

Civil Society Organizations in South Africa: a focus on capacity

By Hermine Engel, November 2008 (published in Planact Annual Report, 2008)

Introduction

Together with CASE and Afrika Skills Development, Planact undertook to conduct a study into the state of civil society organizations (CSOs) in South Africa today. The study was commissioned by the National Development Agency (NDA) to provide critical and strategic information to assist the agency in building and strengthening capacity in the sector. Planact regarded the study as a valuable opportunity to share local civil society perspectives on the ways in which the NDA could improve its ability to fulfill its role in supporting CSOs more effectively.

The methodology and scope of the study was largely determined by the NDA's request to conduct a national study within a period of three months. Based on the broad scope and limited time available, a three-phased approach was used to gather information which the NDA could build on over time. The approach included interviews with civil society actors who were considered to have in-depth knowledge of civil society in South Africa; a desktop compilation of a database of CSOs across the country; and a qualitative case study component including a telephonic survey and site visits to also generate information on assessment strategies.

As a starting point, a working definition of civil society organizations was developed in order to clarify which organizations would be included in the enquiry. While it is acknowledged that civil society in South Africa is diverse in its function and structure, the working definition used for this study allowed us to focus on "organizations that play a developmental or service delivery role as these are the organizations that the NDA is mandated to work with"¹. More specifically, CSOs included in this study would be those existing for public benefit; with a common purpose usually around service delivery, social watch, research or education; occupying the space outside of the state or market, self-governing; and who do not distribute profit.

The Broader Context

If we consider both the global and local context within which CSOs civil society is operating in South Africa today, it becomes clear that the sector finds itself in tight competition for resources, and has to meet the demands of often stringent "good governance" criteria demanded by donors. The particular national historical context of apartheid and the transition to democracy has also profoundly influenced civil society. It has moved from political mobilization against the state to a situation where it had to reconfigure its role in relation to the democratically elected ANC-led government. The issue of independence from the state became more and more critical towards the end of the 1990's as many of the promises remained unfulfilled. This led to the sector positioning itself more strongly as "the voice of the people against the state, an essential role in ensuring accountability in a stable democracy"². At the same time, civil society was experiencing a "brain drain" of leadership and experts into government and business thus negatively affecting capacity in the sector. But there has also been an emergence of many small locally focused community based organizations directly responding to community needs, including stokvels and cooperatives as poverty alleviation strategies.

¹ NDA, 2008, "Review of the State of Civil Society Organizations in South Africa"

² All the following direct quotations are from interviews with civil society actors

These developments have had a number of implications for the role of civil society organizations today in redefining their role and their relationship to the state and the private sector and to communities they serve. Many CSOs have had difficulty in playing the role of both partner and critical evaluator of the state as a result of being financially dependent on government in many cases or because the space for critique is seen as closing down. As “implementers for government”, there is the fear that civil society voices will become quieter in challenging the state to deliver and to ensure that citizen’s participation is effectively addressed. The importance of civil society organizations should be understood in terms of “the value they provide to communities and society as a whole” – linked to the promotion of democracy, and not just for “their functionality in delivering a service” which is in fact the state’s responsibility. Recognising the diverse roles of civil society organizations is important in “assessing their health and the health of the sector” which should also inform the support they require in terms of skills development and resources.

Considering the above context, the following areas of enquiry were used as an initial investigation into indicative trends of the current “health” of civil society organizations in South Africa: the nature of CSOs; capacity and constraints; accountability; effectiveness; and sustainability. The findings were based on a survey with a representative sample of 265 CSOs drawn from the database of 2579 CSOs developed from existing sources.

Overall nature of CSOs

In terms of location and reach, the findings reflect a trend where more formalized CSOs tend to be based in better resourced urban areas such as in Gauteng and in the Western Cape. Organizations in poorer provinces such as Limpopo and Eastern Cape tend to be less formal CBOs who have more difficulty in meeting NDA funding requirements even though they are often more in touch with community needs.

While the CSOs surveyed cover a broad range of focus areas in their work, a large percentage are involved in education; children’s issues; HIV/AIDS; community development; capacity development / training; and gender issues – which indicate a match with the key development needs of the country. The study highlighted that more organizations are involved in service delivery and capacity development and far fewer focus on advocacy alone.

Capacity and Constraints

Most organizations raised concern about not having sufficient human resources as a result of high staff turnover and limited staff capacity in general to achieve their objectives. Key challenges in this regard include the inability of CSOs to pay competitive salaries; burn out due to demanding nature of the work and limited career pathing. The majority of organizations surveyed operate with a small staff component (ten or less people) and many also rely on volunteer staff for additional capacity. It was also noted that most organizations invest in training of staff either largely through external training but also through in-house training to further develop their capacity.

It was encouraging to note that most organizations had access to key assets such as cars, property, and communication technology (telephone, computer, fax, email, etc.) although less had access to internet. Yet respondents also indicated that “some organizations may not be totally maximising the resources at their disposal”.

Financial resources remains a major challenge for most CSOs as a result of a change in funding patterns after 1994 since donor funding is now largely channelled to government. Many CSOs also cited accessing donor funding as difficult due to stringent application and reporting procedures. Access to funding at the local level in particular was also seen as a challenge. Funding seemed to be more readily available for programmes and projects than for infrastructure and staffing.

