

Practical Approaches to PVO/NGO Capacity Building

Lessons from the Field

- 1. Approaches for Capacity Building Programs*
- 2. Activity Design and Development*
- 3. Activity Monitoring for Sustainable Results*
- 4. Financial Management*
- 5. Institutional Development***

Senegal PVO/NGO Support Project
USAID Project #685-0284



Monographs by:



A Description of the Monograph Series

"Practical Approaches to PVO/NGO Capacity Building" is a five-monograph series, which is intended to help the program manager in identifying and supporting sustainable development activities while also building the capacity of implementing organizations - both at the community level as well as with the intermediary nongovernmental organization (NGO). It is based on the experiences of the New TransCentury Foundation Umbrella Support Unit (USU), managers of the USAID/Senegal PVO/NGO Support Project. NTF has been assisted by Yirawah International in providing international short-term technical assistance to the Project. The five monographs include:

1. Approaches for Capacity Building Programs
 2. Activity Design and Development (including rapid and participatory appraisal techniques, and logical framework)
 3. Activity Monitoring for Sustainable Results
 4. Financial Management (including financial analysis, budgeting, and financial systems and procedures)
 5. Institutional Development (including participatory institutional diagnosis, and institutional development plan)
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Acronyms & Terminology

DAF	Administrative/Financial Department (of USU)
DIF	Institutional Development/Training Department (of USU)
DPID	Dynamic Participatory Institutional Diagnosis
FC	Financial Certificate
FRAO	Fondation Rurale de l'Afrique de l'Quest
GA	General Assembly
GS	Grants Management
MARP	Rapid Participatory Appraisal
NGO	Non-governmental Organization
NPC	National Project Committee
OD	Organizational Development
PVO	Private Voluntary Organization
NTF	New TransCentury Foundation
Project	The PVO/NGO Support Project
SME	Small and Medium-Scale Enterprises
USAID	United States Agency for International Development
USU	Umbrella Support Unit

1. General Presentation

"How something is changed is worth more than what is changed"

1.1. Objectives of the monograph on Institutional Development

This monograph on "Institutional Development" pursues six main objectives, namely:

1. Present a new approach to the organizational change process that directly contributes to strengthening the institutional capacity of organizations with or without institutional support from donors;
2. Present relatively successful experiences confirming the impact on organizations that have benefitted from this new approach and some lessons learned for the time being;
3. Provide information to various development partners (donors, NGOs, institutional support agencies, grassroots community organizations) to enable them to make decisions on the adoption of new operational approaches that could enhance the institutional capacity of the NGOs and grassroots organizations.
4. Assist in promoting initiatives geared towards finding appropriate solutions to problems facing development-oriented institutions.
5. Contribute to the current efforts deployed with a view to inculcating some institutional development ethics in the developing world.
6. Urge representatives and executives of NGOs and community organizations to learn new concepts, notions and practices connected with the management of organizations and projects.

1.2. Global philosophy of the PVO/NGO Support Project regarding institutional development

It is worth recalling here that the PVO/NGO Support Project in Dakar, which is financed by the United States Agency for International Development (USAID) at 21 million US Dollars for 8 years, globally seeks to offer an effective institutional framework that would enable grassroots communities and the most impoverished and disadvantaged social groups to increase their capacity to mobilize resources, and to plan and conduct viable and sustainable activities so as to improve their living standards.

The Reformulated Objectives of the PVO/NGO Support Project (1994)

- Support viable and sustainable development activities initiated by beneficiaries in the Project's key areas of intervention and which produce a real and positive impact on the lives of the population.
- Enhance community groups and local associations' managerial and technical capacity and capability to design, plan and implement viable and sustainable projects with the support of the NGOs;
- Strengthen the technical, organizational and institutional capacity of NGOs, NGO Associations and Development Associations to enable them to support local community organizations in their sustainable development initiatives.

One of the specific objectives of the Project therefore is helping to develop and strengthen the institutions' operational capacity in order to improve skills and strengthen the potential of the



community organizations, local NGOs and NGO Associations. The objective of developing and strengthening development support institutions or community organizations is the key indispensable operational strategy adopted by the USU in order to participate in the grassroots development process in a sustainable, efficient and innovative manner. In fact, along with providing grants, the USU must develop an institutional support program as a focused approach towards sustaining activities and the organizations.

This support program is in essence a process which starts during the grant selection process of projects and organizations. It is therefore a question of choosing or planning relevant approaches and methodologies of selecting projects and associate organizations as well as establishing appropriate procedures adapted to the institutional follow-up and support plan while taking account of past experiences.

After the preliminary selection of project documents, three complementary assessment studies are made before the final selection of projects:

- A study of the project impact on beneficiaries, using Rapid Participative Appraisal technologies (MARPA) as a methodological tool.
- A study on the organizational capacity of the NGO to carry out the project submitted using the Dynamic Participatory Institutional Diagnosis (DPID) approach.
- A study on the organization's capacity to efficiently manage the funds solicited, using the Financial Certification tool.

The tool that makes it possible to evaluate institutional capacities - DPID - is certainly a pilot methodology. It is a "pilot" methodology because the future institutional support will be neither relevant nor successful if the organization is not correctly prepared to view DPID not as a required mechanism for issuing grants but as an excellent opportunity for the organization to acquire a better operational ethic and be more

professional. It is also a "pilot" process since the Project opted for the formulation of a new methodology developed by a Senegalese consultant in collaboration with the staff during the experimental phase. The methodology was first evaluated by the Project staff and all the consultants involved in the selection process of the first grant selection cycle. Finally, it is a "pilot" mechanism in the sense that the Project increasingly gives priority to its appropriate use by development staff instead of expert consultants.

Once the organization is selected to receive a grant, the second key project component, institutional support begins. Institutional support goes with "activity monitoring" which should contribute to the development of intermediary and community organizations concerned. Although this monitoring is an important element of institutional development, it will not be addressed here. In fact, it is addressed in the third monograph of this series as it falls within the framework of grants implementation, a separate component of the PVO/NGO Support Project overall capacity building approach dealt with in two monographs of the series, the first and this.

The Project team formulated such an institutional support on the basis of the experiences acquired. It represents a global approach responding to the needs of organizations that are often neglected by development finance partners. Better still, it constitutes a recognition of the true worth of support organizations and community groups.

1.3. Principal stakeholders in the NGO institutional development process

The principal stakeholders of the institutional development process are members of the organization who are considered as the first initiators and direct beneficiaries, particularly the organization's leadership team.

The major facilitators are staff of the USU department concerned, the DIF (Institutional Development/Training Department [of USU]), the department responsible for capacity strengthening and training, who are assisted through the collaboration of staff from other departments and through the use of local consultants.

Quite recently, a stakeholder that is assuming considerable importance is the project advocate who serves as a preferential resource person of the grantee whenever the partnership with the USU loses its flexibility and smooth functioning. The advocate is a USU staff member or comes from the NGO or development sector.

1.4. The two key elements of institutional development: institutional diagnosis and the institutional support approach

The Approach to Institutional Diagnosis: This methodology (DPID), which will be presented in detail in the next chapter, is designated as institutional because it concerns the whole institution (in terms of content and process) and as participatory since the implementation approach adopted mobilizes all staff members of the organization at the same time; it is also dynamic, for it is part of a dynamic action that encourages change.

The Human Dimension

The participants of the diagnostic process constitute the entire social fabric of the organization: members (management committee, board of directors, ordinary members), and salaried employees (support staff, senior staff and the manager).

We know very well that any partial or global analysis of an organizational calls for the participation of members of the organization just as *each of us, whether one likes it or not and whether consciously or not, participates at all times in the life of the social groups to which one belongs.... the problem therefore does not essentially consist of promoting participation*

since that factor exists anyhow. It is more a question of considering the conditions that guarantee one form of participation instead of another, as well as the results obtained through each mechanism" (cf. "The Sociological Analysis of Organizations", pp. 86-87).

