

# Analysis of the Sphere of Organizational Development of Civil Society Organizations

**Executive summary** 



## Секторный анализ

достоверные данные для осознанных решений

#### **Authors:**

A. Serzhanovich

I. Yuzvak

A. Kozhemyakin



### **Survey Objectives**

The survey of the sphere of organizational development (OD) of civil society organizations is one of the sectoral surveys conducted by the Office for European Expertise and Communications (OEEC) since 2012. The aim of this survey is to summarize existing expertise and research data regarding the development of specific sectors of the Belarusian civil society, and expand it by adding own quantitative and qualitative research regarding the aspects, which have remained unexplored so far.

OEEC expresses its gratitude to the non-profit organization Pact for the idea of conducting periodic survey of civil society sectors and spheres in Belarus, and for its support in the development of the methods and methodology of sector-specific surveys.

The Office for European Expertise and Communications initiated this survey after a discussion with the representatives of the donor community, consultants on organizational development, and civil society organizations themselves. Thus, the survey was requested *inter alia* by the actors engaged in the sector. The findings of the survey were later discussed by roughly the same range of experts.

The survey findings are presented for public discussion and use by civil society activists, governmental and non-governmental practicians, donors, analysts, researchers and other stakeholders in the country and abroad in their work and for determining their priorities in the development of the sphere of organizational development.

# Description of the Sphere of Organizational Development of Civil Society Organizations

Organizational development of civil society organizations (CSOs) in this survey is defined as a systematic activity to improve the effectiveness of the organizations in achieving their programmatic and other meaningful goals. CSOs' organizational development aims to enhance their effectiveness and efficiency, improve their organizational culture, add new values to the environment in the framework of the organization and its individual components through full or partial application of proposed methods based on solid evidence and confirmed by practice.

The analysts understand the sphere of organizational development of civil society organizations as a sphere of public life in Belarus, in which CSOs



conduct meaningful activities to enhance their own organizational capacity involving Belarusian non-profit and for-profit organizations in the framework of international and foreign programs, and on their own.

Currently, the sphere of organizational development of civil society organizations is in the middle of its third development cycle.

The **first stage** of the sphere's development was in the late 1990's - beginning of 2000's, when major international organizations and foundations functioned in Belarus freely; these organizations made it their goal to develop civil society, including developing CSOs' capacity.

The **second stage** was in 2000's - 2010's. This period is characterized by relative stillness in the sphere of organizational development.

The adoption of the Paris Declaration<sup>1</sup> was the main reason for the donors to revise their approach to the issues of organizational development in Belarus; and it predetermined the emergence over the period from 2010 to 2014 of several milestone projects in the sphere of organizational development. Then the **third stage** has begun, which is characterized by the structuring of donor's activity in order to improve the sustainability of their local partners. The demand among the donor community for organizational development services gives rise to the increased supply of the services and improvement of the sphere of organizational development.

The general rule for Belarus is the implementation of programs and projects on organizational development initiated by donors and functioning under their direct supervision. According to our estimates, projects and programs focused primarily on CSOs' organizational development account for about a half of the resources channelled for the organizational development of CSOs. The sphere also includes CSOs' organizational development with their own funds, however, only the largest organizations can afford it.

At the third stage of the evolution of CSO's organizational development in Belarus there are several programs and projects on OD going on. With that, one should point out that if in 2013-2014 the market of organizational development services was represented by at least 5 relatively large projects and programs, in 2015 the number of ongoing programs fell to three due to the completion of the REC program on organizational capacity building of environmental organizations

-

3

<sup>&</sup>lt;sup>1</sup> The Paris Declaration on Aid Effectiveness // OECD. Exact web address: www.oecd.org/dac/effectiveness/35023545.pdf

and freezing of the project of the NGO Marketplace. Currently, major ongoing programs and projects pertaining to OD are the program "Capacity Building of Joint Initiatives" (implemented by New Eurasia Information and Educational Establishment supported by New Eurasia Foundation with USAID funds), Support Program for Belarus of the Federal Government of Germany, program "The Clearing House" (implemented by ODB Brussels jointly with the Office for European Expertise and Communications). Besides, the component of organizational development is embedded in a number of projects implemented by CSOs.

