOs funded by governments, multilateral organizations or foundations (Townsend et al., 2002; Townsend & Townsend, 2004) – passing on the strict conditionalities imposed on their funding – molding the way that development is thought of, analyzed and practiced (Wallace, 2004).

This can be seen in the Paris Declaration (2005), the Accra Agenda for Action (2008) and Busan Partnership for Effective Development Co-operation (2011). These international agreements lay out a road-map for how development cooperation should be managed to be as effective as possible, while still respecting the sovereignty and development paths chosen by governments in developing countries. With these agreements new buzzwords have arisen: partnership, ownership, transparency, accountability and effectiveness. Such 'meta-languages' about the management of development issues are strikingly similar across the globe (Townsend et al., 2002). To 'manage by result' holds organizations accountable for their performance towards pre-established objectives as entities. This means that donors have come up with a unified strategy for a country – further reducing the problems into simplistic statements of the obvious (Eyben, 2010).

### 2.1.1. Partnerships: Participation & Ownership

Partnerships have been framed in the development discourse as the solution to almost every problem in development, ranging from ownership of policies and programs – perceived as the key to good governance; inappropriate donor behavior; and the underlying environment – including policies, institutions and the political system (Fowler, 2002a: 246). Theories in 'new institutional economics' have developed and seek to manage market imperfections. Such theories have a tendency to view 'partnerships' and 'local ownership' as strategies to overcome issues of incentives and 'moral hazard', or 'principal agent', problems seen as inherent to the aid process (Mosse & Lewis, 2005: 4-5). However,
there is little or no agreement on what 'partnership' means; and there is a danger of the term being a 'feel good' panacea to all governance issues (Brinkerhoff, 2002). Yet it seems like everyone wants to be a partner with everyone else on everything, everywhere (Fowler, 2002a: 244).

Partnerships rationale builds on the notion of synergy (Busan, 2011); and that the complexity of development problems seems clearer the closer we are to the lived reality. Thus, decentralization of decision making has been adopted by aid agencies (Eyben, 2010). Such growing popularity of decentralization through partnerships has been framed as promoting 'good governance' and 'participation'; and NGOs have been seen as catalysts of such processes and building civil society (Townsend et al., 2002). In the first decades of development assistance, it was taken for granted that donors should have the lead in designing and implementing development. By the 1990s, however, it was realized that donors carried too much of a heavy voice, which deprived recipients of ownership over projects and programs designed for their benefit. Without such ownership, it is argued that beneficiaries are likely to commit to the realization of long-term results. Thus, sustainability was threatened by the lack of institutional development intended at raising the ownership capabilities of the beneficiaries (Ostrom, et al., 2001). Recent rhetoric of development discourse advances that poverty reduction should be locally generated and 'owned'; and that it has to build strong local organizations and civil society for it to be sustainable (Wallace, 2004).

For more than four decades the empowerment of people through participation have been regarded as essential for development to succeed, and NGOs have become the preferred tool for implementing such interventions (Kilby, 2006). The role of local knowledge, bestowed by local beneficiaries, emphasizes the importance of recipient ownership increases the likelihood of success of development programs or projects (Ostrom et al., 2001). Thus, participatory approaches have been championed as tools for greater effectiveness and efficiency, and contributing to processes of democratization and empowerment – promising to solve problems of sustainability through the involvement of beneficiaries in the supply and management of resources, services and facilities (Cleaver, 2002: 225-226). Thus, it seems as if NPM emphasis on 'active citizenship' and localized decision-making seem to have found themselves (at least in the rhetoric) to the international aid arena (Eyben, 2010).

With respect to participation, the tendency in the new managerialism is to turn recipients or
beneficiaries into 'active customers' for a specific product, shifting emphasis from collective to individual choices (Townsend et al., 2002). Participants are supposed to contribute more and take responsibility for their own development process; and spaces for community engagement may have opened up through decentralization of responsibilities (Cornwall et al., 2001). Critics, especially in Latin America, have seen this idea of 'empowerment' as a way for the World Bank to push for its development agenda (Lutrell & Quiroz, 2009). Thus, participation can be viewed as heavily influenced by the (neo-)liberal agenda of self-help. People are no longer seen as passive recipients of benefits, but as participants in implementation and in sharing the costs of development – making users into choosers as people become consumers of development through contributions of cash or in the shape of time and physical effort (Cornwall, 2002).

2.1.2. Effectiveness & Efficiency
Overall managerial imperatives can be summed up as 'effectiveness' and 'efficiency' (Roberts et al., 2005). Effectiveness is concerned with performance in relations to goals ('doing the right things'), stressing the operational side of resource allocation; whilst efficiency focuses on relations between input and output ('doing things right'), costs involved and benefits gained. Managerialism draws a clear line between the past and the future; and organizations operate in a world of ever-changing market conditions – a product of relentless competition. To prepare for such changes, organizations engage in risk management, forecasting and planning – stressing the future events and results. Moreover, to stay on top, organizations need to accelerate and expand: effectiveness and efficiency can always be pushed a little further. Thus, there has been an increasing need amongst NGOs for learning, risk management, forecasting and innovation (Meyer et al., 2013).

Central to this is the activity of management; the rational cycle of defining goals, planning based on objective information and technical knowledge, implement measures to reach goals, regular monitoring and evaluation, and making improvements (Meyer et al., 2013). The process is focused on change as a logical process, which is controllable, measurable and accountable; and where impact is expected quickly, and is measured against pre-determined criteria. The 'tools' used in managing international aid are available as courses in such things as: strategic planning, developing log-frames, monitoring and evaluations, risk management, financial accountability, report writing and impact assessments. To these ends an expert support industry has developed in both the North and the South (Wallace, 2004). Thus,
'capacity building' has gotten an increasing interest since the 1990s, where Northern INGOs have tried to reinvent themselves. Going from implementing their own programs, to building the capacity of their local partners, has strengthened their role in development – as providers of 'management services' (Lewis, 2001: 10-12).

A great part of this, as argued by Michael Power, is to make just about everything auditable. However, auditability must be constructed within socially acceptable and legitimate techniques; and institutionalized through knowledge about the definition and purpose of auditing. Hence, there is an important aspect of stressing the procedural efficiency (2003). The overall result is an establishment of a 'report-culture' – on the one hand, fostering efficiency in targeting scarce resources and technical skills; while on the other hand, encouraging the use of language and 'buzzwords' in ones favor (Roberts et al., 2005; Townsend & Townsend, 2004). Thus, (self-)regulations through auditing put demands on organizations to adopt responsibility – but also to be open to necessary reforms – making them into 'auditable subjects'. In the process new definitions of 'accountability' and 'legitimacy' have been adopted; introducing standards, such as 'Results Based Management' (RBM). Moreover, 'evidence-based methods' have gained a prominent role in today's governance, attempting to make different practices evaluable through definition, measurement and classification (Follér, et al., 2013). Furthermore, as auditing reinvents itself, boundaries between auditing, consulting, assessment and evaluations become fuzzy. This can serve to legitimate the behavior of NGOs, while at the same time appearing rational (Power, 2003).

3. Theoretical framework
This theoretical framework works as a guide through the analysis and discussion – to make sense of the data collected. It is important at this point to acknowledge that the theoretical framework has been shaped from the materials collected, a process that has been going on throughout the data collection. It draws from theories on resource dependency, 'governmentality' and neo-instituionalism. By doing so it will describe how NGOs are affected by their surrounding environments, but also how they may act strategically when under institutional pressure.
3.1. Governance: The international aid-chain

In international development cooperation there are nodes and connections; from international level with donors and INGOs, through national NGOs, down to the grassroots and the projects on the ground. Through these networks flow tangible assets, such as money and people – but also practices and knowledge (Roberts et al., 2005). Terje Tvedt terms this system 'the international aid system', where patterned relationships between units have formed inside it – relationships that reflect constraints imposed by the history and structure of the system. The structure of this system is comprised by relational elements, and the make-up of it affects organizations' accountability and reporting mechanisms, organizational formalities, and language used to legitimize existence and policies (2002; 2006). Thus, in this international system, funds flow to NGOs through multiple tires – often from the global North – and in the opposite direction flows information on the activities carried out (Ebrahim, 2003b: 32).

It is important to acknowledge the difference between 'government' and 'governance'. Governance processes include a number of layers and actors (Follér et al., 2013); discourses (i.e. language, ideas and practices); and, thus, knowledge/power (Ebrahim, 2003b: 11) that allows 'governing at a distance', through the 'regulation of self-regulation' (Miller & Rose, 2008). Hence, the use of knowledge as power is to employ 'technologies of power' (Ebrahim, 2003b: 11). Such technologies may be physical, as in Foucault's (1975 [2012]) example with the 'Panopticum'; or social, through normalizing judgment, and hierarchical surveillance, continuing registration, evaluation and classifications (p. 318).

It is through strategies, techniques and procedures that make programs operable – to make what is thinkable doable – establishing connections between the goals of authorities and the activities of individuals and groups. It is through these mechanisms that political rationalities and the programs of government get translated into actions. It is a complex system of diverse processes; legal, architectural, professional, administrative and financial – which makes aspects of the decisions and actions of individuals, groups and organizations come to be understood and regulated in line with authoritative criteria (Miller & Rose, 2008: 63). Power is bestowed in experts; and in the context of international development cooperation, such expertise is found in development economists, professionals, expatriates, etc. (Ebrahim, 2003b: 34).
Since NGOs often do not have any other sources of revenue, they become vulnerable for such pressure from their donors (Rauh, 2010). Thus, by focusing on resource transfers and discursive domination, system mechanisms can be highlighted – seeing NGOs as part of a system of power, accountability and legitimacy, image-management and organizational survival. Such an analysis reveals the system's communications regime and its structuring properties; and offers insight to the institutional and ideological isomorphism of the field (Tvedt, 2002; 2006; DiMaggio & Powell, 1991). The result is the maintenance of characteristics and, at the same time, disjuncture between rationalizing policy and the world of practice. Hence, even if global social policy does not produce the order it describes, its effects – directed through resource flows – are real, especially for those obliged to acknowledge them, or those who are excluded for not doing so (Mosse, 2005: 22-24). Thus, global support for NGOs requires global discourse that legitimates their involvement. But with such support also come pressure to emphasize certain activities over others (Ebrahim, 2003b: 34).

### 3.2. The institutional environment & legitimacy

The intention with disciplinary power is to create fixity; i.e. to regulate movement, generate order and cope with unpredictability (Foucault, 1975 [2012]: 318). From a neo-institutional perspective, Meyer & Rowan early work focused on how organizations become formalized to prescriptions transmitted from broader rationalized environments (Oliver, 1991). However, such rationales do not only put NGOs under a new pressure, but also allow them to adopt the discourse and use it in accounts to legitimize and shielding them against the same pressure (Meyer et al., 2013). Such structures signal rationality – thus, acting to legitimize organization – allowing them to access resources for their survival (Scott, 2001: 152-153). The possibility to access resources is, however, just one byproduct (Meyer et al., 2013).

Organizational conformity brings with it a range of advantages, including: prestige, stability, legitimacy, social support, internal and external commitment, access to resources and personal, professional acceptance, and buffering from questioning (Oliver, 1991). Legitimacy is not an event specific occurrence, but rather a generalized evaluation. It is possessed objectively, but it is created subjectively (Scott, 2001: 59). In the NGO literature, legitimacy is often defined along three dimensions: accountability, representativeness and performance (Lister, 2003). Thus, an NGO's
legitimacy stems from the perception that actions are desirable, proper or appropriate, within a socially constructed system of norms, values, beliefs and definitions. Legitimacy corresponds to different dimensions: regulatory (both legal and semi-legal); normative (through deeper, most likely internalized compliance to norms and moral obligations); and cultural-cognitive (through adaptation of common frames of reference, or definitions, in a taken-for-granted manner) (Scott, 2001: 59-61).

Thus, many actions are done without reflection, because they are based on routines that are taken for granted. This does not mean that actors cannot reflect on their actions: quite opposite, actions are often put into context where unified meaning is read into it. However, meaning is defined in interpretive terms – not through rationality or functionality – but socially. An important aspect of institutions is, then, to give actors dispositions to act in a certain way. (Dahler-Larsen, 2012: 59). Those organizations that become isomorphic with their larger and rationalized environment through structural vocabulary – such as formality, rules, records and routines – gain legitimacy and resources they need to survive. This makes organizations more similar without, however, necessarily making them more efficient (ibid.:152-153). Nevertheless, environments are heterogeneous with diverse actors; meaning that they have to relate to a number of surroundings at the same time, with a range of stakeholders, and through identification with different symbols (Lister, 2003).

