The construction and operationalisation of NGO accountability: Directing Dutch governmentally funded NGOs towards quality improvement

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CHAPTER 9: OPERATIONALISING THE PROGRAMMATIC AIMS OF MFS2: THE IMPACT OF ACCOUNTABILITY TECHNOLOGIES ON NGOS

9.1 Introduction

The MFS2 accountability technologies involving annual reporting, programme evaluations, and funding proposals (see section 8.4.4) sought to steer NGOs towards quality improvement by increasing competition for funding based on the quality of NGO activities and an increasing focus on results. This chapter shifts the focus of the study from the documentary analysis tracing the evolution of the co-financing programs to the perceptions of NGO managers who had to adopt the MSF2 accountability technologies. Specifically, it examines managers’ perceptions of the process through which the accountability technologies were operationalised in their NGOs. This unveils how the programmatic aims (in MSF2) were translated within three co-financing NGOs and the extent to which they were perceived as realising the quality improvement ideal. The chapter is structured in three sections. The first section illustrates how the programmatic aims underpinning MSF2 were initially positively perceived by the NGO managers. The second section unveils the problems posed for NGOs by the accountability technologies enrolled to realise the programmatic aims. The third section reveals how the three co-financing NGOs have separately addressed some of the key problems identified and the impact this has had on their internal operations.

9.2 NGO support for the programmatic aims of MFS2

The attention afforded to quality improvement, as translated into the programmatic aims embedded in MFS 2 (and MSF1), was perceived positively by the NGO managers. For example, the increased focus on providing results was seen as potentially enabling co-financing NGOs to improve the quality of their work by providing them with better insights into their counterpart selection policies and processes and the effectiveness of specific interventions. The managers admitted that, in general, they had often relied too much on their ‘good intentions’ and ‘intuition’ and that a more systematic approach to accountability was necessary:
What you can say is, that we came from a period, and that is where [the Ministry] was right, where good intentions were good enough. We have trusted too much in our intuition only and too little in academic insights, evaluations and theories of change. And we have started to develop these insights partly due to the pressure of the [accountability] system. (I17)

The increased pressure exercised by the Ministry of Foreign Affairs within MSF 1 and MSF2 forced the NGOs to rethink their approach and strategy towards executing development activities. The more detailed attention afforded to ex-post accountability technologies was viewed favourably as it ‘forced’ the NGOs to clarify and reflect more on the objectives, approaches and underlying assumptions of their work:

That is what is good about this system, that is forces us to clarify; this is what we want to do, these are our assumptions and this is what we hope to achieve. (I17)

I think that it is an improvement that people within our [organisation] are much more forced to think like “this is a nice project, but do we actually achieve something with it? And if it goes wrong, what will we do then?” So it actually forces us to think about whether the money actually achieves something, and not behave like “it is such a nice partner and they always send their reports on time”. Yes, that is fine, but do you actually achieve something? That is what I perceive as being positive. (I12)

The enhanced attention afforded to monitoring and evaluation in MFS1 and MFS2 also forced the NGOs to construct better arguments for their policy and counterpart selection decisions. This increased attention to monitoring and evaluation was deemed necessary in order to realise an increased contribution to the broader aims of Dutch development cooperation. While prior to the increasingly stringent and systematic accountability technologies included in MFS1 and MFS2, decisions regarding counterpart selection were often based on intuition, the monitoring proposed by the Ministry had the potential to provide NGOs with information that assisted them in making better strategy and policy decisions as well as allowing them to more easily account for their choices to the Ministry of Foreign Affairs and other interested parties, such as the Dutch public:

Such a monitoring protocol makes you more aware of the decisions you make and forces you to generate better arguments for your choices. And I think that is the good side of it, because I think that some people here [within the organisation] have been working on automatic pilot for years like ‘I have supported these partners for 20 years, they do well, so we just give them more money in the coming years’. And that is not what you want, you want to see
whether these partners still contribute. Does the partner contribute so that [the organisation] will keep providing money, or can we better spend the money on something else? (I12)

The fact that we have to report, and the Ministry forces us to report [why we support certain counterparts and what we want to achieve], I perceive that as being a huge plus. (I12)

While information resulting from evaluation and monitoring exercises in MFS1 used to be rather dispersed due to the lack of a systematic approach for gathering, processing and reporting information, the MSF2 requirement to provide more condensed overviews that contained aggregated information on activities and achieved results potentially provided NGOs with a better insight into all of their activities and (planned) contributions:

I think it is very smart to do this, because actually you have a lot of information. All of these loose evaluations used to float within the organisation. If you can combine this into one document, with a higher level of abstraction looking at what we planned and what we have actually achieved, I think that it is good to bundle this, because you can always go back to this and show this is where we came from and this is where we are now. (I15)

The reframed accountability technologies in MSF2 involving prescribed rather than tailor-made monitoring systems and more systematic evaluation systems (section 8.4.4), also forced NGOs to address issues that had previously been ignored such as the need for a baseline measure for monitoring and evaluation. In applying for funding in MFS2, NGOs were required to report baseline measures outlining the situation prior to intervention (section 8.4.3), thereby allowing both co-financing NGOs and the Ministry to better track the progress of co-financing NGO activities. The absence of baseline measures for monitoring and evaluation prior to MFS2 was perceived by various co-financing NGO managers as a mistake on their side, since they proved to be useful in assessing the results of their interventions:

We as NGOs did not come up with a baseline [for evaluations] during MFS1, that has been a mistake from our side as development organisations. Now we are required to provide these [baselines] and in the end we have to admit that these baselines are very useful. Even if the data used is not always as good, there are margins in that, but eventually we will benefit from the baseline. (I15)
Managers also recognised that the negative stance towards development cooperation prevailing amongst some members of Dutch society meant that it made sense for NGOs to work on improving their accountability in order to be clearer in communicating the contributions of their work to the Dutch public (and politicians):

If the Dutch public is negative, it is my opinion that something is going wrong within your organisation. The people that work here think that it is logical that their work is being done, but if the public has a different opinion, then it is going wrong somewhere, since your accountability towards the public is not very convincing. (I5)

These positive perspectives on the ideas and policies underlying the programmatic aims of MFS2 did not, however, prevail in discussions surrounding the operationalisation of the MFS2 accountability technologies. The accountability technologies introduced in MFS2 to link the programmatic aims of competition for funding and improved accountability with intervention were often seen as problematic and of ‘going too far’ (I15) as they were seen as interfering too much with NGOs’ organisational autonomy and mission.

9.3 The problematic nature of MFS2 accountability technologies

This section outlines how NGO managers perceived the operationalisation of key aspects of the introduced accountability technologies in MSF2 which sought to quantify and aggregate development co-operation results. It unveils the specific problems the managers experienced with the accountability technologies. It illustrates how it was not the pressure to be more accountable embedded in the programmatic aims of competition for funding and improved accountability which was perceived as problematic, but the manner in which the increased demands for accountability had to be translated within NGOs using the accountability technologies mobilised in MFS2 - funding proposals, monitoring systems and evaluation systems (see section 8.4.4) - to realise these aims.
9.3.1 Predefined indicators: Barriers as opposed to opportunities for learning

During the MFS1 funding period, and especially before MFS1, co-financing NGOs had a considerable amount of flexibility in organising monitoring and evaluation within their organisations. Under MFS1 NGOs were required to have a (tailor-made) monitoring system that had to be based upon the INK quality framework and take into consideration the guidelines of the CBF, but they were allowed to use key indicators for measuring results they considered important and suitable. This afforded co-financing NGOs the flexibility to adjust indicators throughout the funding scheme.

