

NicaSalud

Network Assessment Report

"In 18 years' experience in Latin America, this is one of the things of which I'm the proudest. We [PVOs] are working together instead of against each other." (PVO director)

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Executive Summary

This assessment has been carried out in the context of the goals of the NGO Networks project to enhance the delivery of health care through strengthening technical capacity and collaboration among PVOs, NGOs, and other national health sector actors. The purpose of this report is to assess how the management and organization of NicaSalud has influenced its ability to achieve its goals and objectives. The assessment is based on a conceptual framework for understanding the managerial and organizational factors associated with effective partnerships and networks that was developed for the NGO Networks project.

The literature on partnerships and networks suggests that there are seven key factors associated with effectiveness. These factors are defined in the report. They include pre-existing social capital, strategic fit, shared control, leadership commitment, donor relationship, mutual trust, and joint learning.

The outline of the report includes four main sections: (I) introduction, (II) discussion of the conceptual framework and methodology, (III) the presentation of the findings, and (IV) a discussion of the implications for NicaSalud and similar projects in the future. Recommendations for further strengthening NicaSalud are also included in the discussion section.

Findings

The findings include how the respondents perceive the outcomes achieved by NicaSalud to date, and how the seven factors have influenced NicaSalud to achieve these outcomes. The members and key stakeholders interviewed perceive that NicaSalud has been fairly successful in meeting its goals and producing the expected outcomes.

- A large sum of money from the US Congress (about \$6 million) was programmed fairly quickly and effectively to reach Mitch-affected communities with a broad range of health services through PVOs and NGOs.
- A formal network of PVOs and NGOs was created and steps have been taken to develop a strategic plan and to register it as a Nicaraguan entity.
- Members credit NicaSalud with fostering collegiality, especially among sub-groups of 'equals' (e.g. among PVO board members and among Nicaraguan technical managers/staff).
- Additionally, most members identify important benefits of NicaSalud to their organizations and to the country. Some say they are committed to continue the cooperation begun under NicaSalud regardless of future funding levels.

At the same time, the network has encountered several challenges to its effectiveness.

- The fit and efficiency of the administration/management arrangements are questioned. Many Board members report that NicaSalud has taken a lot of their time and has involved a high level of pressure. Others question the costs to PVOs of the arrangements.
- There is a significant gap between the satisfaction of most PVOs and NGOs about their respective roles in the governance and decision-making of NicaSalud.
- The sustainability of NicaSalud in the absence of additional funding is questionable. Formal plans have been made, but some believe the commitment of many is to NicaSalud primarily as a funding mechanism.

- NicaSalud’s relationship with NGO Networks in Washington DC has been experienced as confusing.

Discussion

Four of the seven factors were influential in NicaSalud’s experience, including (1) pre-existing social capital, (2) strategic fit, (3) arrangements for shared control, and (4) the relationship with the donor. Both supporting and limiting elements within each of these factors are identified.

| Key factors | Supporting elements in NicaSalud | Limiting elements in NicaSalud |
|--------------------|--|---|
| Social capital | Built on pre-existing cooperative relationships & norms in the country & among some groups of organizations and individuals. | Gap between PVOs & NGOs institutionalized. ‘Maypole’ vs. ‘spider web’ social network structure. |
| Strategic fit | Fairly sound: clear goals, shared understanding, mostly complementary roles, & appropriate collaborative mechanisms. | Confusion re: NGO Networks: parent or pass-through? Strain of lead PVO vs. equal partner. Subsidiary roles for NGOs. |
| Shared control | Fostered representative governance and management by coordination. | Pressure and costs of creating formal network organization. Some PVOs question efficiency. |
| Donor relationship | Created the project. Designed linkages to social capital, provided oversight to foster performance. | “Evil genius.” Ambitious expectations for emergency & long-term mechanism/network. Structural contradictions (NGO Networks, lead PVO). Hands-on role not satisfying to all. Price of short-term efficiency may be dependency & questionable sustainability. |

Recommendations to NicaSalud

The main recommendations to NicaSalud concern ways to strengthen its prospects for sustainability. The ‘achilles heel’ of NicaSalud is its dual identity as a funding mechanism for USAID and as a collaborative network of PVOs and NGOs concerned with the health of vulnerable communities. It is possible that membership levels may change as opportunities for receiving funds through NicaSalud fluctuate. NicaSalud should continue efforts to maintain current members, but it is not uncommon for networks to experience ups and downs in membership and direction. Networks are different than single organizations in this respect. NicaSalud’s long-term prospects for sustainability will be greater to the extent that members and staff understand the key to sustainability is in their commitments to their visions of collaboration and the benefits it can bring to the country as well as the individuals and organizations. Formal plans and proposals for legal status and additional funding should support, not drive, the network.

NicaSalud also may strengthen its sustainability by continuing to find ways to share control more equitably with NGOs. This will require more dialogue with NGOs and some soul-searching among PVOs, but in the long run it will only strengthen the national identity of the network and attract a broader range of donors and stakeholders. Finally, if NicaSalud and NGO Networks are to

continue their relationship, it would be helpful to try to clarify their expectations of one another, especially their relative authority for the project and what their roles and responsibilities are to one another. Enhanced communication may also help to strengthen the relationship.

Recommendations for future projects

NicaSalud may be a 'sui generis' case of a unique opportunity to form a new network organization with emergency funds. However, given the NGO Networks mandate to learn from this and other experiences, several recommendations for future design are offered.

- It is very difficult for partnerships and networks to function effectively when members do not share key objectives. Understand and predict the influence of contractual and funding terms and conditions on the inter-organizational relationships that they establish. Avoid setting up contradictory roles in complex projects, or if unavoidable, foster discussion and problem-solving to manage the tensions collaboratively.
- Align expectations for outcomes with the time - frame and conditions of funding. It seems unrealistic to combine expectations of short-term and tight implementation with the formal institutional requirements of a long - term network.
- Re-think indicators for sustainability of a network. Emphasize commitment to common visions and actions rather than formal institutional trappings. Networks are different than single organizations. Since they are comprised of organizations, not individuals, the processes necessary to build the underlying consensus of vision and direction are much more complex and subject to change. Without this kind of consensus, the formal dimensions of a network institution, from governing board to sustainability plan, will not indicate sustainability.
- Given the demands of the emergency funding in cases like NicaSalud, consider lighter roles for PVO directors in governance. Their role would be to authorize the project and actively promote it within their organizations. A senior project manager would handle both the coordination with partners in implementation and the reporting relationship with USAID. Even this kind of arrangement would require a good deal of trust and cooperation among the members to agree on the common policies and procedures to guide the project manager.

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I. INTRODUCTION

NicaSalud is a network of US PVOs and Nicaraguan NGOs working in the health sector of Nicaragua. It was created in September 1999 with funding from United States Agency for International Development (USAID) and technical support from NGO Networks for Health (DC) to address the devastation of Hurricane Mitch. NicaSalud envisions a long-term role in strengthening health care for vulnerable groups in Nicaragua. The purpose of this report is to assess how the management and organization of NicaSalud to date has influenced its ability to achieve its goals and objectives. The assessment is based on a conceptual framework for understanding the managerial and organizational factors associated with effective partnerships and networks that was developed for the NGO Networks project.

I.1. Conceptual Framework

The conceptual framework guiding the interview questionnaire and analysis is derived primarily from the literature on partnerships (Biddle 2000; Ashman 2001; Alter & Hage, 1993). Seven key factors associated with effective partnerships & networks were distilled from the literature and framed as conceptual guidelines for the assessments.

For the purposes of this assessment, effective partnerships are defined as those that achieve their goals and satisfy partners and their major stakeholders (Ashman, 2001). It is necessary to assess goal achievement from the point of view of the partnership and from each of the partners. Satisfaction is a subjective measure, yet it is important to assess because it is associated with partners' willingness to continue investing their resources in partnerships. Partners who remain dissatisfied over time tend to leave partnerships and networks when they can.

The idea behind the framework is to develop as concise a set of concepts as possible to monitor and assess the partnership and network development processes in the project. From a management perspective, partnerships and networks are complex phenomena (Osborn & Hagedoorn, 1997). It would be dangerous to oversimplify the analysis. At the same time, the practical realities in which managers operate limit the time and resources available for learning. By comparison, other recent partnership resources for the PVO sector identify slightly larger lists of factors, e.g. about 14 by Biddle (2000) and about 11 by Gormley (2000). This framework seeks to strike a balance and develop an incisive but manageable set of concepts. They include:

Pre-existing social capital. Partnerships and networks are more likely to be effective when they are founded by groups or networks of people and organizations that share a history of working together, mutual trust, and norms that facilitate cooperation.

Strategic fit. Partnerships are more likely to be effective when they are founded on a sound strategic fit. There are four main elements:

- (a) Project goals are clear and achievable;
- (b) The project represents a meaningful value-added to the organizational portfolio of each partner. It enables each partner to achieve benefits that they could not alone;
- (c) Project strategy is based on a successful model for addressing health needs that is shared by the partners and major stakeholders; and

- (d) The functional roles of the partners in the project are complementary, e.g. each partner contributes competencies and resources that together make up a project that can function smoothly.