### 3.2.1. Multiple accountabilities

Institutional theory recognizes that organizations exist in heterogeneous and multiple environments, where organizations relate to a range of stakeholders – from which they draw their legitimacy (Lister, 2003). In the context of NGOs, accountability is often described as means and processes that individuals or organizations use to report to authorities, and through which are held responsible for their actions (Edwards & Hulme, 2002: 192) – putting accountability external to organizations. Others have suggested that the concept is both about being held responsible by external actors and about taking responsibility for oneself – motivated by 'felt responsibility' (Ebrahim, 2003a, 2005; Roberts et al., 2005). As we have seen, organizations depend on their environment for resources, legitimacy and recognition. However, they must also display to themselves that they are carrying out legitimate and desirable activities, by linking to values and expectations found in their social environment – values that are highly abstract. As such, organizations share several abstract and rationalized organizational models – all presumed to be effective and valid – no matter what specific task they deal with (Dahler-
Dependency on funding affects the way NGOs view themselves in relations to other social actors and stakeholders – where organizations regards themselves as self-interested agents, but where agency is collectively legitimized (Meyer et al., 2013). Thus, NGOs have 'multiple accountabilities'; and it then becomes imperative to distinguish between upward accountability and downward accountability. 'Upward accountability' refers to the NGO—patron accountability towards donors and the state; focusing on the spending of designated funds on designated purposes. 'Downward accountability’ is geared towards NGOs constituency – the intended beneficiaries; individuals or groups affected by the NGO activities, but may also be extended to include communities or regions indirectly affected by NGO programs. Moreover, internal accountability concerns self-assessments of NGOs with respect to their rules, practices and goals – including responsibilities to mission and staff, decision makers as well as fieldworkers (Kilby, 2006; Ebrahim, 2003a, 2005; Roberts et al., 2005).

Ebrahim examines five broad mechanisms of how accountability is practiced: reports and disclosure statements; performance assessments and evaluations; participation; self-regulation and social audits – distinguishing each as either a tool (i.e. techniques applied over shorter time periods, producing tangible results) or as a process (emphasizing course of action – e.g. participation – rather than end-results) (2003a). Hence, we may further distinguish between short-term functional accountability regarding resources and immediate results; and strategic accountability regarding the wider and long-term impacts that actions may have on other organizations and the environment (Edwards & Hulme, 2002: 193-194). Accountability tools are often exercised and justified by referring to the overall accepted term 'transparency', through accountant practices and the production of financial reports made available to stakeholders (Roberts et al, 2005). Similarly, Meyer et al. (2013), assert that an organization's legitimacy comes from a need to produce proof of rationality and effectiveness; relating to values, purposes, means and goals of their stakeholders; and complying with generally accepted world views and patterns of interpretations.

3.3. NGO responses: A matter of power
Giddens (1984) uses a concept of 'dialectic of control' – pointing out that even if resources permit power to be exercised, we should not conceive of the structures of domination within social institutions
as creating 'docile bodies' behaving like automatons. Rather, all forms of dependence offer some sort of resources to those who are subordinate, so that they may affect the activities of their superiors (p. 16). However, the degree of agency varies and is in itself structured. An important part of a structuration perspective is that actors are viewed as both knowledgeable and reflexive – routinely monitoring and making sense of their own and others' actions. Agency, therefore, is found in the interpretive process through which choices are imagined, evaluated and continuously reconstructed. Thus, structuration theory helps us to understand ways in which individuals and organizations do not only conform to the usual patterns, but also behave strategically to create new ways of acting and organizing (Scott, 2001: 76-77).

Hence, we have to acknowledge the agency of organizations; and their abilities to not only be swept away by conditionalities, but also act strategically to achieve their own goals. Oliver (1991), draws on both institutional theory and a resource dependence perspective to show five typologies of such institutional responses: 'conform', 'compromise', 'avoiding', 'defying' and 'manipulation'. Similarly, Elbers & Arts (2011), derive four categories of NGO responses to donor pressure: 'avoiding'; 'influencing'; 'buffering'; and 'portraying'. By conforming to the pressure from their environment, organizations make it a 'habit'; by 'imitating' others; or 'complying' with regulatory, cultural or normative authority. Compromises are likely to happen in an environment with varying demands or inconsistencies between institutional expectations and internal objectives, and involves 'balancing'; 'pacifying' stakeholder(s); or 'bargaining'. In contrast to the above, avoiding entails trying to prevent conformity by 'concealment'; or 'buffering' (core parts of) the organization from institutional requirements. The later, might lead to decoupling of structural features from technical activities. Defiance is a more active form of resistance, either through 'dismissing' or ignoring; 'challenging'; or 'attacking' rules and values in the environment. Manipulation is an attempt by organizations to 'co-opt', 'influence' belief systems or 'controlling' the environment, through e.g. bargaining or managing views of their legitimacy (Oliver, 1991). Managing views is closely related to what Robert et al. (2005) refer to as 'organizational identity' and 'image creation'.

When confronted by multiple, or fragmented rationalities, such as being accountable to several stakeholders at once, NGOs may 'decouple' their structural features from their technical core (Scott, 2001: 172). Bromley & Powell (2012) stress the difference between policy—practice decoupling, on
the one hand; and *mean—ends* decoupling on the other. If externally driven ideas and activities are not aligned with the core values of an organization, a natural response would be to avoid them, or merely implement them symbolically – thus, leading to a decoupling of policy and practice. *Means—ends* decoupling will occur as formalities (e.g. standards of evaluations and measurements) are applied to complex social phenomenon where means and ends are opaque. This leads to a focus on information and procedure, rather than *directly* on ultimate goals. Moreover, decoupled means and ends are more frequent where rationalized environments are fragmented; i.e. as the number and types of actors increase, from whom organizations rely on material resources or legitimacy. This may lead to the organizations to create specialized departments to deal with such pressure – shielding the organizations' technical core from the structural demands. It is important to note that a great deal of decoupling is not cynical managerial strategies, but unintended consequences (Bromley & Powell, 2012).

### 4. Methodology

The method used for formulating research questions, collecting data and analyzing the material has been in line with what Bryman (2008: 541) calls ‘grounded theory’. The use of an inductive approach allows the refitting of the research question to the collected and analyzed data – viz-a-viz – in a recursively manner. Similarly, Creswell (2003: 203) asserts that data analysis must take place constantly during the data collection. Thus, classifying and creating as many categories as possible is necessary to generate patterns and themes – allowing adjustments and refocusing of the research design. Moreover, due to the nature of the topic and the research questions of the thesis, a qualitative approach – rather than a quantitative one – was used to examine the way NGO-staff not only responds to external pressure and material flows, but is guided by internalized structures.

In this section of the paper the research process is presented. First, the research design is explained, accounting for the research approach chosen. Second, the process of data collection is discussed – describing the sampling process; covering how the interviews were carried out; and how limitation, such as the role of the researcher and ethical issues were overcome.

#### 4.1. Research design

A good research design is essential for obtaining the relevant material needed for the study to answer
the research question. Research design is not the same as particular methods for data collection, but rather the logical structure of the inquiry. It is therefore inaccurate to equate research design to research methods (e.g. quantitative or qualitative). Rather, the purpose of research design is to ensure that the material collected helps us answer the question at hand; and reduce the chance of drawing wrong conclusions from data (de Vaus, 2001: 9-12). John W. Creswell (2003: 3-5) suggests that a research design contains three elements of inquiry: philosophical assumptions that constitutes knowledge claims (about what and how we can learn during the research); the general research procedures, or strategies of inquiry (overall research approach, e.g. case study); and processes of data collection, analysis and writing known as methods.

4.2. Case study
To approach the institutional and governance structures affecting NGO actors, prompting their responses, this thesis takes on the shape of a case study. A case study is the detailed examination of a feature of a historical occurrence to develop or test explanations that may be generalizable to other events (George & Bennett, 2005: 5). A case study design is especially helpful in generating extensive and detailed information about a few single cases (Bryman, 2008: 53). In contrast to experiments, where the researcher directly controls the variables, case-study research “constructs” cases from social situations – capturing them in their in-depth portrayal (Hammersley & Gomm, 2000: 3).

As opposite to statistical studies, case studies are characterized as 'small-n' studies (George & Bennett, 2003: 17). In case studies, the case is the 'object of study'; i.e. the unit of analysis which information is collected on. In turn, the unit of analysis may be anything from an individual person; a place; an organization; an event or a decision; or a time period (de Vaus, 2001: 220). The object of study in this thesis is the organizational field of development NGOs in Nepal – bounded by actors that share a common regulatory, normative and cultural-cognitive frameworks (Scott, 2001: 83). Such frameworks make up guidelines for how organizations (ought to) work (ibid.:139). Thus, this study investigates donor—NGO relationships embedded in the broader 'international aid system' – where boundaries are marked by material, moral, cultural and conceptual flows (Tvedt, 2006).

Case-study research has for a long time been considered the 'ugly duckling' of research design – a soft option – geared towards generating hypothesis for further testing (de Vaus, 2001: 219). According to
Bent Flyvbjerg (2006) there are five common misunderstandings and oversimplifications about the nature of case-study research, namely that: theoretical knowledge is more valuable than practical knowledge; single cases are not generalizable and cannot contribute to scientific development; case studies are most useful for generating hypothesis; the case study is biased towards verification; and it is difficult to summarize particular case studies. However, such criticism misses the point of case studies; i.e. to gain knowledge and learning (ibid.).

4.2.1. Generalizations & Validity in qualitative case studies
Research should ideally be both internally and externally valid (de Vaus, 2001: 27). It is, however, erroneous to say that single cases cannot be generalizable. This depends on the case and how it is chosen (Flyvbjerg, 2006). Focusing on a few cases allows for an in-depth study; and by selecting a 'representative' or 'typical' case the study may illustrate a wider generalization (Bryman, 2008: 56). Generalization in case studies is, thus, not based on the notion of a representative sample, but rather on the 'analytic generality' (May, 2011: 223). As this study examines one case extensively; and the case is made up of different, yet typical NGOs (e.g. they are not extravagant or deviant in any particular way) – the paper seeks to conceive of generalizable concepts and tendencies. Hence, through in-depth and contextual knowledge about a case, it offers 'conceptual validity'. Case studies aim for cumulative and progressive generalizations about social life; seeking to establish standards for evaluating whether some generalizations are better suited than others (George & Bennett, 2005: 19). As such, this thesis is not meant to represent every NGO in Nepal – let alone the whole world. The findings presented here should rather be seen as an ideal type; i.e. as an analytical construction – a synthesis – showing overall characteristics (Weber, 1949: 43-46). As Flyvbjerg (2006) puts it; carefully chosen cases may prove ideal for generalizing when they are used as falsification, or for critical reflexivity in social sciences – identifying a deviant case, or stimulating further research.

4.3. Data collection
In this section the processes of sampling, interviews and limitations, such as the role of the researcher and ethical issues are further discussed.
4.3.1. Materials used
To collect the material for this study, I visited Nepal between late February and the beginning of May 2014. Upon my arrival I went about the first weeks visiting NGOs informally – meeting with informants – while getting acquainted with the research problem, getting insight to technical terms and issues, and designing an interview guide (see Appendix). By doing so, it allowed the formulation of questions that were anchored in NGO staff and their daily organizational life. The collected material in this study is mostly made up by interviews. However, when visiting different organizations I was often given access to copies of different reports (usually annual reports) and other written material (including project proposals). It should be stressed that many of the organizations – although definitely not all – were very secretive with certain formal documents, and one interviewee told me they were confidential. Moreover, I was invited to a training of field mobilizers, where extensive field notes were taken. Field notes from my preliminary visits (and one interview that was not allowed to be recorded) are also part of the collected material.

4.3.2. Sampling
During the research for this thesis 14 organizations were selected and visited. The organizations all work in the field of development, but exhibit different characteristics, to which I will return to below. When sampling, according to Bryman (2008: 375), it is important to conduct ones sampling according to the research questions. The idea with this thesis was to purposefully select the participating organizations that would best suit the research aim and research question (Creswell, 2003: 185). Thus, in contrast with 'probability sampling' (random sampling), this paper uses what is known as 'purposive sampling' – which entails that the researcher selects his or her samples according to their relevance, rather leaving them to chance (Bryman, 2008: 415). Anheier et al. (2011) suggest that in the context of civil society organizations, volunteers and workers, together with local communities are the best and the most capable of understanding and identifying practical difficulties – either in designing or implementing the program or project.