As noted in sections 8.4.4.1 and 8.4.4.2, the shift to MFS2 introduced a more rigid approach involving predefined indicators for monitoring and evaluation. Managers were adamant that this shift was misguided and argued that the operationalisation of MFS2 actually threatened rather than improved their ability to learn. Several managers complained that it was impossible to learn from the results of monitoring when they could not even decide on the areas they considered important for monitoring and learning. They questioned the extent to which narrow accountability technologies mobilising predefined, mainly quantitative, indicators could allow NGOs to learn and innovate. They found this especially surprising since learning was presented as an important objective in the policy memorandum and policy framework linking the broader aims of the Ministry with the more stringent accountability technologies in MFS2. The Ministry had presented the ability to learn as an important motivation underpinning the programme of accountability aimed at realising the ideal of quality improvement, since learning would improve the effectiveness of development cooperation:

We welcomed the idea of tailor made [monitoring] [in MSF1] since it gave us the impression that [the Ministry] said it is considered important if you [NGOs] consider it important. Now [in MFS2] they say two things at the same time. On the one hand [the Ministry] says to us what is important for you is that you learn, but on the other hand you cannot decide on what is important for you. (I20)

The Central Bureau on Fundraising (CBF) is an independent Dutch foundation aimed at the promotion of responsible raising and disbursement of funds in the Netherlands. The CBF develops regulation for reliable fundraising, monitors the compliance of companies with these rules and documents issues that may be socially significant in fundraising and provides information and advice to the public, authorities and institutions. These activities resulted in the three main tasks of the CBF, i.e. performing assessments, monitoring the responsible raising and application of funds, and providing public information and advice (CBF, 2007b).
The Ministry mentioned that we have to use those key questions and show how we learn from them and use them in steering [our organisation]. But if they are not our questions … then we won’t be learning from them … We [as co-financing NGOs] [pointed this out] in a direct meeting with a governmental official … but the governmental official was [nevertheless] convinced that we would learn a lot from it. (I12)

Managers were adamant that convincing arguments linked to the overall programmatic aims of development cooperation were not offered to justify the motivations for the Ministry’s decision to move away from tailor-made monitoring towards predefined result areas and indicators.

9.3.1.1 Denying learning by overemphasising ‘successes’

It was also argued that the increasingly narrow approach to accountability, based on the assumption that the ability of co-financing NGOs to achieve results could be controlled, led to a situation where NGOs were continuously required to account for the fact that they did not achieve planned results.

The suggestion created by such a system is that everything is under control and that you can actually solve the issue in this [narrow] way. And the risk of this approach, and this risk is very real, is that the reality will turn out to be different and that you will always be accounting for, defending, why things did not go as planned. So you will always face the risk of explaining what is going wrong. (I21)

The design of accountability in MFS2, which required NGOs to continuously explain and account for any lack of Ministry-defined ‘success’ (success being defined as achieving planned results), ran the risk of incentivising NGOs to focus on supporting projects and partners that were most likely to produce the expected results, and to overstate expected results and overemphasise achieved results. It was widely argued that the necessity to demonstrate success could lead NGOs away from projects that would be considered most suitable in the light of their own missions focused on helping the poorest and most marginalised groups in society.
Processes to quickly produce data lead to a focus on simple data and fast results. And attaching too much meaning to these simple results, results in a temptation to steer on simple and strict indicators. (I19)

In addition to selecting projects and counterparts that would most likely produce expected results, the MFS2 accountability technologies were perceived as incentivising co-financing NGOs to overstate expected results and overemphasise achieved results in order to demonstrate ‘success’. Accountability, as designed in MFS2, did not allow space for reporting ‘failures’, i.e. they were simply not recognised in reports, thereby having a potential negative effect on learning and the belief of the general public in NGOs and their activities:

There is a fundamental problem [in accountability as designed in MFS2]. People within our organisation and the general public notice that our message can't be right. We continuously put the flag out to demonstrate success, without giving attention to activities that went not so well, since this is not required. The effect is that the quality is being negatively affected and learning is being negatively affected. (I17)

The risk that it is much more about the data than the context, which is an increasing risk, which [...] has led to a loss of expressiveness and persuasiveness regarding what NGOs are doing. (I21)

And if external inspections or evaluations subsequently indicated that co-financing NGOs in practice were not able to realise their (overstated) expected results, co-financing NGOs were incentivised by the Ministry to respond by promising and reporting even more and better results. This forced them into a ‘vicious circle of aid’, involving increasingly demanding accountability technologies, a focus on results, the need to claim successes and growing competition that denied learning (I17), as shown in Figure 9.1 which was provided by one of the ICCO interviewees (I17) while discussing the effect of increasingly stringent accountability technologies on learning.
9.3.2 The problems of aggregation and standardisation

The focus on predefined indicators created tensions within the NGOs since they now had to produce imposed aggregated, quantitative results of their activities. While co-financing NGOs were required to produce some quantitative results in MFS1, they had more flexibility in developing results indicators, while in MFS2 results indicators were prescribed by the Ministry. Many managers contended that the tendency to solely focus on predetermined, aggregated, quantitative results did not represent and give credit to the essence of their work as it presented development cooperation as if it was a linear process in which results could be easily measured using outcome and output indicators. It was argued that this focus was built on the mistaken assumption that measuring and achieving results was simple and straightforward:

And they [the Ministry] present it as being very simple, like: ‘okay, you have got money, you do something and three years later you can show that you have achieved your goal’. What we do often doesn’t work within three years and we don’t only do things that directly benefit households. A lot of the stuff that we do is beneficial in the longer term. (I12)
[... ] the Ministry has to report clearly and simply to the House of Representatives. And if you tell them: ‘well, in these countries this percentage has improved [and] in other countries this percentage has improved’, [the Ministry] already finds this too complicated, they just want to have a single number. That is the dilemma we face to some extent. That there is a demand for simplicity, but the context does not allow simplicity, the context in fact is very complicated. (I16)

Considering the complexity of the contexts the NGOs were working in, some managers argued that it made no sense to aggregate results to the extent required in MFS2. The co-financing NGOs supported a large amount of different projects executed by local counterparts in a variety of focus areas ranging from policy influencing to building schools. These projects were executed in different regions and countries such as Bolivia, Kenya and India. Managers complained that they were often unable to accurately measure (short-term) results on an aggregated level due to contextual differences, the nature of their activities, the timeframe of their activities, and their inability to attribute results to specific activities. The level of aggregation required from NGOs in reporting on their results in MSF2 could therefore, they argued, result in meaningless numbers. These numbers were sometimes created by combining results measures, which in themselves were already questionable, from programmes and projects of a very diverse nature. Programmes, for example, ranged from working towards sustainable economies (ICCO), food security (ICCO), safety and sustainable peace (Cordaid), and health and welfare (Cordaid). The projects executed within these programmes were also very diverse, being executed in different continents, countries, regions and by counterparts operating at a national, regional or local level. Managers explained that due to the diverse nature of co-financing NGO activities, the results of their work could not always be measured that easily, and especially not in a rigid quantitative manner.