Accountability

There has been an increased focus on accountability and management largely as a result of donor requirements but also government policy. Most CSOs reported having key financial controls in place and highlighted the value of having a dedicated staff member to manage the organization's finances.

In terms of accountability to staff, effective communication was highlighted by respondents particularly internal participatory consultation among all staff through regular staff meetings and also performance assessments of systems and staff. The majority of CSOs surveyed indicated that the Annual General Meeting was used as an opportunity to share information about the organization with both internal and external stakeholders.

Governance structures such as accountability to and by a board of directors, was also highlighted as an important area of consideration. The most common structure is a board of directors or trustees made up of five to ten people who meet regularly. While most respondents indicated that they had a well established and functioning board, concern was also raised by a few that "it is often difficult to get them to attend meeting and to be involved in decision making" and that some members have limited skills and do not clearly understand their role. Most boards are more directly involved in policy decisions, financial management, appointment of directors and less so in operational issues since this was not regarded as an area requiring their direct attention. Concerns were raised about CSOs who were more dependent on board involvement in daily operations, which points to a lack of managerial capacity in such cases.

Effectiveness

In assessing whether organizations were effective in terms of meeting the needs of the target community, the study focused on the vision and mission of organizations and the monitoring and evaluation mechanisms they had in place. The large majority of organizations surveyed had formalized mission and vision statements but concern was raised that within the context of competing for limited financial resources, some organizations often lost sight of their stated vision and mission. However, many organizations also engaged in a process of re-evaluating their purpose through regular strategic planning sessions. A large majority of the organizations (92%) engaged in formal monitoring processes to get a sense of their effectiveness in meeting their goals and to improve their work. These involved monitoring implementation time frames, budget considerations, ways to improve service delivery, and feedback from communities. The study indicated that more external evaluations were necessary for a better perspective.

Sustainability

The results indicate that there is a base of well-established organizations in the sector (about a quarter have been operational for more than 10years), while there is also fluidity in the sector with about 12% of new organizations established in the last two years. In terms of funding sources, most organizations surveyed rely on corporate donations (60%), private individuals (62%), and on

funds obtained through services provided (60%). In terms of government funding, 44% of organizations surveyed receive government grants and 28% receive funding through government tenders to provide services. Indicative of the trend that CSOs are receiving less direct international donor funding, the study noted that 36% of organizations surveyed received international donor funding. Many respondents cited networks and memberships as valuable in supporting sustainability.

Assessment for continuous improvement

Many of the respondents expressed conditional support for grading CSOs particularly if its role was to be seen as “one of continuous learning and self-improvement” and if the processes were linked to wide consultation within the sector. Respondents cautioned against traditional approaches which emphasised compliance and control which had more potential for abuse of power relationships between donors and CSOs. Among the more progressive, creative approaches, the self-assessment tool was regarded as valuable in confirming good practice and identifying areas for improvement. Most of the organizations involved in testing the self-assessment tool developed for the study, expressed positive reactions such as, “it helped you to reflect back on your organization and some of those things that you were not looking deeply into”. The study strongly emphasised that the purpose had to be clearly indicated before embarking on such a process.

Recommendations

Based on the mandate of NDA and the findings of this study, it was emphasised that the NDA should support organizations closest to communities which are often less formal and less well-resourced. It was also recommended that this support follow an incremental developmental approach to best support the development of these organizations. The NDA should therefore partner with relevant experienced intermediaries to provide capacity development support to the organizations funded by the NDA. The NDA itself should play the *main role* of donor by channelling funds to organizations as identified through its mandate.

An important consideration for the NDA should involve a clear understanding and appreciation for the role of civil society in South Africa. Since many organizations are involved in the role of “service delivery agents to government”, the NDA - as a government agency - should be actively supporting these organizations so that “the poor are not burdened with the cost of delivery”. However, the NDA should also support organizations to give voice to community concerns about the lack of service delivery in certain areas i.e. to support the development of advocacy capacity among organizations as indicated by a respondent, “a strong democracy relies on a strong civil society actively participating in debate on policy”.

With regards to the controversial issue of assessment, the study recommends that the NDA implement “a system of continuous learning and improvement”. But this will require clarity about the purpose and a consultative participatory approach. Self-evaluation is strongly recommended and assessment should take place on a case by case basis, taking into account the unique contexts of the particular organization.

It is important for the NDA to maintain a CSO database. This will help the NDA in developing and maintaining relationships with organizations and in encouraging networking possibilities between organizations. Such a database should be continually updated and should be publicly available.

Noting that there are existing databases, the NDA should work with departments and organizations such as DSD and Sangonet to develop “a more comprehensive database”.

In conclusion

While the findings of this study are considered reflective of the general trends noted by key civil society actors, it is strongly recommended that the NDA and also other organizations follow up on this initial investigation to verify the trends and to expand the issues under investigation. Further continuous study on the state of civil society in South Africa is important so that we can get a clear sense of where improvements are required to respond effectively to changes in the local and also global socio-political and economic contexts shaping our societies.