## Demand and Supply on the Market of Services in Organizational Development for CSOs

According to our estimates, up to 500 CSOs in Belarus may be recipients of OD services annually, with 100 CSOs of them being active recipients.

The market of consultants in the field of organizational development is quite packed to cover demand for these services. As of today, the market may consist of 50-60 consultants who work with the third sector from time to time. Apart from consultants specializing exclusively in working with CSOs, recently business consultants have been emerging on the market. They see they can earn providing services to CSOs, as well as they bring business-like tools and approaches into CSOs' organizational development, namely in the issues of human resource development and public relations.

## Perception of the Sphere by Stakeholders

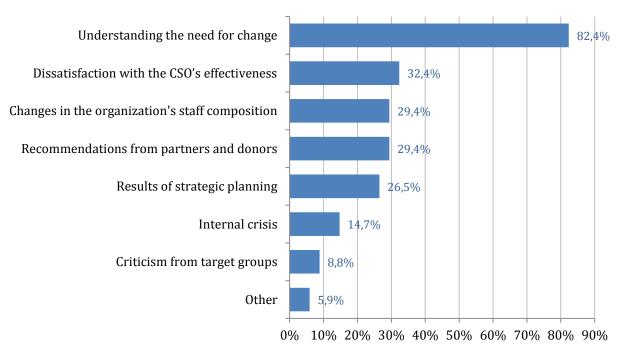
All **donors and implementers** are interested in the development of CSOs in Belarus, as this directly affects the success of their projects. However, donors and implementers do not have a shared vision on many other issues of organizational development of CSOs in Belarus. In particular, some representatives indicate that they are interested in conducting short-term interventions and achieving outputs, as this leads to more tangible and measurable results. Other organizations point out that one needs to work for outcomes and impacts, which will bring organization towards more significant changes, but at a later stage. The frequency, intensity and depth of sharing information during dialogue between donors and implementers are not sufficient, which has its negative effect on the sphere of organizational development in Belarus too.



5

Among organizations-recipients of OD services interviewed during the survey, 82.4 per cent did it while realizing the need for making changes within the organization. 32.4 per cent of respondents said that the reason they implemented organizational development activities was their dissatisfaction with the effectiveness of their work. Such reasons for organizational development as "Recommendations from partners and donors" and "Changes in the organization's staff composition" were of equal importance. One of the respondents noted that the understanding of the need to conduct OD activities came in the course of strategic planning.

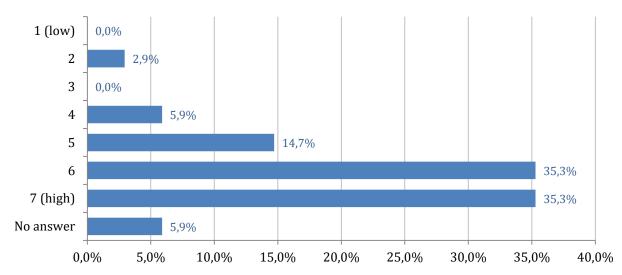
## Breakdown of responses to the question: What prompted your organization to get down to organizational development?



Most organizations, which had previous experience of conducting OD activities, stated that further organizational development was important for improving the organization's sustainability. Along with that, there are organizations, which believe that OD has next to no effect on their sustainability.

