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Institute for the Study of Human Rights

Project and Organizational Development for NGOs and CBOs

A Handbook
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PART I

PROJECT MANAGEMENT

A. POLICIES, PROGRAMS AND PROJECTS: PROJECT DESIGN IN CONTEXT

Why are these concepts important?

A good project proposal can convince a donor that you are going to use their money wisely. But a well-designed project is not just a fundraising tool. It also helps you, once you have obtained funding, to plan your project activities, identify what is important, find out whether you are achieving your objectives, deal with unforeseen events more easily, and provide an account to your donors how – and for what -- their money was spent.

What is the principle behind the methodology for project development?

It is called “results based management”, that is, making your plans on the basis of a needs assessment to map out where and why you want to intervene, defining the impact that can be expected from your contribution, and then work out what your organization has to do in very specific terms to achieve that result, in a way that can be measured.

What do the donors want to know?

When they review your proposal, they will ask:

- Why do you want our money?
- What will you do with our money?
- What will you achieve with our money?
- How much of our money do you want?

When they review your reports, once the project has started, they will ask:

- What did you do with our money?
- What did you achieve with our money?
- What went wrong, or was different from what you had expected?
- What lessons were learned?

What are they looking for?

- Timeliness: are you meeting deadlines?
- Consistency: do your proposal and your reports tell the same story?

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1 The instructor will have copies of three key documents that were used as sources for this chapter: the ILO’s “Child labour, A guide to project design”, written by Alec Fyfe; the European Commission’s Directorate General for Humanitarian Aid’s “Manual, Project Cycle Management”; and the UN Population Fund’s handbook for its “Results-Based Management Orientation Workshop”. Anthony Land, Fordham University, also contributed some ideas.
• Quality: sufficient detail so your proposal and reports do not sound vague or evasive; evidence of logical planning; monitoring and evaluation of activities and results; financial reliability; a good exit strategy or handover to the community – sustainability.

Policies, programs and projects

These terms may be confusing, but they are all connected, and they describe the architecture of development planning.

A policy is a public commitment to a high and broad goal, like eliminating child labor or combating HIV/AIDS, and it is often in line with international standards or conventions. It is usually adopted at a national level as part of a government’s priorities.

A program is comprehensive and coherent set of projects or actions based on public policy at the national or regional level, and it usually involves a wide range of ministries working together (such as the ministries of health, education and labor in an HIV/AIDS program), and it often covers a broad geographic area, sometimes an entire country, sometimes a major region, like Darfur.

A project is a building block in such a program. It is more limited in scope and time, and has clear deadlines. It often works with one particular target group (for example, children) in one particular sector (such as health), in a well-defined geographical area, such as Kalma camp in Darfur – the project might, for example, be to establish basic pediatric care services for all the children in the camp.

The project development cycle: not a circle, but a spiral – going upwards!

In developing an implementing a project, you go through six essential phases:

• Identification of the problem you want to address
• Defining and understanding the problem – situation analysis
• Planning a course of action – formulating the project document
• Implementing the course of action
• Checking on the progress of the project - monitoring
• Evaluating the effect and impact of the project

This can be described as a cyclical process, because a good project evaluation brings up lessons and insights that can be used to improve existing projects, and to formulate more effective projects in the future. If your project is one building block of a larger program, the entire program will benefit from those lessons learned, and the next phase of the program can be designed on the basis of the experience gained. So one should not really draw a circle to describe this, but a three-dimensional spiral, a staircase going up and around…..

What makes a good project?

