Domestic Support Raising – the Concept

1. Global trends and changes

Non Profit Organisations and Non Government Organisations (NGOs) are challenged to become more proactive and innovative in resource mobilisation. To succeed, they need to understand their environment and present themselves clear and proud of their social impact, and well connected to those who can contribute to achieving it. Just like profit-oriented organisations, it rewards if they take a proactive and innovative attitude, identifying and collaborating with possible contributors as clients[1].

> **What are NGOs and Non Profit Organizations?**
> A non-governmental organization (NGO) is any Non-Profit Organization, voluntary citizens' group which is organized on a local, national or international level. Task-oriented and driven by people with a common interest, NGOs perform a variety of service and humanitarian functions, bring citizen concerns to Governments, advocate and monitor policies and encourage political participation through provision of information. NGOs are usually organized around specific issues, such as human rights, environment or health[2].

The drivers are clear. Shrinking government and donor budgets and changing aid landscape are affecting NGOs world-wide. Resources are especially dropping for local NGOs who do not have the capacity to become direct partners of large donor organisations.

Increasingly, NGOs work hard to sustain their operations and achieve and show greater impact with their programs, meanwhile ensuring their organisational survival, with shrinking resources. Hence, developing innovative strategies to generate financial resource as well as non-financial support is a key challenge for local NGOs. For that reason NGOs strive to find alternative ways of generating domestic (in-country) support from their external environment in order to increase their influence, visibility and success, and sustain themselves. In spite of economic slow-down, many developing markets are still growing, and with them the local resources available to finance and support social initiatives

At the same time the increasing access to digital media and the use of communication technology change the environment local NGOs are operating in: there is an increasing potential and demand for greater organisational transparency and there are new opportunities and pathways to extend existing networks and strengthen relationships with different stakeholders. Building collaborative networks in-country becomes increasingly crucial and entails significant opportunities to achieve greater impact and at the same time ensure organisational sustainability. The services and actors that may be explored include financial and non-financial support from local governments, private sector, NGO networks, educational institutes, media as well as the general public.

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[1] The term **'social business'** has been coined and is sometimes used as a new name for NGOs, to emphasize that next to "doing good". Definition: A social business is a non-loss, Non-dividend Company designed to address a social objective within the highly regulated marketplace of today. It is distinct from a non-profit because the business should seek to generate a modest profit but this will be used to expand the company's reach, improve the product or service or in other ways to subsidize the social mission (*www.muhammadyunus.org)*

[2] http://www.ngo.org/ngoinfo/define.html

2. Challenges and opportunities for NGOs

The external arena for NGOs has become more complex. Due to reduced funding from governments and multilateral organizations, many organizations have to work hard to keep overhead low and find alternative income to sustain their operations. Last decades, thousands of new NGOs were established for the purpose of 'doing good' which has lead to increased competition. Increasingly the general public, but also government institutions and businesses want to know how their donations are spend, NGOs have to show greater impact of their programs and be more transparent about their activities and expenditures. The box below sums up the main challenges and opportunities for NGOs worldwide.

Challenges for NGOs	Opportunities for NGOs
- being resource-constrained by budget cuts by Overseas Development Aid (ODA) - being largely dependent on a single (usually foreign) funding source - facing competition from other NGOs: many organizations have become very innovative nowadays, so NGOs have continuously be innovative and adapt themselves to the market demands - limited capacity to communicate their work or mission (not visible) - limited understanding to attract the attention of large donors (complex procurement procedures) - strong ideology limits openness to collaborate with businesses, government, general public - limited human resources and time available to mobilize resources (staff perform a variety of functions: deliver quality programs, management and administrative tasks) - having limited access to larger knowledge networks to share and learn from successes, failures and lessons learned - Limited investment budget to diversify or invest in new technologies - lacking skills to work with new technologies - lacking expertise to show results (accountability): there is an increased demand to see clear and sustainable impacts of the organizations' work. Many NGOs fail to be transparent about their work, the results and expenses - International NGOs, facing budget cuts too, have to look for strategic new roles and find ways to ascertain, and partly justify, their physical presence in developing countries. This affects funding for local NGOs or increased competition	- donations from private individuals and philanthropists worldwide by far exceed official development assistance (ODA) - personally know their potential support base – their volunteers, local officials, local business leaders and other stakeholders - are in the position to foster a sense of ownership and pride among local communities and build trust towards their organization - are flexible to respond to changing circumstances and emerging issues - can make use of new technologies to connect with others (digital / social media opportunities) The increased inter-connectedness through digital media and changing communication behavior in society also creates openings to develop innovative approaches for strengthening relationships and outreach to different actors - increased amount of public donations (crowd funding) - Corporate Social Responsibility (CSR) and private sector initiatives: increased social responsibility and new laws made by a number of governments, motivates businesses to work with NGOs - requests for expertise of NGO from businesses, governments, media and other actors - triangular cooperation schemes (more actors) getting popular

3. DSR concept

The general objective of DSR is to achieve **organisational sustainability**.
Organisational sustainability, however, is not an end in itself, but is needed to fulfill the vision and mission of an organization. This means that each organization is continuously able to carry out its core activities.

Definition of DSR:
"In DSR your organisation aims to become more recognized, aims to deepen and widen relations with an existing and future network of domestic actors to be better able to mobilize all kinds of material and immaterial support (including voluntarism, moral support, political and policy support) in order to increase your support-base, influence and impact."

As NGOs face numerous challenges to continue to carry out their organisational work, the main objectives of DSR are outlined in the box below.

Main objectives of DSR
- Increasing legitimacy and support for organizational activities and goals from 'domestic' (national, non-donor) actors
- Decreasing the dependency on international donors
- Establishing new collaborations with the general public, private enterprises, governments, NGOs, media, universities)
- Developing multi-stakeholder initiatives to achieve advocacy objectives and create synergies in program implementation
- Overcoming fragmentation of civil society by building more strategic networks and partnerships
- Improving public accountability and internal governance

DSR Concept

Figure 1. DSR concept

Domestic (in-country)

In DSR we look for in-country actors that can provide material and immaterial support to an organization. The following actors are identified, though they can be made more specific and adapted to a specific context:

- General public
- Domestic donors / philanthropies
- Government (national/ provincial/ local)
- Private Sector
- Other NGOs & networks
- Target group (communities, individuals)
- Education institutions (universities/ students)
- Media
- Respected personalities (religious leaders, civil society leaders, celebrities)

Support

NGOs aim to optimize support – this can be material and non-material resources. However, to mobilize support, organizations should continuously strengthen relations with other actors and improve their recognition.

Win-win Relations: partnerships are needed to support the implementation of program activities, creating an enabling environment for programs. There are different kinds of relations that can be identified such as partnership, hierarchical, services, networking, financial, communication, and transformation of values, lobby and mediation.

Recognition & Accountability: as organization you need to make yourself visible in the domestic arena and build trust among potential support partners. This can be done through various ways such as networking, marketing activities such as social media, organizing events or printing attractive materials about your organization. If an NGO becomes acknowledgement by other actors, it might create more opportunities for strengthening relations and getting support. Legitimacy is a strong part of 'recognition' (see pre-conditions for DSR).