Following this reasoning all of the interviewees selected for this thesis hold positions in the organization as directors, program/project managers, or the equivalent. All of the participants are experienced with the most inner life of an organization, such as strategic planning, project applications, monitoring and evaluations and reporting. Thus, they were able to answer questions about the demands
from the institutional environment and strategical choices of the organization. All interviewees have worked in the field for ten years or more, several of the them have had positions in other organizations and government agencies (including foreign bilateral donors), and one is currently working for a major international financial institution (IFI).

The contacted NGOs have been chosen from a list of NGOs working by sector. The criteria being used while sampling was that their working modality was participatory and had to do with 'empowerment' (economical, political or social). Some of the NGOs were contacted as a result of 'snowball sampling'; i.e. previous interviewees and informants shared appropriate and relevant contacts (Bryman, 2008: 184-185). When selecting the organizations to be interviewed, it was also important that they had an office, where I could go to visit them. Also, this was a good indication that the organizations were actually involved in donor relations, working with beneficiaries, and ruled out any possible “brief-case NGOs” that only exist on paper. The organizations in this study range from small, middle and big I/NGOs – both in size of their administrative staff and in number and scope of their projects.

It is important to note that INGOs in Nepal are prohibited by law (Social Welfare Act, 1992) to directly implement development projects in the country. They must do so through local partner organizations; and, thus, act as an intermediary between donors and national/local organizations. This puts them in a unique position as both recipients and donors – something that gives us direct insight into donors' reasoning and behavior. Four of the organizations are international organizations (out of which one is working exclusively in Nepal); and the rest are national and local NGOs. Three of the national NGOs are membership-based, have local CBOs and a 'democratic' structure. Selecting organizations with a variety of technical operations contributes to the generalizable picture of how organizations are affected by governance strategies.

4.3.3. Interviews: Method & Data recording
All of the 14 organizations selected for this study were interviewed between the beginning of March and early May in 2014. Three of them were revisited for a second interview, mainly due to changes made in the research design, or that our previous interview had been cut short. In the end 16 interviews were carried out, with a semi- to unstructured approach. I will return to this below. All of the interviews, except for one, were recorded with a digital recorder, and bullet-points were written down.
Interviews are useful when participants cannot be observed in the field; and they allow the researcher to 'control' the line of questioning. They also permit participants to give historical accounts of events and life stories (Creswell, 2003: 186). There are different types of interviews; structured, semi-structured, unstructured and group interviews (sometimes also known as focus groups), that all have their pros and cons (May, 2001: 120-121). In quantitative research the interviews are commonly structured with a specific set of questions to maximize 'reliability' and 'validity' by generating easily processed answers. Questions are usually narrow and precise and reflect the researchers own concerns. In qualitative research, on the other hand, there is an emphasis on 'generalization' when formulating the initial ideas and questions are generated to reflect the interviewees own perspectives and what he or she sees as relevant and important (Bryman, 2008: 437).

Thus, when moving from structured to semi- or unstructured interviews the situation shifts from where the researcher tries to control the interview through predetermined and standardized questions, to one where respondents are encouraged to freely elaborate in their own terms. When using interviews of a more unstructured nature, questions and answers are open-ended, which allows the interviewee to challenge the preconceived ideas of the researcher and answer on his or her own terms (May, 2001: 121). Semi- and unstructured interviews are more flexible and adjustable to the person or setting, and give the researcher rich and detailed answers. This study uses an approach that is closer to the unstructured side of the continuum to capture the deeper meanings that people give to their social world. It also opens up for flexibility during the interviews – allowing for changing the order of the questions and asking follow-up- and related questions – depending on what was being said. Also rambling was encouraged during the interviews, to make the interviewees feel more comfortable (Bryman, 2008: 437-438). Thus, using semi—unstructured interviews some questions can be standardized. In general all questions are specified, however, I was able to go beyond these and seek clarification and elaboration to the answers – engaging in a dialogue with the interviewee (May, 2001: 123-124).

4.3.4. Limitations: The role of the researcher & Ethical issues
Qualitative research is sometimes understood as interpretive, which means that the researcher makes interpretations of the data; developing descriptions, constructing themes or categories, and drawing
theoretical and learned conclusions (Creswell, 2003: 182). There are, thus, limitations to the interview
method that we have to take into account while discussing it. The arguments can be grouped into three
categories: first, interviews provide the researcher with produced and indirect information that is
filtered through the views and experiences of the interviewees. Second, the interviews provide
information in a chosen place rather than in the natural setting; and that the researcher may alter the
responses in a biased way. Third, informants are not equally articulate and perceptive, which may favor
or impede certain views or accounts (Creswell, 2003: 186; May, 2001: 142-144).

Such critique is valid. However, since meanings are constructed by individuals engaging the world, and
individuals engage the world based on such meanings, the goal of the researcher is then to rely on the
views of the participants in the study. Therefore, the questions were meant to be broad and general,
allowing the participants to construct the meaning of the situation (Creswell, 2003: 8-9). The interviews
were carried out in the offices of the organizations, thus putting the interviewee in a familiar
environment, where I was the guest. Furthermore, I made it clear from the beginning what the research
was about; that full anonymity would be upheld, and that I would not mention the persons name, the
name of the organization, or any specific donors. When analyzing the data care was taken to try to
balance the answers – giving room for different opinions.

5. Analysis

The analysis of the data collected is presented under three main donor governance strategies: 'Selecting
partners: Donor priorities & background-checks'; 'Tendering & underfunding'; and 'Standardization &
s cientization'. Each of these sub-headings represents a 'technology of power' (or donor strategy), how
NGOs perceive this pressure and, in turn, respond to it strategically.

As noted before: as INGOs cannot implement any development projects directly in Nepal, answers
given by interviewees from INGOs are sometimes coming from a recipient point of view; and other
times as a donor. Therefore it becomes interesting paying attention to this discursive shift when moving
from one role to another.
5.1. Selecting partners: Donor priorities & background-checks

Selecting the right partners is crucial for donors to make sure that their funding is put to use along the lines of their own agendas and priorities; and that there will be a minimum of misuse of their investments (Reith, 2010). Thus, donors will only accept proposals that meet the priorities of their own organization and country strategies. Moreover, donors do screenings to guarantee that the implementing agents meet legal and normative demands, and control what kind of profile they hold – both in terms of ranking, but also in terms of reputation and focus area. This has implications for NGOs as they struggle to appeal to donors, to gain legitimacy and resources to do their work.

5.1.1. Donor priorities

Since donors control the funding, it is often their goals that are put first; and NGOs have to adapt to them. Many NGOs succumb to the pressure of donor trends; as shifting policy focus offers problems for those who run out of fashion. Donors have their own priorities, stated in their country strategy papers. These are, however, general plans – for the whole country – something that may overlook the different needs in different places and between different stakeholders. Thus, a common theme in the interviews is that NGOs have to comply to a package deal from the the donors if they wish to gain funding. One of the interviewees explains:

“[Donor priorities] will form the basis for the implementation of the project [...] The needs of the donors will be the first; and they fund the NGOs, who are in the position to work in line with these of the donors – not in line with the needs of the local people [...] And the NGOs, whether in the west of Nepal or in the plains [...] they have to align their priorities with that of the donors and implement the project. So the priorities of the donors will come first, then the priorities of the people and the priorities of the NGOs and the civil society organizations [...] So the donors come up with their own programs, with their own priorities, with their own strategies – and all the civil society organizations have to align [...] – otherwise it's very difficult to get funds [...] Then there will be the questions of, you know, survival – you will not survive.”

(Interviewee 10: NGO, 19/4)

While doing the preliminary study, I found that one of the INGOs I visited were in the process of overhauling their entire working modality. This was explained by the fact that the head office was trying to access Sida money – requiring a rights-based approach. Since all national branches need to be
in line with the international strategy, the Nepali country office had to follow their lead (Field notes, 25/2). Similarly, one of the national NGOs in this study made a shift in their organization's modality in the early 2000s towards a rights-based approach, supported first by one of the larger INGOs in the country; and later on by Danida (Interviewee 9: NGO, 18/4; booklet). Moreover, the program manager explains how 'empowerment' was conceived as 'economic empowerment' in the mid 1980s; and as the approach expanded, the NGO shifted its use of concept towards a rights-based terminology:

“Nowadays we have started using the rights-based terminologies: if they are able to exercise their rights – all the 'generations' of rights: civil, political, social, economic. If they are able to exercise [those] themselves, without any hurdles – then they are empowered […] So we call [it] 'two-pronged empowerment': one, in terms of awareness, knowledge on these things – mostly in civil and political rights; and then the other prong is socio-economic enhancement – basically more livelihoods and infrastructures. So, in these two – side-by-side – is full empowerment.”

(Interviewee 9: NGO, 18/4)

This demonstrates how NGOs may adapt their overall direction and working modality to the changing discourse over time. This does not only affect their ability to access funding, but also their methods of working. However, most NGOs choose to avoid the funding that does not match their interests. This is a big part of NGO life, as expressed in one of the interviews:

“You have to chose the donor. They must be in line with your vision and mission, otherwise you have to change everything for that and we are not ready to do [that]. So we usually approach donors that we know, because we have studied, or we have collected information that they are a little bit in line with what we are doing – so we are fine with that. […] One of our jobs is to search for donors that are compatible with what we are doing – otherwise it's too difficult.”

(Interviewee 12: INGO, 4/5)

However, some NGOs manage somehow to work around this, manipulating the donors to maintain their own interests and objectives, as illustrated by the following examples:

“If we come up some kind of a program that is necessary for the people, we cannot work with it. We have to insert some of the objectives, which will make the donors happy […] If we have five objectives, the fifth one is the real objective. Four are just fabricated things, like ‘we're going to change things in Nepal overnight’ – that is never going to happen, [but] we have to
work on it […] We sneak out some amount from there, to actually work on the people – that is how we work. It is not a huge chunk of money we are going to use for that. Ultimately we need funds to work, because ultimately we need a survival amount at least.” (Interviewee 3: NGO, 23/3)

Similarly, another interviewee explains how they manage to leverage funding from donors to support their own working modality:

“So we have a “double-edged sword” policy. We do projects – not because we want to do projects alone – our overarching goal is self-development. We do water projects, because water is a crisis right then. We do water projects to teach these principles; how do you prioritize, how do you do the result-based [management], and all that […] [I]f your fund water projects, we go to you, sign an agreement and get the water-project funding from you. But we go to the village, where the self-development process is taking place; do the water project – your water project, not mine – I’m not interested in that water project. I need that money, because I want to do self-development; I want to teach that principle, but I need the project money, and you have that project money.” (Interviewee 6: INGO, 1/4)

5.1.2. Background checks: Organizational definition & image-management

Having good references is a reoccurring theme in the interviews. At one of the organizations the staff expressed relief over managing to verify to a donor that a project failure was out of their hands; and subsequently they got to keep their “grade-A rating” (Interviewee 7: NGO, 3/4; field note). The selectivity of donors can be mirrored in the behavior of INGOs that need to find and select implementing partners. One of the interviewees working with an INGO explains how they select implementing partners:

“When selecting our partners we see the profile first. You see, our thematic areas are on agriculture, on health and natural resources management – so we see if they have some kind of experience on that, or not. We see what kind of persons are involved in the board; their reputation in the district – we even go to the district to consult which NGO is working well. We crosscheck, we verify; we see the recommendations.” (Interviewee 14: INGO, 7/5)

A reoccurring topic is the trouble being different and having to convince donors, who have their own
priorities, to fund your cause – especially if you are working with something out of the ordinary. One of the interviewees explain how it can be difficult to find donors to fund intangible projects:

“The social change kind of project, it is not building something. Installing something is way easier than driving a screw through your mind and changing your mind. It's very difficult. Now we are struggling with a similar concept: creating 'self-development'. What is that? It's not a water project, it's not a school, it's not a bio-gas digester, it's not giving a truck for a milk factory. Those things are easier […] But to create a self-development habit […] How do you create that?! It's not easy.” (Interviewee 6: INGO, 23/4)

Thus, national NGOs are encouraged, not only to achieve good results, but also to define their central focus and coherence of values along specific approaches – a way of presenting the organizations vision and mission; and offers an easy overview for donors looking for partners. When NGO-staff fails to put things into words or writing, they may try a more direct strategy of attempting to influence the donors to prescribe to their values – manipulating their belief system. One interviewee explains:

“First thing, what we do is we just try to push them to the grassroots people: go and see what they have done or what they need. We try to push them more to interact with real people – real needy people at the grassroots […] Paperwork is of course needed – that's no question. But it should not only rely on papers; you should also witness – see the results at the grassroots at some point. So it should be made through the paperwork, documentaries, photos, whatever – as well as the grassroots real field and real peoples' voices, they should go, see, hear that so that they can believe.” (Interviewee 9: NGO, 18/4)

Another way to appeal to donors is to divide the objectives into more manageable parts – to 'anatomize', or 'compartmentalize' the overall organizational strategy. One of the interviewees tells me about how they in the past had trouble finding donors that would support their overall holistic approach; and now they have made it so that a wider range of donors can find an issue or an area of their interest. He explains the changes they have undergone in their new five-years plan:

“It is not necessary that they should agree on the whole core plan […] Now they can, even if we work for all the different areas, they can work together for one component – select one component and come […] So, now many different donors have their different specific agendas, for example, some work only in the livelihoods sector, some only in civil and political rights,
Thus, sustainability, or long-term viability of an NGO and its projects, is another aspect of organizational definition. This entails that the organization has the ability to draw on funds from diverse and a changing range sources; and that the mission and vision of an organization is sufficiently broad, so that it can never be fulfilled – thus rendering the organization redundant – or that successful organizations change their mission focus (Roberts et al., 2005).