It is the mobilization of the entire social structure throughout the process and especially during the validation of findings that gives substance and importance to the participatory dimension of DPID

The DPID concept was introduced only a few years ago and is now used in two institutional contexts:

- within the PVO/NGO Support Project during the examination of a request for funding.
- in the broader NGO environment, either voluntarily, by an NGO which is already aware of the characteristics and focus of the DPID, or indirectly when a consultant engaged, because of experience and training, proposes to the organization concerned to embark on a DPID process.

Four years after its creation, DPID consultants have acquired a better mastery of the concept which has been reinforced through the experience gained from using it successfully.

As the DPID represents a unique and intense period for an organization conducting an in-depth review of its operations, it is expected to serve in the future as an exercise for the regular analysis of the organization's institutional health.

The Institutional Support Approach. The institutional support approach of the Project is determined on the basis of the targeted organizations:

It is an **institutional support** intended for startup and informal NGOs characterized by significant institutional weaknesses or for developing NGOs and or those that have acquired some experience in the management of a development project but are not sufficiently established to operate on a sustainable basis from the organizational point of view.

It consists of **reinforcement of the institutional capacity** of NGOs with significant experience in the planning and management of

multiple projects and which have proven administrative and financial management systems and procedures.

The **institutional support** is expected to help develop existing organizations that do not have adequate human, material, and financial resources to enable them to carry out their missions.

The **institutional reinforcement process** is expected to enhance the impact of NGOs that have attained a certain degree of maturity or those that have entered what could be referred to as the self-development phase by virtue of their technical, financial and operational expertise.

2. The Dynamic Participatory Institutional Diagnosis (DPID)

The DPID is still misunderstood. It is often wrongly confused with the Participative Rapid Appraisal (MARPA) or the Participatory Appraisal concept (established by FRAO, an international aid organization operating in the West African subregion). It is also identified with the traditional diagnostic methods, whereas DPID is differentiated from these methods in five main ways: **Unlike the traditional diagnostic approaches:**

- The analytic framework of DPID is mainly based on the experience of the members and their perception of the internal analyses (made by staff/members of the organization) and the external analyses (made by the consultant).
- The status of staff/members becomes a particular theme of the diagnosis and not a mere element of survey and investigation.
- The techniques give a secondary importance to documentation and individual surveys in order to focus on the organization of group working sessions on issues concerning the members.
- The results obtained derive value from on the members' validation (intellectual dimension) and on their support (emotional dimension).
- the initial result of the intervention consists of developing the organization's vision and its convictions about the changes needed to be made at the social, cultural and technical

levels (whereas that of the traditional diagnostic method consists in determining a set of appropriate measures helping to regulate or correct/improve its technical and structural functions).

DPID is the product of its context. Those who formulated the DPID concept took into account the fact that local institutional structures are characterized by an existing culture, certain aspects of which directly impact some means of intervening in the organizational functions:

- the management styles are marked by certain conservative attitudes whereby traditions took precedence over innovations.
- the organization's life is influenced by an autocratic culture that accounts for the biased and occasionally marginalized status of the traditional society based on fear and repression.
- the attitudes are dominated by notions about nature and destiny (cultivating the tendency towards acceptance or resignation) by the importance of group, of status and personality; the search for compromise, harmony, identity; as well as implicit and hidden considerations.

Moreover, it is worth considering the fact that few NGOs and voluntary development associations naturally seek to assess

performances; indeed, most of them are very sensitive and therefore sensitive to any critical views from outside. Consequently, they might tend to reject the diagnostic process and spontaneously adopt a defensive and withdrawn attitude.

It therefore became necessary to look for an approach that could foster the organizations' development within a short but intensive time and urge them to adopt a more democratic culture adaptable to change while respecting to some extent the cultural aspects that forge their identity.

The DPID operational approach was formulated on the basis of a social dynamism concept defined as "the process of rendering an organization "entrepreneurial" by stimulating its human dimension.

Social Dynamism

"Social dynamism entails not only participation and culture but also a philosophy of life; it reconciles the individual with the enterprise and then reconciles the enterprise with itself. It enables the individual to secure work and be an agent of his/her enterprise. On the other hand, it enables the enterprise to discover and assert its socio-cultural identity" (cf. "La dynamisation social", 1985, p.23).

"Discovering, asserting and developing one's socio-cultural identity should become an important dimension of business management... This corporate identity may tend to be favorable or unfavorable as the enterprise forges ahead. In this sense, social dynamism consists of considering the enterprise's socio-cultural identity as part of the changing process; this is one way of establishing some consistency between the internal and external identity" (idem, p. 30/31).

2.1. Presentation of DPID

What is DPID? DPID is an method of intervention that facilitates the rapid and intensive assessment of the overall strengths and weaknesses of an organization using the contribution and support of all members of the organization (it involves a 5-10 days' visit depending on the size and complexity of the

given organization). The institutional diagnosis is a dynamic and participatory process because the operational approach basically hinges on the implementation of a participatory process that induces some dynamics for internal change. In the sense that the process constitutes a crucial element of DPID, it could be asserted that it is above all an intervention methodology.

DPID is not like traditional methods of intervention where the analysis is based on the idea of a confrontation between set standards and the realities facing the organization. It is not based on a reference model; its relevance is not determined by the importance of an external objective analysis of the organization's dysfunctions and weaknesses. Also, there is no reference to criteria for analysis in the DPID process since the guarantee for a certain degree of rigor and objectivity that could help reduce the risks that lead to arbitration is not critical for this process.

The DPID consultant does not behave like the therapist who would prescribe remedies for the smooth functioning of the organization. Rather, the consultant acts as an observer and facilitator who explores the practical experiences and perceptions of members of the organization as well as the relationship between the organization and its environment. As part of his/her efforts, the DPID consultant induces the organization to reflect on the risks inherent in continuing certain perceptions of what is good for the organization rather than helping the organization to take measures to redress its weak points.

DPID helps in modifying the attitudes of the organization and its members and thus constitutes a process of change. DPID therefore makes the participants aware of the need for useful changes; this sensitization offers the participants favorable conditions for subsequently finding solutions to the problems posed and implement the decisions made.

The DPID consultant does not elaborate a particular system of planning. If expressly requested, he/she can assist the organization to formulate or even implement a strategic and/or

operational plan but that does not come within the scope of the DPID intervention.

Why do a DPID?

- . to assess the organization's capabilities in order to identify the aspects to be corrected/improved (weak points) and the positive aspects to be reinforced/developed as well as the hazards which the organization has to overcome.
- . to establish a true dialogue with the organization and between members of the organization on matters concerning their organization.
- . to obtain results shared by the entire organization (DPID encourages people to share a common view of reality).
- . to create an opportunity for learning within the organization.
- . to provide the organization a guide that will

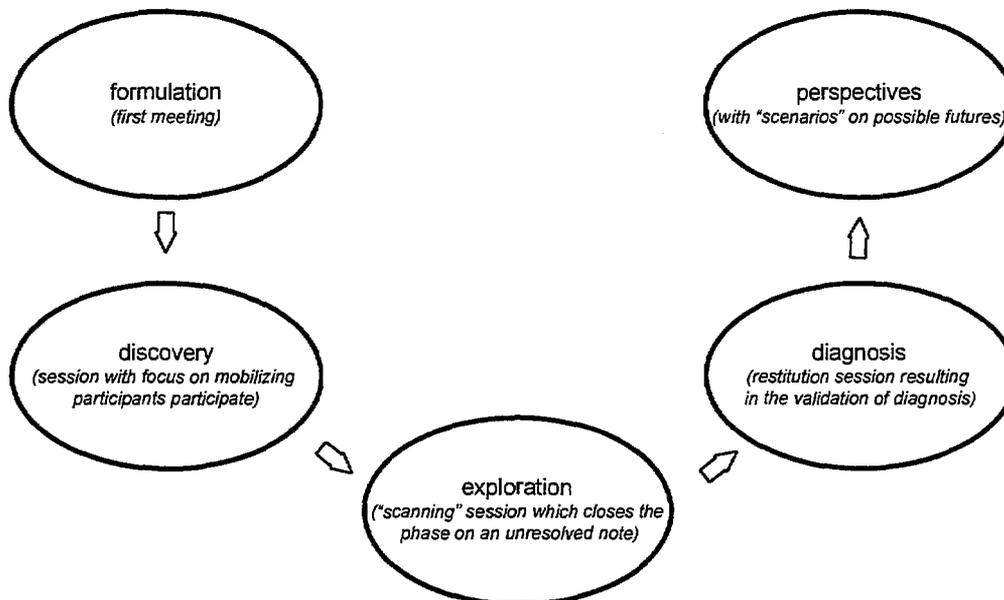
enable it to have a better understanding of its present situation and develop the broadest possible vision of the future.