Donor relationship. Most PVO program partnerships would not take place without financial resources from donors. Partnerships are more likely to be effective when donors provide resources and other forms of support in ways that facilitate the growth of genuine partnership agendas and autonomy (avoiding over-direction and unilateral control). Mechanisms for relating to partnerships, such as agreements and monitoring procedures, are flexible and promote mutual accountability (avoiding burdensome reporting and one-way accountability).

Leadership commitment. Strong and unambiguous support from senior leadership in partners stabilizes and legitimizes the partnership. It provides assurance that the partnership is in the long-term interests of the partners. Such leadership motivates staff to participate in and be accountable to the larger partnership.

Shared control. Partners are represented at the policy-making level. Operational management coordinates the partners' activities. Partners feel they can influence major decisions that cross their individual organizational boundaries.

Mutual trust. Effectiveness increases when partners have confidence that each of the others will carry out agreements and joint activities with quality. Trust usually develops through repeated cycles of collaboration.

Joint learning. Partnerships tend to involve new experiences, e.g. new program goals and activities, expansion into new geographic areas, and working with new individuals and organizations. Effective partnerships are more likely to evolve when partners jointly assess the partnership processes and structures - - in addition to the program or project activities. Conflicts and problems are viewed as opportunities for learning and improving systems and impacts. Joint learning does not need to be extensive or very formal.

II. Methodology

The assessment questions and interpretation of data have been designed and carried out in as much collaboration with NGO Networks project managers as possible to ensure relevance to the practical needs of the partnership. The approach to data collection and analysis is qualitative because it is most appropriate to the subject matter, e.g. understanding the experiences of the partners and major stakeholders in organizing and managing the partnership (Denzin & Lincoln, 1994). The assessment instruments may be standardized and applied to a wide variety of partnerships and networks by the end of the NGO Networks project. Through repeated use with the different types of partnership and networks supported by the project, the instruments will be tested and refined.

Data was gathered through reviewing documents and interviewing key representatives of NicaSalud and major stakeholders. A total of five days were spent in Nicaragua, four in Managua and one in Jinotega with a group of sub-regional managers. Translation was carried out by a Nicaraguan researcher in the public health field, Yadira Campbell. Twenty-five people were interviewed in twenty interviews. Five interviews included both country directors and technical managers.

Respondents included all Board members, a technical manager of one NGO, three technical managers in Jinotega (one NGO, two PVOs), three technical staff and the acting director of

NicaSalud, one doctor in charge of child health at the Ministry of Health, one doctor in and external partner (UNFPA), and one USAID health officer supervising NicaSalud.

The interviews were guided by semi-structured questionnaires to obtain the respondents' views about their experiences in the partnership. The interviews were kept open to allow respondents to discuss the issues that were most meaningful to them and to explore the most critical needs for information. Given the time frame, most respondents were not asked to rate their satisfaction with various factors, and not everyone was asked about mutual trust and joint learning, the two last factors on the list. However, insights into these factors can be gained by analyzing responses to other questions.

To produce this report, the data from the interviews and the documents was coded into common themes (Strauss, 1987) and then analyzed to address the question, how has the management and organization of the network influenced its ability to achieve its goals? A draft report was reviewed by NicaSalud and the NGO Networks office in Washington, DC. Comments and additional themes generated have been incorporated into the final report.

The remaining sections of the report address the following sub-questions:

Section III (Findings):

- What are the main outcomes reported? To what extent do NicaSalud and key stakeholders perceive that the goals and objectives have been achieved?
- How have the management and organization factors in NicaSalud influenced its ability to achieve its goals and objectives?

Section IV (Discussion):

- What are the major lessons to be learned from the experience of NicaSalud to date? What are the main supporting and hindering factors in the management and organization of the network?
- What are recommendations for NicaSalud to continue to strengthen the management and organization of the network for long-term sustainability and enhanced performance?

III. FINDINGS

This section presents the major themes related to NicaSalud's outcomes and the managerial and organizational factors associated with the achievement of those outcomes. Each of the sub-sections (outcomes and factors) is organized to present (a) the indicators, (b) a brief summary of the main themes, and (c) illustrative quotes or other data that support the themes.

III.1. OUTCOMES

III.1.a. INDICATORS (as per NGO Networks):

1. Number of new partnerships or networks.
2. Number of strengthened partnerships or networks.
3. Desired improvements in health services.
4. Strengthened PVO capacity.
5. Improved sustainability of partnerships or networks. Members committed because collaboration is valuable. Networks have raised funds independently, developed a strategic 5-yr. plan, developed a sustainability plan, improved PVO and NGO staff capacity, developed M&E for itself and NGO members.

INDICATORS (as per NicaSalud goals and desired outcomes):

1. Rapid disbursement of funds for implementation of health projects by PVOs and NGOs in Mitch-affected communities. (Addresses USAID/N special strategic objective of rapid reconstruction and sustainable recovery. Not permitted to do FP under Mitch funding.)

2. Enhanced collegiality among PVOs and NGOs.
3. A formal network to become a legally independent Nicaraguan entity.
4. A mechanism to improve efficiency for USAID/N funding in the health sector, e.g. "one-stop shopping".

III.1.b. SUMMARY of FINDINGS RE: OUTCOMES

The evidence from the project documents and interviews with NicaSalud managers and major stakeholders suggest that the network has been fairly successful in meeting its goals and producing expected outcomes.

- A large sum of money from the US Congress (about \$6 million) was programmed fairly quickly and effectively to reach Mitch-affected communities with a broad range of health services through PVOs and NGOs. USAID perceives that, on the whole, it has been relatively efficient.
- A formal network of PVOs and NGOs was created and steps have been taken to develop a strategic plan and to register it as a Nicaraguan entity.
- Members credit NicaSalud with fostering collegiality, especially among sub-groups of 'equals' (e.g. among PVO board members and among Nicaraguan technical managers/staff).
- Additionally, most members identify important benefits of NicaSalud to their organizations (technical capacity was strengthened) and to the country (vulnerable communities were reached, the MoH was strengthened, cooperative links for planning established). Some say they are committed to continue the cooperation begun under NicaSalud regardless of future funding levels.

At the same time, the network has encountered several challenges to its effectiveness.

- Some aspects of the fit and efficiency of the administration/management arrangements are questioned. Many Board members report that NicaSalud has taken a lot of their time and has involved a high level of pressure. Others question the costs to PVOs of the arrangements.
- The gap between the satisfaction of most PVOs and NGOs about their respective roles in the governance and decision-making of NicaSalud.
- Questions about the sustainability of NicaSalud in the absence of additional funding. Formal plans have been made, but some believe the commitment of many is to NicaSalud primarily as a funding mechanism.

III.1.c. QUOTES & DATA RE: OUTCOMES

First, as per NGO Networks expectations:

1. Number of new partnerships or networks.
 - One new network (NicaSalud) has been created, with one central hub and three sub-regional networks. This is consistent with NGO Networks expectations for a focus country.
2. Number of strengthened partnerships or networks.
 - Up to 8 partnerships between the PVOs and the Ministry of Health (MoH), and up to 8 partnerships between NGOs and MoH. There were no numerical indicators established, but this seems consistent with project expectations. (NB: there may have been pre-existing partnerships between PVOs and NGOs that were included and strengthened by the NicaSalud experience, but there was little information volunteered about this in the interviews, in contrast to the information about the relationships with the MoH.)

Although NicaSalud was a new network, it was built on existing formal relationships between PVOs, NGOs, and MoH. A pre-existing relationship was reported to be one of the criteria for selection. Several NicaSalud members (3) and a representative of MoH at the national level observed the relationships were strengthened, and some members credit MoH with joint effort to achieve project outcomes (2). At the same time, not all relationships have necessarily been strengthened, as suggested by the differences between a local MoH and NicaSalud members in planning for future cooperation (1).