Resources and support mobilized: material (finances, products) and non-material (contributions from volunteers, enabling environment, moral support, political and policy support, time available from other actors, knowledge resources).

Raising

'Raising' relates to the activities of acquiring domestic support. It is meant to cover the identification and mobilization of all kinds of material and immaterial support, including voluntarism, moral support, political and policy support.

4. Basic pre-conditions for Domestic Support Raising

4.1. CLASP principles

In order to increase influence and impact, it is key that an organisation can position itself. Every actor applies a set of principles – consciously or unconsciously – in order to define if they have to take the person or organisation seriously.

Using the principles of CLASP (see below the meaning of the acronym) will make you well prepared in most situations. CLASP must be part of your preparation when you prepare yourself for a lobby conversation, for media exposure or an expert meeting in the outside world. Opponents may tackle you on a weak point, so be prepared.

These principles can be abbreviated in the acronym CLASP, and stands for:

C = Credibility
L = Legitimacy
A = Accountability
S = Service - oriented
P = Power base

Credibility is about trustworthiness of your organisation in other people's eyes and may relate to the information and data you use. You can increase your credibility by doing proper *fact finding and research on the issue.*

Legitimacy looks at how legitimate or representative you are in taking a certain position. It also looks at how you have involved the people on whose behalf you may claim to speak.[3] Governments and the commercial sector pay increasing attention to the legitimacy of lobbyists and campaigners. This also relates to respected leadership and having a strong membership base.

Accountability is the material proof that you are accountable as an organisation by demonstrating proof:
• your statements can be supported by data collection, fact sheets and research reports;
• your legitimacy can be proven by listing beneficiaries, constituencies and boards;
• involvement of beneficiaries can be proven by related activities;
• your financial data are sound and transparent;

Service oriented means "do as you promise" – it has to do with your attitude towards your political targets by delivering promised facts, details, information, reports, and answers to questions that are *relevant*, of *high quality, in time*. You deliver, and present them in powerful, easily digestible communications. Do not treat your targets as your enemies.

Power base means that you prove how strong you are, for example by showing how many people support you or how confident you are with regard to your topic. Helpful is to look at 4 levels of power (based on Ghandi's teachings):

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[3] In a recent IOB-evaluation by the Dutch Ministry Development Cooperation this is a strong recommendation

- power over – the superior hierarchical position you have in society, an organisation or in politics (most commonly referred to as the only power base)
- power to – your knowledge on the policy topic (increasingly shared conviction)
- power with – your beneficiaries and allies (together in joined and concerted action is stronger than doing things all by yourself)
- power within – your attitude, reliability and self-confidence (sincerity). Most leadership authors concur that in the long run honesty is the best policy, as it cannot be toppled by inconvenient discoveries

Basic pre-conditions for Domestic Support Raising

1. **Legitimacy (downward accountability, transparency and building trust):**
   - clear vision/mission
   - organization profile (overview of key activities, thematic areas, number of staff, date of establishment, geographical area working in)
   - adequate organizational structures and human resources / expertise
   - data/documentation of achieved results such as annual reports and audits are put on the website
   - respected leadership
   - strong membership base

2. **Collaborative networks:**
   - being part of networks
   - not working in isolation

3. **Visibility in the domestic arena:**
   - name of organization is known among key stakeholders (community, government)
   - share marketing materials such as brochures, business cards
   - website in local language
   - be present at important meetings

4. **Enabling environment:**

   - this is the social, economic and political and policy context created by governments, official donors, larger society, religious authorities, private sector and other development actors that affect the ways NGOs may carry out their work. It is essentially the amount of space and freedom that NGOs have to do what they want to do.

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4.2. Collaborative networks

In an increasingly complex environment, network relationships become more important than internal organisational structures alone. Organisations are no islands and are best understood when valued within their external context. Understanding of the dynamics on the institutional level provides support when dealing with multi-stakeholder processes. In most cases it is important for NGOs not to work in isolation but operate in alliances, networks or similar forms of collaboration. Yet efforts to manage (control) networks with tools for organisations and projects with hierarchical structures often fail.

In practice, the success of actors working together in networks for a common goal depends on the ability to manage – simultaneously – the content-based results, as well as the dynamics of the relationship between the actors. What is at stake in the dynamics between the partners is effectively feeding trust and enthusiasm.

4.3. Visibility in the domestic arena

To raise support NGOs should be known and recognised in their working area. Different actors, such as government and private sector should be informed about your existence and will take you more serious if your organisation is well-known.

4.4. Enabling environment

This is the social, economic and political and policy context created by governments, official donors, larger society, religious authorities, private sector and other development actors that affect the ways NGOs may carry out their work. It is essentially the amount of space and freedom that NGOs have to do what they want to do. In this sense, an "enabling environment" is an essential pre-condition for NGOs to be able to realise their full potential in society. As an NGO you have to realistically assess the environment and then fit into it, ultimately probably influencing its margins.

Domestic Support Raising – Strategy development

1.   Introduction and concepts

Strategy development and planning are closely related. Both are concerned with the future activities of a project or organisation. Where planning is meant to identify concrete activities, strategy development is more concerned with the future direction, rather than with concrete objectives and activities alone. A strategy is a translation of the organisations' mission into aims, and provides ideas how these aims could be pursued. As there may be various ways, depending on the environment, strategy development provides a choice among alternatives. Planning is then the concrete translation of the chosen strategy into concrete objectives, activities and related means. Some key differences between planning and strategy development are given in table below (though in practice the distincton is gradual rather than absolute):

Table 1. Some key differences between Planning and Strategy Development

Strategy development	Planning
Searching direction	Concrete (direction is given)
Innovation (search for new)	Rearranging old ideas
Synthesis	Analysis
Aims/visions	Objectives
Ideas	Actions
Long term	Short term
Attention to strengths and opportunities	Problem solving (weaknesses, threats)
Expansion/forward orientation/anticipation	Consolidations/past - present orientation prediction/reaction
Allowing intuition, including soft information	Rational, using hard information

2.   DSR Strategy Development

DSR is a long-term process because it contains steps that should be carefully analysed and approved within the organisation. Decisions have impact for the organisational values and sustainability and should therefore not be taken easily. DSR is about making changes for and within your organisation.

For that reason, DSR strategy development should result in a carefully developed pathway that assists an NGO to take decisions to maximise effects for their impact and organisational sustainability. This pathway assists NGOs to determine challenges and opportunities in a rapidly changing context, to clearly define its organisational identity, to develop strategies based upon needs of the own organisation and those of others, and finally to assess what changes are needed within the organisation to implement a strategy.

