International Perspectives on Third Sector Capacity Building: Strategies for Social Change?

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The growth of interest in the third sector over recent decades has resulted in new opportunities to engage in service delivery and in partnership working alongside the state and other partners. Along with these opportunities has come a new concern with capacity building – to ensure that third sector organisations are fit for purpose and can discharge their new responsibilities effectively. There is, of course a much longer tradition of capacity building in the global South, often delivered by Northern based NGOs, but from which Northern policy and practice has much to learn.

Capacity building is an often used but contentious term, and research in this field reveals a number of tensions: between depth and breadth of intervention, between long term and short term interventions; between top down and bottom up approaches, between intensive and systemic approaches. Further, there is great divergence of purpose amongst capacity building approaches: between functional/instrumental approaches which aim to increase the capacity of TSOs to deliver agendas which are important to the funder, and intrinsic approaches where the emphasis is on building intrinsic capacity in the sector and can also be understood as building civic agency or strengthening TSOs to achieve their own goals. Third sector capacity building approaches have sometimes been criticised for an overly technical approach which focuses on building the internal capacities of the organisation but lack insight into how the organisation relates to the wider environment and its multiple stakeholders. A key tension that emerges in recent research is that effective capacity building relies on trust, but this can be compromised where consultants are appointed and managed by funders. Cornforth et al (2008) ask whether it is possible for a small TSO to be open about its organisational weaknesses to a ‘partner’ who reports back to the funder.

This panel draws on research commissioned in the UK and conducted by the panellists to bring together and learn from examples of capacity building approaches from across the world. It addresses the question of definition - what exactly do we mean by capacity building, exploring the agendas and assumptions that underpin capacity building interventions and the way these play out, and how the tensions identified are managed in different contexts. Practitioners working with these tensions and contradictions have identified a set of good practice principles for capacity building with TSOs: people centred; locally appropriate and sustainable provision; and careful planning and management (James & Hailey, 2007). The papers consider how these principles are enacted within different approaches, and problematis the role of funders, consultants and TSOs themselves in the capacity building agenda.

The first paper will introduce the panel and give a brief overview of the range of initiatives covered in our research and the issues and tensions that the research identifies in relation to approaches to and rationales for capacity building. It will then explore what the global South has to teach the global North in terms of third sector capacity building approaches, methodologies and impact. A second paper will discuss a holistic approach pioneered through a partnership between Dutch academics and development practitioners. Civic Driven Change is an approach to civil society strengthening that works with the wider environment and across sectors. The paper will discuss its normative principles which explicitly engage with power inequalities, and examine how this approach has been implemented in the South. A third paper reflects on UK approaches to capacity building of the third sector under the Labour
government in the UK, and how some approaches have been built on a ‘theory of change approach’. The paper draws out lessons in relation to building the capacity of community based groups to work for social change and also on the role of evaluation – and the theory of change - as a learning resource. A final paper will explore the implications for the third sector itself, drawing on the experience of Australian case of TSO ‘lead’ organisations in the third sector, which act as third sector funding broker or capacity-builder for sub-contracted third sector agencies.

References


Third sector capacity building: what the UK can learn from abroad.

The last ten years in the UK – as in many other parts of the world – have seen a marked increase in interest in the third sector, and spaces have opened up and resources have become available for TSOs to engage in service delivery and to work in partnership with public and private agencies to increase the voice and influence of marginalised communities. Scholars have commented on both the potential and the pitfalls of this closer relationship between the State and the third sector (Taylor 2007).

What is clear is that the UK Government is interested in building the capacity of the sector. A recent initiative of the UK Government, via its arms-length agency for supporting the third sector, was to commission a review of international practices in capacity building to see what could be learnt from experience elsewhere for application in the UK. What that exercise demonstrated, not surprisingly was that, while capacity building is a term which has both gained considerable purchase in recent years, it is also highly contested. Often used to address technical capacities and organisational effectiveness, it also covers much more intensive programmes whereby a relatively small number of organisations are given more intensive developmental support over a period of years. The exercise also demonstrated what could be learnt from the South. Often, the assumption is that learning in the third sector flows from North to South, but what this and other reviews have shown (Hambleton et al 2009), is that there is considerable scope for learning in the opposite direction, and also between OECD countries. The second and fourth papers in this panel discuss significantly different approaches to third sector capacity building in East Africa, Asia and Australia.