(+) "NicaSalud is like a multiplier of MINSA...they have extended outreach... in the communities...[and joined in] developing a standardized approach to reducing infant mortality (IMCI)." (Dir. of Child Health, Managua)

(+) "working with MINSA has helped us to achieve the health indicators" (PVO technical manager, Managua)

(+) "we have seen improvements inintegration with MINSA and the community" (NGO director)

(+) "the workshops we have given with MINSA have created a cascade effect in the communities [e.g. train staff who train volunteers who spread knowledge in the communities]" (NGO director)

(-) "we are having some problems in coming to agreement with the local office of the MoH -- we have only 14 months' commitment from USAID, but they want a proposal for a minimum of 4 years" (technical manager, Jinotega)

3. Desired improvements in health services.

- The data suggests that NicaSalud is on track as per the overall and individual project objectives. At least one interviewee reported their project to exceed its objectives, most others said their projects were on track, and one said they would achieve all but 10 – 15% of the objectives. The Board terminated five NGOs whose technical and financial performance was unsatisfactory (even though NicaSalud provided intensive technical assistance to them).
- Health content/strategy of projects:
 - Project summary chart (June 2000) lists three main project topics: child survival (14 projects), reproductive health (17), and nutrition (9).
 - The chart lists three main project strategies: provision of equipment (15 projects), health services (15), and training and IEC to MoH, community networks, and to the population (18 – 21 each group).
 - The most common topic mentioned in the interviews was training in the methodology for Integrated Management of Childhood Illnesses (IMCI).
 - The interviews indicated that most projects were based on complementary roles between the MoH and the PVOs and NGOs: the MoH providing the clinical services and the PVOs and NGOs mobilizing the communities and linking the communities to the MoH. Joint training and materials development promoted common approaches to service delivery, e.g. IMCI.
- The NGO projects are complete (one-year projects) and those interviewed report that the objectives have been achieved (NB: 2 of 3 NGOs interviewed were board members selected for high performance).

(+) "being in the network, we see the improvements of everyone's projects, not just ours, so we see the [wider] benefits to the population" (NGO technical manager)

(+) "the impacts include improved technical competence of health service providers in IMCI, sexual and reproductive health" (most technical managers, some directors, PVOs & NGOs)

(+) "we have observed kids sharing knowledge with each other, mothers say, 'I wish I knew what my daughter knows now', and we have seen new leadership potential among the youth" (NGO technical manager)

Although the project objectives have been achieved, the NGOs note several elements that limit the sustainable impacts on community health:

(-) the relatively short time-frame, e.g. "we expected a minimum of 3 years...we thought this was like a pilot to learn about the approach"; "if these activities don't continue, it will be like taking one step forward and two steps back".

(-) the relatively narrow technical focus and lack of integration with other community development initiatives, e.g. "we are supposed to address poverty, but the project focus is closed"; "better nutrition can only be sustained through food security".

- The PVOs observe that their projects appear to be on track, with evaluations due for October 2001 (two-year projects).

(+) "I am pretty satisfied...[we have] reached 85% to 90% of the health project objectives." (PVO director, Managua)

(+) "Remember, we started as an emergency response, to provide broad coverage in a short period of time." (PVO director, Managua)

- The USAID officer also reports satisfaction with outcomes.

"On the whole [NicaSalud] seems pretty efficient....it gets to the communities and delivers health services."

4. Strengthened PVO capacity. PVOs cite improved technical capacity as one of the most common benefits of NicaSalud.

(+) "NicaSalud is a mechanism for learning. For [us], we have been able to access technical assistance, learn from our partners' expertise and share our expertise." (PVO director, Managua)

(+) "the shared learning has improved the technical quality [of our work]" (PVO director, Managua)

(+) "the technical level of NicaSalud has been very open; we had opportunity to replicate our successful methodologies with other PVOs and we have learned new practices to improve our programs." (PVO technical manager, Managua)

5. Prospects for sustainability. Most members and USAID aspire to long term sustainability, but have questions about how NicaSalud will weather the next phase.

- Formal strategic planning has been done and search for additional donors has been initiated. To date, the single commitment is from USAID for \$1.4 million in transition funds for another year (= about 1/6 of the start-up funds).
- Members' commitments are divided between NicaSalud as (a) a channel for funds and as (b) a coordination mechanism for the health sector in Nicaragua. For some, it is both at the same time; for others it is one or the other.
- Several members report optimism and note the steps that have been taken to identify new donors. Thought has been given to NicaSalud's niche in Nicaragua and the features that would interest other donors.
- Several members say that they believe if NicaSalud does not bring new funding to members, a number will exit or reduce their levels of participation (4).

"NicaSalud is now in transition, with a greatly reduced budget - - it will be interesting to see what happens." (PVO)

"When NicaSalud funding finishes in October, it will be the end of NicaSalud." (NGO)

"NicaSalud is very young; we will see what happens." (NGO)

- Several members say that they will continue to participate, even if NicaSalud does not get additional funding right away (4), and others expressed their beliefs that NicaSalud was needed in the country (3).

"Even if we don't receive money, we will continue...the coordination has to continue...it may not always be under the name NicaSalud, but the cooperation will continue." (NGO)

"We are providing an example in this country - - which is so polarized - - that we can do it for the country." (NGO)

One PVO reported that they would drop out if NicaSalud is only a funding mechanism and the members do not spend more time on larger issues related to coordination in the health sector.

As per NicaSalud expectations:

1. Rapid disbursement of funds for implementation of health projects in Mitch-affected communities.

(+) The evidence suggests successful achievement, especially from the perspective of the PVOs and USAID. With USAID funds and technical support from NGO Networks, a mechanism was set up to make grants to PVOs and NGOs to implement projects in target communities. The mechanism built on the existing capacities and relationships of the PVOs and NGOs.

(+) Broad range of health interventions, moving towards coherence in IMCI and other standardized approaches. Family planning not possible with Mitch funds, but a number of projects in sexual and reproductive health.

(-) The restriction on using Mitch funds for family planning caused some confusion between NGO Networks and NicaSalud, in terms of the health interventions expected.

2. Foster collegiality among PVOs and NGOs.

(+) NicaSalud appears to have fostered collegiality among PVO board members and especially among the technical managers of PVOs and NGOs.

'We moved from being suspicious and competitive at the beginning to being more collegial, open, and supportive of each other'. (most interviews)

The project produced an "unintended benefit" of the three sub-regional networks (USAID and others). In coordination with NicaSalud, the technical managers of the projects clustered themselves into three sub-regions. The goals are to improve the efficiency of support from NicaSalud technical staff and to institutionalize the emergent coordination among technical managers in the areas.

(-) However, at the board level, relations between PVOs and NGOs are less collegial (if not distant), although some PVOs note improvement from the beginning of NicaSalud.

"At the beginning, it was an oversight; the PVOs forgot to include the NGOs as equal partners...Some trust has been built and I hope it will continue. " (PVO director)

"We make decisions around them (the NGOs), not with them." (PVO director)

"Our role on the Board has been modest, after all we are only NGOs." (said with some sarcasm by a NGO board member)

"The PVOs are not aware of what the NGOs know and think...the PVOs are like patrons (bosses), they see themselves as the managers of NGOs, the obreros (workers)". (NGO board member)

" We are still working things out [between the PVOs and NGOs]; it takes time for them to feel they are equal partners; we have a lot of work to do." (PVO director)

3. Create a formal network to become a legally independent entity.

(+) A formal network structure has been created; it is reported to be on track to become a legally independent Nicaraguan entity.

(-) Several PVO board members cite the time and pressures involved in the workshops and board meetings as extraordinary (4). Two reflect that it would have been preferable to create the formal network without the pressures of Mitch funding, at the same time noting that the Mitch funding made NicaSalud possible.

4. A new mechanism for efficient funding in the health sector, e.g. "one-stop shopping" for USAID.

(+) A new mechanism for funding in the health sector was created. USAID reports basic satisfaction with efficiency. See quote above (#3 of NGO Networks). Of \$6.1 million allocated to NicaSalud, \$4.692 million was given to the PVOs and NGOs to implement projects. This suggests NicaSalud's overhead rate was about 30%. Information about the

internal overhead rate (if any) charged by the individual PVOs and NGOs has not been available.

(-) Costs to PVOs in terms of time required and 'clumsiness' of the mechanism, e.g. one PVO raised the question of why funds for projects in Nicaragua had to go through an office in DC (NGO Networks) and contribute numerous overheads.

(-) Questions about sustainability. Many documents refer to money as the 'glue' that holds NicaSalud together. When the glue evaporates, what will become of the network/mechanism?

"It is administratively cumbersome. It is only worth it if its going to be a long-term prospect."
(PVO director)

"NicaSalud has taken a LOT of time." (most of the PVO directors who have been with NicaSalud since the early days)

"It's a mess." (PVO director)

"Is it more efficient? Efficient for whom? [We] have not found it more efficient." (PVO director)

III.2.-7. KEY FACTORS in the MANAGEMENT and ORGANIZATION

The following sub-sections address the question of how the management and organization of NicaSalud have influenced its ability to achieve these outcomes.

III. 2. SOCIAL CAPITAL

III.2.a. INDICATORS for SOCIAL CAPITAL

- To what extent is the networks built on existing networks of relationships and norms of mutual trust and cooperation? (Relationships are 'structural social capital'; norms are 'cognitive social capital'.)

III.2.b. SUMMARY of THEMES for SOCIAL CAPITAL

NicaSalud may attribute some of its effectiveness in the rapid implementation of projects at the community level to the pre-existing social capital on which it was built. Supporting elements existed in the Nicaraguan context and in the strong role of USAID/N in bringing the members together.