Organizational identity is an important aspect of image-management, and is something that runs all the way through the aid chain down to national NGOs. All I/NGOs in this study – small, medium and big – produce printed material with information about the organization (organizational map; and vision and mission), their history, projects and working modality (including objectives and activities), results (including statistics, 'success stories' and other achievements), and challenges and possibilities for the future. One of the organizations visited showed me a video, where their working modality was explained and success stories presented with an English voice-over (Interviewee 9: NGO, 18/4; field note). Remarkably, although beneficiaries almost exclusively are non-English speaking poor and marginalized people, much of the printed material is produced in English (although not exclusively). This may be to brief current sponsors or to attract potential supporters and funders. Some of the organizations in this study have working modalities (e.g. 'self-development' or 'Social Family') that put them apart from the crowd, make them more presentable to donors, and/or send a right kind of message to the environment.

To further illustrate the importance of organizational definition, consider the following quotes. The first is a larger INGO that implements their projects and programs through national and local partners:

“If we select partners who are the type of 'professional' NGOs that have no commitments to the communities whatsoever; they might be good at mobilizing people, they might be good at getting people involved, for a certain project – but when they leave the whole thing can fall apart. But if we work with the “issue based organizations” […]; those who are actually affected by the issue, and leading the issue. Then it is much more likely that they will continue the
struggle – even if project comes and go, and donor funding come and go […] A good sign, for example, if you want to be working with Dalits you should be working with a Dalit organization – consisting of Dalits in the board, in the secretariat, in the management and in the staff. There is a higher likelihood that they are committed to actually doing something about the Dalit issue.” (Interviewee 4: INGO, 26/3)

Another interviewee from a national NGO working with Dalits – an organization potentially in line for such partnerships – says:

“Why are we different? Because most of the people who are working for us are victims of the caste system. They are working for the liberation of themselves, because they are also victims of the system – they are also discriminated somehow. They are also working for the people who face the same discrimination – or similar kind of discrimination.” (Interviewee 11: NGO, 29/4)

In the last quote – as with several others – the legitimacy comes, not only from belonging, but from the closeness to the target group. By involving beneficiaries, NGOs see themselves as legitimate to speak and act in behalf of those they are trying to help and their communities. Thus, once an organization has a target group, an issue, or an area of intervention; and includes their beneficiaries – from whom they get their identity and legitimacy – it can operate in basically any sector and at all levels. The NGO of the interviewee above, for example, works with education and economic empowerment projects, advocacy at the local and national level to influence policy reform, but also to help government and relevant stakeholders to enforce the policies, leadership development, human rights training.

Because donors do research and try to match their funds with the right kind of organization – be it an INGO, national NGO or a CBO – this puts pressure on NGOs to adjust their focus to capture their interests. One national NGO described their efforts in attracting “like-minded donors” in the field of gender, by “empowering women in the environment” (Interviewee 7: NGO, 3/4; field note). The organization, thus, manages to tap two of the main areas of donor interest: gender and the environment. One of the interviewees from an INGO deliberates on why gender as a concept is so widely adopted:

“That brings money – that's the main attraction of donors. Definitely at the end of the day it's money that runs the show; but how we run – that makes a huge difference. […] [A] huge amount of money is coming in for climate change, HIV/AIDS – and then there's gender. And
obviously every NGO would customize their work into that package that attracts money – that attracts donors. It's the way it is; at the end of the day it's a matter of survival…” (Interviewee 14: INGO, 7/5)

Thus, NGOs have a lot to gain from, on the one hand having a precise and narrow focus, either on a target group, a certain sector or on a theme; while on the other hand being as vague as possible to be able to absorb and accommodate funding from a wide as possible range of sources. Or more bluntly, as a program manager in the field of agriculture puts it:

“[O]ur goal is like: poverty reduction through increase in agriculture production and empowering the farmers. So any intervention in the agriculture sector contributes to that. So, yes, if you have broadly defined goals, then any project can be accommodated.” (Interviewee 2: NGO, 5/5)

This may also be because, donor fashions are perceived as risky, as they may shift; and organizations want to be sure that they will still be needed when donors change their strategies. Such uncertainty in the environment leads to pressure on NGOs to implement projects that are successful, but that does not necessarily address the root cause of the problem (Rauh, 2010). One of the interviewees gives an example of how donors can quite suddenly shift their attention from one area to another:

“[D]onors also review their strategy; and sometimes they also decide to shift their program to another [area]. For example, like [X INGO] […] In the beginning they were placing importance on working through their volunteers in organizational development: like, helping organizations to develop policies, transparency mechanisms, deadlines, proposal development, IT […] But later, when demand was somewhere else, a program shift occurred in that organization. So now they are focus on livelihood education – this happens.” (Interviewee 11: NGO, 29/4)

One way of dealing with vulnerability to donor fashion, applied by both national and international NGOs, is to diversify their income through e.g. social businesses – attempting to become independent. One of the smaller national NGOs in the study runs a cafe, mainly because of their lack of a “portfolio” (Interviewee 1: NGO, 7/3). But this also allows them to feel less controlled by donors and gives them leverage to negotiate. Another of the interviewees from an INGO explains their latest endeavor:

“What we are trying to do is: all the regular […] donors, we're gonna tell them “hey, so far you
donated, it was free money for us to implement projects. Now, we want you to stretch your mind a little bit further: we want your money, but we want to return your money – for the first five years, with no interest”. It's a kind of social business concept that Muhammad Yunus talks about: put your resources in that particular basket; we will identify a profitable business in the country; we will go through the country's regulations; and operate that business; make profit – pay back you; keep the profit, keep the business going; so you don't have to give us free money – we have something coming from inside.” (Interviewee 6: INGO, 23/4)

5.2. Tendering & underfunding

A common feature amongst donors is that they use 'tendering' as a way of managing development funds; i.e. moving away from traditional grants (charity) to market-based strategies of contracting out services with sometimes predefined design, time-frames and targets already set. This is, intentionally or unintentionally, creating competition between NGOs as they bid for contracts. Another common feature in the funding process is underfunding – limiting both money and time – on the part of the donors, while demanding NGOs to keep down administrative and other overhead-costs. According to Follér et al. (2013) this is to spark innovative ways of working among the NGOs; pushing them to become more effective and efficient.

5.2.1. Competition & bidding

In most of the cases national NGOs in this study are working with contracts; supporting themselves – staff and their cause on a project-to-project basis. Procurement methods are, thus, whether intentional or not, geared in a way that nurtures competition between NGOs. For example, Danida has recently implemented a new 'resource allocation model', as one of the interviewees working with Danida explains:

“[T]here's one pot of money that we all share, and we can't all get the same amount of money […] Danida has a certain pool of money; and depending on how well the NGOs perform, they can get additional money. But there's only one pot of money, so if we all perform well, we'll all get next to nothing. So some of us needs to better than others; and that's maybe something that could potentially create a degree of unhealthy competition between the NGOs […] Maybe from another perspective you could say that it is a healthy competition; that we all have to focus on
performance, on documenting our results and that it's always healthy to be shaken up a little bit and be forced to do better, document more to make a stronger case, because it's also needed.
(Interviewee 4: INGO, 26/3)

This shows that competition is not only viewed as something bad, but is sometimes even welcomed – a sentiment that was shared by several of the interviewees. However, the interviewees also made clear that there is healthy and unhealthy competition. The later may have unintended consequences, as an interviewee from a NGO working with migration issues explains:

“Now, if a donor asked me to work on rescue – I'm ready to do that; while I know there are some other organizations that are better than us – far better than us in working on rescues […] [T]here are a lot of NGOs that will try to grab that money, because that is the only survival tool for them. Because, you see, we are running this place [the office], it takes us 22,000 rupees to pay this rent for this floor, and we have five staff. We have to pay them. The project we have now is until July 15. So what are we going to do after July 15? […] It's like a piece of bread [being] thrown and the dogs fight. It is happening here. It is true.” (Interviewee 3: NGO, 23/3)

A newly established trend is for donors to give INGOs larger contracts (Wallace, 2003; 2004), to limit the number of intermediaries (Follér et al., 2013). But since INGOs cannot implement any activities themselves, they need to sub-contract parts of the projects to different NGOs or CBOs. Thus, funding a 'consortium' (i.e. a collection of 'partner NGOs') is becoming increasingly common – something that is welcomed by some:

“[B]eing a network, we promote consortium […] project implementation – not by one NGO, but like a group of NGOs that implement the same project. Like, at this moment we are implementing an HIV/AIDS project in far-west and mid-west with four NGOs: the same project, but by different with the same, or similar approach […] We show that consortium is an effective way of implementing a project, which enhances learning amongst the NGOs […] We'll sit once every three months and review the project work and share in an openly manner.”
(Interviewee 13: NGO, 6/5)

This may be fine in an even partnership. However, for others it restricts the room for maneuver as it leaves only miniscule opportunity for less strong partners to contribute:
“When the implementation is through a consortium, it means you have several organizations teaming up and one of the organizations among those consortium members is leading; and whoever is leading is directly accountable to the donor, and also accountable for compiling responsibilities and commitments of individual organizations, putting them together and submitting it to the donor. And also, the same organization is responsible for negotiating with the donor, signing the contract and is responsible for the reporting. And the others responsibility is just to deliver and implement in the field – on their defined limited role.” (Interviewee 2: NGO, 5/5)

The interviewee from above goes on and gives an example of a project they did as part of a consortium with an INGO – stressing that in a sub-contract, NGOs are often left in the dark concerning the overall details of the project and that they only have a:

“Partial decision-making role, or sometimes no decision-making role, just accountable for the delivery – whatever is asked for […] [W]e were part of the bidding, but they signed the contract with the donors; they received the money; and they signed a separate agreement with us […] But for [the] formalization of the commitment and the responsibilities, they have their own format of the agreement, which they signed with us […] [T]he roles and responsibilities are already defined in the project document – so, it is not mentioned in the contract. In the contract is only explained a list of the activities and the budget.” (Interviewee 2: NGO, 5/5)

The same interviewee goes on and says that participating in a bidding process is not without risks for the NGOs involved, as it usually requires two stages of tendering: first with a technical proposal and then a financial bidding:

“[F]rom among the shortlisted – limited amount of technical proposals – then they compare the costs. So maybe, for example, there were 100 applicants; and only five proposals were technically successful – so they have already discarded 95. So from among these top five, you compare the cost and the cheapest one will be awarded. But it does not end there. Then again they are invited for discussion and the NGO, or whoever are bidding for this, will have to convince the donor that with this costs, they will be able to deliver the wanted results.” (Interviewee 2: NGO, 5/5)
Moreover, as the process may take a long time and involve substantial resources on behalf of the applicant, organizations may tend to be risk averse. At the same time, donors are accountable to their 'back-donors', and may also not want to embark on too risky endeavors. One if the interviewees reflects on the relationship:

“[T]here are big challenges that big organizations should try to take on – but of course they are very risky […] On one hand I can understand: the donor itself does not want to risk the money, so they are the first that want you to play safe; and if there is too much risk, they will say no. Even think that, to develop a proper proposal it takes months – so you don't want to throw all of what you have done. So you don't want to take a risk – they don't want to take a risk; and in the end it might affect the overall effectiveness.” (Interviewee 12: INGO, 4/5)

Thus, this long process also entails financial risks for the NGOs that undertake this, as one of the interviewees explains:

“Because for big donors, they will need a lot of interaction and work needs to be done to develop a kind of proposal to be submitted to the donors. So sometimes the organization face financial difficulties […] It's very risky for some organizations; because they if they lose, then they lost a lot of things, you know, time [and] money.” (Interviewee 11: NGO, 29/4)

When the contract is signed there are possibilities to make changes. However, these may be underutilized as fear of coming across as difficult and, therefore, losing donors:

“So usually in the contract that you will sign – the convention, or whatever – there is always provision for [negotiating]. So you need to ask for authorization and then you can change here and there. You have that [possibility]. But of course if you have to change everything that will be a different headache. They [the donors] might even say: “now you gives us back the money”. So again there's a risk that you don't want to take.” (Interviewee 12: INGO, 4/5)

The same interviewee goes on and reveals how the lack of open communication between them and the donor leads to concealment of problems related to the project:

“For example, there are a lot of politics in Nepal – in the development field. Basically behind each and every local NGO there's a party […] So you can put that in the log-frame as a risk. But if you really share the whole thing – no one will fund you. You know that is one challenge you will have to deal with […] but if you share [that], they are not ready to fund.” (Interviewee 12:
Similar views were expressed by several of the interviewees and points to deeper lack of trust embedded in donor—NGO relationships.