In this paper we introduce the session by reviewing the range of approaches that were covered in the study and the questions they raised. These include questions about definition, focus, intensity, timescale and the distribution of power in the capacity building process. The paper goes on to identify a number of key issues which the subsequent papers in the panel will also address; in particular how the tensions identified in the panel proposal are experienced and managed in different contexts, and within different development paradigms.

In terms of purpose, the review suggests that capacity building works best when its purpose is clearly rooted in a particular goal: this may be values- or ideologically based, or relating to improvements in a particular service area or funding programme. This is supported by evidence discussed in the second and fourth papers. Secondly, capacity building may be about increasing organisational efficiency and effectiveness, but it is also about leadership and adaptive capacities, which develop organisational resilience. Thirdly, design is important: good capacity building practices start with a ‘theory of change’ and diagnosis is an essential part of capacity building – effectiveness depends on getting this right. The third paper develops this last theme and reflects on two initiatives (one on-going) in the UK which have been developed using a theory of change, and how this theory becomes a learning resource in the process.

Finally, the paper will consider how learning about third sector capacity building in other countries can inform UK practices. To what extent are capacity building interventions transferable? How can lessons from the international development sphere be put into practice in the North?

References

Civic Driven Change: a normative approach to capacity building in the South

Civic Driven Change refers to change processes that are directly initiated, lead and owned by people themselves. The development of the concept of Civic Driven Change originates from the observation that often states and markets are seen as the main drivers of change in societies. This vision has characterised development policies and the work of Non-Governmental Organisations (NGOs) for several decades. In spite of popular notions of ‘ownership’ and ‘bottom-up approaches’, leading development thinking largely ignores the important contributions that citizens all over the world have made and are constantly making to world history. The official development discourse is underpinned by the conviction that changes in social systems rely on top-down control, and linear cause and effect relationships. Citizens are reduced to the role of beneficiary, consumer, client and voter.

The focal point of Civic Driven Change is not ‘development’ (supported by the aid ‘industry’), but change in society at large. The challenge is not to conceive programmes and projects and then try to mobilise local people to participate, but to find ways to assist people as they try to achieve their own change. In the concept of Civic Driven Change, change is a complex and ‘messy’ process, which cannot be entirely planned, but can well be influenced. Civic action needs to be based on an analysis of power relations and corresponding local and global strategies. Complex societies develop on the basis of asymmetric power relations. The role of Civic Driven Change would be to alter these asymmetries in a pro-poor direction. As such, Civic Driven Change is essentially a normative concept: there is civic behaviour (pro-poor, democratic) and uncivic behaviour (perpetuating asymmetrical power relations and unfair distribution of wealth).

This paper will examine the results of collaborative action research work on Civic Driven Change carried out by Context, international cooperation in Asia and East Africa.
Capacity building for change: using ‘theories of change’ in the UK.

The New Labour government which took power in the UK in 1997 saw the voluntary and community sector as central to the achievement of what it then called a ‘third way’ which would address the failures of welfare systems based solely in the market and the state. One of its early actions was to commission a review of the role of the voluntary and community sectors in service delivery and to address the policies which would be needed to allow it to reach its potential in that role. Among the recommendations of this review was the need for policies to build the capacity of the sector both at the front line and at the level of infrastructure and eventually a new arms-length body was set up to implement its emerging programmes. A range of programmes have since been developed to address not only the capacity of the sector to deliver services but also to campaign and give voice to different groups in society.