- Favorable conditions in the Nicaraguan environment (notwithstanding the polarized political situation) included:
 - the tradition of community participation in health care (volunteers and village-based outposts);
 - previous relationships in some areas between NGOs or PVOs and communities;
 - previous working relationships among the technical staff (one individual on NicaSalud technical staff well-known and respected nationally);
 - previous relationships with MoH; &
 - a legacy of 'lessons learned' about the value and necessity of collaboration that was embedded in the attitudes of many Nicaraguan leaders/staff and in the policies of NGOs and some of the PVOs.

- The one common actor linked to all the members and stakeholders was USAID/N. It acted as the 'patron' by bringing together the funding, members, and collaborating agencies. In its founding role, USAID/N acted as more than a facilitator. It exercised strong influence in setting the objectives and design, the terms and conditions of funding, and the selection of members. At the same time, members report a shared sense of ownership of the idea from the beginning.
- In some respects, the arrangement has worked out well. USAID/N set some useful conditions that helped the project to build on the pre-existing social capital in the health sector. Selecting partners with good relationships with MoH facilitated quick start up and fostered cooperation. Collegiality has been strengthened among homogeneous groups like the PVOs and among the technical staff.
- In other respects, the arrangement has involved some built-in tensions and challenges. In network analysis, the underlying structure resembled a maypole (many vertical ties to one agency) more than a spider web (multiple cross-cutting ties among many actors), so the structure reinforced the central role of USAID and did little to bridge existing gaps between heterogeneous stakeholders. PVOs established themselves in a grant-making/supervisory role to NGOs. The strong 'patron' role played by USAID set up a pattern of financial dependency that may be difficult to change. Finally, the way in which the relationship between NGO Networks and NicaSalud was set up led many in NicaSalud to experience it as confusing. (The relationship between NGO Networks and NicaSalud is discussed in more detail in the sections on 'strategic fit' and 'shared control'.)

III.2.c. QUOTES & DATA RE: SOCIAL CAPITAL

Structural bridges:

- USAID/N as the common 'node' in the existing networks bringing the organizations together in the formal network that became NicaSalud. Few horizontal or cross-cutting relationships means that there was little common knowledge or cooperation among diverse groups.
- Linkages: A network diagram of linkages would look like a maypole, with USAID at the center and top, and with the various partners and stakeholders below. Pre-existing cross-cutting relationships were primarily bilateral:
 - USAID/N and Global Bureau of PHN linked with NGO Networks in DC
 - USAID/N and 8 individual PVOs and some individual NGOs working in health
 - USAID/N and MINSAs
 - USAID/N and UNFPA
 - USAID/N and other external collaborators, e.g. ProSalud, Profamilia
 - PVOs, NGOs, and MINSAs
- Among PVOs, limited formal cooperation and fairly extensive informal relationships.
 - three PVOs coordinate around Title 2 funding through USAID
 - some bilateral relationships, e.g. SC and CARE
 - general social and institutional relationships, e.g. peers
- Among the technical staff of NicaSalud, MINSAs, UNFPA, and some of the PVOs and NGOs, warm individual relationships of former colleagues.
- Among some of the NGOs and PVOs and community level development/health structures. In addition to coordination with the local MoHs, relationships with CBOs, volunteers, etc.

Structural gaps:

- Between the PVOs and NGOs. Other than some bilateral relationships, members unknown to each other at individual, organizational, and sectoral levels.
- The existing national coordinating bodies, even those that were formed to coordinate responses to Mitch, were not engaged in NicaSalud.

"There were no relations between PVOs and NGOs, so we are passing through a process to adapt....we need to facilitate a meeting between PVOs and NGOs - - I told this to the last consultant and it still hasn't happened yet - - We need to work in teams and share experiences so we get to know each other better." (NGO)

Cognitive bridges:

(1) Individuals (2) and organizations (5) who expressed strong belief in or a formal strategy of collaboration as practical or ethical norm for development/health progress.

- NGOs (all 3):

"we work through structures in the communities; well experienced with collaboration in networks, at community, regional, national, and international levels; the impact of training reaches communities through cascade effects"

"we have stability and base in the communities; we are seeking allies for coordination"

"we have the modality to try to cooperate with everyone, to combine resources; we have learned that alone, one can not do anything, we need to cooperate to have a significant impact"

- PVOs with a long history in Nicaragua, Nicaraguan directors, and national NGO counterparts (2):

"we believe strongly in network in working area, we support local organizations, ... this is a good opportunity to sit with other organizations, exchange experiences, strengthen each other, make stronger impacts on health issues"

"our slogan is 'working together we make a difference'; [I have used this to guide our staff in problem-solving with partners]"

- Individual PVO directors (2):

"of 18 years in Latin America, this is one of the things of which I'm the proudest...we [PVOs] are working together instead of against each other"

"I have seen the success of Procosi"

Re: the relationship with the NGO Networks office:

"...the relationship between Networks DC, NicaSalud, and USAID has been difficult.... the roles and responsibilities were not very clear from the onset, and this has caused many problems...." (a PVO)

"in hindsight the funding was not a good fit." (NGO Networks DC)

III.3. STRATEGIC FIT

III.3.a. INDICATORS for STRATEGIC FIT

- Are the project goals clear and achievable?
- Does the project represent a meaningful value-added to each organization?
- Is the project strategy based on a successful model that is shared by the partners and major stakeholders?
- Are the functional roles of the partners complementary?

III.3.b. SUMMARY OF FINDINGS for STRATEGIC FIT

Re: goals, value-added, and health model. In general, the strategic fit seems fairly sound, at least in Nicaragua. It created a good foundation for joint effort, even with the gap between PVOs and NGOs noted above. The partners and key stakeholders in the country shared similar understandings of their goals and objectives. Although the health strategies employed in the projects were diverse, they met key priorities of USAID/N, the partners, and the Ministry of Health in getting services to communities in Mitch-affected areas.

Most PVOs and NGOs articulated a clear value-added of the network to their organizations. The list of benefits included: being part of a network that is making a larger impact in communities than they can alone; improved access to funding; increased coordination and resource sharing; and increased learning by the technical staff that leads to improved program quality. Some stakeholders also noted the value-added to the country (increased coverage and quality through coordinated policy and practice with the Ministry of Health, donors).

The key challenge in strategic fit seems to have been in the gap between the objectives of NGO Networks to promote family planning and to foster sustainable networks, and the objective of USAID/N to program the emergency funds quickly to Mitch-affected communities. Communication records indicate that the differences were seen by several stakeholders as serious enough to question the idea of going ahead with the agreement (NPC, CARE advisors, and USAID/N). However, those involved in the negotiations reached an accord, which was written up in a sub-grants manual and other documents.

The arrangements, including roles and responsibilities of Networks and NicaSalud to each other, seem to have been understood by those who negotiated them and wrote up the documents. In practice, two challenges emerged: (1) personnel changed, so they did not have the same understanding; and (2) the gap in objectives led to some conflicting understandings about priorities and criteria by which the project should be evaluated. For example, family planning was a key objective of NGO Networks, yet prohibited by the Mitch funds. Fostering sustainable networks was important to NGO Networks, yet initially, the network organized among the PVOs in Nicaragua was viewed by USAID/N as “a power bloc”, inconsistent with their goals.

Re: complementary functional roles: most of the partners’ roles in the overall project were complementary, e.g. each implemented their own project and each of the PVOs had an equal role in making decisions. Although the NGOs were not satisfied with their exclusion from the board, their roles in project implementation fit well with their capacities and the overall goals of the project. Also, the design of NicaSalud allowed the project managers and technical staff to organize their own appropriate collaborative mechanisms at the sub-regional level.

However, there were several tensions associated with certain roles. For example, the exclusion of NGOs from the Board sent a mixed message: NGOs are members of NicaSalud, but not decision-makers. The NGOs interviewed were not satisfied with the arrangement. Those responsible for managing NicaSalud said there had not been sufficient clarity about the role of NGO Networks.

For some, the confusion was associated with dissatisfying experiences, such as some of the technical assistance. Finally, the director of the 'lead' PVO also discussed the 'anxiety' produced by the tension between holding the legal and fiscal responsibility for the project, yet needing to act as if she was simply one among equals on the board.

III.3.c. QUOTES and DATA about STRATEGIC FIT

RE: GOALS

- Clear (in Nicaragua): The documents and interviews indicate that the goals are reasonably clear, mostly shared, and have been reinforced by USAID "hands-on" management of the project.
 - Gap between NGO Networks and USAID/N: Differences over family planning as a health goal/project methodology (very important to NGO Networks but prohibited by USAID/N), and over the priority of fostering sustainable networks (very important to NGO Networks and many of the PVOs, but not desired by USAID/N, originally).
 - "[USAID representative] encouraged support of family planning by the Networks members, but stressed that this could not be done with Mitch funding, as USAID's global budget for family planning has been allocated, and that exceeding this amount is strictly prohibited." (Aide-Memoire, July 23, 1999).
 - "Purpose of using Networks is to create a pass-through mechanism and not to build a PVO network in Nicaragua. We want to avoid creating a large bureaucratic structure. We envision a very simple, streamlined program management office. Also want to avoid creating any **unrealistic expectations**." (USAID/Managua Meeting with Representatives from CARE and Networks for Health (6/30/99))
- **Achievable: Most of the goals, yes. The rapid implementation of a broad range of projects** in targeted areas, yes (notwithstanding the conflict over family planning). Fostering collegiality, yes. An efficient mechanism for USAID, yes (notwithstanding the questions about efficiency for PVOs). The goal to establish a formal network institution and legally register it was probably too ambitious for the two-year time frame and emergency response modality. The institutional form of a network organization has been created, but PVOs cite the costs in terms of time and the pressure of making it work. Questions about the sustainability remain.