5.2.2. Underfunding

To prepare and present donors with proposals may be expensive endeavors; a cost that needs to be footed by NGOs themselves. However, the lack of resources (both time and money) stretches all the way through the project-cycle. This trend of underfunding can clearly be illustrated by the frequency of projects not being completed on time. Because money that have been payed out for projects needs to be spent, this has given rise to a presence of 'no-cost extensions'. One of the interviewees working in highly professional INGO deliberates:

“It means that the saved money can be spent during this extended period. There will be no additional funding from the donor, but money is already there, which remained unspent; and this prolonged period – the duration could be prolonged – to use the unspent money […] Donors have also spent the money, they can not take the money – and they don't like taking money back – and then they just keep on extending until the money is finished. And implementers are taking advantage of that [laughs]” (Interviewee 2: NGO, 5/5)

However, while this may be beneficial to some, it reveals a deeper dysfunction in the strategies of donors, as explained by one of the interviewees working at a highly professional INGO:

“[I]n most projects we end up asking for 'no-cost extensions', where we extend the project period without additional funding, because we're not able to deliver our project results within the set time frame. Because the context changes, development work is challenging, lots of things come up as we go and it is not possible to deliver on these perfect result within three years. It's an unrealistic way of working.” (Interviewee 4: INGO, 26/3)

Another interviewee articulates the contradictory dilemma in this way:

“[B]ecause of log-frame things, results-based management, efficiency – it's a challenge to make a balance between the donors expectations and the values of participation […] There is a certain time-frame where you complete a project, based on the ToR, but our way is participatory. Certainly we can complete a project on time, but it means to ignore the participation of people.” (Interviewee 13: NGO, 6/5)
Thus, as donors are the source of money, everyday practices are shaped by donor targets and funding time-frames, as exemplified by one of the interviewees from an INGOs:

“The EU is a good example: they put out calls for proposals; and in those calls for proposals they have quite specific, almost targets and themes that they would like to see. They have mentioned that the time frame should be often maximum three years, and they have a set amount of money allocated for that. So of course it is limited, I mean we have to fit what we are planning to do within that […] Then you have to be really realistic about what you're planning and what you can hope to achieve within that time frame.” (Interviewee 4: INGO, 26/3)

A reoccurring topic in the interviews is the limited resources, both time and funding, available for participatory planning, evaluations and learning processes. It is that participation and inclusion of the local communities that NGOs are working with takes a long time, and that – although demanded by donors – it is not something that is given the necessary time and/or resources to develop properly. Many of the interviewees express frustration about this, as explained by one of them:

“[N]o matter how much we say that we move with the pace of communities, still we have to meet some results; and while not making them follow us – but follow them – we sometimes are not able meet the targets, within the given time-frame.” (Interviewee 14: INGO, 7/5)

Another interviewee adds:

“[I]f we really intend to empower them [beneficiaries] – then participation is very crucial. We will have to include them, not only at the implementation level, but also at the designing level. But […] we need a lot of funds to consult so many people, you know. And also, sometimes donors are setting very tight time [frames] […] you feel like they [are demanding]: “Oh, you have to be very participatory – policies, proposals should come from participatory way”. But they are not supporting organizations to write this proposal, you know […] So these are the key challenges when we are developing concept mode, together with the local people.” (Interviewee 11: NGO, 29/4)

A program manager at one of the larger INGOs in the country explains how time- and funding-constraints inflicts negatively on several fundamental aspects of leaning:

“There's rarely time to do more broad evaluations, looking at unintended consequences; post-
project evaluations – we rarely have time or money to do [that]; impact evaluations, we rarely have time or money to do […] We also rarely have money to do evaluations, for example, a couple of years after a project has ended, to see what the long-term impact was. We very often focus on the immediate results after the project ends, which is natural – that's the most sort of logical way of assessing: “So you said you would do this, did you do it a lot, did you do it well?” But, of course, from a learning and understanding perspective it would be nice to have a broader look; at what did others do in the area, what kind of changes did we see in the context, what kind of unintended consequences might there be, what does sustainability look like down the line a couple of years later […] but that requires huge amount of resources and the question is; do we invest that in programming or do we invest that in evaluation and learning.”

(Interviewee 4: INGO, 26/3)

A country director of a smaller INGO adds a similar concern about accountability that is common amongst the interviewees:

“[Y]ou need to be in the field and visit [as] many groups, for example, as possible. It's very expensive, because […] you need to have people going around for days and days, sometimes weeks; and you need to hire a vehicle, sometimes you need to hire mules […] They want us to be really accountable, but then they are not ready to pay, so that is a really big challenge. So usually we can do it through sampling.” (Interviewee 12: INGO, 4/5)

As shown, organizations may feel under pressure, not only to finish projects on time, but also to make a real and long-term impact on individual beneficiaries, target groups or society as a whole society. It is clear from the above quotes that many of the organizations do not believe in the short-term projects that they are implementing. Instead they apply different strategies to add on to, or build on top of shorter projects – piecing them together – allowing them to stay in a community for a longer period. One of the interviewees from an INGO stress this aspect of organizational life:

“It's about trying to use and leverage the donor funding that supports your own strategy […] and try to piece it together in a way that supports your long term objectives. If we want to work with small-holder farmers, we have a [X donor] funding to work with the farmers [X group] for six years, to strengthen their capacity; and then maybe we get EU funding for three years to work with smallholder farmers and improving their vegetable production and value chains; then
maybe an institutional donor can come up and we can find a piece of work that we can fund with their money – but it all links in to supporting the same group of people, supporting the same organizations.” (Interviewee 4: INGO, 26/3)

This drive for change is expressed by several of the interviewees, but without core-funding (which only some of the larger INGOs have) it involves seeing past individual projects, as one country directors of an INGO explains:

“So it's a matter of how you envision this project; how you have conceptualized it […] and that's the reason why phases are designed: first phase, second phase, third phase – the entire project is a nine year project, but it's designed in phases […] But, again, you need to know what you are doing; you need to know that curve: what are the dots that you are going to link together to make a curve […] It's not easy, but it can be done.” (Interviewee 6: INGO, 23/4)

Thus, to have a long-term impact NGO staff have to be good planners. However, to be successful in extending ones project to the next phase, NGOs must be able show where there is room for improvement – while still convincing the donors about the results and outcomes of the intervention. One of the interviewees explains that:

“during the evaluation – depending on the expertise of the evaluators […] and they put good recommendations for the donors and for the implementers […] and if the NGO is strong enough to lobby for this – there is continuation of the next phase, which – a little bit – fills the gap, which is created due to shortage of time.” (Interviewee 2: NGO, 5/5)

Moreover, the same interviewee goes on and explains how they use the assumptions stated in the log-frames to give explanatory accounts for any shortcomings in the results. Another interviewee share a similar experience: “[I]t can happen that it is not good [the results]. Once that happened, but then we have to look for the cause; and the cause was the weather. So we had to collect all the meteorology reports; and see that: that particular year, the rainfall was much more than the last five years.” (Interviewee 12: INGO, 4/5)

5.2.2.1. Overhead costs: Co-funding & shifting responsibilities

Many donors demand low 'overhead costs', and spend almost all money for working with poor people –
and not administration – assuming it increases the efficiency of the intervention. It has become such a powerful 'myth' that it has become a criteria for judging success (Lewis, 2001: 9). The control exercised by donors, may stem from the idea that ineffective aid is the result of recipient misuse (Reith, 2010) – giving rise to NGO–donor relations being dominated by lack of communication, trust and fear (Wallace, 2003; 2004). Moreover, with a rationale of ownership, many donors want their partners and the beneficiaries to co-fund the project. A country director of a small INGO elaborates on the difficulties this creates; and what compromises they need to make to proceed with their projects:

“[I]f you are lucky, you will get some money for the ‘visibility study’ – that's all. But the preparatory phase can not be that long and that expensive; so you have to, anyways, do some compromises […] [W]e invest our own money on that – but otherwise you can't work. So we have to make extra funds for these things. Because usually the donor will co-finance – so you have anyway to raise extra funds and then we usually also concentrate on this […] We want to develop our own awareness curriculum, it's very hard to find someone who pay for that? […] [T]he process is long and it's very much participatory; and it's very complex – who will pay? […] And usually they want the co-funding; and no administrative cost – or like 5 % or something like that – it's very crazy […] [T]he donor think you will lie to them [laughs], so they already put themselves on: “Anyway, you're going to lie to me – so at least raise the extra funds.” (Interviewee 12: INGO, 4/5)

Another interviewee from an INGO goes on and explains that due to funding- and time-constraints, they have had to further shift some of the responsibilities onto the implementing partners:

“[Participation] is not possible to do it in every single community in Nepal, because it is incredibly time consuming. So very often we leave it up to the partners, especially those partners that are, for example, woman's right organizations, and they will use their own methods for mobilizing people and getting people to participate.” (Interviewee 4: INGO, 26/3)

Somewhat ironically this is the same interviewee who later talks about how their mission is to build the capacity of local civil society.

However, shifting responsibilities does not stop at local NGO partners, but runs all the way down to the level of the beneficiaries. Participation has grown as a concept; from being characterized by the inclusion of people in identification, planning, implementation and monitoring, to contribution of
resources and labor – from 'do it for yourself', to 'do it by yourself' (Cornwall, 2007). As one of the interviewees puts it:

“Participation is two types, you know: one is participation in investing, to implement the project; another is participation in decision making, planning, implementation. So this participation in investment is [required] by some donors […] Especially these multilaterals, they demand participation in investment of the local people also – the beneficiaries. But usually the bilateral donors, they don't demand local participation in investment. But participation, direct from the planning to the implementation, is mandatory provision by all the donors.”
(Interviewee 2: NGO, 5/5)

This is often rationalized by the notion of ownership, leading to sustainability – as illustrated by one of the interviewees:

“[I]f people don't take ownership then any type of project cannot be sustained. So to develop this ownership, participation is very important […] we always say that if we invest 80 %, 20% they have to invest – either in cash or in-kind so that they can feel: “OK, our money, our effort is also we have invested in this project – that's why this project is ours”. We never invest 100% and we also don't give subsidies […] So that meaning of the participation is so that the project can be sustained – to get the ownership of the community.” (Interviewee 8: NGO, 17/4)

Similar rationals were given by several interviewees. However, financial contributions from poor and marginalized people may be hard to come by, which leaves them with paying with their labor. Some organizations feel trapped between in a dilemma as they struggle with getting the funding while serving the community. One interviewee explains how they deal with the issue:

“The project should support them [the beneficiaries], you know – their livelihood […] They [the donors] are talking about sustainability: if you are contributing with something for something, then you will take care of it for a long time […] If you go to a community where they are not getting food for the day, then we're talking about contribution; and if we think about their point of view – it's very difficult […] So our way is; bring them their contribution for work, and pay their wages – so they get food for their families. If we bring them for work – and we don't pay – and tell them that it's their contribution [to the project], then what will they believe? It's inhumane!” (Interviewee 5: NGO, 27/3)
**5.3. Standardization & scientization: Evidence, Monitoring and evaluation & Professionalization**

Although very different in their size and scopes, many aspects of the project life-cycle are highly standardized and driven by the 'scientific' notion that the world is malleable. Standardization and scientization can therefore be seen in everything from the indicators (or evidence) in the project proposals, monitoring and evaluations, and the final reports that are sent to the donors. This have triggered a professionalization of the NGO sector; and some NGOs are struggling to keep up.