Of course this is not the end: the DSR strategy implementation and monitoring are the second step. This is about making changes possible for your organisation and working towards sustainability.
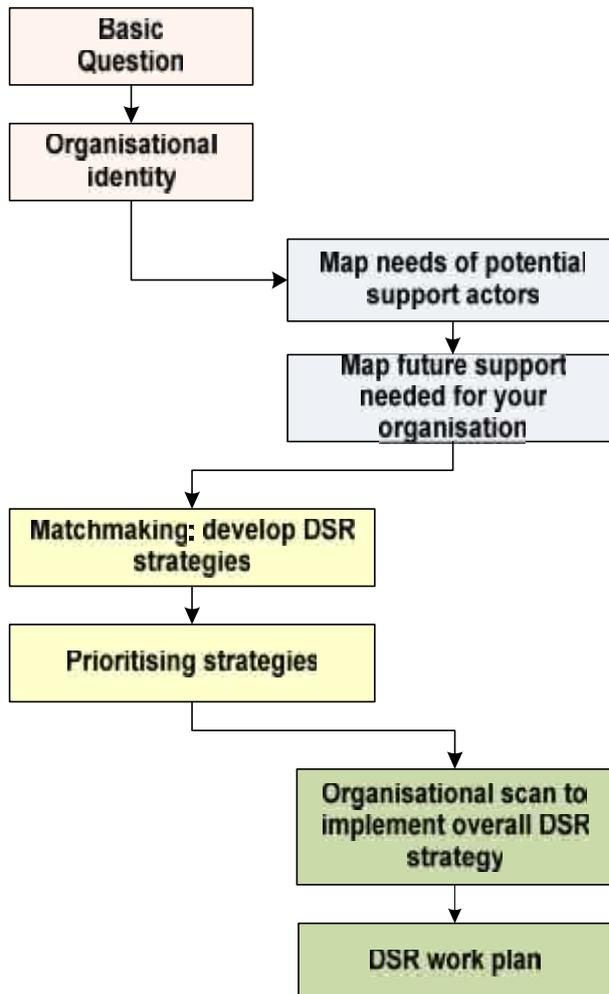
Figure 1. Steps in designing a DSR strategy

Basic Question

Organisational identity

Map needs of potential support actors

Map future support needed for your organisation

Matchmaking: develop DSR strategies

Prioritising strategies

Organisational scan to implement overall DSR strategy

DSR work plan

2.1 Develop a basic question

As identified in 'global trends and changes' NGOs face challenges to maintain resources in order to fulfill the vision and mission of their organisation. For that reason, NGOs are looking how to diversify their support base in order to reach organisational sustainability.

To develop a strategy to diversify one's support base, a leading research question is key. In order not to effect the position of your NGO negatively, it is important to clearly define what your organisation is looking for. Formulated generaly your basic question is:

How can our organization become more recognized, build and strengthen relations and mobilize support and resources (material and non-material) from the general public, government, private sector, other NGOs, media, educational institutes and other support actors so we are continuously able to carry out our mission while maintaining our strong focus and values?

2.2 Organisational identity

Each organization has its own identity. This includes particularly its mission, vision & (stated) core values (e.g. accountability, legitimacy, strategic direction) and (often implicit) organizational culture.

A clear NGO identity is useful when approaching potential support partners, as this identity summarizes the organization. It can also give unity to your staff and make it clear to people outside what your NGO is about. The identity is a collection of perceptions about an organization, formed by its every communication, action and interaction with other partners.

Questions to ask yourself are:

- What was the organization set up to do? What need(s) does it address?
- What are the main areas of work and the desired outcomes?
- What ethical values are important to us?
- What are unique selling points?
- What makes us unique?
- Or even: What are key words we like to describe ourselves, or are happy to hear back as feedback from our target groups, partners and clients?

2.3 Map needs of potential support actors

NGOs are increasingly being seen as an actor which is able to provide assistance to other NGOs, governments, businesses and other actors. NGOs perform a variety of services and humanitarian functions for different purposes and actors. For instance:

- NGOs are also looking for support from NGOs, either in partnerships, networks or assistance (e.g. consultancy, lobby advice)
- Both governments and corporate sector organizations, for ideological reasons or simply to boost sales, want to be known as green, fair and free in terms of press or in regarding issues of child labor. NGOs can play the role of watchdog and advisor: specialized NGOs (and their coalitions) can at once advise and even certify companies and government agencies, but also (threaten to) raise awareness on their weaknesses.
- Private sector, government and educational institution want to contribute to effective community development. Highly experienced NGOs with a wealth of technical expertise, community knowledge and local networks can assist.
- Individuals and religious institutions want to contribute to social responsibility either in kind, donations or time (e.g. volunteers).

Potential support actors: local governments, private sector (staff of corporate sector organisations, multinationals as well as SME's, state-owned enterprises (SOE's) and small businesses), NGO networks, educational institutes, media as well as the general public.

Fill in the first colomn of the DSR matrix:

Actor	1. What do they need from us?	2. What support do we need?	3. Match-making strategies	4. Prioritising strategies
Private sector				
Government				
Other NGOs				
General public				
Educational institutions				
Celebrities				
Media				
Others				

2.4   Map future support needed for your organisation

As already indicated, your organization is looking for support. This support is:
- Material (finances/ goods to carry out your organizational activities)
- Non-material (expertise/ networking/ advocacy/ access/ knowledge/ endorsement): concrete examples are articles published in the newspaper, work permits from the government, expertise from volunteers

Assess for each actor what support your NGO needs. Fill in the second column of the DSR matrix.

2.5   Matchmaking: develop DSR strategies

Once you have mapped what type of support actors are looking for and the support your organisation is looking for, you need to develop strategies. Fill in the third colomn of the DSR matrix.
Examples:
- "We want to be known as a child supporting NGO in order to raise donations among the general public" (link between trend 'people want to donate / do good' and 'getting resources for yourself)
- "Our organisation can continuously attract and manage volunteers to contribute to organisational work and programmes"
- "We collaborate with educational institutions for improving our accountability" (educational institutions are looking to provide input for community services/ assist in doing baselines and you are looking for being accountable/ have good research results).

2.6   Prioritising strategies

Once you have developed matchmaking strategies for your organization, you can select most promising strategies. You select priority strategies according to the following criteria:

- has highly positive effects (impact) for your organization
- has clear identifiable benefits for the partner (actor)
- cost-effective
- unique
- does not compromise your NGOs identity and values
- has longer term impact for your organization and the partner(s)
- is innovative or new for your NGO
- your mix of priority strategies has (sufficient) short- and medium-term effect to keep momentum
- other criteria determined by the organization

Make use of an analytical decision-making tool to weight your selected criteria and rate each match-making strategy. Calculate the sum of for each strategy. The highest sums might be your most promising strategies.

	Weight (A)	Match-making strategy A.1		Match-making strategy A.2		Match-making strategy B.1	
		Rate (B)	Value (A*B)	Rate (B)	Value (A*B)	Rate (B)	Value (A*B)
Positive Effects (high impact)	5	3	15	4	20	2	10
Matches with organisational identity	2						
Capability of organisation	4						
Innovativeness	5						
Longer-term effects	3						
			SUM		SUM		SUM

Finally, fill in the last colomn of your matrix with 'yes' and 'no'.