"Trying to implement the projects in the environment [pressure to implement, other responsibilities] was not good for building a long-term network" (PVO director)

"In the future, I wouldn't start in the middle of an emergency" (PVO director)

"If I had a choice, I would take it out of the Mitch environment, yet [I realize] the funds to start the network came from Mitch." (PVO director)

"I believe there is unrealized potential [to collaborate] on the board, but we can't get there because of time pressures." (PVO director)

RE: VALUE-ADDED:

- To the NGOs: In addition to the value of bringing health services to their communities, the NGOs see NicaSalud as an opportunity to link up with other agencies for funding, and as an opportunity to find allies and coordinate for improving community health care.

"We will stay on the board, even if there is no project for us, because it's a good opportunity to network, make connections, raise new funds. We can't approach USAID, they won't see us." (NGO director)

'We are seeking allies for coordination, but the PVOs are interested in individual projects.'" (NGO director)

- To the PVOs: In addition to the value of bringing health services to communities, the PVOs see NicaSalud as a vehicle for learning and strengthening technical capacity. For some (2), the feeling of collegiality ("not being alone"). It is also a means to access funding, although many of the PVOs have other avenues for funds in addition to NicaSalud.

"The value to us is the shared learning to improve technical quality....I like the package approach [finding and replicating a standard approach to the development intervention that has been proven to succeed.]" (PVO director)

RE: HEALTH STRATEGY:

- Admittedly broad, as per Mitch goals.
- Training in some methodologies and baselines (LQAS) seemed to be a coordinating mechanism, e.g. shared understanding of the needs.
- Some approaches being standardized by MINSA and PVOs gained strength, e.g. IMCI.
- At technical level, coordination opportunities taken as time to share, learn, improve own and others' approaches.
- Internal critiques:
 - Primarily from the NGOs: the short-term and 'tight' technical nature of the interventions, e.g. will the benefits be sustainable, and will the interventions leave communities worse off than when they began?
 - From several partners (PVOs and NGOs): in addition to knowledge, poverty influences health indicators, e.g. without food security, it is difficult to provide adequate nutrition to children. These approaches do not address the interaction of poverty with health knowledge and behaviors.

RE: FUNCTIONAL ROLES:

- Fairly clear:
 - PVOs as board and grant-makers to themselves and NGOs.
 - Set amounts for PVOs and NGOs.
 - Standard process for NGOs to submit proposals and receive funds.
 - Project implementation already familiar to all and systems in place. Emphasis on individual implementation in the context of network attitude very appropriate. Not too much coordination expected in implementation. Openness for innovation and self-organization.
 - Between PVOs/NGOs and MINSA: we do education and mobilization, they provide clinical care.
- Exceptions:
 - The exclusion of NGOs from the Board for most of NicaSalud's experience was not accepted by all, especially NGOs. PVOs dealt with competition among themselves, but not with the competition between themselves and NGOs.
 - Several NGOs see comparative advantages as a basis for collaboration, e.g. we have a base of relationships with communities, stability, and PVOs have better access to external resources.
 - The contradictory expectations on a single PVO to be both the lead PVO, with responsibilities to manage the project and an 'equal' member of the governing board, with only one vote in decision-making.

III.4. SHARED CONTROL (GOVERNANCE AND MANAGEMENT)

III.4.a. INDICATORS for SHARED CONTROL

Assuming effective control of projects, budget, personnel, etc., is it shared among the partners/members?

- Are the members represented at the policy making level?
- Does operational management coordinate the members' activities?
- Can members influence major decisions of the network? (NB: Did not get to explore this due to time constraints in the interviews.)

III.4.b. SUMMARY of THEMES for SHARED CONTROL

The model of a governing board that makes decisions by consensus/voting was chosen as the design for NicaSalud. This model ensured that designated partners were represented. None of the PVOs could say why this particular model was chosen; it seems to have been an assumption shared by the partners and NGO Networks. It is a common US model for governing organizations; the example of Procosi also may have been in people's minds. The strength of the model is that each PVO partner was formally 'equal' in governing the network, which was extremely important.

The weaknesses, however, are (1) that it was difficult to reconcile the time-consuming process necessary for a group (especially a new group) to come to consensus with the pressures for quick decision-making from USAID/N, and (2) the tension in the PVO directors' roles on the Board. They represent their organizations in their capacity as manager, but their role as a board is in policy oversight of NicaSalud, not management. The demands for NicaSalud to start up and implement projects quickly were quite challenging to reconcile with the model and level of Board development. The Board would have needed to delegate clear authority to the NicaSalud director, yet it did not have the time to develop the consensus necessary to do so. The USAID/N pressures for quick decision making and to legally register the institution could not be accommodated easily.

Another critical weakness was not in the board model itself, but in the linking of the prime-sub contracting arrangement with the board model. The prime-sub arrangement established one PVO with the financial and legal responsibilities for managing the project, yet the board established all the PVOs as equal members in decision-making. This placed the prime PVO in the very difficult position of facing a trade-off between managing the project efficiently and maintaining good board relations by practicing consensus decision-making. It is much easier to be efficient when one can make decisions as a single organization. Consensus building takes time and in this case, involved members who did not share similar responsibilities. The current director of the prime PVO has expressed very strongly the frustration associated with this dual role.

There were also problems with having two different PVOs in NGO Networks as primes, e.g. Save the Children in DC and CARE in Nicaragua. The PVOs who were members of NGO Networks received their funds through the Save the Children arrangement, but those who were not received theirs through CARE.

The exclusion of NGOs from the board until recently - - and their current minority status - - is an important issue from the lens of shared control. The NGOs and some of the PVOs believe they should have equal status and NicaSalud should be "open". Other PVOs do not seem to share these ideas.

The role of NGO Networks to NicaSalud has been difficult at times for NicaSalud. Most likely, it can be linked to the underlying confusion about the agenda and location of authority for the project. USAID/N seemed to view NGO Networks as a funding channel and NicaSalud viewed it as a source of technical assistance. Neither expected NGO Networks to exercise authority or control over NicaSalud, yet NGO Networks has been perceived to attempt to manage NicaSalud by 'directives', which is reported to have fostered some misunderstanding and resentment. At the same time, NGO Networks staff report that their efforts to provide technical assistance were very much in consultation and cooperation with their contacts in NicaSalud. They were guided by the principle of responding to requests from the country.

It is difficult to sort out the reasons for the different perspectives reported by those interviewed on how the relationship was experienced. At the time when the interviews were carried out, many staff had changed. Different levels of staff within the two offices (NGO Networks and NicaSalud) may have had different experiences. Two explanations are suggested by the data: (1) The structure of the relationship between the offices was complicated. Although it was negotiated and understood by those initially involved, it was not clear to those who were involved in implementing it. It was not similar to other HQ – country relationships with which they were experienced. (2) There were significant changes within NGO Networks (e.g. directors, priorities) that influenced the way in which the relationship was carried out. Some plans were not carried out, and there was not sufficient communication to explain the reasons to NicaSalud.

Within NicaSalud, the operational management (of project implementation) appears to have used a strategy of coordination rather than direction, which is appropriate. The strongest indication is in the comments of the partners and key stakeholders about the technical staff: they were uniformly cited as cooperative and collegial. Several NGOs and PVOs say that NicaSalud could be improved by expanding the number of technical staff to be more available to members.

At the sub-regional level, the project managers and NicaSalud technical staff developed their own coordinating mechanism (at least in Jinotega). The individual managers were each responsible for implementing the project for their own organization. As they described the process, they started by informally sharing information about their projects, then evolved to convening meetings where they shared their individual plans and discussed ways they could coordinate and share resources. Then, experiencing the benefits of coordination and sharing, they continued and strengthened the process. They describe a change in the group behavior from competitive and ego-centric at the beginning to collegial and supportive at the time of the interviews. The forming of sub-regional networks institutionalized the light coordination mechanism that had been developed by the managers.

III.4.c. QUOTES and DATA for SHARED CONTROL

Re: Board:

- Most PVOs express satisfaction with the model, but find it difficult to find the time for meetings and deal with the pressures of managing the project.