**5.3.1. Proposals: Log-frames & Indicators**

When applying for funding the process is highly standardized. Different donors might have slightly different formats, depending on organizational culture, but the main characteristics are the same. Perhaps the most distinct feature of standardizations is the 'log-frame' – a tool developed by the USAID in the 1970s (Smille, 1995: 147) – that has now reached all around the globe. As hinted by the name it is a logical way of visualizing development in a linear fashion. However, the log-frame has been received with different enthusiasm, as expressed by a program manager in an INGO:

“I mean, donors always require us to do 'log-frames'; where you set the targets and objectives […] It is always in the proposals. You develop a log-frame, you have the overall development objectives and then you have your specific objectives; and then you have your results that you want to achieve; and then you have your activities; and then you have your inputs. And then it's like a tree, where the inputs leads to a certain types of outputs; the output leads to certain objectives; and eventually those objectives leads to the overall impact. And that's of course a very beautiful way of imagining it […] However,] [i]t doesn't always apply to social change, because social change is unpredictable” (Interviewee 4: INGO, 26/3)

While the formats of project applications are more or less always the same, what differs is the consultation and input required by NGOs – something that conditioning their involvement in the decision-making. Many interviewees expresses the difference between *rigid* and *flexible* donors – a dichotomy wherein 'rigid' often becomes represented by for example the EU and US donor agencies. A program manager explains the prospect when dealing with Americans:

“[The] Americans they usually have already the project document in place; and based on that
project document the NGOs or INGOs are to submit the proposals [...] [T]hey have already explained what are the constraints, what are the objectives; and what is the time-frame of the project, and what is the funding mechanisms and how money should be spent; how many people to be covered in which geographical area; on what topic – all things, you see: X, Y, Z – every thing, totally detailed [...] [I]t is not really actually a proposal format – it is defined sub-headings and you have to provide the input – the project document is already there; and the input is to implement that project.” (Interviewee 2: NGO, 5/5)

Thus, donors always want to know if they are getting their money worth, as donors view charitable cause as social investments with the purpose of maximum return (Meyer et al., 2013). The material from the interviews suggests that one of the main interests of the donors are to calculate the extent of the impact, or the ‘value for money’ (i.e. how many people are benefiting from the intervention). National and local NGOs, especially small and medium organizations, may find the ‘procurement process' difficult as it involves a lot and doing an extensive amount paperwork. One of the interviewees express his doubts: “[T]his 'linear arithmetic' [...] won't give real results” (Interviewee 9: NGO, 18/4). Another interviewee adds:

“And that is something that is unresolved, and I think that will always be unresolved, because there will always be a requirement for delivering results, documenting value for money. At the same time we are trying to change society, which is not something you do in two or three years, with 300,000 Euros. It's a long-term change processes.” (Interviewee 4: INGO, 26/3)

Criteria used for designing a project may be both quantitative and qualitative. However, in today's rationalized world it is important that indicators are broken down to pieces that can be measured – thus giving them meaning and value. Measurement criterion for monitoring and evaluation is always set in the proposal and planning stage of the project, as explained by one of the interviewees:

“It must be measurable, it must be reachable, it must make sense [...] Sometimes we are compelled to say that; that will be the result – expected and all. Because that will be the only thing that will match with their criteria [...] They mainly have to make sense and they must be measurable [...] So you have to say which are the means to measure and which are the source to verify” (Interviewee 12: INGO, 4/5)
Thus, the project life-cycle is saturated with measuring and validating results, to prove that the project is making a difference. The same interviewee goes on and elaborates how the importance of showing the results affects the planning process:

“[Y]ou have to show some results [...] otherwise you might lose the funds – you might lose the donor. So surely it affects [planning]; in the sense that, of course, you need to chose some results that can be achievable [...] So I think, sometimes what happens is; it is already in our minds. So probably we already discharged whatever will not be nice for the donor [...] it can be an automatic thought.” (Interviewee 12: INGO, 4/5)

This last quote shows how taken-for-granted the process is – the minds of staff are ’wired' to the point beyond reflection. It is clear how anticipating the wants and needs of donors are a way to self-regulate – making sure that you maximize chances of gaining funds. This self-regulation may be more or less conscious, as another interviewee expresses: “My mind is wired like a structured person [...] I see [makes signs to show structure] – vision, objective, activities, impacts, outcomes, whatever.” (Interviewee 6: INGO, 23/4).

However, the linear focus on results may lead to loosely coupled means and ends, as it might not be consistent with long-term social change. One interviewee point out the contradiction between practices (means) and the goal of development (ends) when some donors demand for short-term results, but at the same time, long-term social change:

“[D]onors are pushing for results, and at the same time everyone knows that social change is messy, it's long-term, and it is not something that delivers concrete results within two or three years. So there's a contradiction there [...] that's possible when you work in a certain type of project. For example, there is a huge difference between a value chain project, where we can help people grow vegetables: after one year you have a measurable amount of vegetables, you have a measurable amount of income. That's something you can document and that can happen in a limited amount of time. But if you're working on a land reform that's a long-term, maybe 10-15 year process that require broad civil society mobilization and consistent policy advocacy and follow-up; and that can't be done with an EU project in a three year period.” (Interviewee 4: INGO, 26/3)

However, there are several tools and methods for identifying beneficiaries – their situations and needs –
in a participatory way. These include different kinds of PRA (participatory rural appraisal) tools, such as poverty ranking, poverty mapping and poverty matrices. One interviewee from an INGO tells me about the benefits of working with such methods:

“[The] whole purpose of introducing outcome mapping as a new method, is focusing on 'downwards accountability' [...] bringing the learning agenda down to the people who can actually use it for something; to understand their own lives; to understand what can be done differently [...] That consists of some very participatory methods of getting communities involved in assessing their own situation. So, for example, they are doing their own “well-being analysis”; they do their own social maps of the villages – where they draw in their houses and they look at where the most poor people live, and what kind of access to resources they have; for example, women mobility maps, where we map where women move, what are the circles of where they move – and it is interesting to follow over time whether that changes or not. So there is a whole range of tools there that is all about getting communities involved and analyzing and understanding there own situation.” (Interviewee 4: INGO, 26/3)

However, as noted earlier, this takes considerable resources; and often project proposals will use standardized means of describing the background, identification of problems and rationale for the project interventions. Thus, another aspect of standardization and scientization is the use census data, standard poverty measurements – e.g. caste, income, or caloric intake – for their project proposals. As noted by Roberts et al. (2005), NGOs are spatial actors, with its spatial strategies – contributing to a spatial discourse – carving up complex and overlapping social spaces into discrete and abstracted spaces of projects, evaluations and reports. Such spatial strategies and discourses include rationalizing space into discrete – often decontextualized – units, relying on census or other official index data to set targets and guide projects. The risks include underestimating a projects 'spillover effects'; inability to assess differences within a spatial unit (e.g. district or municipality); and the reification of spatial units (e.g. rural-urban) – (re)creating categories of 'the poor' based on gender, class, age, etc. (Wallace, 2004).

5.3.2. Monitoring, Evaluations & Reporting: A move towards 'evidence'
Monitoring and evaluations, in combination with written reports are the preferred way of keeping track of progress and conveying results up the aid chain. Donors under pressure to show that their money is
well spent, are in a position where they may gain from the opaque relationship between evaluation and real impact – as long as they receive the reports with “good” results. Thus, as donors are accountable to their own back-donors, can justify the relentless focus on results:

“[D]onors say “this is our taxpayers' money” […] [F]inally they have to prove – they have to respond to someone. In that case they need some quantitative reports. It's not like they are reluctant to fund, but their constraint is that they have to report with some quantitative things, to connect to.” (Interviewee 9: NGO, 18/4)

As one of the interviewees from a big national organization explains, for some organizations, monitoring and evaluations is a rather new thing; and is directly connected to donor influence:

“In the beginning we were not emphasizing on the evaluations. Because we didn't think evaluations were important, because there was no people telling us […] But now we consistently are adopting the evaluation approach – we are evaluating our work; and evaluating our projects: what went well, what was good […] If the evaluation is not required by the donor, then we do a small evaluation sometimes – if it does not require a lot of funding.” (Interviewee 11: NGO, 29/4)

This shows that prescriptions from the external environment become formalized and internalized in NGOs. While not serving its original purpose, such evaluations still acts to legitimize the organization – not least to themselves.

Monitoring and evaluations have, thus, as expressed by several of the interviewees, become more and more important. Furthermore, donors are expecting new kinds of results based on evidence (Ebrahim & Rangan, 2010). One interviewee points to this new trend of “collecting the evidence of the change [...] we'll have to have the impact on the community” (Interviewee 11: NGO, 29/4). The same interviewee goes on and elaborates on the same topic: “Because without the evaluation you are not able to tell what the impact is. What is the impact? [...] Evaluation documents, things like this, [are] evidence” (Interviewee 11: NGO, 29/4)

In several of the interviews there are similar statements; revealing a move towards an increasing sciencization, where 'evidence' of change have come to play an important role. One of the interviewees from an INGO explains one of the procedures and how they incorporate more 'fuzzy' measurements:
"What was the base-line and what is the end-line? So from comparing those two results, then you can say that this change has been made, or we have been able to bring about changes that we envisioned. Some results could be very qualitative, or some result could be very quantitative. But the results should always be a mixture of both, because something like personal empowerment, how do you measure that?” (Interviewee 14: INGO, 7/5)

Thus, and as expressed earlier; operations must be accompanied by measurable indicators and through the log-frame – something that several of the interviewees sees as problematic; and express difficulties with finding indicators to complex social issues. One of them explains, adding that there might be a perverse effect:

“NGOs also find difficulties on how to put everything into a logical framework. And I don't think that logical-framework are able to explain everything. If you are fully dependent on the logical-framework, you will not be able to see what's on the other side, and what you mean to say […] I]t's difficult sometimes to write what's the indicator for qualitative [things], like social change – how do you report on that? Satisfaction – how do you measure the satisfaction? […] Dignity; how do you measure the dignity? […] Respect, freedom – how do you measure the freedom? So you can measure how many children are in the schools, how many are regularly going to the schools; but it's very difficult to measure if they have a dignified life in school or not.” (Interviewee 11: NGO, 29/4)

Another of the interviewees reveal how avoiding complex terms in the project document creates opportunities around this:

“What is that 'empowerment'? So even in the objective, you'll need to avoid words like 'empowering women' […] So, sometimes it's hard to measure, very hard to measure; but you can always design measurement indicators – always […] Sometimes a little subjective, and sometimes more objective and quantitative – but you can always do that.” (Interviewee 6: INGO, 23/4)

This shows how goals that cannot be presented in a measurable way gets excluded from the planning, or broken down into measurable components. Thus, what counts as evidence becomes formalized and routinized – it is what will show up while monitoring, and what matters while determining the success
of the program in the end evaluations. Because evaluations are 'result-based', they become narrowly
defined – excluding broader and underlying causal links. One of the interviewees lays out the criteria
for evaluations:

“[W]e have our log-frames with our envisioned objectives, results, activities; so what
evaluations most often look at is that we achieved those results. The evaluations often use the
'OECD-DAC criteria' of relevance, effectiveness, efficiency, sustainability and impact [...] So
they're often quite narrowly focused on if we have achieved what we set out to achieve, or not.”
(Interviewee 4: INGO, 26/3)

Monitoring and self-regulation are everyday happenings for NGOs as they strive to gain or maintain
funding. Achieving intended and agreed upon results are central to many of the interviews. Consider
the following statement from a program manager in a large national NGO:

“If we do not have a systematically organized monitoring system, then it is not always that we
arrive at the intended results-level [...] That is how monitoring and quality control is integral
part of the project management; and at each level people monitor and compare the results with
the intended plans [...] and revise the plan if necessary [...] [O]nce you have committed, you
have to achieve those results. There is no compromise about that. But on the implementation of
the activities, there is flexibility [...] So they are not as strict on that, as long as we don't
demand more money and more time.” (Interviewee 2: NGO, 5/5)