There are four yardsticks to measure the quality of a project:
• Is it relevant? Does it really tackle the problem it sets out to address? If the problem, for example, is that the children in the village can’t read, is a new school the best answer, or should one look at the parents’ attitude to education, the shortage of teachers, the lack of money in the village’s budget, the need for labor in the fields, or the government’s lack of investments in the social sector? Does the project have a credible “entry point”?  
• Is it feasible? Is it likely to achieve its objectives? What risks does the project face? What resources – financial and human - does it have? How realistic is it?  
• Is it cost-effective? What is the relationship between the cost of implementing the project and its expected benefits? Is there a strategy that would have achieved the same results at lower costs? For example, sending all the children in the village who can’t read to an expensive boarding school would probably improve their literacy, but the cost would be immense, and the impact on the community would be very destructive. So building a school might be a more cost-effective strategy.  
• Is it sustainable? Can it go on delivering its benefits after the external assistance has come to an end? For example, with there be teachers for the school, money to pay them, parental support, good educational policies from the government – long after the school has been built, and the project has closed down?

B. KEY ELEMENTS IN PROJECT DESIGN

A well designed project starts with a written document which is logical and complete. It describes what will be done, who will do it, and how long it will take. It describes the situation as it was before the project started, so you can evaluate its achievements and impact at the end. And it creates a contract, an agreement that describes the duties and responsibilities of all the people involved.

Identifying the problem, assessing the needs

The most difficult part of designing a project is to know where to begin, and what questions to ask. To decide where to begin, it often helps to draw a “problem tree” – looking at the problems behind the problems, establishing a “causal stream”.

For example, you are concerned about the low income of family farms in your village. A “problem tree” would look like this:

• Low family farm income, because of
• Declining crop yields, because of
• Severe soil erosion, because of
• Farmers using improper plowing techniques, because
• Farmers are unaware of the benefits of contour plowing, because
• They have no access to agricultural extension services or information.

So where should your project intervene? Work directly with the farmers, or try to build capacity in the rural agricultural extension services? Both strategies could make sense, and it depends on the profile and capacities of your NGO which approach you choose.
You would ask questions such as:

- **WHY** is the project being undertaken? Sample answer: low family farm income…
- **WHAT** specific aspect of the overall problem justifies the project? Sample answer: the lack of rural extension services…..
- **HOW** does the project fit into any local, regional or national programs? Sample answer: it would strengthen the very weak governmental agricultural support services, and work with them, not apart from them…..

**Stakeholder’s analysis**

The “stakeholders” in a project are all the people or organizations who either stand to be affected by the project, or who could “make and break” the project’s success. They may be winners or losers, included or excluded from decision making, users of results, or participants in the process. Stakeholders analysis is the mapping of a project’s key stakeholders, who they are, what interests they have in the project (positive or negative), and how these interests can affect a project, “make or break” it.

Such a mapping activity will help you identify:

- Which individuals or organizations to include in your “coalition” or network
- What roles they should play, and at what stage
- With whom to build relationships, which relationships to nurture
- Whom to inform and consult about the project

You can use a matrix that would look like this:

<table>
<thead>
<tr>
<th>Influence /importance</th>
<th>High influence</th>
<th>Low influence</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>High importance</strong></td>
<td>Stakeholders who can gain or lose a lot from the project, <em>and</em> whose actions can affect the project’s ability to meet its objectives</td>
<td>Stakeholders who stand to gain or lose a lot from the project <em>but</em> whose actions cannot affect the project’s ability to meet its objectives</td>
</tr>
<tr>
<td></td>
<td>These actors are powerful – you need to develop good relationships</td>
<td>These actors lack power – but you need to make sure their interests are fully represented</td>
</tr>
<tr>
<td><strong>Low importance</strong></td>
<td>Stakeholders whose actions can affect the project’s ability to meet it’s goals, <em>but</em> who have little to gain or lose from the project, <em>and</em> whose actions have little influence on the project</td>
<td>Stakeholders who have little to gain or lose from the project, <em>and</em> whose actions have little influence on the project</td>
</tr>
</tbody>
</table>
Project strategy

First of all, you need to determine **who is going to benefit** from your project, who will be its beneficiaries. Can you be precise: how many, where are they to be found, what are their social, economic and cultural characteristics? Then ask yourself who will be your partners, not only at the local, but also at the national level. If you have done the stakeholders analysis, the answers should be obvious. Create a network, integrating beneficiaries and partners, that is, make sure they talk to each other. Decide on their roles: how will you communicate with them? What are the lines of authority (this is especially important if you work with other groups who share your objectives, but whom you don’t control – they have their own funding and staff)? Who takes decisions? Do you need a steering committee to bring everyone to the table?