2.7 Organisational scan

Once you have selected priority strategies, you have to carry out a scan in your organisation how to implement the strategies. Identify support actions needed with the questions below.

Aspect	Questions
Input	What resources do we need? Start-up capital? How can we make our organization visible (e.g. website to communicate, brochures)?
Structure	(How) should we restructure ourselves to implement the strategies? Need of new department (e.g. fundraising, business development)?
Systems	Which systems need to be reviewed? Database client/ volunteers, IT system, M&E system for being accountable?
Staff	Is staff competent to implement strategy (skills, knowledge, attitude)? Is there need of new staff (e.g. fundraising officer, business developer)? How can staff be encouraged to implement strategy (trainings, time available, job descriptions)?
Style of management	Does management support DSR success?
Culture	Which beliefs and behaviors support or hinder change?

2.8 DSR work plan

Make a detailed work plan for your priority strategies:

Priority strategy 1	We can continuously attract and manage volunteers to contribute to organizational work and programs		
Outputs	1. Assign volunteer coordinator	2. Developed HR Plan for volunteers	3. Staff prepared to coach volunteers
Activities	1.1. Recruit new coordinator (internally)	2.1. Needs assessment 2.2. Planning 2.3. ToR / job descriptions	
Indicator	1 new coordinator recruited in 2014		
Responsible	Management	Commission coordinator	
Time frame	As soon as possible	End 2015	

The Vision of an Organisation

1. Introduction

Nowadays, having a vision is a must in the management of organisations. In complex, changing environments, organisations must regularly shape and reshape their own understanding of what to aim at and how to get there. A vision is 'an image of the future'. An image that is not yet real but that we can envisage in our minds; an image of what the organisation should/could look like, partly analytical, partly emotional. An image that combines elements of the present situation with elements that can be envisaged. This definition is rather abstract. That is the problem and at the same time the challenge of creating a vision.

2. Why organisations need a vision

Why should organisations bother about having a vision? First of all, a clear and well-formulated vision gives all employees the feeling that the organisation is carrying out a meaningful task. As such, having a vision is a motivating factor: it can give people a feeling of importance no matter how small their contribution to the realisation of the task may seem. Furthermore, a vision gives the future a clearer and therefore nearly always a more positive shape. Having a vision of the future will make it easier for people to continue and to contribute positively whenever the organisation is going through hard times. Even though they have to face difficulties, they still know why it is worthwhile to keep on going. Having a vision gives an organisation the strength to withstand commotion, crises and growing complexity. If the environment becomes turbulent it helps if you are clear about the direction you go. The vision will then function as a beacon.

If people feel committed to the realisation of a vision, this vision can be the foundation of a strong corporate culture. Then the vision gives direction to people in the organisation and they will be able to recognise why certain rules and values exist to contribute to the image of the future. A strong corporate culture generates a corporate identity, a uniform image to the outside world reflecting the heart of the organisation. People can explain to others what it is they make a stand for, what people can expect from them as member of the organisation. It creates a strong feeling of solidarity that is mutually shared. This can motivate people to give really the full hundred percent of their energy.

A strong image to the outside world will help to attract clients, suppliers, potential employees, sponsors and other stakeholder. Having a well-developed vision will be beneficial in creating confidence of external parties. This is clearly seen at Wallstreet, where shareholders often let their decisions depend on clarity of visions of companies.

The vision will streamline all activities and flows in the organisation, helps dealing with doubts and uncertainties.

There is a standard you can use to measure your activities against: is this still contributing to the realisation of our vision? Similarly, a vision is a source of indicators, enabling the monitoring of the development of strategic fields of activities and potential areas of interventions.

Finally, if the development of a vision is a shared process, it enhances the mutual dialogue and cooperation in the organisation. By sharing dreams and ambitions for the future people make themselves known. This creates better mutual understanding and clearly shows the need and willingness for cooperation. So the process of developing a vision can in itself be beneficial to the organisation's wellbeing.

3.   What's in a vision?

The vision of an organisation comprises the following elements:

* mission / core business
* core activities / product and clients
* working approach and core values
* long-term goal

Let us see what is behind these words and look at some concrete examples as. It is also important to know what questions to ask to clarify the different elements.

Mission/core business

The mission of an organisation is in fact the reason for its existence. The French expression *raison d'être* nicely expresses this. Why are we here? Ultimately, the organisation does not serve a purpose in itself, but a purpose in its environment. If not, in the end it is deemed to disappear.

The mission of an organisation is largely determined by its core business, its main field of activity. The organisation, is it a school, a bank, a hospital or a training centre? Still, the mission of one primary school may differ from an other one.

The mission is the answer to the question: why are we here, what purpose do we serve?

A nice example of a mission is Walt Disney's. Their mission is formulated as 'to bring happiness to millions and to keep up healthy American values'.

The mission/core business of an organisation is probably the most stable element in the vision. In contrast to the other elements it will not change much over time.

Core activities/products and clients

If you know the core activities/products and clients of an organisation, you have in fact an answer to the question: how does the organisation try to realise its mission?

For example, the core activities of a university may include:

- education of students
- post-graduate distant learning
- scientific research paid by government
- applied research paid by commercial clients

Normally, this element of the vision combines part of the actual situation with new perspectives. Regularly, organisations must rethink the way in which they want to realise their mission.

Working approach and core values

Working approach and core values go hand in hand. Core values determine how we want to carry out our work, how we deal with each other inside our organisation and how we act in relation to people outside the organisation.

For example, the working approach of a training institute may vary from offering fixed training programmes to tailor-made programmes. One of the working approaches of supermarkets is that clients serve themselves. Alternatively, lots of small shops are still based on full service by the shopkeepers.

Working approach and core values are answers on the questions: what do we find important in our work? How do we want to carry out are work and deal with our colleagues, suppliers, clients and other stakeholders?

More and more organisations emphasise core values underlying the way in which they do business. Often this is primarily done to attract customers. However, it has certainly an important impact on employees as well.

A well known example is the Body Shop, which embraces the following values:

- we are big but at the same time small-scale, offering personal attention
- we do business with head and heart and are engaged to improve conditions for people, animals and environment
- we provide honest information about products and company
- we don't test products and ingredients on animals; we require the same of our suppliers; we campaign for a ban on animal testing of cosmetics
- we aim at honest trade with small communities around the globe (we call it "community trade")
- we stand for social responsibility, both at international and local level
- we care for the environment; in everything we do we take environmental considerations as much as possible into account.

In a well-developed vision, there will be tension between actual working approach and values on the one hand, and desired, formulated ones on the other hand. If the vision is

meant to make the organisation change for the better, such tension is necessary and fruitful. However, if there is a too large discrepancy between vision and actual practice, people in and outside the organisation may become sceptical or even cynical about so-called core values and core approach. Then the formulated vision may run the risk to be seen as something artificial, irrelevant, as a cover-up.

Core values change mostly because society and societal values change.