Thus, monitoring and evaluations can be used strategically by NGOs in several ways – most of which
are related to gaining and maintaining funding. The same interviewee from above explains how they
use evaluations, not only for programmatic activities, but also as a tool for making corrections within
the own organization:

“[Evaluations] creates the opportunity for the implementer, like for us: what went wrong, what
went well and what were the expectations of the donor and whether we were able to meet those
expectations. And based on that we have built our capacities – mainly the appropriate changes
in the organization, changing people, changing capacities, or internal assessments also – so that
similar weaknesses are not repeated and we don't take the risk of losing the funding from the
donors the next time.” (Interviewee 2: NGO, 5/5)
However, as mentioned above, this should not be viewed only in terms of self-interest, but as being able to fulfill long-term commitments to beneficiaries. One of the ways that NGOs manages to leverage funding for this is through the evaluations:

“If you want the program to keep continuing, or if you want some more, then you say, like “this much part is done – we need this part to be attended”. So you show that room […]; not in the sense of “this is our evaluation […] and we missed to do this, or we could not do this” – not like that. Whatever has been proposed has been done very good, but [there] was a different aspect we missed, so you need to fund us again – we'll go there again.” (Interviewee 3: NGO, 4/5)

5.3.3. Professionalization: Capacity building & internal complexity

As NGOs have grown larger in size and income, pressure on NGOs to become more professionalized has become harder – especially through the use of log-frames and other development tools (Smillie, 1995: 147). While, especially in their early stages of development, NGOs are driven by altruism, making them prone to a 'culture of action' (Lewis, 2001: 8). Demands from donors on NGOs to write proposals, monitor, evaluate and compiling reports may not correspond well to the core activities of NGOs and staff. As Ebrahim notes: “NGO staff are, by and large, “doers” that gain legitimacy by helping the poor than by conducting time-consuming and costly evaluations” (2003a: 317). This sentiment is expressed in one of the interviews:

“I mean, often we're so busy just implementing activities that we sometimes don't find time to stop, and analyze, understand and discuss. Money it cost [and takes] time to do proper evaluations – to really research the things in detail. And then priority; often because we're just looking ahead and we're so busy getting our work done within the set time-frame, we often don't give enough priority to learning […] It would be nice to that more, but we are all so busy implementing our projects that it is sometimes hard to find time to meet with others and exchange.” (Interviewee 4: INGO, 26/3)

Moreover, multiple rationalities – having to deal with donor formalities, while at the same time maintaining core activities, and working towards the beneficiaries – often leads to complex internal structures within NGOs. These may allow them to tend to their core activities, while at the same time appearing legitimate. Many of the NGOs in this study reveals that they have established departments for gathering and handling information. However, these are sometimes cases of merely symbolical
conformity, as one interviewee explains:

“So the way it usually woks in NGO projects, is that you usually have a designated position, like a M&E officer [monitoring and evaluation officer]. They go around and collect the data, they compile it into a report and that report is turned into an annual report that is sent to a donor every year. But few people try to analyze and understand that information and try to learn from it. It becomes a little bit of a 'ritual' that we need to send something to the donor.” (Interviewee 4: INGO, 26/3)

These 'rituals', however, fill an important part in the daily life of NGOs – and, in many ways, all communication with donors are rituals filled with mythical rationalities. Such an example is 'development-speak', which can be an art-form in itself; and NGOs with staff that masters this may well be ahead. Some organizations may even have: “professional proposal developers, for the EU or the UN. Their job is just to write proposals for these big donors; because they have certain kind of [requirements].” (Interviewee 12: INGO, 4/5). Current trends of managing aid in a scientized manner puts pressure on NGOs to become more professional to obtain and keep funding (Wallace, 2004), because – as one interviewee put it: “in Nepal's case, many NGOs are weak in documentation; and even planning and all those things.” (Interviewee 13: NGO, 6/5).

Professional capacity and experience with project life-cycles, from proposal writing to evaluations, give staff the ability to anticipate what donors want to hear. One of the interviewees tells me how they come up with indicators for the projects and evaluation criterion; and what consequences this way of doing things has on overall quality:

 “[W]e have been running so many programs, we know now what are the indicators donors are asking for. And in some of the outputs-sections, where you look: like, what will be the program's action plan and what will be the outcome. If your good enough to read that, you'll know what they want – what are their indicators.” (Interviewee 3: NGO, 4/5)

Donors seek to be accountable to their back-donors, which means that they want to be able to communicate their results up the hierarchy. Moreover, donors are often from the global North – making languages, such as English or French, the 'lingua Franca' in development. Having well-written material and using the right kind of terminology becomes important, as one of the interviewees picks up on:
“They want an NGO, who are a very good writer and a nicely prepared report; and the same goes for the preparation of the proposal – the competency to develop a very nice proposal – so that when they need to share it with their government, there is a very nice prepared document in place […] If it's a local NGO, it means they will not be able to speak very nice English.”
(Interviewee 2: NGO, 5/5)

Another interviewee reveals a similar assertion, but also how the fixation on reports may conceal what really happens in the field:

“[I]n the center, in Kathmandu, how we do the program is like: the donors require what the change – visible tangible change – you will observe upon the completion of the program. That is one of the questions that we have to answer. So we write it very beautifully […] – even Shakespeare would say, if he was there: “I couldn't have written it better” […] When you read the report you'll be very much happy because this and this and this have changed. But, again, if you go to the real situation: the people are the same; nothing has changed.” (Interviewee 3: NGO, 4/5)

Thus, 'capacity-building' is an important part of NGO activities. This is something that is carried through experts, to I/NGOs, and all the way to the grassroots. At a training for social mobilizers that were going to the field to set up projects, one of the main components was a crash-course in the log-frame (Interviewee 6: INGO, 23/4; field note). An interviewee from an INGO explains how building the capacities of local NGOs – enabling them to work with tools and development techniques – have become a goal in itself:

“It should be the national organizations that do the work and develop their own country. And what we can contribute, by being international, is that we can bring certain methods, tools and learning from other countries. We should be building capacities of national civil societies.”
(Interviewee 4: INGO, 26/3)

However, there is a possibility that professionalism amongst NGOs will (further) lead to an inequality within the field – where a few highly professionalized I/NGOs manage to absorb all the funding. One of the interviewees deliberates on the dilemma:

“This is grassroots people working with grassroots people […] We have not the highly
professional people. It is hard work – difficult job [...] Some NGOs have good people – professional people – in some case they come from London, America, Sweden [...] [T]hey're making good proposals, report because their English is good [...] [H]ere is the grassroots people [shows with his hand], they are working here [shows above] – that is the gap.” (Interviewee 9: NGO, 18/4)

Moreover, there are gaps in salaries between larger and more established organizations. This may work to draw talent away from smaller organizations – further perpetuating the inequalities between organizations – as another interviewee points out:

“We do have a high staff turnover, because we sometimes develop people and their capacity; and they get a good salary – a handsome salary in a bigger organization, who see their capacity, their commitment and [steal] them away.” (Interviewee 13: NGO, 6/5)

6. Summary & Discussion

The analysis of the collected material revealed three main categories of governance technologies utilized by donors to control development cooperation at a distance (Miller & Rose, 2008): 'selecting partners', 'tendering', and 'standardization and evidence'. Seen from a neoinstitutional perspective, these put pressure on NGOs to conform to demands from their environment – making them adapt similar organizational forms and behavior. Hence, isomorphism (e.g. Meyer & Rowan, 1977; DiMaggio & Powell, 1991) can be seen as a mean for NGOs to gain access to both funding and legitimacy.

Moreover, this may have some consequences (or 'power effects') that are both intended and unintended. However, the 'technologies of power' employed by donors also present NGOs with 'counter-strategies' to respond to multiple accountabilities in their environment, allowing them to gain and maintain resources and legitimacy. These are discussed more in detail below.

6.1. Consequences and NGO responses to donors selecting partners

When 'selecting partners', donors make sure that their agendas and priorities are met by the receiving NGO. This puts significant pressure on NGOs to conform to the priorities of the donors. In terms of Oliver's (1991) typology this can be seen as 'acquiescence'. However, within the response of conformity there is a range of nuances. Many of the interviewees show that they are aware of this position, which indicates compliance – where they align to donors' policies consciously to fulfill their own objectives.
Clear examples can be seen in the two examples of NGOs that leverage funding from donors to foster their own interests. Moreover, where wider fashions are adopted, as with NGOs aspiring to 'rights-based approaches' to gain funding, this signals imitation (or mimetic isomorphism; see DiMaggio & Powell, 1991) – or even habit where the rationality becomes taken for granted over time. Furthermore, the most common of responses is simply through 'avoiding' donors who are too far out of line with the own organizational values, by doing research and selecting which donors to engage with (Elbers & Arts, 2011). Thus, it would be wrong to assume that NGOs adjust their strategies blindly to donor priorities. Rather, NGOs first concern is to maintain their core values and constituency, and retain their organizational identity.

As others have pointed out, NGOs are value-driven organizations. Kilby (2005) argues that NGOs are positioned on a continuum of values ranging from solidarity-based at one end and instrumental on the other; and depending on where on this range an NGO sits, will determine how it will relate to accountability. Moreover, as seen from the analysis, by focusing on a target group or an area of expertise, NGOs will appear more attractive in the eyes of potential donors. According to Volker Heins' definition of NGOs they are “vicarious on behalf of others, and that these others are “symbolically represented” as victims” (2008: 23). Thus, according to Heins, 'victimhood' is socially constructed; and this lends 'self-representation' to NGOs as altruistic advocates and rescuers. Such representation entails that NGOs can ascribe their actions to those they serve – providing a range of services for their target groups, as well as public goods to the wider public (ibid.: 24-25). This can be seen in several of the organizations, where their identity comes from the closeness to their beneficiaries – where ones image (or vision, mission and organizational goals) legitimizes involvement in a broad range of activities. It should be stressed that this is perhaps first and foremost a consequence of passionate involvement, but a significant one still.

Similar NGO tactics to image management can be seen in the printed material and video documentaries created by the organizations attempting to manipulate donors. In terms of Oliver's (1991) typology, this would classify as attempting to influence through lobbying. Mostly in English, these are often aimed at potential or already established funding partners. Another example is when organizations in an active way try to influence donors to support their cause by involving them (Elbers & Arts, 2011). Where some NGOs may have trouble of attracting donors, because of idiosyncratic goals or working methods,
they may try to lobby the donors to witness their projects firsthand. This may help NGOs attempting to persuade donors with convincing arguments. In the end successful persuasion depends on the quality of the arguments (ibid.). As such, much of the material is filled with numbers and individual (and heartwarming) success stories. However, as noted by Keevers et al. (2012) personal stories, experiences and anecdotal evidence often have a lower level of important and isolated from facts and figures. Moreover, such endeavors may, according to Roberts et al. (2005), be costly and time consuming, and take away substantial resources from their actual projects on the ground.

The idea of communicating a vision and mission is rooted in the North American corporate management; and serves to communicate the NGO's purpose and reason for being. Defining a vision and a mission can, thus, be viewed as analogous to image creation within the corporate sector (Roberts et al., 2005). There are other NGO responses that are closely related to business management. As one of the NGOs in this study pointed out, 'atomizing' or 'compartmentalizing' (i.e. dividing) your strategy into more manageable parts, can make it easier for different donors to find a thematic area or issue of their interest to support. Moreover, a rather recent trend is compensating (Elbers & Arts, 2011) aimed at securing funding for core activities in an unstable environment. Follér et al. (2013), attributes the entrepreneurial and innovating spirit of NGOs, at least in part, to the pressure from donors. By becoming 'innovative', NGOs themselves display managerial traits (Meyer et al., 2013).

6.2. Consequences and NGO responses to tendering & underfunding

Tendering and underfunding are two governance mechanisms employed by donors. Tendering often results in bidding induced competition, where funding models have shifted from grants to contract-based agreements – as can be seen in the reoccurring mentioning of the ToRs. Such competition can lead to NGOs portraying themselves in a false or over-flattering manner. Similarly to what Elbers & Arts (2011), describe as 'withholding', NGOs may not be willing to share information about other organizations – if it could threaten their chances of getting a contract. Moreover, as larger NGOs are seen as more fit to implement larger contracts, 'sub-contracting' and 'consortium' has become everyday vocabularies amongst I/NGOs. Depending on ones position in such partnerships, decision-making may vary, and asymmetric power relations may leave restricted room for weaker actors to contribute with little else than their responsibilities to deliver towards agreed upon results – thus, skewing accountability upwards (e.g. Ebrahim, 2005). As a consequence, donor—NGO relationships, as argued
by Brinkerhoff (2002), are more likely to be marked by 'co-optation' and 'gradual absorption'. In such views, NGOs that are submissive to donor demands, are on their way to being “guns for hire” (Townsend & Townsend, 2004). Through its mystification of being favorable, open, all-embracing and harmonious, partnerships exclude other alternatives (Fowler, 2002a: 249). Thus, the term has, according to Fowler (2002a: 252), been abused – disguising power differences – and, when doing so, will not be likely to eradicate poverty and injustices.