Then you need to decide on a **project approach**. There are two types of approach, and they each require a very specific project design. *Direct support (DS)* is one type of intervention, and it means that the project works directly with the beneficiaries (e.g., children, their families, a group such as landmine victims) through the provision of services such as education and training, health care, or construction of shelter. Many projects, however, choose a second type of intervention, called *institutional development (ID)*. Examples are the strengthening of NGOs or government institutions so they can deliver better services to the target group, those children, families or landmine victims. In that case, the NGOs or the government (for example, the national mine action center) are the direct recipients of the project, but the beneficiaries ultimately are the people who get improved services. The advantage of those “ID” projects is that they have a multiplier effect, as eventually more people will be reached. But if the proper institutions are not there to be strengthened, or if they are not interested, direct support may be preferable....

**From objectives to inputs: developing a logical framework, or “logframe”**

After you have decided on a strategy, identified your beneficiaries or target groups, and mapped out your stakeholders, you now have to draw up a concrete action plan. This normally has four components:

1. Objectives
2. Outputs
3. Activities
4. Inputs
These elements have a logical relationship. If you have the inputs (people, supplies, vehicles and so on), you can undertake the activities (e.g., build, organize, transport) so that the output is produced. The school has been constructed, the well has been dug. Now your objective should have been achieved: 200 children in the community can go to school; 300 IDPs have a well closer to their shelter, and the clean water brings diseases down.

Clearly, this logic only works if there is a realistic proportion between the inputs and the objectives. You can’t build a school with ten bricks and one teacher, and with one spade, you can’t dig a well.

### About objectives

An objective is a simple expression of a desired end state, and it can usually be arrived at by turning a problem on its head. Problem: in our village, 200 children between the ages of seven and twelve can’t read. Objective: 200 children in our village between the ages of seven and twelve will be taught to read. Very often, in a project document you will find two types of objectives, or aims of the project: long-term and short-term, or broad as opposed to more specific and time-bound. Objectives are usually measurable changes that occur in behavior, attitudes, commitment, institutional and societal practices, or legal norms.

The long-term objective is also called the development objective, for example the elimination of illiteracy among children – your project will not do that, but it will contribute to this broad objective. The short-term objective, or immediate objective, is where you plan to make a measurable impact: for example, the reading skills of those 200 children in your village. Sometimes, in some models, people talk about goals (long-term, broad) and purpose (short-term, concrete). In the European Union’s description of the project cycle, they use the terms “overall objectives” and “operation purpose” – but the concepts are the same, no matter the specific terms used.
About outputs

Outputs are the products which result from the project activities. The key word is “to produce”. Examples of outputs might be materials, curricula, reports, draft policies, or people trained. Not all outputs are achieved at the end of the project – some may be ready earlier than others.

About activities

Activities are the actions undertaken to produce the desired outputs, that is, they are the things that will be done, not the results themselves. The key word is “to do” – organize, develop, design, build, commission, and so on.

A good way to set out your activities is through a work plan. Your first draft is part of your project document, and once implementation starts, you will have to update and adjust the work plan all the time, as things never work out exactly as planned. Best to draw a chart of your work plan, as illustrated in this simplified model:

<table>
<thead>
<tr>
<th>Activity</th>
<th>First quarter</th>
<th>Second quarter</th>
<th>Third quarter</th>
<th>Fourth quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design school and get permits</td>
<td></td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepare the ground, dig foundations</td>
<td></td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Start the walls</td>
<td></td>
<td></td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Finish walls and put up roof</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Put in windows and paint, furnish</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
</tr>
</tbody>
</table>

In reality, your work plan (also called a Gantt chart) will be lot more complicated, and it may be based on a weekly or monthly schedule, rather than quarterly. Activities may overlap, so you may want to use bars instead of crosses. Carefully consider which activities can be undertaken at the same time, and which have to be done sequentially (e.g., can’t paint the rooms until the walls are up). Estimate carefully how long each activity will take – and stay on the conservative side in your estimates!