Long-term goal

As a vision is future-oriented and somehow must direct the members of an organisation, it is good practice to define one or more long-term goals. Depending on the dynamics of the business the organisation, such long-term goals can be specified for a period between five (professional services organisation) and 30 years (oil company).

Examples of long-term goals:

the Ministry of Water Resources in a southern African country wishes to achieve full cost recovery of their non-investment expenses by the year 2010;
a sports shoe factory wants to become world leader in 5 years time;
Shell Oil company wants to be firmly positioned on the market for solar and wind energy in 20 years time;
an organic food chain wishes that 30% of food sales in Netherlands is in organic food by the year 2005;
a TACIS-office (i.e. the national office that coordinates technical and financial support from the European Union to each of the countries of the former Soviet Union) has as long-term goal that the economy is transformed into a market-economy.

It must be noticed that so-called value-oriented organisations (like NGOs, green banking institutes, organic food shops, and some government offices) have long-term goals that go beyond the interest of the organisation itself. Once their specific cause has been adopted by well-established institutions, their reason for existence may be over. A good example of this phenomenon is that once regular supermarkets have adopted organic food in their mainstream, it will become very difficult for small organic food shops to sustain.

Slogan

Finally, it is worthwhile to formulate in one sentence the heart of the vision. A so-called slogan makes it easier to explain the vision and to keep the vision alive, especially in the environment of the organisation.

Examples of slogans:
"I have a dream"
"Health for all by the year 2000"
"Though we can't make it nicer, we can make it easier" (Dutch tax office)
"Let's make things better"

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4. Characteristics of a well-developed vision

Apart from the content, a well-developed vision shows a number of characteristics. It must be:

- challenging: the future as described in the vision should neither be too far nor too close by. In both cases the vision is not challenging. A vision must have an inherent tension between what is already there and what is not yet there.

- inspiring: this can partly be reached by stating the vision positively. Exclude everything the organisation does not want to be, but, on the contrary, emphasise what it aspires to be. Whether a vision is inspiring also depends on the way it has been formulated and on whether it still lives in the organisation.

- shared: in order to have the vision as a picture everyone can and wants to use and refer to, the vision must have been contributed to by the majority of the stakeholders. As stakeholders change, this also means that the vision has to be reviewed every three to five years. New employees also need to have the possibility to share the vision.

- binding: the employees or staff members should feel to be part of team. For this reason it is necessary that everyone can recognise his/her own individual vision, at least partly, in the vision of the organisation.

- giving direction: that means that the vision really visualises the future in a picture that is clear enough to serve as a beacon.

5. How can an organisation create a shared vision?

When the leader(s) of an organisation feel that the organisation needs a vision, either because it does not have one or because the existing one will not do anymore, the leader(s) can go through several steps to create a shared vision.

1. The first step could be that the leader(s) show their own "colour". In meetings and in discussions and perhaps even in the New Year's speech, the leader(s) start telling about how they see the future of the organisation. It is good to make clear that a vision is something to work on together.

2. Next, the employees should be given the time to talk about the vision and to think it over.

3. In the mean time, the leader(s) should observe the environment, inside as well as outside the organisation. What are the threats and opportunities in the environment they would like to react upon? Are there any indications that something new is going to happen and could the organisation be ahead of that? And in the organisation, what is the gap between the actual reality and the vision that once was presented? Are there possibilities and constraints that can be made use of or that can be taken into consideration?

4   The leader(s), with a team of representatives from the different levels and departments that are appointed to work on the vision, should listen. It is important to know everybody's individual vision of the organisation and everybody's future role inside or perhaps rather outside the organisation.

5.   All aspects of the vision need to be brought into line. All contributions given should be taken into account. This will require dialogue, a real attempt at understanding each other's points of view, rather than trying to convince each other.

6.   There needs to be close cooperation between the different listeners, in order to start formulating the vision. Everyone is important and nobody, and no department or working level should be neglected. Only when this part is completed, the vision can be formulated.

7.   Finally it is essential to check whether everyone can recognise his or her own contribution. If this is not the case it is necessary to clarify or even adapt the vision. Neglecting signals at this stage will break down the value of the process.

6. Conclusions

An organisation can do without a vision, but knowing the advantages of having a vision it does not seem to be advisable. Vision development is a time and energy consuming process. At the same time, the process of creating a shared vision itself gives the organisation and its employees a lot of satisfaction and motivation which might otherwise be missing. A shared vision can be a very valuable instrument to guide an organisation.

Example of a vision:
Institutional Strengthening for Private Agriculture (ISPA) Foundation, Rumania

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Mission/core business

The participants of the workshop formulated the Mission as:

"to unite and support (small?) agricultural producers to increase their income."

Core activities/products and clients

The strategy of ISPA, its core approach, is formulated as follows:

- *facilitating supply of inputs*
- *assisting agricultural producers in selling their produce*
- *provision of information and knowledge*
- *advocacy/representing interests of agricultural producers*

- *by organising income generating activities which support non-economic activities and*
- *by organising agricultural producers groups and building the ISPA Foundation*

- *in and around Judet Iasi*

Working approach / core values

The following core values were identified as being important:
- *Farmers' participation;*
- *Reliability and mutual trust;*
- *Quality;*
- *"Business like";*
- *Commitment.*

Long term aim (10-20 years)

The long term aim of ISPA (10-20 years) has been formulated as follows:

To build a strong, respected, reliable and financially & politically independent organisation, uniting committed ongoing agricultural producers of Judet Iasi, and if proven successful, of other Judets of Moldova region.

The Integrated Organisation Model

1.   Introduction

The Integrated Organisation Model (IOM) is a model that can be applied to describe, to analyse and to diagnose organisations. As any model, the IOM is a simplification of the complex reality in which so many different aspects all influence each other. The model should help to answer the relevant questions that are posed. Further, the usefulness of a model depends in general to a large extent on the specific situation, the questions posed and the user's know-how and ability.