- . to promote change within the organization.

What is the content of the DPID? DPID is above all an intervention methodology and is therefore presented in the form of a process, tools as well as a method. The DPID process includes the following five phases:

- ."clarification"
- ."discovery"
- ."exploration"
- ."diagnosis" and
- ."perspectives"

Figure 1: The DPID Process



The emphasis is made on process in order to build up the organization's capacity for reflection and learning within a short time

The "Clarification" phase (1) represents the first meeting between the consultant and the organization. It is in this important phase of the process that the leadership develops real interest in DPID and steps are taken to lay the foundations of a transparent and trustworthy relationship. This phase consists of a single working session: the initial meeting with the organization's leadership and sometimes with some of its collaborators.

The "Discovery" phase (2) constitutes something new for the institution whose members are brought together for the first time. It is a prerequisite without which the intervention cannot be accomplished. In fact, it is necessary for all members of the organization to agree to participate in the assessment. They do this because they have understood the importance of this initiative to their organization as well as to them; moreover, they have identified their expectations from the analysis.

The "discovery" phase is the most active stage of the process (it could therefore be said that the process starts by encouraging members to forget their fears of seeing their organization and themselves exposed). This is the emotional aspect of the participation. However, the most important aspect of participation, the reasoned and critical dimension, also takes shape during this phase. It is most important for everyone to consider it possible and useful to participate in the process on the basis of the information provided. Their participation becomes the result of a rational calculation.

The more each participant feels free to express themselves and not be penalized, the more they accept the challenge to engage in such an experiment and make a real contribution (because uninhibited words can also unveil things and cause damage). Both members of the organization and the consultant discover certain realities concerning facts, events, feelings and opinions. The best informed or simply the most active members conduct a kind of self-evaluation of the results of their activities as well as the essence of their organization which they share with the others.

The "Exploration" phase (3) is the most crucial and original stage of the DPID process. While DPID does not introduce organizational changes directly but it promotes organizational processes oriented towards change.

Every process of change should be preceded by an understanding that the change is desirable. However, even though it is an unpredictable unit the organization presents a set of routines and obvious stability. Hence, the change is never an immediate necessity for the organization.

"An organization is actually not an abstract concept, as a superficial analysis might suggest. It is not the expression of a unique rationality that would identify the best available means for achieving certain objectives. On the contrary, it is the result of a series of approximations, multiple compromises between divergent but legitimate opinions. The final balance obtained does not therefore represent the best possible solution since this solution does not exist in the frame of ideas. All the partners involved consider it as the least bad possible solution in view of the prevailing constraints. The organization is therefore an unpredictable entity (Cf. *L'Analyse sociologique des organisations*, p.70).

The question for the consultant is not what to change but rather how to reveal the fact that things are not so predictable and that certain aspects of the reality are chaotic. The answer lies in the use of methodological tools which can create an atmosphere of anxiety and dissatisfaction as well as critical opinions that could make people adopt a detached attitude towards the organization and its members. *"Members therefore have to reconsider the organizational reality at the end of this phase and put new life in it. "The real purpose of the diagnosis does not consist in finding solutions but in creating forces that could create solutions". (cf. "Le Diagnostic d'Entreprise, Cadre méthodologique" p. 55).*

The "Diagnostic" phase (4) is the one during which observations are transformed into an accepted and shared diagnosis.

The "Perspectives" phase (5) enables the organization to understand that its future

depends on its own ability to find the most satisfactory solution for itself.

Tools. Two kinds of tools facilitate the collection and processing of data:

- methodological tools that facilitate the intervention
- contextual tools that give weight to any aspect of the institutional reality being considered.

The **methodological tools** basically consist of group working sessions, the real working tools for the consultant (in these sessions, other tools are used as well). In the course of these five phases, three group sessions vital to the success of the process are organized which include the consultant and all the members of the organization. The first one is the "Focus" session under the "Discovery" phase. It is followed by the "Scanning" session which takes place during the "Exploration" phase and the third session concerns the final "Restitution" that opens the "Diagnostic" phase.

The **"Focus" session** collects opinions expressed by members of the organization about the operations and results of the organization; services offered by the organization are evaluated by the members themselves during this session. This session also offers the consultant the opportunity to use a simple, understandable and practical language to highlight the fact that the diagnostic exercise concerns everybody and has to be accepted by everybody in order to have value for the organization, considering that *only the realities shared by everybody are relevant*. The diagnosis should be the outcome of a constant negotiation process that would ultimately enable the organization to make, when desired, effective changes that would be accepted and implemented by the entire organization.

The participants enjoy this session, which is often full of surprises, since they expect a classical approach to exchanges in the form of question-and-answers. They are therefore influenced by the participatory dimensions (freedom of expression, absence of hierarchical

divisions) as well as the interactive and formative aspects of the session. This opportunity to re-discover the institution creates a great deal of expectations among the participating members. Soon after this session, they often express interest in organizing a training seminar on the methodology.

The **"Scanning" session** explores issues affecting the organization and its members. Participants seem to greatly appreciate the opportunity of discovering other people's understandings of the realities facing the organization. The "mirror" proposed by the consultant during the session enables members to adopt a detached attitude towards everybody's expectations and clarify certain realities. Some participants feel that this session offers the opportunity for a self-assessment of the institution's weak points.

The **"Restitution" session** concerns all members involved in the diagnostic process since the beginning of the exercise. They become aware of the major characteristics of the current "state of the organization" involved in the organization's inventory. These factors are examined, discussed, completed and validated.

The emphasis is first placed on the organization's strengths so as to make it aware that it exists with some capital and a potential that strategically enable it to meet challenges in a positive manner. That is of crucial importance since the session is not intended to be transformed into a superficial self-assessment.

This session makes it possible to evaluate the impact of the intervention on members of the organization. Participants consider this session as the key phase of an intervention and has been purported to be "very useful" and "professional".

The NGO feedback

As the feedback is systematically developed and formalized during the process, there now exists some detailed documentation in this regard. The quotations reproduced are culled from the "restitution" session:

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(Extract from members of a local NGO participating in the DPID process as an executing agency of an American NGO that applied for the grant and that of members of the farmer association which benefitted from the grant; DPID conducted in 1993)." 1. Even though the group sessions were generally difficult, it should be admitted that they enabled members to point to realities and understand what they will be required to do. 2. Given the crucial nature and the occasional complexity of all the problems raised, the participants generally felt that there was an urgent need for reorganization to ensure the organization's competitiveness on a constant basis. 3. We salute the objectivity and relevance of the consultant's observations. 4. I am both shocked and satisfied: shocked to notice that these are some weaknesses within the internal systems of the organization and satisfied to have detected them within such a short time; a reorganization is necessary to enable the institution to restore its full potential. 5. These working sessions offered us the opportunity to develop a global vision of the institutional and organizational capacity of our NGO. We thank the trainers and commend them for their fraternal and friendly collaboration in maintaining a more sincere spirit of dialogue."