This body commissioned some research which was carried out by the panellists into approaches to third sector capacity building outside the UK. While other papers in this panel examine some of these approaches, this paper reflects on some capacity building approaches within the UK which offer particular learning about interventions that aim to promote social change. These two intensive UK capacity building initiatives have been built on a ‘theory of change approach’. The first was a programme run by a major UK foundation to build the capacity of neighbourhood groups to address issues of multiple deprivation and empowerment. This initiative worked with twenty groups over four years, providing light touch support in the shape of small grants, networking and access to consultancy support. This programme addressed issues of community engagement, working with diversity and influencing power holders. The learning from this Programme has been taken on board in a new capacity building initiative starting in late 2009. This programme is working with groups to build capacity for campaigning.

What is common to both programmes is the fact that evaluation was built in from the start. This paper will reflect both on the substantive lessons in relation to building the capacity of community based groups to work for social change and also on the role of evaluation – and the theory of change - as a learning resource in this process.
Lead non-profit organisations as capacity-builders and funding brokers: The Australian Communities for Children Initiative.

Theorising and practice model development on ‘lead’ organisation roles is a new research and practice area in nonprofit studies in Australia. ‘Lead’ organisations are those non-profit organisations that are funded by governments to act as capacity-builders to other non-profit provider organisations within a policy area.

New funding models have been experienced in the Australian children and family services sector which position a government department as a funder, a limited number of contracted lead non-profit organisations as purchasers and other more numerous contracted non-profit organisations as providers. Australian funder-purchaser-provider models have traditionally positioned the state sector as funder and purchaser and the non-profit sector (and in some policy fields the for-profit sector) as provider (Lyons 1998, Earles & Moon 2000). This enmeshed the state in extensive tendering systems and detailed contractual arrangements with multiple non-profit providers. It also raised concerns within the non-profit sector about the changing nature of the relationship between the state and non-profit sectors and the differential impact on the sector (Rawsthorne 2005).

The most significant recent policy initiative in Australia to use lead non-profit organisations is the Federal Government’s Communities for Children (CfC) Initiative (where such organisations are called Facilitating Partners). The Communities for Children (CfC) initiative takes a place-based approach to deliver services to children aged 0-5 and their families in 45 sites around Australia selected on the basis of high levels of economic and social disadvantage. This Coalition Government policy initiative was refunded by the Labor Government for a further three years in 2009 as a precursor to the roll-out of the proposed integrated Family Support Program which will use lead non-profit organisations possibly on longer funding cycles. These lead non-profit organisations (Facilitating Partners) were contracted to undertake a consultation and planning process, organise tendering, negotiate and monitor contracts and manage the reporting between the funding department and sub-contracted organisations. They could provide some services directly which positioned them as a provider in the area as well. This funding brokerage and capacity-building was framed as a partnership model.

This panel presentation will consider the implications for the third (non-profit-sector) of the emergence of lead non-profit organisation models and practice in the children and family services sector in Australia with particular attention to the assumptions and agendas that underpin such models. Lead organisations are a form of coordinating body within new public management and governance paradigms. They are an institutional representation of the new dynamic of ‘collaboration within competition’ or ‘partnering while contracting’ and a growing methodology of these paradigms. As instruments of NPM and governance paradigms they redefine institutional relationships as part of ‘new’ regulatory systems beyond existing funder-purchaser-provider practice models. Such ‘lead’ organization roles and functions are relatively new in the children and family services sector but there are precedents for such models in other sectors and fields, particularly international development practice (Lewis 2001).

A case study will be used to outline possible parameters of lead organisation models and their practices in children and family services and to establish points of tension arising from assumptions and agendas. The case study findings are drawn from embedded experience of evaluating processes used by one lead organisation and document-based comparison of these with the national evaluation findings across 45 organisations. The case study demonstrated tensions in the key principles for capacity building for nonprofit organizations:
people centred; locally appropriate and sustainable provision; and careful planning and management. These principles were enacted through this program as community-focus; local design of activities with a view to their sustainability; and strategic and service planning processes. The main processes for capacity-building were development, brokerage, implementation and learning partnerships. The case study in the context of the wider National Evaluation highlighted capability and capacity issues in local areas which were inherent in the low levels of organizational capital (processes of organising) and infrastructure that existed in the areas alongside the levels of population disadvantage. Capability development and sharing within capacities was a critical element of the partnership approach, as was joint capacity-building.

References