The IOM is an integrated (or integral) model to emphasise the interrelationships of the different elements of an organisation: although the elements can to a certain extent be treated separately, they are all connected to each other and - ideally - in balance. When there is no or no clear balance (fit) between the different elements within an organisation or organisational unit, the organisation will not function optimally and the need for organisational change will be or become apparent.
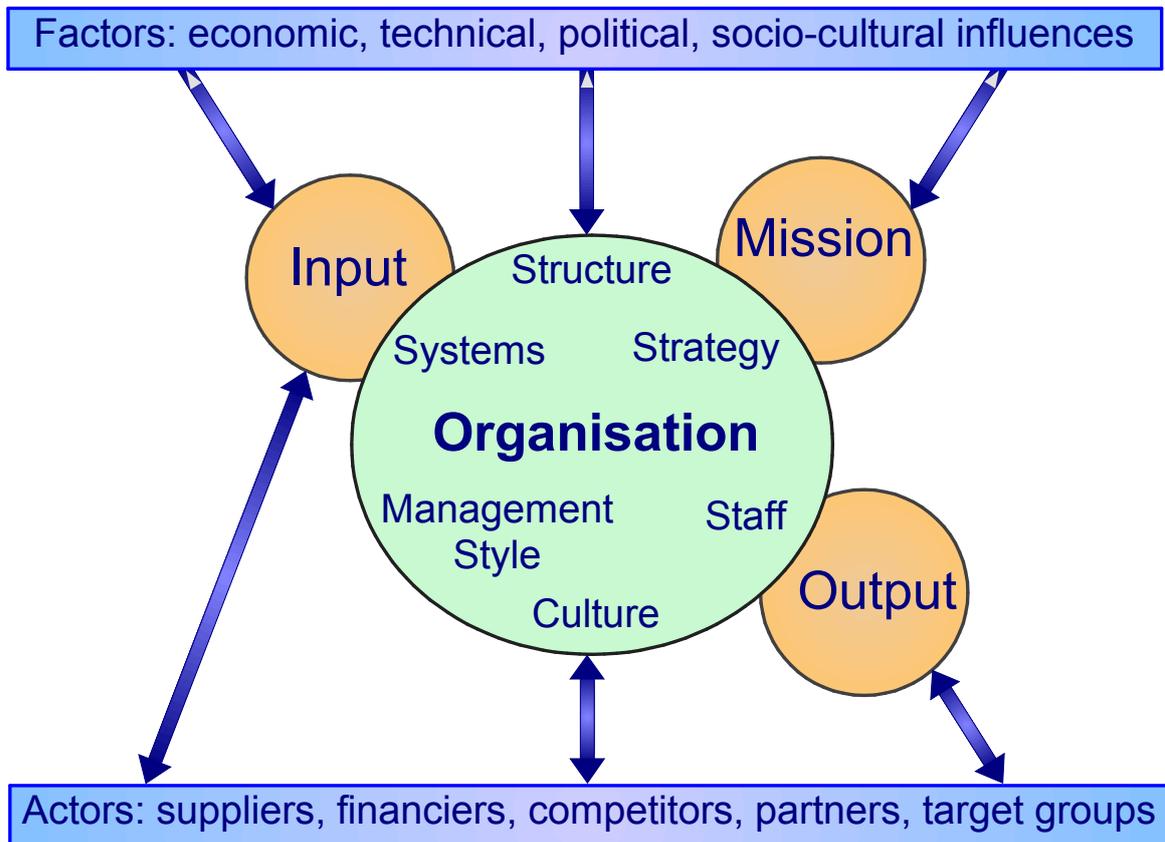
The IOM offers an overall tool to put the various elements of an organisation in their place, being it a government department, a non-government organisation, a local government, a people's organisation or a private enterprise wherever in the world. If you look at organisations using this model you wouldn't overlook the most important elements. However, it is an overall model, and instead of seeing it as a tool, one might rather refer to it as an organisational concept. To analyse an organisation in depth, you may need more specific tools, depending on the exact aim of the analysis. In addition, whether the 'image of the organisation' generated by applying the model is correct, depends of course much on the qualities and experience of the user.

2.   The IOM: describing the model

2.1   Introduction

The Integrated Organisation Model consists of 5 external components: mission, output, input, general environment and specific environment and 6 internal components. The external components, mission, outputs, inputs factors and actors describe the environment of the organisation or have strong relations with this environment. The internal components describe the internal organisational choices. The model is called integrated because there is a balance between the components.

Fig. 1 Integrated Organisation Model

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Factors: economic, technical, political, socio-cultural influences
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Input

Mission

Structure

Systems   Strategy

Organisation

Management   Staff
Style

Output

Culture

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Actors: suppliers, financiers, competitors, partners, target groups
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2.2   The external components of IOM

2.2.1 The mission of an organisation

The mission of an organisation is its 'raison d'être', or in other words, the overall objective(s) and main approach that explains why the organisation exists and what it wants to achieve with which means.

This overall goal is translated in the strategy into concrete, operational objectives and activities. The mission is important because it gives direction to the organisation. A good mission indicates the possibilities and limitations: what the organisation should do and what it should not do. Organisations are gradually paying more attention to formulating their mission. Mission statements are prepared and disseminated among their personnel in order to create a sense of common ideology and direction, a shared set of values. They are usually not only outside- or client-oriented (the type of products/services to deliver), but also comprise aspects of the internal functioning of the organisation (e.g. the participation and self-realisation of personnel).

Example mission statement of the International Management Training Institute:
To contribute to improved effectiveness of development organisations through the provision of management training and advice.

Possible core problems with a mission statement:
• A mission that is not being supported by staff
• Tasks that are conflicting with the mission (e.g. an independent auditor being involved in financial services. A public institute being involved in commercial activities)
• Unclear mission that does not give sufficient direction

2.2.2 The output of an organisation

The output of an organisation comprises all material and immaterial products and services delivered by the organisation to its various target groups (clients or customers).

To have a clear understanding of an organisation, it is essential to describe its output in terms of the products and/or services produced and delivered to its target groups (clients/customers). The performance of the organisation is measured by the quality and quantity of these outputs. Products and services can be for example, cookies produced by a bakery; extension services delivered to farmers, knowledge, skills and attitudes induced by a training institute or health services delivered by a local government department. Important aspects in describing and assessing the outputs are the following:

- **The quality** of a product or service determines to what extent the products and services match the needs/demands of the target group. To what extent is the target group satisfied with the products and services delivered.

- **The quantity** refers to the volume of products delivered or the number of clients served.

- **The coverage** can be described in terms of geographical coverage or in different types of target groups (income, social position, gender, etc.).

- **Experience** refers to how long have the products and services already been delivered by the organisation. Did it develop specific knowledge on these specific products and services?

- **Specialisation** implies the extent to which the organisation is specialised in certain products and services or whether it has a large range of different outputs.

Core problems with outputs:
• Inadequate quantity or quality of the outputs to satisfy demand of target groups
• No clear definition of the outputs

2.2.3 Inputs

The inputs of the organisation include all the resources available for generating the products and services of the organisation.

The following categories of inputs and resources can be distinguished:

- **Staff**
  This includes the available staff in terms of quantity, qualifications, age and experience, geographical coverage, male-female ratio, ethnic grouping, permanent versus temporary staff, etc.

- **Buildings and installations**
  Type, quantity and quality of the buildings and installations used for the delivery of goods and services.

- **Equipment, tools and materials used**
  Description of available equipment, tools and materials used for the production of goods or the delivery of services in terms of quantity, quality, condition, etc.

- **Services of third parties**
  E.g. electricity, water, insurance, accountancy, etc.

- **Information**
  Information used from research institutes, statistics etc. for the running of the organisation.

- **Finance**
  How is the organisation financed? Are there liquidity problems? What is the capital structure? Is the financing fixed (fixed budget) or variable? To what extent is the management entitled to (re)-allocate funds?

- **Natural environmental resources**
  Natural resources (those transferred into products and those wasted during the transformation process). What is the environmental impact of the organisation? Which natural resources are used in the production process and which resources (air, water, earth) are affected?