(Extract from members of a national NGO providing support to grassroots organizations and associations; DPID conducted in 1994). 1. "This method is quite reliable for it is not so easy to examine the institutional aspects of an organization and make relevant proposals for improvement in such a short time. 2. A methodology of evaluation appears relevant to me and its participatory nature constitutes an enriching factor (whatever the outcome of the request for funding). 3. Your approach is convincing... I hope that at the beginning of the funding cycles the Project will carry on with the NGOs in order to help them assess their performance and improve their operational procedures. 4. The session is very dynamic; it is well organized with many exchanges on very instructive ideas in a very relaxed atmosphere. 5. The scanner gave us the first vision the team has about the organization as well as supplementary information from members of the organization. 6. The scanning session was very interesting and through your provocative sentences, you managed to give rise to a debate in order to confirm the information collected beforehand. 7. Many points were clarified by our association and our partners."

(Extract from members of a research agency, DPID conducted in 1994) "1. Thank you once again for giving us the opportunity, within the framework of this USU mission, to assess our structure from several angles; this will make it possible for us to evaluate ourselves from the inside and the outside. 2. We know that there is still a long way to go to carry out our mission satisfactorily, but what has been done will make it possible to know where and when to set foot. 3. The organization gained another evaluation method which could be used in the future. 4. This will make it possible to

strengthen gains, correct shortcomings and look ahead to the future.

The principal contextual tools are: a research framework, an appraisal guide and some analytic categories.

The research framework on institutional reality is referred to as the "7 characteristics of an organization" and these comprise the following elements:

1. "Identity card"
2. Mission
3. Environment
4. Management
5. Internal operations
6. Means and resources
7. Services provided and results

These seven characteristics of the organization often served as a framework for the presentation of the results for Dynamic Participatory Institutional Diagnosis.

- **The appraisal guide** is a very detailed documentation on the seven characteristics.
- **The Analytic categories** that help to process the results leading to the establishment of a diagnosis include:
 - **institutional behavior:** elements of behavior that affect its functioning positively or negatively, e.g. capitalization - building upon achievements, institutional reputation, management of organizational life and the quality of relations with the institution's external environment.
 - **human behavior** in relation to the attitudes of self-assertion, assumption of responsibilities, availability and open-mindedness.
 - **management** (cf subsequent paragraph on the points which are emphasized by the consultant).
 - **administration:** safe keeping funds and documents, existence of supporting financial documentation; filing; administrative practices e.g. the establishment of two signatures, preparation of periodic financial

reports, procedure manuals and compliance with written procedures, control and supervision of operations, inventory control and cash management.

- . **know-how:** expertise in areas of services provided, developing tools and supervisory support for field activities, capacity for innovation, interaction with beneficiaries, level of experience in project management;
- . **philosophy and values** (organizational culture)
- . **sensitive points:** aspects of institutional reality to which the organization is sensitive ("hot issues") or those to which it is indifferent ("cold issues").
- . **points to be clarified**

Overall approach. The DPID methodology is characterized by the implementation of a dynamic and participatory process designed to build up the potential of the various participants from the organization so that they can adopt a detached attitude towards the life and operation of their institution and towards the behavior of individuals.

The participatory aspect hinges on the fact that the diagnostic process is built up gradually with the participation of all the members concerned right from the initial phase up to the final restitution session.

Participation is facilitated by several factors:

- . involvement of the largest possible number of people in all meetings since nobody is a priori excluded from the process and that everyone feels fully involved.
- . establishment of a climate of confidence rendered possible through:
 - * the quest for transparency in activities carried out during the process and in the results achieved (contrary to a traditional approach whereby a report is published before results could be presented).
 - * the continued practice of feedback (by means of questions such as "what is the current situation", "and now what are

your reactions?" or clarifications e.g. "that is what we consultants have understood so far)".

- * regular sharing of data to all the participants concerned as they are collected.

Similarly, members of the organization are urged to examine the actual situation of their organization with maximum attention and consideration for all the points of view expressed in line with the principle of "there is nothing to lose and everything to gain". For this reason, they are urged to develop certain behaviors that would promote development of a participatory climate (listen, make efforts to understand certain issues by putting oneself in the place of the other members, and respect others points of view).

The dynamic nature of the process stems from the fact that the process suddenly wakes the organization up from a kind of stupor marked by the management of routine activities; it puts the organization under conditions that enable it to learn or relearn to assess its own operational system critically and plan actions to effect a change; eventually, members of the organization begin to communicate with one another and even to work closely together. The process is expected to lead to the establishment of a propitious atmosphere for smooth and constructive deliberations (in spite of some moments of tension).

Specific Features of the Process. In addition to the seven characteristics outlined earlier, the main features of DPID are:

- . **its formative dimension:** the consultant tries to be meticulous in the intervention (taking great care in giving explanations and making comments); the organization learns from the consultant's ideas and this can help it to make further progress.
- . **its interactive dimension:** numerous discussions are held in small groups and always followed by a plenary session.

- **its iterative dimension:** each phase depends on the previous one and reflects in subsequent ones; this evolution, which should absolutely be considered by the NGO; it contributes to the cohesion of the organization's membership during the final restitution session of the results.

Procedures. The practice of DPID requires compliance with certain rules:

- The need to secure the agreement and support of the organization's leadership before embarking on a DPID process.
- The obligation of the consultant to ensure that the organization acts as a demanding client from the point of view of its concerns; on the other hand, the consultant should be able to discern what is feasible and what is not.
- The continuing use of feedback since it is essential that the findings be recognized during the process not only as significant (since they are meaningful) but that they should also be accepted as the result of the participants' reflection which belongs to them (appropriation).

The findings are orally communicated in a pedagogical manner to all the participants for in-depth discussions. There is less emphasis on the written documents (reports, memoranda, summary notes).

Some Conditions. The DPID process relies on certain conditions concerning the organization, the consultant and the intervention itself. For the organization, the requirements are: involvement, sincerity, attachment to the organization and its staff/members. In fact, the organization must accept the idea of diagnosis and pose as a client of the diagnostic process. It reacts during the process and adopts the results which are partly based on a self-assessment.

The requirements concerning the consultant are: sincere and transparent attitude, compliance with the phases and their meticulous preparation, and the use of adequate aids. The

intervention itself should be rapid, direct and focussed on what is essential.

The consultant's areas of focus. The DPID consultant pays more attention to global issues concerning management than to specific administrative matters even if the performance assessment conducted covers many operational aspects relating to administrative, management and accounting systems and procedures. This approach is based on the fact that the NGOs' current problems, as well as future ones, are mainly related to management in view of the necessity to empower participants at the grassroots level and consolidate developmental achievements on a long-term basis.

Inventory of the major managerial difficulties encountered by NGOs

- Internal communication problems, transparency in the decision-making process
 - Organization of work, especially the assignment of staff around projects and for planning purposes
 - Improper functioning due to the behavior of some individuals and groups
 - The use and improvement of skills, capacity building through the planning of training activities
 - Members' views about the problems encountered during the execution of activities
 - The reorientation of activities or even the organization's mission
 - Lack of organizational cohesion and personalization of authority around the leader (coordinator, Executive Secretary, Director, etc.), often a founding member of the organization but without control or supervisory authority within the organization
 - Lack of policy on financial independence
 - Co-ordination of activities
 - Personalization of relations with the environment/beneficiaries or donors
 - Absence of well-defined responsibilities and delegation of powers
 - No consistency between the motives and objectives of staff/members and those of the NGO.
 - Inadequacy or lack of strategic or even operational planning; lack of strategic vision.
-

The consultant is also interested in partners who support and/or finance field activities, and more generally, in the financial aid system.

The Consultant's skills. The participatory and dynamic nature of the process obliges the consultant not only to be at the organization's full disposal but also to give equal importance to both intuitive and rational analyses; he/she therefore has to make a balanced use of both sides of the brain.