"they [USAID] ask us for quick decisions, but we need to come to consensus". (PVO director)

- Policy and decision making authority reserved for PVOs. Now two "NGOs have a voice and a vote." (NGO) Yet they are a minority, "so we will always be outvoted." (NGO director) "[If they have more votes than us] they will kick us out." (PVO director)
- The PVOs report a high degree of collegiality among the board that have been together through the past two years - - no one is mentioned as dominating, no cliques identified, etc. MJ Conway was appreciated for changing CARE's original posture.

- Most report satisfaction with process and results of Board planning, e.g. vision, mission, strategy.
- Several mention that the Board needs further development:
 - "it is struggling to come into its own"
 - the Board members don't have similar experiences being board members (3 PVO directors), e.g. they don't share a common understanding of what kinds of decisions they should focus on, how much time meetings should take, how often they should meet, etc. "it would be better if we had a common training to build common understanding of how the Board operates" (PVO director)

Re: NGO Networks:

"NicaSalud is a project of NGO Networks. Money was channeled through the cooperative agreement with Save the Children as prime. The relationship has been less than clear, partly due to very different agendas like the Mitch funding restrictions on family planning. Networks came in right away with their agenda and didn't understand our constraints." (PVO director)

"Many of the PVOs have/had a different perspective of Networks DC roles and responsibilities....they saw or even see them as possible TA and as a administrative mechanism to get their funds, but I do not think any one of the PVOs (including the lead - CARE) sees or saw Networks DC role in the supervision of the technical quality or finance/admin. quality of the project – or as those ultimately responsible for the overall project implementation and achievement of results." (PVO)

'We had to explain the arrangements each time we went to Nicaragua. People would understand, once we went through it.' (paraphrase of comment from NGO Networks).

"I can see how the relationship could have been experienced as confusing....we experienced a lot of change [like the turnover in directors] We should have communicated better about the situation." (NGO Networks).

Re: operational management:

- Board decision-making about managing the implementation, e.g. terminating the NGOs whose financial and technical performance was not satisfactory.
- Basically, individual PVO and NGO project management.
- NicaSalud technical staff to provide support to all projects difficult with reporting requirements and extent of the geographic reach of the individual projects. They decided to group projects into sub-regions to facilitate more efficient use of technical staff resources.
- Several technical staff, especially of the NGOs, suggest improving NicaSalud by expanding the size of the technical staff.
- Different perceptions of the first director of NicaSalud:
 - "the first director was a disaster...he had good will...but he would forget half of what he was told" (USAID) – vs. -
 - "the majority of the directors had a lot of respect for the first director" (PVO director)

Re: decision-making:

- Didn't ask, due to time constraints, but it didn't seem like a problem. People reported discussions, differences, etc. in Board meetings, but no sense of being shut out due to bad decision-making process. Some reports of proposals made, not accepted:
 - Most of the transition funds go to NGOs
 - Only accept proposals where organizations already working
 - Limit donor's participation in the Board

III.5. DONOR RELATIONSHIP

III.5.a. INDICATORS for DONOR RELATIONSHIP

- Does the donor facilitate the development of a genuine agenda and autonomy of the network?
- Are agreements and monitoring procedures flexible and do they promote mutual accountability?

III.5.b. SUMMARY of THEMES for DONOR RELATIONSHIP

The data suggest that NicaSalud has been highly influenced by USAID, but that the PVOs and NGOs have invested a lot of their own initiative, ideas, and efforts into making it work. According to the interviews, the first USAID representative had strong ideas about the goals, design, and role of the network in the Nicaraguan health sector. Apparently, he structured the funding, project design, and many of the terms and conditions to shape it to match his ideas. Procosi was an important influence. However, he is reported to have taken a hands-off role in managing the project once it got started.

When the representatives changed, so did the management style. The current representative describes his own style as “hands-on”, and has insisted in a role on the board. The PVOs are split in their satisfaction with the current donor’s involvement in NicaSalud: about half say that he has too much influence in managing NicaSalud, while about half appreciate his involvement. (The NGOs feel they cannot speak to the question due to their lack of experience.) It has been pointed out that a previous evaluation of Procosi in Bolivia raised questions about the presence of a USAID representative on the board, since it hindered the autonomy of the network.

The funds available for emergency response to Mitch were much more constrained than normal USAID funds. The decision to route them to the PVOs and NGOs in Nicaragua through the Population Office of the Global Bureau and NGO Networks meant that they came back to Nicaragua with the added agendas and terms of those two offices. In some ways, the agendas were aligned, but in others there were differences that seemed to be difficult to resolve. For example, family planning was a high priority for the Global Bureau and for NGO Networks, but prohibited by Mitch funds.

USAID/N has proposed a transition grant equal to about 1/6 of the original funds. This has led NicaSalud to face its current dilemma of sustainability. On the one hand, the strong influence and hands-on management by USAID may have been necessary to achieve the short-term goals. On the other, this very approach makes it difficult for NicaSalud to sustain itself once the donor ‘lets go’, since an autonomous identity and internal processes have not had the opportunity to evolve. The question remains: can NicaSalud become an independent entity?

III.5.c. QUOTES and DATA for DONOR RELATIONSHIP

- NGOs: “I have no experience with USAID”; “the PVOs seem dependent on USAID”
- PVOs: 3 think donor is too involved, “at first, too little, now too much”, “micromanages”, “too involved”, changes the goals posts”, while 3 say his approach is fine, “useful...kick in the behind”, “I like having a representative on the Board”.
- USAID: “I am a hands-on manager”; “I used to work in PVOs so I know how things can go better than some of my colleagues”; “I’ve had to insist on being involved - - AID needs a permanent seat at the table - - in practice I don’t always go.”

USAID exercised a high level of control in design of agenda:

- First program officer now seen as the “evil genius” behind NicaSalud (USAID)
 - Routing through DC and Networks
 - Conditions for which partners to involve, how, and to what level funding
 - But he was reported to be hands-off once they started up.

- In management of the project, internal USAID issues filter to and influence NicaSalud:
 - strict conditions of Mitch funding, including pressures of auditing groups from DC
 - pressure for ‘burn-rate’, e.g. spending certain amounts by certain time
 - USAID/Congressional emphasis on spending rates as indicator of success “NicaSalud from the start has been the poorest performed in terms of spending. They’ve dragged down our average.” (USAID)

III.6. MUTUAL TRUST and JOINT LEARNING

There was not time to discuss these factors directly. However, the data shared above regarding the high levels of collegiality, shared experience, and mutual support would support the finding that trust has probably increased among the PVOs and among the technical managers of PVOs, NGOs, and NicaSalud. Trust has probably not increased much, if at all, among the PVOs and NGOs.

Similarly, the data shared above about the value of the technical sharing and cooperation would suggest that joint learning has occurred primarily at the technical level. The norms and systems to support joint learning at the board level about how they work together are in place; the main constraints are lack of time and lack of awareness that it would be important for the future of NicaSalud to allocate some time to joint learning.

IV. DISCUSSION

The key questions addressed in this section concern the learning and recommendations suggested by the findings presented above:

- What are the major lessons to be learned from the experience of NicaSalud to date?
- What are the main supporting and hindering factors in the management and organization of the network?
- What are recommendations for NicaSalud to continue to strengthen the management and organization of the network for long-term sustainability and enhanced performance?
- What are recommendations for the design and start-up of future projects with similar goals to create and strengthen networks?

IV.1. Lessons Learned

Assuming that the ‘hard data’ gathered through the M&E processes confirms the perceptions reported in the interviews, NicaSalud has been fairly successful in achieving its goals and satisfying its PVO partners. This sub-section identifies the main factors that have supported NicaSalud in achieving the success that it has, and those that have limited NicaSalud from achieving more.

IV.1.a. Supporting factors.

NicaSalud’s success is partly due to the strong foundation on which it was based, including the pre-existing relationships and norms in the Nicaraguan health sector and the strategic fit inherent in the project design. In comparison to other countries in which the author has researched and

consulted with partnerships and networks, Nicaragua seems to have offered important pre-conditions that facilitated the relatively quick start-up and collaborative implementation with communities and the Ministry of Health. USAID/N seems to have been aware of many of these pre-conditions and encouraged them to be built into the design.

NicaSalud's success is also due to the interests and willingness of the partners to own the idea of fostering collaboration in the health sector through this new funding mechanism and to invest the time and other resources to make it work. They were able to create 'virtuous cycles' of cooperation (at least among homogenous groups) in which they report transforming originally competitive attitudes and behaviors to more collaborative and mutually supportive ones. This transformation is probably due in part to the norms and attitudes that many brought to the project, and in part to the functional design of their roles as organizations.

The functional design built on the partners' existing strengths and capacities, e.g. individual project implementation. The collaboration required in collective decision-making as a board was challenging, but it was limited to the tasks of collective project management with USAID/N. One of the key strengths of the design was that it was open enough to allow technical managers in the sub-region to invent their own collaborative process and mechanism. These arrangements functioned smoothly and brought identifiable benefits to many stakeholders. They may be considered a 'best practice' that would seem to be replicable in many contexts where PVOs and NGOs operate in coordination with local ministries of health.