Core problems in relation to the inputs can be:
- Too few means for the tasks required (buildings, equipment, staff etc.)
- Insufficient quality of the inputs (bad tools, limited knowledge etc.)
- Insufficient access to inputs (dependency on government, no access to credit etc.)

2.2.4 The general environment of an organisation (<u>FACTORS</u>):

With general environment is meant the complex set of political, economic, technical, social and cultural factors that influences this (type of) organisation.

The general environment influences the performance, creates opportunities and threats, influences the demand for products/services, the supply of inputs, the internal organisation and the possibilities for collaboration and competition.

Negative external factors that often appear:

- Political climate not being conducive
- High inflation/unstable currency
- Insecurity/
- Limited rules and regulations
- Insufficient control of rules and regulations
- Inadequate infrastructure
- Social-cultural resistance (e.g. gender)

2.2.5 The specific environment (<u>ACTORS</u>):

The specific environment comprises of the relations with those actors that the organisation is directly dealing with.

These relations may include:

- **Formal/vertical linkages**
  With head offices, branches, regional officers, other departments. What are the formal and informal linkages, horizontal as well as hierarchical.

- **Customer and target groups**
  What kinds of relations do exist with customers and target groups? What is the organisation's attitude towards customers and target groups? How do the latter view upon the organisation (does the organisation have legitimacy from the point of view of customers or target groups)?

- **Competitors**
  Are there any competitors in the environment that deliver the same (type of) products and services? What is the relation between the organisation and its competitors? How is the market divided between them?

- **Suppliers of inputs**
  Financiers, suppliers of material inputs, research institutes, etc.

- **Policy makers and regulators**
  Local governmental organisations, politicians, pressure groups and interest organisations (e.g. labour unions).

Some common problems with actors include:
- Bad image of the organisation
- No competition
- Unreliable suppliers
- No access to financiers
- Insufficient collaboration with others
- To much influence of politicians on operational level
- Too little or too selective networking of management

2.3 The internal components of IOM

2.3.1 Strategy

Strategy refers to the way the mission is translated into concrete objectives and approaches.

The strategy of an organisation can be defined as the long-term plan of action of an organisation to realise its objectives with the available means (inputs). A strategy aims to give direction to the activities of management and staff. A condition for giving direction to the organisation is that the objectives and activities are clear, concrete, realistic and acceptable to the various parties involved. In general we can distinguish long term (5-10 years), medium term (1-5 years) and short-term (up to 1 year) strategies.

It is not always true that strategy is the result of a planned process. Strategies might be developed in a spontaneous way, because managers in the organisation have become aware of changes in the environment and as a result change the way in which the objectives will be achieved. Regular meeting on staff level can have the same result: changing strategies. Strategies should evolve constantly when the environment changes.

Core problems in relation to strategy:
- Lack of clear plans (ad-hoc policy, no vision)
- Plans are not realistic, too ambitious, not based on an adequate analysis
- Plans are unclear or no accepted
- Plans are not monitored and followed
- Plans do not give direction

2.3.2 Structure

The structure of an organisation can be defined as the formal and informal division and coordination of activities and responsibilities.

This component of the structure of the organisation includes the division of the organisation in groups (units/teams, departments, divisions, etc.), the division of tasks, responsibilities and powers among people and groups and the way the coordination of activities between people and groups is taking place.

The formal structure refers to the responsibilities and powers as they are formally described. The informal structure includes the responsibilities and powers in practice, including the informal relations for communication and coordination.

In general, relatively much attention is paid to formal organisational structures (neatly described in *organigrams*) and far less to informal communication and adjustment between groups and individuals in organisations. Though the formal structure may provide an impression of an organisation often the real functioning of an organisation cannot be understood without explicitly addressing non-formalised linkages within the organisation.

Important structural problems can be:
- Unclear division of tasks and responsibilities
- Inadequate (de-central) powers for execution of tasks
- Inadequate co-ordination between units/departments
- Too much difference between formal and informal structure

2.3.3 Systems

The aspect of systems comprises the internal processes that regulate the functioning of the organisation.

A process is a sequence of activities aimed at a certain result. A system is a set of agreements that aims to regulate the activities of management and staff with one or more related organisational processes. As such, systems are agreements about and give direction to the internal processes.

These internal processes can be divided into:

- **Primary processes**: directly focused on transformation of 'inputs' into 'outputs'. These include working methods and techniques.

- **Control processes**: focused on control of other processes. These include feedback, monitoring, communication decision processes, etc.

- **Strategy formulation (policy) processes:** focused on the formulation and adaptation of the organisations strategies. This includes the planning processes.

- **Support processes:** aimed at supporting the primary and other processes. This includes the financial-administrative and logistic systems.

- **Improvement processes**: aimed at improving the quality of other processes. These include research and development, quality care and evaluation activities

Systems can be described, based on clear agreements, in a procedure. A system does not have to be formally described. Informal agreements can also form a system sometimes even more important than the formal ones. Various informal systems may exist and even contradict and overrule the formal written ones. Good systems create clarity about what has to be done when by whom. Good systems enhance the efficiency of processes and reduce coordination and communication problems. More and more good systems are being seen as immaterial assets of the organisation, which are as important as the material assets.

Problems with systems in the organisation:
- Unclear or not accepted procedures
- Ineffective procedures, based on blue-prints from other organisations
- Too much emphasis on procedures and on control of everything in the organisation (bureaucracy)
- Inefficient procedures, with unnecessary and double work
- Systems that limit the flexibility of staff too much and hinder in finding new and creative solutions for unforeseen problems
- Systems that are difficult to adapt to changing circumstances (rigidity of systems)

2.3.4 Staff

The component staff refers to all activities, rules and regulations related to staff motivation and utilisation and development of staff capacity.

The behaviour of people in an organisation is of crucial importance. In some organisations you need more creative persons and in other ones more formal 'procedure' people, but usually combinations are most fruitful. The behaviour of people is a result of a complex process in which the personal characteristics are integrated or adapted to the organisation and its environment. Well-functioning of people within organisations is very much determined by a good balance and integration of both factors: organisation/environment and personality.

Some major elements staff policies are:
- staff selection (hiring and firing)
- staff appraisal
- staff motivation systems
- career opportunities
- staff training possibilities

Some common problems:
• No clear criteria and procedures for selection of staff • Rewards system based on relation in stead of performance • Unclear reward systems • Unclear career possibilities • Training the wrong staff/ training does not relate to job contents

2.3.5 Style of management

The style of management can be described as the characteristic pattern of behaviour of the management.

The management function includes strategy formulation, organising, steering/ controlling/monitoring and problem solving. The manager brings together the objectives, the strategy, the people and the means. Planned activities have to be realised and the manager's main task is to steer and coordinate, using systems, procedures and regulations, but also informal communication.