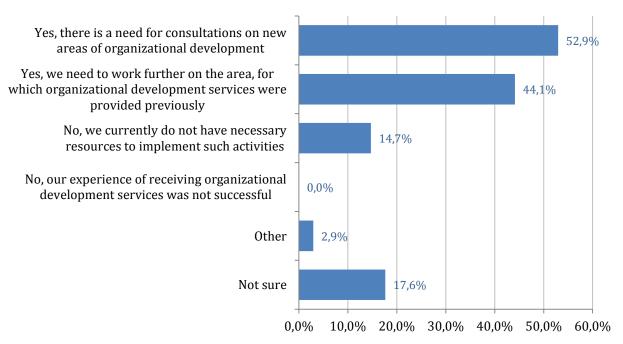


#### Breakdown of responses to the question: "Rate the importance of the improvement of the organizational development of your organization for its sustainable development"



Most respondents who mentioned the lack of intent to seek once again organizational development services emphasized the lack of funding for the activities.

## Breakdown of responses to the question: "Are you going to seek organizational development services again?"

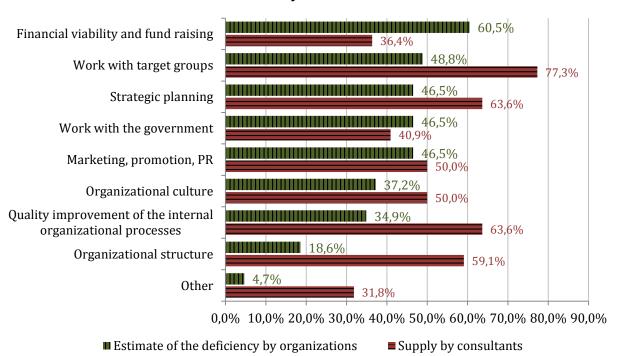


In some areas, OD services cannot satisfy the existing demand. When comparing the replies of consultants on organizational development with the



replies of service recipients regarding the current shortage of services on the market, we obtained confirmation of the lack of services in the area of financial viability of CSOs and fund raising. However, there are enough offers in such areas as strategic planning or organizational structure.

# Comparison of the current supply on the market of organizational consulting and the the estimate of the deficient supply in this area by CSOs



All three parties of the process of organizational development (donors, organizations- recipients of services, and consultants) recognize that donors and implementers often influence the CSOs' decisions in favour of organizational development. In particular, the CSOs that are willing to get funding need to prepare strategic plans. A strategic plan designed "to satisfy" a particular donor is of little use. However, such activities help some organizations - especially recently registered or working in rural areas - obtain basic understanding of the sphere, which might in future raise their awareness while taking decisions about organizational development.

According to the respondents, the existing methods to assess the results of CSO organizational development activities provide some information about the effectiveness of organizational development projects, but they need to be complemented and adapted to the Belarusian context.





All the parties understand the need to educate both CSOs and consultants in the sphere. However, there is no shared understanding as to who must and can initiate such educational activities. Consultants and recipients of organizational development services indicate that donors must initiate this work. The donor community does not have a definitive opinion about that.

## Prospects for the Development of the Sphere of Organizational Development

The development of the sphere of organizational development of CSOs follows the development of the civil society in Belarus as a whole. That is why the following factors will affect the sector:

- change of the global geopolitical situation;
- growth of economic recession;
- imperfect legal/regulatory environment for the activity of CSOs.

Along with that, some specific internal factors affect the development of the sector in the short and medium term:

- CSOs become more aware when taking decisions regarding organizational development;
- recipients are better informed of the opportunities an organization gains from organizational development;
- CSOs are run more professionally;
- development of cross-sector consulting with the engagement of consultants from the governmental and business sectors.

One should expect that in the medium term (1-3 years) the sphere of organizational development for CSOs will maintain its *status quo*. One the one hand, this is because the civil society sector is not ready for a more active improvement of its organizational capacity, and on the other hand, CSOs are overloaded with everyday work. Low level of activity of the civil society in the sphere in Belarus may cause loss the interest of the donors of international technical assistance in investing in organizational development of CSOs. However, international organizations state that they are still interested in the development of the sphere. The offer of services from the consultants will to a great extent depend on the existing demand and paying capacity of the CSOs.

In a more remote perspective there is an option that national foundations may emerge, which will – among other things – invest in the development of civil society. However, in the current context the probability of the emergence of such foundations is low.