While some results of NGO activities could be measured on a quantitative basis, such as the amount of children attending school, lobbying and advocacy activities were perceived as being especially difficult to measure, especially in the short term, since the effects might only be visible after several years. Additionally, it was often difficult to attribute impacts to specific projects supported with governmental funding, since there were always other developments that influenced the actual impact such as changed governments or international media attention afforded to the specific issue:
We have programmes on education and you can almost show results in a quantitative way, but we also have programmes on conflict transformation. Well, that is about peace building in hotspots or previous hotspots such as Rwanda, Burundi, and Sudan. How much can you quantify that? That is much more difficult. (I16)

Lobbying and advocacy are just very hard to make measurable. What exactly is the result of a lobby and if there is an effect this might take three years. (I1)

For example, a human rights organisation in Niger advocating for abolishing slavery. We have been working on that for a long time, but that does not mean that nothing is changing in the short term, but it might also happen in 5 or 10 years. And to what extent can you actually attribute this [effect] to something you are doing now. (I1)

Aggregation meant that attention to context was almost totally abandoned. According to several managers this led to the generation of numbers that had little meaning in the context of assessing the quality of their activities:

This year we expect that twelve thousand households […] will have an increase in their income of three per cent for example. That is what the [the Ministry] would like to see, well a number of people within the Ministry. I have tried to show them that it is an indicator based on nonsense. (I16)

The issue is that some of those [accountability] goals, especially in the past four years, basically [attempt] to add up cows and oranges. Not apples and oranges, [even] that would be nice, because that at least it is still about comparing fruit, which can be reasonably added up[!] But sometimes we are just adding up cows and apples. But you know, that is just the result if you want to aggregate certain things. (I12)

The introduced measures required co-financing NGOs to generate quantitative results in predefined results areas, which allowed the Ministry to make more general statements about the functioning of co-financing organisations in their accountability towards the House of Representatives (and the Dutch tax-payer). These figures however did not reflect the complexity involved in development cooperation activities.

[The Ministry] wants to be able to aggregate and want to be able to generate general statements on NGO programmes. So one programme mentions 70 per cent, the other 30 per cent and another 40 per cent. Well, [the Ministry] then calculates the average of these programmes which results in a statement like “55 per cent of the people serviced by ICCO stated that…” And look, it does not work like that. So there is an exaggerated tendency to be able to aggregate results. (I16)
The neglect of complexity eliminated the opportunity for insightful story telling. It was widely argued that the persuasiveness of many NGOs’ claimed achievements “[wa]s much more in the story and other matters than in the kind of [aggregated] results [that] [the Ministry] [we]re asking for (I21):

The reports we have to produce lead us away from the stories and force us to put these stories into boxes and to aggregate, which leads to every story losing its meaning … You lose context, you lose details … Sometimes you come across stories in practice that only talk about two people but say much more than the abstract evaluation report. (I20)

To summarise, the Ministry was perceived as requiring NGOs to report according to a so-called ‘managerial logic’ prevailing within the Ministry, involving the priority results areas and predefined indicators:

There is a way of thinking present amongst politicians and the Dutch public that change can be ‘makeable’ and measurable, according to a managerial logic. The government faces increased pressure, critique and attacks regarding development cooperation from the public but also from the House of Representatives, which resulted in increased pressure on the Ministry [of Foreign Affairs]. The Ministry has replied to this pressure by introducing a culture that I cannot describe differently than as one that is based on formalised or institutionalised distrust. (I17)

While accountability technologies were initially introduced within the governmental funding schemes as a way of addressing problems of insight and control, the NGO managers felt that the MFS2 accountability technologies actually reduced the possibility of acquiring this insight. Moreover, they claimed that quality improvement (the assumed underlying rationale the accountability technologies were seeking to support) did not result from the introduced technologies; rather, they could even threaten quality. It did, however, enable the Ministry to provide an image of development cooperation to the House or Representatives and the Dutch Public in which the Ministry was seen to have total control over development results.
9.3.3 Creating ‘fake certainties’

The managers also outlined concerns with the ex-ante accountability technologies used to decide on where funding would be allocated. Many managers felt that the funding application procedure in MFS2 resulted in the creation of what some termed ‘fake certainties’ or ‘fake realities’. While the managers perceived the clarity of the funding application requirements as being positive, they argued that the application requirements led to the creation of fake certainties due to the mistaken assumption that NGOs were able to forecast all their activities and results for a five year funding period and were able to make all their activities calculable:

The Ministry is aiming towards creating certainties, they want to cover everything. This approach in this specific context however leads to the creation of fake certainties. (I11)

It is creating a fake certainty. It is not certainty and if anyone perceives it as being a certainty, that is a [mistaken] interpretation. (I13)

I think it is a fake reality you are creating [with this approach to accountability], since we are coming up with percentages for which we know the reliability … can be questioned. (I15)

The MSF2 funding application required NGOs to plan their activities, including the counterparts they were going to cooperate with and the projects to be executed, for a period of five years. A number of managers noted that although it was assumed by the Ministry, organisations did not know exactly which counterparts they were going to be working with and what projects they would execute, since there were always counterparts that would be dropped and counterparts that would be added due to the uncertainty involved in development cooperation (I12). Despite the fact that managers considered the detailed planning of activities for five years as totally unrealistic, they complied with the criteria, but emphasised that it often involved window dressing where they were providing the required amount of detail on expected results whilst knowing that this was not based on an extensive assessment or made much sense:

In this sort of stuff, there is a risk of extensive window dressing but you know there have been no extensive assessments, so you will make reality better than it is, that is how simple real life is. That holds for all things, it holds for audits and it holds for the funding application to the Ministry. (I18)
The manager quoted above went as far as to compare the funding application process to “presenting a beautiful shop window with an empty shop behind it” (I8). Organisations provided information about targeting a specific group and expected results, while knowing that ‘it didn’t mean anything’ (I22). Another manager stated that during the writing process of his NGO’s MSF2 funding application he and his colleagues concluded that ‘this ha[d] nothing to do with content, it [wa]s all about form’ (I13).

9.3.4 Speculation on the Ministry motives for aggregation and standardisation

The managers provided several explanations for the reasoning behind the tendency towards standardisation and simplification of results. Most managers felt that this allowed the Ministry of Foreign Affairs to compare results of NGOs and report in a clear and simple way to the House of Representatives and the Dutch public. It was also more efficient for the Ministry since NGOs were now expected to provide aggregated information rather than providing more detailed and rich information which the Ministry then had to spend considerable time processing and aggregating into numbers considered suitable for the House of Representatives:

[A staff member of the Ministry of Foreign Affairs] clearly indicated that they want results to be comparable between [NGOs]. So if they allow more flexibility [in reporting results] they [the Ministry] are not able to add up results, that is what it all comes down to. (I12)

I think they [the Ministry] want to compare more. Or to be able to say, ‘well, the civil society contributes to, or the co-financing system contributes to this and that’. Yes, they [the Ministry] increasingly want to do that. (I13)

The last step that has been made [with the move to MFS2] was saying that ‘everybody has to report in the same way’. According to me, that is mainly due to […] the fact that all these different results are difficult for them [the Ministry] to collect and interpret, and they had to do something about it. It is more to increase efficiency on their side. My feeling is that that is the most important argument. (I21)

Most NGO managers could somewhat understand the difficulty for the Ministry in interpreting the information reported by NGOs and the desire to be able to better compare information to enable them to report to the House of Representatives. However, many felt that
the lack of capacity within the Ministry to interpret and process more detailed information provided by NGOs was actually the main reason for the increasingly narrow and demanding requirements in MFS2. This lack of capacity was reflected in a high turnover of staff and a lack of relevant knowledge amongst the staff within the Ministry who were involved in assessing the contribution of results (I13):