A management style consists of two major components:

- Where does a manager put priorities? Which aspects does he/she feel are important and how does the manager spend his/her time:

    - internal or external relations
    - people or means
    - relations or performance
    - inputs or outputs
    - quality or quantity

- What is his/her attitude in making decisions? E.g.:

  - participatory or directive/authoritarian
  - risk taking or risk avoiding
  - long or short term oriented
  - formal or informal
  - rational or intuitive

Problems in the management style can be:
- Priorities that do not match with those needed by the organisation
- Attitude that does not fit with the culture of the organisation
- An attitude which leads to slow, unfounded or not accepted decisions

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2.3.6 Culture

The culture of an organisation is defined as the shared values and norms of people in the organisation.

In general the organisational culture is expressed in the way the organisation is structured, relations between management and staff, relations among staff and how the organisation deals with the external actors (target groups, suppliers, financiers, etc.) The aspect 'culture' refers to the reasons (the norms and values) why 'things are done the way they are done'. In this sense culture influences all other aspects of the organisation.

Organisational culture reflects the norms and values of individuals, groups or the organisation as a whole. There may not be just one organisational culture, but rather different sub-cultures that may be complementary or rather conflicting and striving for supremacy. Problems in the various elements of the organisation will appear if there are too many people with different views on the organisation and their functioning in the same organisation. The same is true if the organisational culture does not comply with the culture of the national, regional or organisation-specific environment of the organisation. Certain organisations seem to have a rather strong collective culture: either different sub-cultures are incorporated in the corporate culture or they are completely absent.

Attitude towards	Examples of priorities
Influencing external factors	Emphasis on opportunities or threats
Other stakeholders	Who has priority: owners, target group, financiers. supplier, government
Inputs	Emphasis on people or means
Outputs	Emphasis on quality or quantity
Strategy	Emphasis on long or short term
Structure	Formal or informal central (control) or de-central (trust)
Systems	All regulations or all free (flexibility)
Management style	Authoritarian or participatory
Personnel	Relations or performance
Internal relations	Taking responsibility/avoiding responsibility Punctuality Openness Giving and taking feedback Tolerance

Important means to create a strong culture include selection of new personnel and deliberate socialisation processes, in which people are taught how they are expected to think and to behave within this organisation.

Some problems in relation to organisational culture:
- Priority on informal relations with strong formal structure and systems
- No attention to plans and strategy of the organisation
- Cooperation between strong hierarchical organisation and participatory approach of partner organisation
- Friction between culture of the organisation and culture of target groups

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3.   Assessing organisations: criteria for judgement

3.1   Introduction

To judge an organisation, a number of criteria can be applied using the description of the organisation under the various parameters. Six criteria are suggested below: suitability, legitimacy, effectiveness, efficiency, continuity and flexibility. In principle, the organisation can be judged on every individual parameter described before. In practice, a judgement will be made on a combination of parameters. As an indication, for every criterion the most relevant parameters to be included are given.

3.2   Suitability

Suitability assesses whether or not an organisation is fit to carry out required activities to deliver specified products/services.

Not all organisations are equally suitable to assume responsibility for the sustenance of the yields of development efforts. The type of activities in which the organisation has been involved until now, its size (one should be very careful to avoid overloading successful but small organisations with too many resources and responsibilities), and with that the absorption capacity, the nature of the organisation and various other factors play a role.

In applying this criterion it is important to look at:

Mission	Does the planned activity fit into the general objectives of the organisation?
Inputs	Does the organisation have sufficient resources (human, material, etc.) to carry out these activities? Does the organisation have a sufficient basic level of resources to be able to grow?
Outputs	Does the organisation have sufficient basic experience and affinity with the planned activities?

3.3   Legitimacy

Legitimacy deals with the acceptance and imbedding of the organisation in its environment.

An organisation has to fit in its environment and requires adequate relations various other organisations, institutions, public, target groups, etc.

In judging legitimacy attention has to be paid to:

Mission	Are the overall objectives accepted by society?
Outputs	How does the target group perceive the quantity and quality of the products and services? How long is the organisation already involved in these products and services? Which effects do the outputs have on the environment?
Relations	What is the image of the organisation? Which position does the organisation have among the other actors? Are the relations with financiers, suppliers, partners government adequate?
Factors	Which social, cultural and political developments influence the image? Which regulations influence the position of the organisation and its activities?

3.4   Effectiveness

The effectiveness of an organisation can be defined as the extent to which the products and services actually meet the needs of the target groups (customers/clients).

Effectiveness differs from the quality of a product or service. For example, an extension training can be of high quality (well-trained extension officer, well-prepared manuals, adjusted to the audience), but very ineffective if the necessary fertilisers to use the knowledge are not delivered in time; or if only men attend the training, while the crop concerned is cultivated by women.

The most important aspects to judge effectiveness:

Outputs	What are the quality, quantity and diversity of products and services in view of the mission?
Actors: the target group	To what extent do products and services fulfil the needs of the target group?

3.5 Efficiency

Efficiency refers to the utilisation of resources (inputs) in relation to its outputs.

The question here is to find out whether the inputs are used in an economic way in order to produce services or products. The organising component determines this relation between the inputs and outputs. How many villages are under the responsibility of one extension worker, how much does the extension department cost in order to cover a region, what is the relation between the non-productive (overhead) versus the productive parts of the organisation, etc.? In addition to norms, which however do not always exist in these fields, comparisons with other similar types of organisations may give an indication of the efficiency achieved. Costs and benefits are compared in financial, economic and social terms. It is difficult to fix norms to judge an organisation, especially for government institutes or development organisations. They operate in a specific field that can hardly be compared to the field of commercial organisations, who have markets, sales and costs that can be measured more easily.

Hard norms are rarely applicable, because figures like those presented in balance sheet or profit and loss accounts hardly exist in the development world.

Outputs	Could the organisation produce more with the same means?
Inputs	Could the organisation produce the same products and services with fewer means, including time spending?

3.6 Continuity

Continuity (sustainability) is the probability that an organisation is capable to continue (sustain) its core activities for an extended period of time.

Continuity is an important overall criterion, especially since one of the main aims of cooperating with existing organisations is a sustainable flow of benefits after termination of specific attention or outside assistance. One would like to know whether the organisation is likely to persist and therefore, whether it is worthwhile to invest in cooperation with the organisation and/or in strengthening the organisation concerned.

Outputs	To what extent is the organisation capable of delivering products and services that are needed?
Inputs	To what extent is the organisation capable of securing its inputs?
Actors	To what extent do other actors support the organisation?
Factors	Are there major threats to the organisation?
Strategy	Does the organisation have an adequate strategy to address major threats and opportunities?

3.7 Flexibility

Flexibility is the ability of the organisation to adapt itself to a changing environment.

Development interventions often intend to provide new, additional products and services. Another characteristic of development interventions is that innovation, horizontal cooperation and coordination between a number of organisations is required. Consequently, it is necessary to establish whether an organisation has the flexibility to adapt itself in order to play a role in the intervention.

Major aspects to address flexibility include:

Inputs	To what extent can buildings, machines and installations be adapted to changes in the situation? To what extent is the staff capacity adaptable?
Outputs	To what extent can the organisation change its products and services?
Structure	To what extent can the organisational structure be adapted?
Systems	To what extent is it possible to change the systems?