There is need for some skill in animation techniques that should be renewed continuously. The consultant should develop real communicating and pedagogical talents so as to succeed in involving members of the organization and in urging them to go beyond their individual needs and consider others. The consultant has to show imagination as well as a sense of intuition in addition to having experience.

It is also necessary to adopt some rigor in the methodology of observation and data collection (finding time to do so and putting it to good use without getting bogged down in details and volumes of data; it is necessary to keep one's distance...).

"They intervene in a particular human situation which they have to understand and define in order to act on it in a coherent manner... each of them has a priori principles relatively justified and more or less approximative, which are not easy to discard. If the consultant does not make this effort of keeping his distance, he makes an intuitive observation that might well be contested later by those responsible for the situation. These actors will disagree with a number of facts to invalidate the observation made by the third party. The consultant will particularly be guided by his intuition and imagination if he manages his work without prior preparation and without a determined plan; in other words, if he acts spontaneously by taking any possible opportunity to study the phenomena he somehow encounters by chance. In this case, however, he will obtain a partial observation..." (C. Bottin: Diagnostic et changement, l'intervention des consultants dans les organisations: p. 205/6)

Certain DPID tools can help the consultant reduce the risks of "haphazard" observation e.g. the "scanner" and "the appraisal guide" or an analytical grid for data collected which address such points as:

- . What surprises me?
- . What ideas or impressions do I have about the organization?
- . Are there any contradictions in the data collected?
- . What makes this NGO different from the others?
- . What theme(s) should be proposed for deliberation by the organization?

Where and when to use DPID? DPID can be used in all types of NGOs, or other private organizations, provided that the persons concerned can be involved for the length of the DPID process (the intervention should not exceed ten days). It can be used whenever it becomes necessary to evaluate an organization's institutional capacities and, in principle, under the following circumstances:

- . The NGO should agree the requirements of a diagnosis in order to be considered for a grant;
- . Whenever the NGO is suffering from the effects of an institutional crisis but has some difficulty in defining and applying solutions to the essential aspects (through appropriate decisions on changes) without the intervention of an external agent;
- . Whenever the NGO needs to make an inventory in order to formulate the elements required for planning.

The DPID approach cannot be used if the organization is recalcitrant. A DPID exercise cannot be fully completed (agreement of negotiated results by members of the organization) if members refuse to participate or comply with the principles of sincerity and transparency.

2.2. Characteristics and limitations of the DPID process

Characteristics of DPID. The DPID is useful to the organization because it offers the elements

for strategic planning. DPID is itself a strategic concept in so far as it helps in defining and identifying the positive and negative dynamic aspects of an organization and contributes ideas about how they should be exploited to effect changes in conformity with a strategy. DPID is action-oriented; it is a cause for action and conducted through and active process.

It is a cause for action because the current situation is addressed; hence, the interest lies more in the characteristics of the given situation than in efforts made to understand the causes. The important thing is to know how to plan for the future by making changes with marked relevance and efficiency. DPID anticipates action by urging the organization to reflect on scenarios on the evolution of the situation.

The DPID process is conducted through an active process since it is conducted within a real time through an action as the information provided is updated with new data collected during the process. The strong point of the DPID method lies in the permanent interaction between the results (diagnosis) and the process (the actual intervention).

The DPID also contributes to the increase in a culture of professionalism in the world of development. Finally, the organization gains some maturity through the process.

NGOs have had a positive reaction to the methodology and content of the DPID. This is attributed to the fact that the DPID makes it possible to promote the opinion of each individual within the NGO, as well as the opinion of the organization's leader (Manager) who presents his/her ideas (as well as his/her vision of things) before everyone in a non-hierarchical and informal setting and in a relatively relaxed manner. With the establishment of such an unusual dialogue, certain leaders have learned to communicate more effectively.

The opinions of certain categories of the support staff (secretary, bookkeeper, messenger, caretaker and driver) who are seldom given the opportunity to participate in discussions on the future of their organization are presented. This

practice makes them feel that they really belong to the organization.

Finally, the opinion of participants of the grassroots groups with whom the NGO works can be included.

The DPID updates the members' knowledge of their organization (missions, objectives, services provided, results and operational system...). Finally, DPID is not inaccessible; in general, the organization comes to understand the methodology and the process and the results are shared during the final restitution session.

Limitations of DPID. A priori, the DPID is difficult to promote: the organization has to accept to explore the unknown. It is difficult for an organization to manage the post-diagnostic phase alone and realize positive changes.

In addition, the consultants need practical training to ensure a proper use of the relatively demanding approach (cf. the five phases outlined earlier and the requirements of the process listed subsequently).

The consultant must establish at the outset a trusting relationship that may be challenged at any moment; however, such a relationship is needed so that the organization can accept to patiently explore unknown entities.

Certain tools or techniques used such as the "scanning" session necessitate a refined intervention more comparable to an art than a science.

At the time problems are addressed the organization's capacity for reflection is often so weak that members lack the potential and energy required for a sound participation in the process. The individuals have limited flexibility (they can adopt a low profile and uphold rigid ideas); hence, the DPID approach works well especially with members who have at least some energy and/or potential for openness. It is also necessary for individuals to be quite at ease while communicating in public. The resistance put up by leaders or managers as well as the very conflicting situations can compromise the success of the DPID approach. For this reason, the DPID presupposes that participants play

their part alongside the substantial efforts of the consultant.

One has to argue about the fact the DPID process will lead to something other than a negative result for the organization. Otherwise, members of the organization may show a blasé or fatalistic attitude and that does not correspond with the effects anticipated within the DPID framework, particularly its dynamic aspect.

2.3. Lessons learned

1. It is necessary to guarantee more flexibility and reduce the chance of going off track.
2. The value-added of the DPID process depends on the quality of the intervention which also depends on the consultant's attitude and expertise.
3. The real impact of DPID is to be realized during the twelve months following the DPID which mark an evolution from the collective and individual culture towards increased transparency, professionalism and accountability.
4. The consultant using DPID should have an integrated and non-competitive vision of the other approaches (DPID and MARP; DPID and OD, etc.).

Organizational Development (OD) and DPID

Organizational Development (OD) is at the same time a process, a technique and an attitude: it is a continuous and cyclical learning process within an organization considered as an existing, dynamic, self-organized and self-managed system; it is a technique that makes it possible for the organizations to learn and receive information, to take care of their needs, adapt to new situations and progress; it is also an attitude entirely oriented towards concrete experiences and shared by all members of an organization that urges them to accept the changes resulting from their own analyses.

DPID can make an effective contribution to OD since there are several similarities between the two concepts:

- respect for the culture of the organization and its members

- the idea of negotiated agreement between client and consultant ("contract" phase for OD and "initial meeting" for DPID).
- the place reserved for information and communication in the process in order to promote transparent and trusting relations.
- the very important component for the reflection on the existing decision-making structures and authorities (Organizational Development (OD) obviously plays a more important role as it fosters concrete changes in the conception of authority and managerial culture).
- development of the learning potential of the organization, the leader and staff/members (however, there is a deeper impact on the development of human skills within the OD context).
- introduction of a mentality oriented towards changes and the democratic culture: "sharing decision-making and executive powers".
- appreciation of the consultant's behavior: listen, be flexible, show transparent and sincere attitude, know how to provoke and irritate, give positive feedback, be discreet, respectful and tolerant; do not stick to preconceived ideas, concentrate on essential matters.
- the change discovered in the intervention process: it presents itself as a void where one assumed that the space was full, as an anxiety or a feeling of anguish where there was self-confidence.

2.4. Future prospects

The future prospects identified consist in the popularization of DPID process and its possible association with organizational development.

This would make it possible to address two major concerns:

- Inducing NGOs to review their operational system regularly.
- Maintaining the organization's learning process on a permanent basis, preparing it towards an effective self-management of the internal change process and transferring this potential subsequently to its partner grassroots communities.