I had a lot of meetings with the people from [the Ministry] and they do not even know what civil society is, and I am being serious here. They really don’t know what it is all about. […] Then there is somebody who has spent some time in an embassy somewhere and they come back and are assigned to develop MFS guidelines. Well, I am sorry but they really don’t understand what it is all about. (I13)

9.3.5 Influencing introduced accountability technologies

As discussed in Section 8.3.2 and 8.4.2, representatives of NGOs were involved in the open policy dialogues preceding the development of co-financing policies. In these dialogues, NGOs were able to ventilate their concerns and potentially influence the Ministry regarding the approach to accountability suggested in MFS2. Several managers, however, noted that discussions in meetings, such those involved in the policy dialogue, were never legally binding. The Ministry decided on what questions were to be addressed and incorporated in the new funding policy. A selection of issues, selected by the Ministry, was published on their website and these were considered to be the legally binding decisions of the Ministry made during the policy dialogue meetings:

In sessions such as the policy dialogue, organisations such as Cordaid have the freedom to provide all kinds of input. The answer of governmental officials is, however, often “what do you think?”. Additionally, these officials note in every meeting that what they say is not legally binding, eventually it depends on the official documentation. (I11)

Despite being offered the opportunity to take part in debates on the development of the MFS2 funding scheme and their efforts to show the problems of working with accountability requirements that were seen to be overly strict and demanding, managers perceived their influence as marginal:
Cordaid has worked on changing the requirements within [the Ministry] and the IOB. This was however not successful. (I11)

Prior to both co-financing rounds, MFS1 and MFS2, there was some sort of a dialogue, a policy dialogue. However, if you compare what this resulted in and if you see the report, and you compare this to what is in for example the funding application framework and in the policy framework, that is not much. (I21)

Your question was to what extent can we influence governmental accountability requirements. Well, the feeling I have is that we have not much to say about that. (I20)

Therefore, in order to cope with the more stringent accountability technologies introduced in MFS2, co-financing NGOs developed varying approaches aimed at combining their internal accountability requirements with the approach required by the Ministry. Through analysing managers’ perceptions within three co-financing NGOs - Hivos, Cordaid and ICCO - the next section unveils how these NGOs translated or linked their own internal accountability systems to the MFS2 accountability technologies in order to ensure they stayed focused on their organisational missions.

9.4 Acting as a buffer between MFS2 accountability technologies and counterparts: Focusing on internal accountability needs

The previous sections discussed the NGO managers’ perceptions of accountability as operationalised in the MFS2 funding scheme. This section reveals how three of the co-financing NGOs – Hivos, Cordaid, and ICCO⁶¹ - dealt with the operationalisation of the MFS2 accountability technologies within their organisations. The analysis of interviews with managers from the three different NGOs shows that all of their organisations to some extent translated information gathered from their counterparts into the information requirements embedded in the MFS2 accountability technologies. While there were some differences between the approaches of the three co-financing NGOs and the extent to which they directly translated the governmental requirements into their own accountability systems, they all sought to ensure that their core operations and relationships with counterparts were not

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⁶¹ The majority of data was gathered from interviews with managers working within ICCO, Cordaid and Hivos rather than Oxfam Novib due to the time difference between these interviews. Due to the unavailability of interview data on the operationalisation of MFS2 accountability technologies, Oxfam Novib is not included in this section.
significantly altered by the required accountability technologies. Each NGO is considered separately below with a specific focus placed on how the each NGO’s relationship with counterparts was affected by the accountability technologies embedded in MFS2.

9.4.1 The Case of Hivos – A buffer between MSF2 requirements and counterpart priorities

9.4.1.1 Moving away from the co-financing program as a core focus

Prior to the increased accountability demands that emerged in MFS1 and became more stringent in MFS2, the co-financing program was the core focus of Hivos’ activities. It was claimed that the program allowed Hivos to ‘become who [they] are and [determined] how [they] work[ed] with their counterparts’ (I19). However, the flexibility offered in the co-financing program, perceived as one of the most important qualities of the program, started to disappear due to the increasingly inflexible accountability demands in MFS2 (and MFS1), which resulted in Hivos seeing the co-financing program as being detached from its core mission:

The co-financing program is starting to be perceived as a donor like any other and the flexibility that it always offered, which was one of the most important qualities of the co-financing program, is disappearing. That means that we have started to perceive the way we report to the Ministry as more detached from who we are as an organisation. (I21)

The MFS2 requirements were perceived as forcing Hivos to report in a more limited and superficial manner. This may have allowed the Ministry to generate a more uniform overview of co-financing NGO activities, but it did not allow Hivos to reflect the nature of their work in reports produced for the Ministry. While the more rigid accountability technologies were aimed at quality improvement, through enhancing efficiency and effectiveness, one Hivos manager felt that the MFS2 approach to accountability ‘had nothing do with efficiency and effectiveness’ (I21):

[The current approach to accountability in MFS2] has nothing to do with efficiency. And I don’t believe this is a very distinct view of Hivos. I don’t believe you will be able to find one co-financing organisation, or maybe one, but not more, that perceives that the [MFS2 accountability] process leads to
improved efficiency. […] Maybe efficiency on the side of the Ministry, but not for development cooperation. (I21)

In order to prevent further bureaucratisation of the accountability process within Hivos, they went back to focusing on ‘what it should really be about: reporting meaningful data and discussions on the meaning of results’ (I21). This implied that rather than directly using the requirements from the MFS2 accountability technologies in the monitoring and evaluation of counterparts, Hivos aimed at commencing from what counterparts suggested needed to be monitored and evaluated. Hivos translated the results from counterparts’ monitoring and evaluations to fit the accountability demands from the Ministry (I21), thereby leading to the development of a ‘dual’ accountability (information) system.

### 9.4.1.2 Developing a ‘dual’ information system

Within Hivos, the department ‘assessment, evaluation and control’ (TEC) was responsible for designing the approach to accountability, involving issues such as quality control, measuring results, monitoring and evaluation (I19). In the previous five to ten years the approach to accountability had shifted from ‘a focus on co-financing [accountability] criteria’ towards a vision where Hivos ‘took] into consideration multiple actors’ (I19). This shift in the approach to accountability was accompanied by a move from an accountability system which continuously adapted to changing co-financing accountability requirements towards an Enterprise Resource Planning (ERP) system in 2011 that combined co-financing criteria with accountability demands from a broader group of stakeholders, such as other funders and their counterparts, and included Hivos’ own information requirements.