Specifically, there were strong supporting elements within each of the four factors, social capital, strategic fit, shared control, and donor relationship.

Social capital: NicaSalud capitalized on pre-existing relationships within the Nicaraguan environment and among USAID and the PVOs. Where new organizations and individuals were brought together, socially homogenous groups had the best experience in developing cooperative relationships (PVOs and Nicaraguan technical managers). One of the interesting themes is the number of organizations and individuals brought together who had pre-existing positive ideas about the value of collaboration. These elements fostered the relatively quick start up of projects with the communities and the relatively smooth development of collegial and cooperative relationships. In both the Board and among the technical managers, people spoke of the transition from suspicious and competitive attitudes to collegial and collaborative ones.

Strategic fit: On the whole, the design of the project gave the partners a relatively sound foundation on which to build cooperative relationships in the country. Most of the goals were clear and understood in the same way by the PVO country offices and USAID/N. Where there was the potential for divergence, such as issues related to long-term sustainability, partners (and USAID) seemed to agree on the importance of placing the rapid implementation goals first. This served to unify joint action.

Functionally, NicaSalud engaged the partners in doing what they are already set up to do - - implement individual projects. Coordination was restricted to joint management of the individual projects at the collective level, which was challenging and time-consuming, but not too far removed from what the partners were already doing. Whether by default or design, the freedom at the sub-regional level for managers to develop their own coordination mechanism worked out beautifully.

The value-added of NicaSalud seems to have been discovered in the process of forming and managing it. The technical managers in the PVOs and NGOs found that working collaboratively strengthened their individual and their collective learning, with the benefits to communities following from the improved quality of the health interventions and the extended reach due to the shared resources and joint planning. The alignment and positive relationship with the Ministry of Health also contributed to positioning NicaSalud to make a valuable contribution to the health sector.

Shared control. The arrangements for control fostered effectiveness to the extent that they institutionalized shared decision-making among the PVOs and coordinated (rather than directed) operational implementation by the partners. The absence of factions among the PVOs and the high regard for the technical staff of NicaSalud speak to the strength of the control arrangements, since these are two areas in which networks often break down.

Donor relationship. Although the donor relationship has neither fostered autonomy nor been managed with very flexible terms and conditions, the evidence suggests that it has been an important factor in the effectiveness of NicaSalud. The donor was responsible for linking NicaSalud to existing social capital in the health sector, and with many of the PVOs, for bringing NGOs into the network. It is questionable whether NicaSalud would have been able to stay so focused on implementation - - given its young age and goals - - without the pressure of USAID involvement and expectations. The big question, discussed below, is whether NicaSalud will be sustainable.

IV.1.b. Limiting factors.

The key limiting factors are associated with areas of dissatisfaction for members/stakeholders and with areas in which NicaSalud did not achieve its goals as much as it might have. There were some design constraints in the arrangements created by USAID/N, as the nickname, “evil genius”, implies. The partners were expected to form a new and sustainable network organization at the same time as they took on demanding implementation tasks, yet provided funding for a relatively short period of time. The lack of fit created a lot of pressures and costs to the partners, and NicaSalud has not been able to fully achieve these expectations. It is not yet legally registered, and questions about its sustainability remain. The most serious questions are related to the commitment of the key members. Those that are only committed to NicaSalud as a funding mechanism probably will leave once it ceases to serve this function.

Similarly, the relationship between NGO Networks and NicaSalud has been strained by the conflicting roles in which NGO Networks has been cast because of the funding arrangements within USAID. NGO Networks has been seen as both “parent” and as a “pass-through”, which is an extremely contradictory role. As a parent, NGO Networks would expect to be ‘in charge’ of NicaSalud and responsible for performance. As a pass-through, there would be no expectations of authority or responsibility from NGO Networks. The lack of clarity and associated tensions cited by NicaSalud are understandable.

Finally, had NicaSalud included NGOs as equal partners along with the PVOs, it would have lived up to the expectation of becoming a national network more fully. Even though it has applied for legal registration, operates to benefit Nicaraguan communities, and now involves NGOs on the Board in a minority role, it can not be considered a national network as long as it is still primarily funded and governed by US-based organizations.

Specific limiting elements may be identified within each of the four main factors.

Social capital. According to the interviews, PVOs and NGOs had not collaborated prior to NicaSalud (beyond some individual PVO and NGO linkages). They did not know each other socially or organizationally. This structural gap was institutionalized in NicaSalud as a hierarchical relationship between the PVOs and NGOs (discussed in more detail in shared control, below), which has limited the satisfaction of the NGOs and probably reduced the chances for NicaSalud to be a sustainable national network at this point in time. The assumption here being that, had NGOs had an equal role in governing NicaSalud, they would be more involved and committed to seeing it continue as a national institution.

USAID's role as 'patron', bringing together the various actors, did have positive effects, as noted above. At the same time, its on-going 'hands-on' role meant that it did little to let go of that vertical role and foster more horizontal linkages among the partners and other stakeholders (potential donors). The price of short-term efficiency may have been dependency. It will be challenging, if not impossible, for the partners to develop more diversified linkages and maintain the same level of project implementation in the communities.

Strategic fit. There were three main gaps in the soundness of the strategic fit. One is the lack of clarity in the relationship with NGO Networks, as noted above. This relationship was further complicated in some ways by a different PVO serving as lead or prime in Nicaragua than in DC. This meant that the four PVOs who were not Networks members had to use a different system for contracting and accountability. As among the global partnership in Washington, DC, there was a strong PVO ethic that the partners were to operate as 'equals'. This created tensions for the lead PVOs between needing to act as one of the partners in decision-making, but also needing to be responsible and accountable to USAID for reporting purposes.

Finally, the exclusion of the NGOs from the governance of NicaSalud has been a cause of dissatisfaction, at least among the NGOs. It is difficult to say what the effect of including the NGOs would have been. On the one hand, the diversity may have been too great and the projects would not have been able to be implemented as rapidly as they were. On the other, the PVOs and NGOs may have discovered they had a lot to learn from each other and strengthened the collegiality and effectiveness of their relationships.

Shared control. The main question related to the arrangements for control is whether the expectations to create the institutional form and legal identity of a network organization were appropriate. Procosi stood as a model for some; at least one person mentioned the desire to not only replicate, but "speed up" the processes it had gone through. Technical assistance from NGO Networks also fostered the adoption of this model. Yet a common theme in the interviews was the excessive time required, the sense of pressure to perform, and the minimal level of networking that had been accomplished, due to the time constraints. Although NicaSalud complied with the expectations to form a new independent network organization, one questions whether the expectations were appropriate. Given the time frame, it is little wonder that NicaSalud has not yet acquired legal status, nor developed a fully satisfying Board culture. A lighter coordinating mechanism may have been more appropriate for the tasks, like the one that emerged in practice in the sub-regions.

Donor relationship. The literature suggests that the relationship with the donor has been developed in ways that are not conducive to long-term durability of NicaSalud. The dependence on (also seen as control by) USAID/N has been so strong that NicaSalud has not yet had the opportunity to develop its own identity and direction. That said, it is also possible that the early experience of success, partially fostered by the close vertical relationship with USAID/N, will

sustain the members to continue the network through a transition period of less funding to carve a niche for itself and attract a number of other donors.

IV.2. Recommendations for NicaSalud and for Future Projects

IV.2.a. Recommendations for NicaSalud

Based on the foregoing analysis, there are several areas in which NicaSalud could continue to strengthen the network. These areas include the issues concerning sustainability, the relationships between PVOs and NGOs, and the relationship to NGO Networks.

Sustainability. Although it has done what it can to establish a collaborative network and seek additional funding, NicaSalud should be prepared to see some of its membership drop. Some will leave if it does not continue to be a significant vehicle for funding projects, and one member will drop if NicaSalud is only a funding mechanism. A constructive approach would be to take a long-term view of a period of instability in which existing members may drop out but new ones would be attracted to the core visions and collaborative activities of those who sustain it. It is normal for networks and alliances to experience ups and downs in membership over the long term. As one NGO said, "the collaboration will continue - - maybe not in the name of NicaSalud, but it will continue."

Several of NicaSalud's documents report that "money is the glue that keeps NicaSalud together". This may be so, but it is a warning sign. It counters the findings from much of the research on effective networks that indicates that shared visions and cooperative relationships are stronger binding forces. In many networks like NicaSalud in other countries, a dominant motivation to obtain funds has proved divisive over the long term. It also reduces the effectiveness of the network to carry out other important functions besides individual project implementation, such as providing forums for discussion of issues and concerted policy advocacy. It tends to build the expectation that the network members "won't do anything" unless they are paid for it. Since networks offer an opportunity to create synergy and foster cohesive action, it would be a shame to see the potential of NicaSalud reduced to a mere funding mechanism (important as that is for some stakeholders).