The roles of the OD consultant consist in helping clients to have a better understanding of the current operation of the system to enable them determine areas where changes can be made and also facilitate for them the transition between former plans and disfunctions and the

new, more effective operations. Another role of the consultant is to transfer skills and techniques to clients to enable them upgrade their capacity on an ongoing basis.

"The objective is to help clients resolve their problems themselves and develop a more accurate vision of themselves and their environment; to innovate and liberate the forces favorable to the changes desired, using the

unique character and strong points, and to maintain an adequate continuity to operate in the process that often results in genuine growth and development" (Newton Magulies: "Pour une adaptation collective de l'entreprise au changement", article publié dans "Développer l'organisation: perspectives sur le processus d'intervention." p. 192).

Table 1: Differences between OD and DPID

VARIABLES	OD INTERVENTION	DPID INTERVENTION
Change	.Changes are partly planned because OD creates an enabling framework	.Changes occur fortuitously and are not planned
Results	.Enhanced organizational capacity for continuous learning, that is to say learning to change.	.A shared diagnosis; an urgent need for change and often spontaneous changes occur unaccompanied.
Content	.The organization as a dynamic, lively, capricious and self-management system; from different angles and at various times of its development.	.At all levels of the organization
Process	.Change-oriented learning process	.Supervised reflection
Client	.Members of one part or of the whole organization; "the client system"	.All members of the organization
Implementation	.Slow and cyclical	.Rapid and direct
Style	.Refined trial and error	.Intensive, according to a specific outline
Duration	.Long and discontinuous; organized in cycles of intervention	.Short; conducted through a single intervention
Pace	.Respects client's time and pace	.Follows the timing and pace of the consultant
Techniques	.A variety of techniques which do not apply to all the organizations; some are very appropriate for addressing relationships, the informal aspects of the organizations, and differences between words and deeds	.Active, participatory and applicable to all organizations regardless of the profile of their members
Consultant	.Helps the organization to reflect as a learning system then accompanies and supervises its process of change; the consultant is a system that is in contact with the "client system"	.It helps the organization to reflect on its operations and eventually formulate recommendations on the technical-structural aspects.

3. Institutional Support

Institutional support has always existed as part of the PVO/NGO Support Project strategy under the designation of "Institutional Development Program". At the beginning of project activities, the program consisted of technical and financial assistance as well as basic training. The idea of providing a more specific and systematic institutional support according to better identified needs developed when the first grants were being allocated.

Today, just as a request for grant cannot be considered without conducting an institutional diagnosis, the approval of a grant normally includes an institutional support component unless the organization is strong enough (in the phase of self-development or maturity). The type of support mostly depends on the findings recorded during the diagnosis.

Institutional support is mainly destined for the organizations receiving grants (23 out of 26 organizations are benefitting from such support at the end of August 1996).

3.1. Objectives of the institutional support

- . Augment the institutional capacity of the organizations to enable them to provide recipients with services of the highest quality and with greater efficiency;
- . Help reinforce the viability and sustainability of their development-oriented activities;
- . Enhance the credibility of the NGOs by helping to make them more professional;
- . Reduce risks incurred by the PVO/NGO Support Project, regarding specific organizations and the size grants they receive.

To meet these objectives, institutional support is provided in several forms:

- . Training, the first priority;
- . Technical assistance;

- . Management consultancy;
- . Financial assistance, which decreases over time, to cover certain human resource, operational and capital expenditures.

Technical assistance is particularly offered to organizations that show some potential but do not have adequate human, material and financial resources to carry out their mission. It includes the establishment of management systems to assist in formalizing the organization's operations and in elaborating basic procedures for the administration and financial management of the organization and its activities.

The approach sought in working with an organization consists of helping the organization to better appreciate its problems, and to ensure that the organization itself develops appropriate responses (in terms of creation, correction and improvement).

In addition, the Project has to monitor progress achieved by the organization and help them make necessary adjustments. The Project intervenes with the provision of consultant expertise or a complementary support.

The results expected from the institutional capacity-building process include:

- . Preparation, planning and execution of expanded development activities by 50% of the NGOs supported
 - . Training and financial aid offered to 75% of the NGOs to strengthen their financial management, project planning, and monitoring and evaluation capacity.
-

3.2. The various stages of the institutional support process

STAGE A: Formulation of a Framework for Institutional Support after Grant Approval

Once the grant is approved, the Project redefines the objectives and activities of the project based on the recommendations made by the National Project Committee (NPC) and the conclusions of the technical feasibility study. The redimensioning exercise makes it possible to establish the final budget of the project for negotiations with the organization concerned. However, these negotiations have to be preceded by two actions that constitute the first aspects of the institutional support.

1. A set of recommendations on technical and financial support to the NGO. Such recommendations are mainly formulated by two technical departments of the Project (GS [Grants Management and DAF [Administrative/ Financial Department (of USU)]).

2. A plan of action for strengthening certain aspects of the organization initiated by the project and developed by the institution concerned; this plan is discussed in a manner to assure participation of members of the organization (DIF).

The Specific Objectives of the Plan of Action

- . Develop the operational capacity of the NGO through training and technical assistance;
 - . Strengthen their ability to transfer skills to beneficiaries;
 - . Enhance the fund-raising capacity or self-sufficiency plan of the NGO aimed at enabling the NGO, associations and project beneficiaries to sustain projects after the end of the Project support through income-generating activities and the development of projects or programs with other donors.
-

STAGE B: Actions for the systematic development of certain competencies with the allocation of funds:

- B.1. A program of standard training activities prior to the allocation of funds for:
- . the execution of the project (*implementation*);
 - . training in monitoring and evaluation, with particular focus on the identification of indicators and preparation of a timetable;
 - . Strategic and operational planning through the preparation of the logical framework;
 - . Financial management, through training in grant management and establishment of management systems and procedures.

Examples of Requests for Training Activities Submitted by two Self-Managing Mature Organizations

The Case of A

- . Strategic management of NGOs; planning activities;
- . Computer-aided project management; computerized human resource management;
- . Financial management and budget planning; cash and credit management as well as management controls;
- . Communication techniques;
- . Strategic management and development of Small and Medium-Scale Enterprises (SME).

The Case of R

- . DPID, strategic planning;
- . Computerization of personnel file, word processing, data base development and management, project management, project monitoring and evaluation;
- . Budget control, financial management;
- . Training of trainers.

B.2. "Customized" technical assistance in administration, accounting and financial management to help the NGO establish or improve some managerial tools.

Table 2: Roles of the various agents in the different stages of the institutional support process

STAGES	NGO	SUPPORT PROJECT	EXTERNAL AGENT
Recommendations of support	No role	Formulates components	Gives expert advice if necessary
Plan of Action	Formulates components	Initiates various aspects with NGO, examines and approves plans	No role
Training Seminar	Participates as beneficiary	Develops and finances seminars	Helps with its planning and facilitation
Technical assistance	Participates as beneficiary	Makes provision for assistance	Participates as required
Consultancy	Participates as agent or beneficiary	Intervenes mostly as a pedagogical expert	Intervenes as an expert
Training activities	Participates in the formulation of objectives, in programming activities and as beneficiary	Finances activities	Prepares and implements modules

3.3. Characteristics and limitations of the institutional support

Characteristics. In view of the approach generally adopted in the donor circles, institutional support represents a definitive innovation expected to convince skeptics that institutional support is a prerequisite for sustainable development. Institutional support enables an organization to break with a culture of amateur goodwill and develop interest in the results and services it provides communities it serves. It is an action relevant to the organization's needs. In fact, it is difficult to strengthen the quality of services provided by organizations without helping them to meet their logistical requirements.

The formative dimension can actually be found in all forms of support and it has certain

characteristics that are beneficial to the organization: it is a practical, experiential and participatory process. Moreover, in the area of management consultancy, there is consideration for the institution's preoccupations through the establishment of permanent dialogue and interaction with the organization which is viewed less as a beneficiary than as participant.