The ERP system allowed Hivos to produce information which could effectively be used for two ‘separate’ accountability systems. This shift towards two separate accountability systems resulted from the frustration generated by the increased demands for quantification and aggregation of information in MFS2. The aggregated level of information required for Hivos’ accountability towards the Ministry of Foreign Affairs in MFS2 was not useful internally (20). Therefore, one system was built on Hivos’s internal information requirements while the other was tailored towards the MFS2 demands (I20; I19):
Two systems are created to measure results and planning, one system of our own and one system required within the co-financing scheme. (I19)

It is, however, hard, but our conclusion was that what we are going to report to the Ministry cannot be used within our organisation. (I21)

The accountability system tailored towards the MFS2 requirements was, however, not based on different information, it was rather a translation from one system to another. The managers sought to develop what they termed a ‘turntable’ (I20) that allowed them to translate a variety of counterpart-specific indicators used internally into the level of aggregation required by the Ministry:

We have tried to invent some sort of a ‘turntable’ that would allow translating our own, very diverse set of indicators agreed upon with counterparts to a level that allows reporting to the Ministry in a uniform manner. (I20)

Counterpart-specific result indicators, described as the signs of change used by counterparts in order to measure whether expected results had been achieved, could be quantitative - for example, increased crop prediction or decreased incidence of sexually transmitted diseases - and/or qualitative - for example, people’s appreciation of activities or results or people’s perception of changes in their life, community or society. These counterpart-specific result indicators were developed in meetings between Hivos and their counterparts, without forcing them into the framework prescribed by the Ministry, involving predefined priority results areas (section 8.4.4.1):

Hivos opts for a non-dogmatic approach […]. This implies that measuring results should, in the first place, benefit the effectiveness of counterparts. This implies that partners should preferably themselves, after consultation with Hivos, determine the methods and indicators used for the measurements of their results, rather than [Hivos] imposing them from above. (I20)

The ‘internal’ information system built on the expertise of programme staff who used it for assessing counterparts and projects. Rather than solely working with quantitative indicators it provided room for interpretation, since some counterparts were unable to clearly report on the execution of projects using simple metrics while their activities might have had a significant impact, such as changes in the awareness or behaviour of beneficiaries.
Some partner organisations provide a really good story, but you can say ‘what exactly does it mean?’ While other counterparts provide reports with things that make you think what is this all about? And if you go into the field to actually discover that this partner is doing fantastic things, has achieved a lot, they are just not able to put it on paper because they don’t have somebody who can do this properly. (I22)

In operating their ‘turntable’ approach by translating counterpart-specific indicators into the required level of aggregation required by the Ministry, Hivos sought to operate as a ‘buffer’ between the stringent MFS2 accountability demands and their counterparts. How this ‘turntable’ operated was illustrated by one manager when discussing a project focused on fighting HIV/AIDS. Hivos was required by the Ministry to report on the percentage of counterparts that developed a new/innovative strategy in fighting HIV/AIDS. Although the indicator was perceived as too broad and meaningless, Hivos reported a specific percentage by translating qualitative information, in the form of descriptions of counterparts approaches to fighting HIV/AIDS, into scores (0 or 1) indicating whether counterparts were considered to be innovative in their approach (I22). The manager noted that the focus on translating counterpart information into the required indicator was at the cost of reflecting what had ‘really’ been achieved, and learning from this:

The focus on such indicators, on specific numbers and percentages, comes at the cost of reflecting on what really has been achieved, learning from that and adjusting your strategy. We are forced to do so, but the balance is lost. […] You would think it eventually is all about achieving development, […] but the question is how far can we go before it only becomes producing numbers [rather than development]. (I22)

Hivos managers were so frustrated with the aggregation required by the Ministry that they started reporting this ‘internal’ information on their website in order to, in their view, provide a much better insight into their activities for external parties (I20).

9.4.1.3 Retaining control over ‘internal’ accountability technologies

The Hivos approach to balancing the MFS2 funding requirements with the interests of counterparts was based on the belief that although focusing on results was important and potentially enabling, it was crucial that they should be able to determine what was considered
key rather than basing the gathering of information and measuring of results on (governmental) donor demands.

And [gathering information and developing accountability systems] should not be based on what a … donor has mentioned you should report on since it allows that donor to be able to easily aggregate information. (I21)

The TEC department responsible for dealing with the MFS2 requirements acted as a contact point for the Ministry and provided the required aggregated information. As noted above, it sought to prevent the direct translation of the information requirements from the government into information systems required of counterparts.

We have always said that we base our system on what our partners [counterparts] … propose to us considering proposals of results and ways of measuring. And it is our responsibility to translate this to the objectives we have determined for our programme to the Ministry. The translation is our concern for reporting to our donors, including the Ministry. (I21)

This translation process often involved ‘placing’ results from projects executed by counterparts into predefined boxes for monitoring and evaluation developed by the Ministry. According to one manager the government could only think within these boxes (i.e. the predefined priority results areas discussed in section 8.4.4.1). Therefore, results needed to be translated and placed into one specific box, otherwise the Ministry was not able to determine the specific department within the Ministry responsible for assessing the reported results (I20).

I sometimes have the idea that on both sides we are really tied to our own systems. The Ministry is being forced or used to working with the boxes from the MFS, which forces us NGOs to say why things do or do not fit within these boxes. So, in that sense, we are both the victims of this system. (I22)

When dealing with their counterparts, Hivos continued to allow them to develop proposals with the information the counterparts (and Hivos) considered important. Hence, managers claimed that Hivos continued to assess individual project proposals based on their specific merits (I20). However, it was often difficult for Hivos to translate their counterpart-specific information into the information required by the Ministry. It also took an increasing amount of time and effort to maintain this ‘turntable’ approach; time and effort many managers felt could have been used more effectively.
Way back, when the Ministry did not demand such crazy things, we did not have this problem; we did not have to make an artificial translation. However, playing this buffer role [between the Ministry and counterparts] has become increasingly difficult. (I20)

Some managers referred to the risk that due to the more demanding MFS2 accountability requirements, co-financing NGOs might be tempted to directly transfer these requirements to their counterparts thereby threatening their counterparts’ autonomy and flexibility:

If you are uncertain, there is a tendency to directly pass on requirements [to counterparts]. However, if I know exactly how to play the buffer role and turntable role, I know how to optimally serve both parties [the Ministry and counterparts]. If I don’t know how to do it and one party [the Ministry] is very demanding in its requirements and I am unsure, yes, then I will pass it on. (I20)

Overall, within Hivos the accountability technologies required by MFS2 were perceived as ‘unworldly’, potentially preventing them from presenting the ‘reality’ of their work. As a result, with the shift to MFS2, Hivos has started seeking out alternative funding sources:

The co-financing program has always been the core of what we do as Hivos. It made a lot possible and made us who we are and how we are able to work with our counterparts. But what you see in recent years, and that has increased due to the recent development of increasingly narrow requirements, is that the co-financing program and the Ministry becomes a donor just like all others. The flexibility the program always offered has disappeared and that was really one of the best qualities of the program. It implies that how we report to the government is increasingly becoming separated from how we want to gather information. (I21)

9.4.2 The Case of Cordaid – Linking systems in order to address the inappropriate aspects of accountability technologies

9.4.2.1 Inappropriate and impossible aspects of accountability technologies

With the shift from MFS1 towards MFS2, the Ministry of Foreign Affairs introduced priority results areas to be used for monitoring and evaluations (section 8.4.4.1 and 8.4.4.2). Cordaid managers perceived the application of the priority results areas and their related indicators, introduced for monitoring and evaluations in MFS 2, as inappropriate and in need of more
careful consideration. The priority results area relating to civil society change came in for considerable criticism. Despite the ‘clear’ distinction between monitoring (ongoing, short term focused) and evaluation (focused more on long term impacts) in the MFS2 funding scheme (see section 8.4.3), the fact that priority results areas were being used for *both* monitoring and evaluation was seen as inappropriate. The Ministry required co-financing NGOs to report on civil society changes according to the CIVICUS model (section 8.4.4.1). According to Cordaid managers while this made sense for *evaluation* purposes, it was inappropriate for *monitoring*, since civil society change was not something that could be achieved in the short term:

> The Ministry identified civil society according to CIVICUS as a priority result area in the *monitoring* protocol, but it is impossible and useless to report on this every year. Civil society changes are part of *evaluation*, since monitoring annual changes on something as broad as civil society [change] does not make sense. (I11)