As the procurement process can be a fairly complex and a painstaking endeavor; losing a bid because of an overambitious proposal, may seem discouraging. As such NGOs, again, tend to avoid taking risks, but by down-scaling the project proposal. Coupled with short time-frames and limited financial means, this may lead NGOs to take on more realistic less demanding tasks (e.g. Edwards & Hulme, 1998). As noted by Follér et al. (2013), this type of 'outsourcing' may be seen as a shifting moral responsibility by inducing a buyer-seller relationship – accompanied by a new set of buzzwords. Thus, 'participation' has acquired a new meaning, promising 'ownership' (both in decision-making and responsibility) and, thus, 'sustainability' (e.g. Cornwall, 2007; Ostrom et al., 2001). However, due to underfunding – accompanied by stringent time-frames and minimum of 'overhead-costs' – NGOs are not able to deliver on these promises. Donors may, thus, fail to appreciate the time-frame it takes for NGOs to work to bring about effective change. Because of their prerogative to secure funding, NGOs may have to agree to these – leading to unrealistic goals and targets – even if they know how unrealistic they are (Reith, 2010).

Instead, as argued by Ebrahim (2003) participation risk becoming a 'sham ritual', or 'feel-good' exercise, where objectives of the project have been determined ex-ante any actual participation. Moreover, since 'participation' has been transformed into 'co-funding' – putting pressure, not only on NGOs to raise the necessary means, but also on communities and individual beneficiaries – NGO staff may feel like they are caught in a moral dilemma. As the environment NGOs present them with multiple accountabilities, this may spark contradictions – generating what Bromley & Powell (2012) calls means—ends decoupling; i.e. the presence of simultaneous and conflicting rationalities within an organization. Furthermore, underfunding and, perhaps especially time restrictions, have adverse effects on NGOs learning capabilities. As Ebrahim asserts; simply identifying deficits in NGO performance – assuming that this information will be put to use to improve an NGO's behavior – is insufficient for
organizational learning (2005: 67)

Again, the counter-strategies applied by NGOs offer insight to how they overcome such barriers, allowing them to remain (at least partially) accountable – both to their constituency, and to their own values, vision and mission. The main measures of handling short-term and underfunded projects is to piece-together funding (horizontally), either from the same donor or from many different donors – managing funding in a way that allows for long-term, yet somewhat sporadic presence in one community. Another strategy is to persuade donors to fund the next phase of the project – thus, stacking projects on top of each other (vertically). In both cases bargaining’ (Oliver, 1991) is the source of power employed by NGOs. To do this, NGOs may use both negotiation and persuasion as tactics. The former builds their mutual interests and interdependence; and usually demonstrating both performance and credibility. The later rests on making ones case (Elbers & Arts, 2011) – and, even giving 'explanatory accounts' to why, for example, a second phase is required (Benjamin, 2008). Hence, NGOs can use the evaluations done – usually by external evaluators – to lobby donors for additional funding.

6.3. Consequences and NGO responses to standardization and scientization

The third strategy in use by donors, 'standardization and scientization', is best illustrated by the log-frame, where impacts, goals, objectives, outcomes, outputs, inputs are listed in columns – accompanied by a set of assumptions and a risk analysis. What is perhaps most noteworthy of the standardization and scientization discourse is its quest for results – something that runs all the way through the project lifecycle, from the development of proposal to the final evaluation. This is something that might have been considered an intrusion, but interviewees were actually happy about it. From an neoinstitutional perspective, NGOs are not only coerced into taking up evaluations, but do so rather willingly. According to Follér et al., (2013) the emphasis on making interventions evaluable through their definition, measurement and enumeration; and that the auditing, consulting, assessments and evaluations, functions to legitimate organizational behavior – appearing to abide to rational decision-making. However, debate arises when the topic comes to evaluation criteria. Dahler-Larsen (2012: 78) argues that depending on their roles, different stakeholders emphasize different types of evaluation criteria. Since the donors are in a position to decide who gets funding or not, usually they are the ones deciding (Ebrahim, 2005). Thus, the main criterion for the development of indicators, whether they are quantitative or qualitative, is that they have to be measurable. This puts considerable weight on NGO
staff aiming to address the complexity of social change. Donors operating with a view of development as a results-driven market are generally output-oriented – expecting measurable outcomes and defined indicators of progress within a specific time-frame, often with little flexibility (Reith, 2010).

Moreover, as noted in the analysis, as donors interest is to have a maximum return on their investment, they always want to know what value-for-money they are getting. However, accounts from the material collected here also suggest a shift towards more “impact” and “outcome” oriented evaluations. Thus, standardization has been coupled with a 'scientization', have given way for a new rhetoric evidence – complimented by base-line studies – although their ultimate effects are unclear (Bromley & Powell, 2012). This is a significant discursive shift as it does, not only invoke the authority of science, but also trigger an expansion of professionalization. Moreover, it shifts the responsibilities onto the implementing partner to show the effective use of aid money, but perhaps most interestingly it entices a self-regulation amongst practitioners (Follér et al., 2013). Both these effects can be seen in the way that NGOs uses monitoring and evaluations to correct externally, in the programs, and internally within the organization itself. While pressure from the environment has induced a tendency of professionalization in the development field this is no guarantee for learning. While evaluations holds potential for organizational learning, but the make-up and incentives of the evaluation may distort such efforts (Ebrahim, 2003). As long as evaluation criteria yields satisfying results, any broader questions or problems with the underlying rationale of projects will not be revealed. Thus, as the focus is on the micro-quality, the capacity to handle macro-oriented problems may not have increased at all (Dahler-Larsen, 2012: 190-191).

However, the different combinations of scope, method and focus make organizational effectiveness highly adaptable. This becomes especially clear when NGO staff and evaluators are confronted with the option to evaluate either 'processes' (e.g. empowerment and participation), or tangible 'products' (Ebrahim, 2005). Moreover, standardized measures and evaluators on a tight time schedule and armed with surveys, may serve to manifest notions of decontextualized social units – and what Robert Chambers (2008: 72) calls 'quick-and-dirty' appraisal. As more responsibilities are put on the NGOs, donor demands risk diverting NGO staff away from working on the ground; and poses threats to sustainability through real participation, local ownership, and changes to inequality (Townsend et al., 2002; Wallace, 2003; 2004).
As a response to this NGOs have developed increasing internal complexity (Bromley & Powell, 2012). This can be seen in the tendency of NGOs to employ a M&E officer to manage the information flows; everything from data collection to reporting results to donors. While pressure from the environment has induced a tendency of professionalization in the development field this is no guarantee for learning. While evaluations holds potential for organizational learning, but the make-up and incentives of the evaluation may distort such efforts (Ebrahim, 2003). As noted in the analysis the increasing professionalization has meant increasing competition for competent personnel – an arms-race that might, as suggested, lead to further inequalities between big INGOs and smaller grassroots organizations.

7. Conclusion

This thesis sets out to examine how NGOs handle pressure from their surrounding institutional environment by looking closer at donor—NGO relationships in Nepal. To do this, two research questions were posed in the introduction: “How is NGO behavior influenced by institutionalized development discourses?”; and “How does NGOs respond strategically to these to gain and retain resources and legitimacy when under pressure from multiple rationalities?”. Aimed at studying these relationships, fieldwork was carried out in Nepal, between March and May 2014. Interviews were done with 14 organizations, and written documents were collected for analysis. As a result three categories of technologies of power employed by donors have been identified: 'Selecting partner' based on donor priorities and background-checks; 'tendering' using competition and bidding, and underfunding; and 'standardization & scientization' through a rising demand for evidence, formalized monitoring and evaluations, and encouraging an increasing professionalization of the field.

Such technologies are embedded in a larger managerialist ideas and practices that have made their way into contemporary development thinking, through discourses of partnership and effectiveness and efficiency – sometimes quite contradictory. Pressure is applied in varied ways and forms, but within three overall categories: regulatory (e.g. contracts), normative (e.g. evidences) and cultural-cognitive (e.g. co-funding and ownership linkages). Moreover, institutions are transmitted by different kinds of carriers, such as routines (e.g. monitoring and evaluations) and artifacts (e.g. reports or log-frames). As most NGOs are not membership-based, they need external resources from their surrounding
environment to survive. To access these resources organizations need to be considered as legitimate actors, by conforming to certain rules, norms, and rationalized belief systems – making their actions desirable, proper and appropriate. Each of the identified technologies has an array of 'effects of power', influencing NGOs – both by constraining them, but also by empowering them. Thus, corresponding to these governance strategies are active responses from NGOs, as they strategically try to manage the multiple accountabilities in their environment: upwards to funders from where they get their resources; and downwards to their constituency from where they draw their legitimacy. But NGOs also have to be accountable to themselves, within the organizations and on an individual level – *feeling* good about what you are doing.
References


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Appendix

Interview guide:
These are mostly general questions about how NGOs work, but feel free to give examples from your own experiences and your own work. You and your organization will of course be anonymous.

Always ask why and for them to elaborate or give examples!

- What is the role of NGOs in the development of Nepal?
  ◦ What are the advantages with NGOs, compared to other actors (e.g. the state or private sector)?

- What is it that your organization does?
  ◦ How do you work?
  ◦ How do you decide on the goals, objectives and indicators for a project?

- How would you define empowerment?
  ◦ How does your organization work with empowerment?
  ◦ Why is participation important?
  ◦ Do you have any routines, procedures or manuals for participation?
  ◦ What challenges are there to working with participatory approaches (e.g. time, resources, power struggles?)

- What is accountability?
  ◦ How do you work to be accountable?
  ◦ Who holds you accountable? / To whom are you accountable?
    ▪ In what way?

- How important is funding for your organization?
  ◦ What demands are there from donors?
    ▪ How does that affect the work you do?
    ▪ How do you act to keep the vision and mission of your organization?
  ◦ (What are the dangers of becoming dependent on donors?)

- How is donor funding tied to results?
  ◦ How does this shape the practices of NGOs?
  ◦ What kind of results does donors want you to present?
    ▪ On what criteria do you judge your results?
      • Who decides the criteria?
      • Are there procedures, methods, protocols, etc?
      • Do you see any dangers with an increasing focus on showing results?

- What does it mean to be effective?
○ How do you prove that you are effective?
○ How do you evaluate your work; on what criteria (e.g. input, activities, output; outcomes and impact)?
  ▪ Who does the evaluations?
  ▪ How do you use the evaluations?
    • How does it inform your future work?

• How would you characterize the relationship between NGOs?
  ○ How does it work when NGOs share ideas and knowledge?
  ○ Does competition affect cooperation between NGOs?
    ▪ How and why (e.g. hampering sharing ideas and knowledge; coalitions and networking)?

• How do you ensure sustainability of a program or project?
  ○ What are the limits to the sustainability of NGO led development?

• Why are partnerships / partner organizations important for NGOs?
  ○ How do you select partners (– what are important criteria when selecting partners)?
    ▪ How do you evaluate partnerships?
  ○ What are the challenges to working with partners (– e.g. are there power imbalances, capacity and information gaps)?

• How do you decide on goals, objectives and indicators for a project?
  ○ What (social / material) goals do you focus on?
    ▪ How does this lead to end exclusion and disadvantages of poor people?
  ○ Why have you chosen to work with these?
    ▪ What are the challenges when setting up goals, objectives and indicators (e.g. donor influence; importance of success hampering innovation and broader change)?

• What role does the donors play in the work of NGOs?
  ○ How important is it for NGOs to show results?
    ▪ How does this impact their work (with tackling more structural conditions of poverty)?
  ○ What are the dangers of becoming dependent on donors?

• How do you monitor and evaluate your work?
  ○ Why is it important to monitor and evaluate?
  ○ How do you adjust to mistakes and shortcomings?
    ▪ Can you, for example, change the objectives?
      • What are the limits for doing so?
  ○ How do you use the reporting?

• Is there competition between NGOs?
  ○ How would you characterize the relationship between NGOs?
  ○ How does the competition between hamper coalitions and networking?