Limitations. The technical assistance component is mostly concentrated on certain areas of project management and financial management. Technical assistance in management is too formalized and standardized. It probably does not make adequate provision for the differences in the realities and requirements between organizations and therefore does not place enough emphasis on a diversified approach to support.

Since there are limitations in the managerial practices of the organization, it often takes

considerable effort by both the organization and those monitoring its activities. Consequently, there are instances when the monitoring exercise is performed under intense pressure which reinforces the organization's dependence on the monitoring functions from which it benefits and also places limitations on interactions between the Project and the organization.

The Project has not oriented its efforts adequately to enable the organizations to enjoy some autonomy in satisfying their institutional development needs; hence, the organizations are likely to go through a difficult transitional period at the end of their partnership with the Project. Moreover, the institutional support is mainly concentrated on individuals who do not really share their new skills so that the overall capacity remains weak. Finally, the management consultancy input does not take account all of the institutional inadequacies identified during the diagnosis (organizational behavior, leadership, partnership, liability...) if they are not raised again by the organization.

3.4. Future prospects

Certain efforts are mandatory to provide where weaknesses are clearly identified. For instance,

the Project should place more emphasis on matters concerning organizational culture and management. That being the case, the Project should consider the possibilities of supporting OD interventions that would carry on with the organization's efforts in a self-assessment process begun with the DPID while giving greater consideration to the overall aspects of the organization.

It would be useful to refine the training approach. Whenever the results of the on-going study of the impact of training programs financed by the Project are available, the operational approach should be reviewed so that the organizations to be covered can be better assisted to develop their capacity.

It would also be useful to place more emphasis on strengthening the consultants' capacity to develop skills and knowledge compatible with a support approach of a pedagogical type of approach that could promote a more elaborate process in which the organization itself would formulate and effect changes.

4. Success Stories

4.1. Changes occurring within NGOs soliciting grants from the PVO/NGO Support Project

The two examples which follow illustrate the positive impact of the diagnosis on the organizations considered.

The case of a developing organization (one month after the intervention of the DPID).

- . An improved interaction with NGOs within its environment;
- . Collaboration with state institutions;

- . Preparation of a training program to strengthen their beneficiaries' capacity;
- . Development of its own capacity as a service provider to other institutions;
- . Improved accounting;
- . Delegation of duties;
- . Improved internal coordination.

The case of a self-managing/mature organization (a few months after the intervention of DPID).

Changes initiated

- . Publication of a newsletter in collaboration with a communication firm;
- . Systematic preparation of protocols, agreements and contracts for implementation of joint actions;
- . Purchase of equipment (computer, car, software);
- . Publication of a monthly newsletter;
- . Acquisition of accounting software;
- . Establishment of personnel contracts for the staff and addition of benefits;
- . Several recruitments aimed at strengthening the staff.

Decisions to be implemented

- . A more systematic functioning of the various structures and entities;
- . Sensitization and energizing of staff/members;
- . Implementation of a comprehensive communication plan;
- . Training for the entire personnel in using computers;
- . Planning activities and implementing a performance improvement plans for individual staff members;
- . Introduction of a procedures manual with the help of an accounting firm;
- . Establishment and use of an information bank on all partners.

4.2. Impact of DPID on institutional strengthening of an NGO whose request for a grant was rejected

"S" is an organization that deals with non-formal education. Although it did not receive any financial aid, it has benefitted from the results of the DPID process in view of the climate of confidence established during the process between this organization and the Project. As a result, its Director managed to bring the DPID

concept to the attention of its sponsoring partners.

After the diagnosis, the Director of "S" maintained contact with the Project, gave the latter some feedback on the internal changes effected and sought possible advice. When the time came for the Deputy Director to be recruited, the Project staff was able to provide advice on the terms of reference for that post. It was therefore proposed that the Deputy Director be made to deal with administrative matters while the Director and founder of "S" focussed on external relations and fund raising.

The "scanning" session made members of "S" realize that, since its inception, their Organization bore the seeds of its own destruction. As there was no balance between the two departments of "S", the Director restructured the Organization by merging the two units into one technical department.

"S" continues to have contacts with the Project and has been sending some of its staff to participate in training activities organized for the community of NGOs.

4.3. A Federal Farmer Organization that has benefitted considerably from USU institutional support

"F" is a regional farmer association that was granted about 100 million CFA Francs for a training project for the development of agricultural activities and institutional support. The institutional support was provided at a time when the organization lacked institutional inputs and its staff had to be redeployed in order to replace its Director (because of the emergence of clannish interests). It was partly as a result of this support that the organization survived during that critical period.

The conditions governing the grant included respect for operational procedures, enforcement of transparency in the organization's transactions

and promotion of organization life. The institutional support was provided during monitoring visits. These visits entailed two aspects:

- Technical assistance (in response to requests for some expert advice on the implementation of the organization's activities);
- Monitoring operations which allowed for the assessment of the organization's progress.

Activities conducted in the interval between two visits were evaluated through discussions with the staff. The deliberations offered elected members and technicians the opportunity to discuss matters concerning the organization's progress and smooth functioning as well as to gain a deeper insight into questions of general interest.

During the monitoring visits, emphasis was placed on the possibility of granting "F" some autonomy in its financial transactions and on the transfer of management procedures to enable the grant to be used to cover other activities.

Results. Today, "F" has regained more strength and matured with an operational system comparable to an NGO and with more stable partners. Moreover, there has been some increase in the credibility between "F" and its partners and in the Organization's capacity to negotiate with them. These partners have diversified their support to "F".

"F" is currently a leading institution in the community of NGOs in its region. It has developed its entrepreneurial spirit and secured a significant loan refundable over a period of ten years. "F" has a technical staff that is very active within the Association. Members of the Association regularly solicit "F" for consultancy services; at the internal level, the organization's staff members have been performing all of their supervisory functions in line with the role developed through Project support. The decentralized process has become effective and the Unions' responsibilities have also been reinforced.

The results and resources realized by the Organization have been managed with transparency by the various structures (Unions and Board of Directors). Training (one of the major components of the grant activity) organized by "F" has already benefitted 774 members including 365 women. In comparison with the project objectives, this represents an achievement of 120.9% for the number of beneficiaries and 154.7% for the women's group.

However, as regards the reinforcement of the Organization's financial autonomy, the results have not achieved expectations. "F" takes a long time to implement its decisions and is unable to exploit certain opportunities offered with its other partners.

4.4. USU institutional development support to an old and dying organization

When the PVO/NGO Support Project entered into contact with Organization "C", this institution was already over twenty-five years old.

It had lived through a period of success but was then falling into decline. The personnel had been dispersed and its founding members had moved away. Its structures were no longer functioning. There were no resources and the organization had no Headquarters.

The DPID process marked a turning point that enabled members of this Organization to regain confidence in themselves and to resume activities before the USU was able to assist it eighteen months later.

Impact of DPID on the Organization

"... The diagnostic approach is more than photography; it is more dynamic; consider the action! yes, it is photography in action. I am still contemplating the pictures.. with such a tension... We lived through a period of real tension marked by anguish while we strove for perfection and improvement. We feel concerned under the present circumstances. Thanks to DPID, we declared our strengths and weaknesses.. and we realized that we had to utilize our assets, improve what we did... shun our wait-and-see

attitude... re-examine our situation, contemplate the future, establish a new routine and adopt certain corrective measures", (statement culled from an interview with the Coordinator of Organization "C").

After the DPID intervention, this Organization benefitted from an institutional strengthening scheme composed of three specific plans of action, namely:

- a technical plan for modification of the project, assessment of the viability of the organization's principal structures and an update of managerial and training inputs.
- an administrative plan for internal reorganization, staff recruitment and establishment of a management system (procedure manuals, etc.).
- an institutional plan concerning the Organization's structures and revival of organizational life.