#### **Survey Findings**

- 1. Historically, the sector of organizational development is greatly dependent on external factors, which has a negative effect on its sustainability and progressive development.
- 2. As of today, there are no direct regulatory limitations to the operation of the sphere of organizational development. However, it is difficult to register financial assistance and close to impossible to officially get foreign funding with the aim of organizational development, which are serious restricting factors in the sphere.
- 3. Since the beginning of 2010, programs and projects on organizational development have been important for CSOs, regardless of whether they were successful or not, in terms of developing the sphere itself and the civil society sector as a whole.
- 4. About 500 CSOs and initiative groups are potential recipients of organizational development services. With that, a mere several dozens of organizations possess the paying capacity. Most organizational development services are provided to civil society organizations with donors' funds, which might be the reason for the impeded CSO sustainability in case donors become less active.
- 5. Approximately 50-60 consultants represent the supply in the sphere of organizational development. Business consultants show interest in organizational consulting of CSOs. In our estimate, the size of the market of organizational development services is about \$1.5 million a year. A consultant's daily rate varies in the range from \$100 to \$300. The attempts to create market mechanisms in the sphere have not been effective so far. There is no much competition in the sphere of organizational development services, and information about consultants is often passed by word of mouth.
- 6. Different actors of the sphere of organizational development of CSOs have no shared idea regarding approaches to the development of the sphere, although all the parties recognize its importance. Besides, every one acknowledges that the sector has been developing mainly due to donor support and that it is donors who encourage CSOs, which are not always ready for the organizational development, to perform OD activities.





- 7. CSOs themselves do not rate their readiness to organizational development very high, although the consultants who work with CSOs on a regular basis believe that in more than half cases organizations were ready for interventions. Organizations are rarely diagnosed to identify their baseline, which later results in ambiguous interpretations of the effects of organizational development.
- 8. Some organizations implement organizational development activities at the initiative of donors and implementers, not completely aware of the necessity of organizational development, which has a negative effect on the practicality and sustainability of the results.
- 9. All the parties are interested in obtaining outcomes from organizational development. However, they often prefer measurable outputs. Virtually no one measures outcomes or impacts of the organizational development.
- 10. The *status quo* will be maintained in short- and medium-term perspective, and currently neither of the parties seems to be willing to fundamentally change the situation.

# Recommendations for the Development of the Sphere of Organizational Development

- 1. Donors and consultants should conduct large-scale campaigns to raise CSOs' awareness of the advantages of OD, so that CSOs conduct such activities more knowingly. One of the decisions can be the establishment of a permanent discussion platform for sharing information about each party's vision of the processes of CSOs' organizational development and new opportunities and challenges in this area. Specialized portals could be helpful in arranging experience sharing within the civil society. Permanent experience sharing between organizations on OD facilitates progress of the CSOs, which only make their first steps in their development. The example of network organizations whose members share their experience in OD and make considerable progress in organizational development speaks in favour of the need to join CSOs' efforts.
- 2. It is necessary to conduct regular surveys of a wide range of organizations as to their needs in OD. Groups of consultants or research organizations can conduct such surveys. Donors could provide their support for that. Survey results may be used to harmonize consultants' proposals with the demand on the market of CSOs' organizational development services.



11

- 3. Donors should encourage CSOs to share the costs of organizational development activities. Recipients of organizational development services may set aside a part of their budget for own organizational development. Judging by the experience of the most developed CSOs, organizational development activities implemented with own funds bring maximum effect. Although funds for organizational development are taken from other areas of an organization's activity, in the long run, the interventions implemented in full awareness, with own funds, at their own initiative and with the choice of the desired trainer produce a considerable effect.
- 4. Consultants along with donors should develop tools for the assessment of long-term effects of organizational development activities and include this assessment as an element into large-scale programs in the area of organizational development.
- 5. Consultants should increase the supply of consultation services in the area of local fund raising to meet in full the existing demand for these services.