Cordaid, after unsuccessfully trying to convince the Ministry of the irrelevance of the CIVICUS model for *monitoring*, made a deliberate choice to be pragmatic and flexible in incorporating the CIVICUS model and indicators within its monitoring system for MFS2 (I11). The initial inflexibility within the Ministry illustrated the excessive tendency towards uniform accountability within the co-financing system (I13)\(^\text{62}\). An additional bottleneck related to this quest for uniformity involved the introduction of a baseline for monitoring and evaluation. The required baseline measures for monitoring and evaluation in MFS2 (see section 8.4.3) were shrouded in uncertainty and vagueness. In fact, the baseline measure was initially not included in the MFS2 annex on monitoring, but was added later after the co-financing NGOs, including Cordaid, mentioned that they were only going to report baseline measures for evaluations (I13):

> If you look at the initial [MFS2] policy and annex 5 and 6, 5 being monitoring, you will see that it does not state that a baseline measure has to be performed. So at that time we had meetings with the Ministry and we said that the baseline was only for evaluation, since [baselines] were only included in annex 6 [on evaluation]. They were scared as hell and responded that it was not right and stated that we should also do a baseline for monitoring. And I perceive this really as an incredible example of mismanagement. […] What

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\(^{62}\) Whether Cordaid was required to more directly incorporate the CIVICUS model and indicators was not known at the time of the interviews.
[the Ministry] did, was send us a letter on December 22 [2010] stating that we should also develop baselines for monitoring. This was ridiculous. (I13)

In addition to the vagueness surrounding the baseline measures, the short notice on which they had to deliver them was also perceived as a problem within Cordaid. The baseline measure requirement for monitoring was (informally) introduced in November 2010 and had to be delivered for all of their activities before June 1, 2011. In November 2010, the Ministry however had not yet approved Cordaid’s monitoring system, thereby making it difficult, if not impossible, for Cordaid to make this deadline. They did, however, eventually deliver all their baselines, with some delay, in a relatively ‘light manner’ compared to other NGOs such as ICCO, who, according to one manager, spent much more time and resources on developing their baselines (I12).

9.4.2.2 Developing a ‘dual’ information system

In arranging their accountability, managers within Cordaid shared the view of Hivos managers that the information that had to be provided to the Ministry in order to comply with MSF2 accountability requirements could not be used internally. Communicating more qualitative information in the form of ‘stories’ combined with facts was seen as providing better accountability. Cordaid therefore considered it best to comply with the minimum amount of Ministry requirements. Managers also found it impossible to combine the Ministry requirements with their own information needs in one system:

Our own accountability requirements are separately taken care of in a system and the requirements of the co-financing system are dealt with in a separate system. This is the case because they are hard to combine in one system. (I11)

The information Cordaid required from counterparts as part of their internal accountability system consisted of a combination of MFS2 requirements and Cordaid’s own information needs. Although Cordaid had some specific information requirements for counterparts, they afforded them considerable flexibility in determining their own way of measuring results. As was the case in Hivos, they did not want to burden counterparts with stringent and quantitatively focused results measures. However, within MFS2 this was becoming much harder to do:
If we … don’t want th[ese requirements], should we impose them on our counterparts? If they [the Ministry] suggest using such requirements, then we should support it if it is deemed useful, but it does not mean you are going to impose it on counterparts, because we don’t want them imposed upon us. And you will not impose something on your counterparts, if you do not want it yourselves. But not [all staff members] are thinking like this. (I12)

Despite Cordaid’s desire not to directly pass on the MSF2 requirements to counterparts, some staff members were unconvinced and felt that too much effort was now tailored towards satisfying the Ministry.

I think it is a mix [of Ministry requirements and our own requirements]. That we added our own things in there, but if you ask other staff member within Cordaid, they often still believe that it is all tailored towards the Ministry. That perception is very lively in here. (I13)

It proved difficult to convince staff of the importance of reporting results in general, since supporting and working with their counterparts was their primary concern and accountability for results was not central to this. While managers claimed that Cordaid had been able to achieve an increased focus on results amongst staff, this had been quite difficult as staff members often ‘just want[ed] to keep supporting their partners, wh[o] they consider[ed] their partners and their ‘things’, which nobody c[ould] touch for whatever reason’ (I12).

9.4.2.3 Linking internal information into the Ministry requirements

The main accountability system used by Cordaid in their relationship with counterparts was referred to as the ‘organisation scan’. This system was used to assess the organisational capacities of counterparts and involved programme managers determining scores for counterparts on areas such as their financial policies and the integration of themes such as gender and HIV into their policies. Information gathered with the organisation scan was used for assessing project proposals and monitoring the execution of projects. Counterparts were scored on a scale from one to four as a way of assessing the capacities of the counterpart organisation and identifying if Cordaid could contribute (I12). One manager noted that the score only provided an indication of a counterpart’s capacity and did not imply that only areas that scored low at the start of the funding relationship were addressed, since situations could change (I12). Additionally, addressing aspects that had received a low score might not
always be the best choice, since the aspect might not be considered as key by the counterparts or in line with what Cordaid wanted to be doing. Therefore, it was considered important to involve counterparts in the scoring process in order to instigate a discussion on the capacities of the counterparts and important areas for improvement. One manager of Cordaid argued that one of the main aims of the organisation scan was to identify areas for improvement rather than solely using it as a tool imposed upon counterparts in order to assess their capacities in order to decide on the approval of their project proposal (I11).

In order to comply with the accountability requirements in MFS2, Cordaid linked the information provided by the organisation scan system to the ‘boxes’ provided by the Ministry of Foreign Affairs:

We just do it in our system which has remained largely the same […] but we adjust or translate the information to keep the Ministry happy. There are, however, organisations that have changed their [entire] system to suit the Ministry requirements, but I think that is going too far. (I13)

This translation process, for example, involved linking the four dimensions of the organisation scan, i.e. position and relating (relationships with others, image, networking, accountability), thinking and learning (strategic plan, planning, monitoring and evaluations system, and human resource policy), doing (efficiency of working processes, quality of financial management/administration) and being (competence of management and staff, transparency of the organisations), to the five core capabilities\(^{63}\) (section 8.4.4.1) required for the monitoring of capacity building within counterparts in MFS2 (I13). This approach, at least for monitoring, led one of the managers to conclude that ‘it is not so bad with all this accountability, at least for monitoring it is manageable, since we did not have to change much to our protocol’ (I13).

Cordaid managers, however, indicated that due to the increasingly inflexible nature of the MFS2 accountability requirements, it was becoming more difficult to execute this linking exercise. Hence, there were people within Cordaid who wanted to pass on the MFS2 requirements directly to counterparts to make their work easier, by not having to undertake the linking exercise just for the sake of accountability towards the Ministry. There was

\(^{63}\) The five core capabilities include the capability to adapt and self-renew, capability to act and commit, capability to deliver on development objectives, capability to relate to external stakeholder, and capability to achieve coherence (section 8.4.4.1)
however a concern among some managers that this quest for convenience could result in a situation where counterparts only reported on predetermined indicators which would have little or no meaning:

So far, we did not [specifically ask counterparts to report on certain issues], but we are considering doing it. On the other hand this is difficult, since if you start doing this, there is a chance that counterparts will only report on this. And you don’t want that, since the indicator only provides a very general perception of activities at a very high level of aggregation. (I13)

Reflecting on the entire MFS2 process, one manager claimed that as Cordaid was one of the original co-financing NGOs they had been best able to maintain a simple system for working with counterparts in spite of the pressures in MFS2:

I think we are one of the big co-financing NGOs that implements the least [amount of governmental requirements]. I am firmly convinced about this. […] We have quite a minimalistic system, that is my impression. (I13)

Despite their ability to maintain a minimalistic system, Cordaid has started to undertake efforts to search for alternative funding sources in order to become less dependent on the Dutch Ministry of Foreign Affairs (I11).