A twofold approach was adopted consisting of:

- reviving and restoring "C" on sound bases (re-establishing contacts with grassroots structures, controlling policy-making structures, internal restructuring).
- creating favorable conditions for future changes whereby the organization would no longer be overburdened or scattered through the execution of its projects.

More flexible contacts were established with the Project staff (Organization "C" met with the USU about once a month).

At the end of 6 months, the Organization regained its credibility among the beneficiaries, state authorities, as well as its partners. Its potential for teamwork improved and so did financial management capacity. Today, Organization "C" shows a high sense of commitment. It briefs the Project on all of its activities including those that fall outside its grant project.

4.5. Impact of DPID on two organizations not directly participating in the PVO/NGO Support Project

The DPID intervention has had a dynamic impact on organizations assisted apart from the Project. The following two examples concern organizations located outside Senegal.

The first institution, Organization A, is a regional self-promoting farmer association that is growing rapidly with 4,000 members. At the time of the DPID intervention, it was about 15 years old and it boasted considerable practical achievements that helped to improve the living standard of the local population. It serves as a support organization in development that is being professionalized as an NGO experienced in the management of important programs and investments.

Direct Participants

- 150 grassroots members of the association
- 40 leaders of 24 rural grassroots associations
- Representatives of community organizations responsible for the management of infrastructures or equipment
- 7 members of the Management and Supervisory Committee of the Association
- All the employees, from the Director to the guards (about twenty)

Indirect participants (they were contacted in the course of private interviews or mobilized at a meeting to express their views about the results of the DPID activities).

- 4 principal financial partners
- 7 agents of the State technical services
- 3 technical partners

The second institution, Organization B, is an old federation of farmer co-operative associations founded in the 1970s that has about 15,000 members spread throughout a Sahelian country. At the time of the DPID intervention, this

organization had fallen into a stagnant situation that prevented it from taking tough measures dictated by its extremely critical state after making considerable progress with the expansion of its activities during the last ten years.

Direct Participants

- . More than 60 members of farmer associations representing the General Assembly
- . 40 farmer managers
- . 30 salaried employees representing 80% of the staff at all levels and in all the districts and regions concerned
- . 15 elected members of the executive entities

Indirect participants (they were contacted in the course of private interviews or involved at the Extraordinary General Assembly during a meeting to express their views about the results of the DPID activities);

- . 5 donors including 3 principal financial partners
- . 5 agents of the State technical services
- . 3 technical partners
- . 3 private companies/organizations
- . 3 partner NGOs
- . 3 resource persons

The Context in which the DPID was performed. It is relatively the same for both organizations. Both organizations expressed the need for an institutional diagnosis in the context of an extreme institutional crisis with which Organizations A and B had been contending for two (2) and four (4) years respectively.

The crisis presented similar characteristics in both cases:

- . The organizations had much difficulty in raising funds and this made it impossible for them to carry on with their activities;
- . The organizations lost their credibility in the donor circles so their assistance packages were suspended or even withdrawn;
- . The organizations' reputation became tarnished with negative impact on their leadership (for instance, Organization A

found it difficult to mobilize people in the region and Organization B was unable to resolve its problems).

An institutional conflict emerged and this found expression in litigation that disrupted the work of the organizations (Organization A suffered from a dramatic and traumatizing break with the key partner and Organization B had to contend with the withdrawal of one of its unions under violent circumstances).

The two Organizations had already been evaluated but these exercises did not help them overcome their difficulties.

In the case of Organization A, the institutional evaluation it underwent constituted a serious set-back that left a very bitter impression among the farmers who considered any external analysis as being suspect or even detrimental to their interests. As regards Organization B, although it proved to be very relevant, the financial analysis conducted did not motivate this organization to overcome its inability to take appropriate measures.

For these reasons, the leadership of the two organizations were looking for a methodology that would enable them to operate better (the representatives were so intent making the most of any efficient intervention that they did not hesitate to get personally involved; thus, they traveled to meet with the consultants several thousand kilometers away and negotiate terms of intervention that would facilitate a new approach and assign the organizations' members an active role in analyzing the situation, in finding solutions and implementing them).

Finally, the DPID interventions took place concurrently with another intervention whose results had to be integrated. Organization A called for the evaluation of the impact of its activities and system of planning, while Organization B opted for a financial analysis.

The DPID operational approach contributed greatly towards the results obtained. The intervention demanded considerable efforts.

The DPID system was based on the objective approach adopted by the consultant (in both cases it was the same person) who urged the organizations to embark on a critical and in-depth analysis of their operational system which led to the discovery of skeletons which the organizations were trying to preserve in their "closets".

It criticized the system of management of the organizations concerned as well as the behavior put up by individuals including the salaried employees and elected members; in the case of Organization B, it created a break in relations because the organization was obliged to make crucial decisions quickly.

The DPID intervention necessitated the presence of the principal staff/members apart from those taken ill and those who could not leave their duty stations or activities.

Impact of results obtained. For Organization A, the findings validated were included in a memorandum submitted for consideration by partners at a round table meeting. This made it possible to restore the Organization's credibility vis-à-vis its partners and it paved the way for their increased financial aid. One of the focal points of exchange was lay in the conditions and requirements for genuine partnership.

The members who took part in the round table arrived at the following conclusion: "what remains for this Organization is the freedom to implement recommendations to be submitted to it since it should be the master of its own destiny" (the recommendations centered around instruments of management, the running of the executive function, intensification of women's role, the sustainability of organization's interventions, development of human dimension, mechanisms of participation and strengthening of skills).

After the DPID intervention, the organization received substantial institutional

support in the form of additional external assistance for implementing the changes.

For Organization B, the findings validated at the Headquarters level and in the field were set out in a memorandum integrating the results of the financial analysis. The key issues raised in the memorandum concerned management of the organization which was viewed as "the immediate problem to be resolved by the Organization now to enable it to overcome the crisis"; they also included the leadership of the organization which had been a major set back for the Organization for years", and the Organization's institutional behavior which was found to be "inappropriate and detrimental and likely to crystallize into a major challenge in the coming years; all these aspects had to be redressed if the Organization wanted to restore its credibility in a competitive context".

The memorandum was submitted to the General Assembly. It took the delegates one full day to examine the document. They reacted quickly, for they understood very well the challenges posed by the critical situation that befell the Organization. Thus, at a working session held for several hours behind closed doors, the delegates took ten (10) emergency measures through which challenged the Organization's operational system and led to important changes.

The Organization is currently undergoing a vast internal restructuring exercise; it is reforming its financial system and has completely overhauled its administrative structure and members now have more say in matters concerning the running of their Organization. Other changes that might be more important are under way and these will eventually constitute a great change in the Organization's operational framework. The Organization will implement these changes with the help of a consultant.

5. Conclusion

How one changes institutional development practices has been the PVO/NGO Support Project's constant concern since the start-up of its activities and this is reflected in grants implementation as well as in capacity building. Generally, most donors in the development world emphasize one of these two components, but they seldom place a balanced emphasis on both aspects. Certainly the results achieved by the Project in institutional development must still be improved but one can already assert, without being mistaken, that the Project's contribution is quite positive especially as regards the intervention philosophy, the methodological approaches and the process initiated in order to change an organization's way of thinking, of doing things, of behaving.

The problem of sustainability in grassroots development is also, and mainly perhaps, related to the issue of capacity strengthening at the level of intermediary structures, as well as of beneficiaries. This monograph is the last of a series of monographs which tried to illustrate, through practical approaches, how this problem was taken into account by the PVO/NGO Support Project. These accumulated positive as well as negative experiences should contribute to the discussion of issues raised by many officials from farmer's organizations, community associations, NGOs, projects donors, government departments, support structures and consultants, such as those related to the sustainability of development activities, to the transfer of technical and management capacities, and to the strengthening of grassroots communities' powers.

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