Clearly, the importance of fund-raising for project implementation should not be underestimated. However, evidence from other networks suggests that the next phase of NicaSalud could be very constructive for the long term, if the members can further develop the emphasis on creating a national network that benefits the Nicaraguan health sector. Although the level of activity may be reduced for a while, activities could continue that would build on the successful experiences of collaboration. Some of the proposals for the \$1.4 million, although not accepted by the Board, seem to be in keeping with this direction, e.g. using the funds to build the collaborative arrangements, and allocating the bulk of the funds to NGOs who could accomplish a great deal with the smaller amounts of funding.

To summarize, the recommendations concerning sustainability are:

- While not losing the attention to formal fund-raising, shift the emphasis to commitment as the key precondition for sustainability;
- Prepare for a drop in membership;
- Those who are committed use the transition period and funds to coalesce around their visions for what a collaborative forum can do for the health sector in Nicaragua;
- Open the network to new members who share the vision, and create an equitable platform between international and national actors;
- Build on the concrete experiences of success, such as improving technical learning and quality of technical staff in coordination with MoH.

Relationship between PVOs and NGOs. The history and various perceptions of the relationship between PVOs and NGOs have been discussed above. Many other studies and reports have found that the best prospects for long term sustainability are produced through partnering with national institutions such as governments and NGOs. Many PVOs say they are shifting their roles from direct implementation to partnership with NGOs and other national institutions. NicaSalud could become more of a partnership with the NGOs if they were included as equal members in the its governance. The NGOs interviewed are very clear about their strengths and what they seek through collaboration with PVOs. As a group, PVOs appear conflicted about their roles vis-à-vis the NGOs in Nicaragua. It would probably be useful to have the kind of joint meetings and opportunities to share experiences suggested by one of the NGOs, but PVOs will need to do some soul-searching about their own assumptions and interests. Experience in other countries has shown that PVOs could extend their reach to a greater number of communities with good quality interventions if they use their resources in collaboration with NGOs.

As NicaSalud diversifies to other donors, a more inclusive membership structure may also be valuable, if not necessary. European donors may wish to see European NGOs involved. Some multilaterals may look for evidence of leadership by NGOs and other national civil society organizations associated with the health sector.

Relationship with NGO Networks. Should NicaSalud become an independent federation, the relationship with NGO Networks may be discontinued. However, the two networks continue to share important goals of fostering collaboration to improve health care at the community level. An effort to clear the air, increase mutual understanding (e.g. how the funding arrangements have shaped the relationship), and restructure the relationship to reflect underlying interests and realities could lead to a stronger relationship and improved coordination, if there are clear and objective mutual interests identified.

IV.2.b. Recommendations for Future Projects

Looking to the future, the main question may be whether this experience is 'sui generis', e.g. a is it a unique case of trying to initiate a new sustainable network organization with short term emergency funding? Given that NicaSalud was created within the broader scope of NGO Networks, it may be useful to assume that it is not unique, and that there are some insights that could be applied to future projects.

The first suggestion is to be more cognizant of the influence of contractual and funding arrangements on the relationships they establish. There were at least five different sets of organizational agendas and terms on the funding by the time it got to NicaSalud: Congress Mitch funds, USAID/N, USAID/DC, Save the Children (prime), NGO Networks and CARE (prime)! In general, when contractual arrangements are understood and accepted, they tend to be forgotten in practice. When they are not understood and seen as valid, they tend to cause dissatisfaction and tensions in the human and organizational relationships established. Individuals tend to blame each other, when in reality they may be acting according to their ethics and expectations.

In NicaSalud's experience, NGO Networks was set up with a contradictory role vis-à-vis NicaSalud. The lead PVO was set up to face contradictory pressures to make decisions by consensus, yet be responsible for management and reporting to USAID/N. If such complicated arrangements are a 'necessary evil' of making things work in the larger context, the parties would benefit from a shared understanding of the contradictions involved and how they are collectively going to manage them. In this kind of a project, that would mean extensive and frequent communication.

Similarly, it would seem advantageous to reduce expectations for establishing a new sustainable network in such a short period of time, especially with demanding operational requirements and tight funding constraints. The goals of fostering long-term collaboration in the health sector and creating an efficient and effective funding mechanism need to be de-coupled, with a better understanding of where the goals are compatible and where they are not.

In this case, the terms of the Mitch funding pre-dominated. It must have been clear that the funds were short-term and that the level available to the new network would drop significantly after the two years. Rather than add the expectations for creating a new network organization, it may be better in such cases to focus on the goal of creating a funding mechanism. In this scenario, one would create lighter governance arrangements that would be less demanding of PVO directors and provide more focused directives for the project manager.

PVO directors would face fewer demands on their time. Their role would be to agree on the overall direction, terms of funding and reporting, and delegate managerial decision-making to the project manager. They would also need to communicate to their staff their support for the project and assist the project manager as necessary in gaining collaboration from their respective organizations. The project would require a senior project manager skilled in coordinating the efforts of multiple partners as well as in handling USAID requirements. This kind of arrangement would still allow positive experiences with collaboration to take place, and may have given the PVO (and NGO) directors more time to assess and plan for their longer term interests in collaboration. That said, even this kind of arrangement would require a good deal of trust and cooperation among the PVOs in order to agree on the common policies and procedures to guide the project manager.

In sum, these recommendations are offered as considerations for future planning, to be understood in the larger context of the NGO Networks project goals of enhancing the delivery of health services to poor communities through stronger collaborative partnerships and networks. There are many more considerations for designing projects to foster such goals. This assessment contributes lessons learned from one experience, in the context of wider knowledge about effective partnerships and networks. More thorough recommendations for future planning will be possible when the assessments from the global level and other focus countries can be compared and synthesized.

List of Interviewees (8/13 – 8/17/2001)
Spanish-English translation by Yadira Campbell (MD, MPH)

| Name | Title (at country level) | Organization | Membership basis |
|---|--|-------------------------------|--|
| Edwin Maradiaga | Director | ADP | NGO board member |
| Oscar Guerrero | Project manager, Managua | ADP | NGO technical staff |
| Gladys Caceres | Director, Madriz | INPRHU | NGO board member |
| Auxiliadora Aguilera | Project manager, Managua | IXCHEN | NGO technical staff |
| Plinio Vergara | Director | ADRA | PVO board member |
| Asidro Rodriguez | Project manager, Managua | ADRA | PVO technical staff |
| M.J. Conway | Director | CARE | PVO board member and 'prime' |
| Lara Puglielli | Director | CRS | PVO board member |
| Francisco Torres | Director | Project Hope | PVO board member |
| Edgar Rodriguez | Project manager, Jinotega | Project Hope | PVO technical staff |
| Jose Crus | Director | Partners of the Americas | PVO board member |
| Ovidio Blanco | Project manager, Jinotega | Partners of the Americas | PVO technical staff |
| Charles Compton | Director | PLAN International | PVO board member |
| Swaleh Karanga | Director | Save the Children US | PVO board member |
| Javier Lacayo | Project manager | Save the Children US | PVO technical staff |
| Leonel Arguello | Director | PCI | PVO board member |
| Israel Bustos | Project manager, Jinotega | Companeros de las Americas | NGO technical staff |
| Fernando Campos Roberto Pao Marlen Chow | Technical advisors | NicaSalud | NicaSalud technical staff |
| Elba Velasco | Acting director & Regional health advisor | NicaSalud | NicaSalud management |
| Alonzo Wind | USAID Health Officer | USAID/Nicaragua | NicaSalud project 'supervisor' |
| Dra. Ulmos | Director Child Health Program | Ministry of Health | Coordinates with NicaSalud in child health |
| Dra. Gutierrez | Director of Program for Adolescents in Sexual and Reproductive Health | UNFPA | Coordinates with technical assistance to NicaSalud |

Additional interviews during November by email and phone with NGO Networks staff (Teresa Shaver, Sumana Brahman, and John Owens) and a PVO representative involved in the early phases of setting up NicaSalud (Mary McInerny, CARE).

List of Documents

NicaSalud documents

NicaSalud in Transition Program 2002-2003
NicaSalud Strategic Plan CY 2001-2004
Trabajo en Red, Un Reto Contidiano, 7/18/2001, by Marlen Chow
NicaSalud Annual Report, 2000
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Report of the NicaSalud Board of Directors Retreat, 10/2000
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NGO Networks for Health (*Networks*) is a worldwide project to improve health services by building or strengthening partnerships at the community level between organizations that are already working there. These partnerships provide a range of services, including family planning, maternal and child health, and HIV prevention, that are relevant to the local situation. This five-year effort began in June 1998, and brings together five development organizations—the Adventist Development and Relief Agency (ADRA), Cooperative for Assistance and Relief Everywhere (CARE), Plan International, Program for Appropriate Technology in Health (PATH), and Save the Children USA. *Networks* is supported by USAID's Global/Population, Health, and Nutrition Center.

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