9.4.3 The Case of ICCO – The threat of mission drift

9.4.3.1 Becoming ‘stuck’ in bureaucratic accountability systems

Of the three NGOs examined, ICCO was the one that was most concerned about the ability of the accountability technologies to divert them from their core mission. ICCO managers indicated that while co-financing NGOs used to have a lot of autonomy and operated as a countervailing power (to the Dutch government), this had changed due to the increasingly stringent accountability requirements. This had forced them to become ‘sub-contractors […] simply implementing the policy developed by the Dutch government’ (I17). In coping with the increasingly inflexible accountability requirements, managers argued that ICCO had become a cumbersome and slow organisation which was ‘stuck’ with stringent and bureaucratic accountability systems preventing them from addressing the issues that were considered most important for achieving their organisational mission.
We have become an organisation that has created such a huge bureaucratic [accountability] system, which has resulted in us being cumbersome and slow and not able to anticipate what is really needed [in developing countries]. (I18)

We have become like a Volkswagen Beetle with the dashboard and instruments of a Boeing 747. This forces us to continuously look at all these gauges on the dashboard, without paying attention to what happens on the road, while that is essential. (I17)

In working with the approach to accountability in MFS2 (and MFS1), ICCO could not prevent transferring the demands for more bureaucratic accountability on to their counterparts. One manager argued that counterparts now had to be very familiar with bureaucracy to be considered for support from ICCO. While the large and more professional counterparts were able to adapt to the increasingly stringent requirements, smaller counterparts, less familiar with Northern donor accountability demands, could not, and therefore did not receive (further) funding (I15). This concern was reflected in the ‘field’ when ICCO managers visited some of their counterparts, who mentioned that the majority of their time was being spent on their accountability to donors, including ICCO.

A man, who was the director of a hospital in Malawi supported by ICCO, mentioned that he spent 70% of his time on donor management. He had more than 100 different donors, including big and small donors, […] who all had their own [accountability] demands and requirements, which makes it almost impossible [for this counterpart] to focus on its actual job. (I17)

9.4.3.2 Pragmatic approach to MFS2 accountability technologies

Despite the fact that ICCO managers perceived certain requirements of MFS2 as ‘bizarre’, ICCO complied with the accountability requirements, including providing baseline measures and implementing the CIVICUS model.

They are bizarre demands. We can comply with them, but they are bizarre requirements. They also ignore the practical possibilities and impossibilities of monitoring and evaluation. (I16)

One ICCO manager agreed with the previously made point by Cordaid managers that the Ministry demanded that co-financing NGOs place their results into predefined boxes, i.e. the
priority results areas. The increased pressure on NGOs to show aggregated results had, he claimed, shifted their role towards ‘filling boxes’ (I17) rather than focusing on their organisational mission (I17).

Our job has become filling boxes. It means that you, due to the increasingly heavy and inevitable [accountability] systems, have to put information in certain formats, sometimes even the predefined format of the Ministry. And that is when you really get a format with boxes, which turns our profession into filling boxes. This is a cynical statement, but it shows how the pressure on our organisation to work with these systems has increased, and is currently disproportionate considering the amount of time that is being wasted and the time that is left to work on the roles we actually have, to do the things we should do, that time is now limited. And this has become more limited over the past few years, which makes me come back to the fact that it is threatening our mission. (I17)

ICCO adopted a pragmatic approach to dealing with the required accountability demands. Like Cordaid, ICCO was able to link the information produced by their ‘organisational scan’ used for assessing and monitoring counterparts to aspects of the Ministry’s required accountability technologies. This prevented ICCO from having to impose a new, significantly different, approach to monitoring upon their staff members and counterparts. One ICCO manager hinted that their close relationship with the Ministry of Foreign Affairs also assisted them in operationalising the accountability technologies in a way that was perceived to be acceptable by both ICCO and the Ministry. For example, ICCO, in cooperation with several other NGOs, invited governmental officials to observe the development of their monitoring system, which allowed them to get informal feedback from the Ministry prior to formally submitting their monitoring system in the MFS2 funding application (I16). ICCO was also proactive in trying to influence the Ministry. For example, they proposed alternative or additional indicators which could be used to measure and monitor results in the area of civil society change (I16) and voluntarily participated in governmental experiments with accountability technologies. One of these experiments involved tracing funding at an extremely detailed level:

The government [Ministry of Foreign Affairs] asked whether we could join the experiment with tracing exactly what happened with one euro of aid. […] What is being done with this euro and what effect did this one euro have? […] Despite the fact that I am fully against this method and it is prohibited by an international treaty [The Paris Declaration] signed by The Netherlands, it is good to be open to it and brainstorm about this. It also strengthens our relationship with the Ministry. (I16)
Although there was some perceived flexibility in operationalising accountability technology requirements, managers persistently claimed that it was increasingly difficult within ICCO to combine these requirements with working towards their organisational mission:

and [the increasingly demanding accountability requirements] have grown further and further to a point that according to me it does not makes sense. To the current situation where I actually say that it can threaten the mission of organisations such as ICCO. There is no balance anymore. And the initial structure of the co-financing system is being threatened or at least in great danger. The current system is killing you due to what the Ministry currently perceived as being accountability. (I17)

Despite ICCO’s ability to adopt a pragmatic approach to operationalising the MFS2 accountability technologies, they were perceived to be at a ‘crossroads’ forcing them to decide whether to continue with adapting to increasingly stringent accountability demands or to move in a different direction:

We, as ICCO, have been able to stick to our own goal, but this goal is now increasingly being threatened by increasing requirements which prevent organisations from combining working towards their mission and being accountable to the Ministry. My conclusion is that we are at a cross roads. We either comply and continue to adapt or we stop and we will go in another direction. (I18)

While ICCO tried to comply with the Ministry’s accountability demands and maintain a focus on its organisational vision and mission, in MFS2 it was argued that this sometimes required them to ‘develop a split personality’ in order to combine the logic embedded in their organisational vision and mission (a social transformation logic64) with a managerial logic, based on the assumption that changes could be ‘manufactured and measured’, embedded in the approach to accountability in MFS2. Based on this concern regarding mission drift, ICCO had decided to significantly change their way of working.

64 The social transformation logic perceives development cooperation as a political process which aims at changing unequal power relations. Within this logic striving towards an autonomous civil society is considered key for development (Bebbington, 2005). See the PhD thesis by Elbers (2012) for a more in-depth discussion of the clash between the managerial and social transformation logic in development NGO settings.
9.4.3.3 Renewing ICCO: Co-responsibility and decentralisation

The perceived threat of mission drift was reflected in ICCO’s aim to become less donor-dependent and focus more explicitly on their own vision and mission, an aim which was widely accepted within ICCO due to the perceived interfering nature of the MFS2 accountability demands:

The fact that we are to a large extent dependent on one individual [governmental] donor, that is never good. I mean, next time they come with even more bizarre demands. And then you’re completely at the mercy of the Gods. So I think it is widely accepted [within ICCO] that it is unwise for us to remain focused on the Ministry as the main donor … I guess that is widely supported [within ICCO]. (I16)

This desire to be less dependent on the Ministry of Foreign Affairs and to prioritise ICCO’s mission and vision was reflected in the adoption of a renewed approach to development cooperation within ICCO. This involved a shift of focus from supporting individual projects as part of a broader programme, such as HIV/AIDS prevention, towards ‘trying to change a whole sector or system’ by aligning a variety of organisations, including counterparts and non-counterparts, within ‘strategic alliances formed around a particular theme […] in a specific geographical setting (country, region, continent)’ (ICCO, 2009, p. 2).

Changing a system can, for example, focus on education for indigenous children living in the highlands of Peru who are being systematically discriminated for being indigenous […]. While we previously supported a number of projects that all worked towards addressing this issue, we have now started a programme of aligning those organisations with a number of other organisations that were not our counterparts. We have included them […] and combined their forces in order to improve this ‘system’ of education. (I18)

In order to facilitate the alignment of different parties at a local level, ICCO sought to implement co-responsibility in developing policies and decentralised its organisational structure. Co-responsibility implied that the formulation and implementation of policies was no longer solely taking place within ICCO; the responsibility for this was shared between ICCO and representatives of developing countries. In order to enable co-responsibility, ICCO decided to decentralise its organisation (ICCO, 2009), thereby reducing the number of Dutch staff members from 270 to 100. ICCO created regional offices and regional councils, with local staff members, who were key in the operationalisation of this new approach (I18).
Regional councils were responsible for developing regional policies and setting priorities for activities, while regional offices were responsible for implementing these policies in practice. This new organisational approach was aimed at ‘bringing ICCO closer to the local context and to local solutions’ and thereby addressing the concern for mission drift caused by the increasingly ‘perverse’ accountability demands (I18).

This altered approach within ICCO was accompanied by exploring alternative ways of funding. Managers indicated that ICCO was increasingly going to cooperate with for-profit organisations in order to share their expertise and acquire funding. In one example, this cooperation focused on assisting for-profit organisations to become more sustainable:

For-profit organisations indicate that they want to work in a more sustainable way, import sustainable products and develop more sustainable production chains. However, these organisations do not have the required technologies [expertise or experience to, for example, mobilise and guide local farmers], so how will they cope with that? [...] We [ICCO] have expertise in this area and we can contribute to their development towards more sustainability and that is how we cooperate with organisations such as Albert Heijn, DSM, etc. And this form of cooperation is really expanding within ICCO, it is a way for us to get private funding. (I16)

Additionally, ICCO was aiming for an increased amount of international funding, such as funding from the European Union, but also from funders based in developing countries, such as the African Development Bank or the Asian Development Bank (I16).

9.4.4 Brief summary of the three NGO cases

The three cases discussed above provide an in-depth perspective on how three co-financing NGOs, Cordaid, Hivos and ICCO, dealt with the operationalisation of the MFS2 accountability technologies. While the three NGOs showed similarities in that they all, to some extent, translated information gathered from their counterparts into the information requirements embedded in the MFS2 accountability technologies, there were also some subtle differences between the adopted approaches.

All three NGOs tried to ensure that their core operations and relationships with counterparts were not significantly changed by the required accountability technologies. While Hivos considered the co-financing program as a key determinant for the development of their
organisation over time (in a positive manner), the MFS2 accountability technologies were perceived as forcing them to report in a more limited and superficial manner. They therefore developed a ‘dual’ information system; one built on Hivos’s internal information requirements while the other was tailored towards the MFS2 accountability demands. The information used for the two systems was not collected separately; they used a ‘turntable’ approach in order to translate counterparts’ specific (and internally useful) information to the required level of aggregation demanded by the Ministry of Foreign Affairs. In addition to this dual information system, Hivos started to explore alternative funding sources.

In dealing with the MFS2 accountability requirements, Cordaid made a deliberate choice to be pragmatic and flexible in adopting aspects of MFS2 accountability technologies, especially with respect to monitoring, in order to minimise the amount of time and resources spent on complying with the MFS2 accountability requirements. In arranging their accountability, they adopted a similar approach to Hivos, by developing a ‘dual’ information system. However, rather than having to translate counterparts’ specific information to the level of aggregation demanded by the Ministry, they directly linked the information produced by their internal accountability system, i.e. the ‘organisation scan’, to the predefined results indicators enrolled in MFS2.

Of the three NGOs examined, ICCO was the one that was most concerned about the ability of the MFS2 accountability technologies to divert them from their core mission. Like Cordaid, they were also able to directly link the information from their ‘organisational scan’ to the MFS2 accountability requirements. However, in operationalising the MFS2 accountability requirements, ICCO was not able to fully prevent transferring more bureaucratic accountability on to their counterparts. Despite being able to adopt a pragmatic approach to operationalising MFS2 accountability technologies, they were perceived to be at a ‘crossroads’, forcing them to decide whether to move in a different direction or to continue adapting their systems to suit the Ministry. Due to the perceived interfering nature of the MFS2 accountability demands and concerns for mission drift, ICCO decided to develop a renewed approach to development cooperation, which involved becoming less dependent on the Dutch Ministry of Foreign Affairs and searching for alternative funding sources.
9.5 Chapter summary

This chapter presented the perceptions of NGO managers regarding the operationalisation of the accountability technologies in MFS2. The chapter was structured in three sections. The first section discussed how NGO managers supported the programmatic aims of accountability as introduced in MFS2 (and MFS1), since they were perceived as potentially providing them with a better insight into their counterpart selection policies and processes and the effectiveness of specific interventions, thereby enabling them to improve the quality of their work. In the second section, these positive perspectives on the aims underlying accountability in MFS2 were shown not to have prevailed in discussions surrounding the operationalisation of the MFS2 accountability technologies. NGO managers perceived the operationalisation of MFS2 accountability technologies as problematic, as they were seen as interfering too much with the organisational mission and autonomy of NGOs. The narrow approach to accountability and the necessity to demonstrate success in MFS2, was perceived as denying learning and potentially diverting NGOs away from projects that would be considered most suitable in the light of their own missions.

Section three focused on the operationalisation of MFS2 accountability technologies in three co-financing NGOs, i.e. Cordaid, Hivos and ICCO. It discussed the extent to which these NGOs were able to ensure that their core operations and relationships with counterparts were not (significantly) affected by the MFS2 accountability technologies. The analysis revealed that all three NGOs developed an approach whereby they used the information produced by their own, internal accountability systems in complying with the MFS2 accountability requirements. Hivos, for example, developed a so-called ‘turntable’ approach in order to translate their counterparts’ specific (and internally useful) information to the required level of aggregation in MFS2. In addition to this they started to explore alternative funding sources. Cordaid and ICCO, on the other hand, directly linked the information produced by their internal accountability systems into the MFS2 accountability demands. Of the three NGOs, ICCO was the most concerned with mission drift occurring as a result of complying with the MFS2 accountability requirements and started to implement a renewed approach to development work. This renewed approach involved shifting towards a broader focus in executing programmes in developing countries and actively exploring alternative ways of funding.
In analysing the NGO managers’ perceptions of the operationalisation of MFS2 accountability technologies, the third section of the chapter provides an enhanced understanding of how NGOs were able to avoid significantly adjusting their behaviour and activities while complying with the governmental accountability requirements, thereby preventing mission drift and safeguarding their autonomy and the autonomy of their counterparts. This illustrates how, to some extent, the NGOs resisted the attempts of the Ministry of Foreign Affairs to govern their behaviour and activities through the increasingly stringent MFS2 accountability technologies.