About inputs and budgets

Inputs are the funds, equipment, expertise, human resources, and so on, necessary for carrying out the activities. Inputs may come from many different sources, and they can occur at various levels: local, national and international. The inputs shape your budget, as each element needs to be costed. When you prepare a budget, make sure that your own contributions are reflected – if they are in kind (e.g., the time you spend finding good people for your network), put a price on them.

It is helpful to use a computer program, such as Excel, to prepare your budget. Standard budget lines are: personnel (list each position and the salary required), personnel support costs (taxes,
insurance, benefits), transport (for vehicles, indicate both the cost of operations and the cost of writing off their purchase), supplies, rent (office space, storage space), monitoring and evaluation, and indirect costs (maintaining an office staff to support the project administratively).

C. BUILDING A LOGICAL FRAMEWORK

Having done so much already, it is time to create an overview of the entire plan, and introduce some tools to refine the planning process: assumptions, risk assessments, and objectively verifiable indicators. For this, we use the so-called “logframe”.

A typical logframe looks like this:

<table>
<thead>
<tr>
<th>Description</th>
<th>Objectively verifiable indicators (OVIs)</th>
<th>Means of verification (MOV)</th>
<th>Assumptions and risks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goal (general objective)</strong></td>
<td>Wider problem that the project will help to resolve</td>
<td>Changes in the extent or severity of the problem</td>
<td>Statistical data or expert analyses over time; evaluations</td>
</tr>
<tr>
<td><strong>Purpose (specific objectives)</strong></td>
<td>Immediate impact envisaged to the project area or target group, i.e., the change or benefit to be achieved by the project</td>
<td>Things that can be measured: test results, survey results showing levels of satisfaction, changes in behavior etc.</td>
<td>Conduct tests, do surveys, compare base line data with current data</td>
</tr>
<tr>
<td><strong>Expected results (outputs)</strong></td>
<td>Specific deliverable results of the activities undertaken – meant to achieve objectives</td>
<td>Number or frequency of services provided, percentage of beneficiaries treated, studies completed</td>
<td>Keep records of all activities, levels of participation, and so on; track reports</td>
</tr>
<tr>
<td><strong>Activities</strong></td>
<td>Lists the numerous things that need to be done to achieve the results expected</td>
<td>Mainly quantitative data, and data re timeliness or quality</td>
<td>Detailed management tracking, record keeping</td>
</tr>
<tr>
<td><strong>Inputs</strong></td>
<td>Lists all the equipment, staff, vehicles, sites</td>
<td>Time of arrival, condition of goods,</td>
<td>Minutes of meetings, procurement and</td>
</tr>
</tbody>
</table>
Some donors insist that the specific objectives set out in the project document meet the SMARTER criteria: Specific, Measurable, Achievable, Relevant, Time-bound, Ethical, and Recorded (i.e., made available to all stakeholders). In the narrative of the project document, it makes sense to pay some attention to this requirement.

It is important to make a distinction between risks and assumptions in your project design. The conditions that are outside the control of the project, but critical for its success, are described as assumptions when they are likely to exist: a supportive government, adequate legislation, competent local staff – you have studied these conditions, gathered information, and concluded that they will indeed prevail. At the same time, you realize that something can go wrong: the government may be replaced by a less favorable one, legislation may not be enforced, and local staff will fear for their safety in joining a project such as yours. A stable security situation may deteriorate. None of this is very likely at the moment – otherwise you would not propose the project. But you do want to identify what could possibly go wrong….

About audits, inspections and investigations

The donor usually reserves the right to arrive, unannounced, to review whether you are living up to the agreement that you signed when you received funding. Sometimes the donor wants to inspect the financial records (financial audit), sometimes the donor is more interested in a management audit: are things done effectively, on time, at the least cost? For this purpose, external auditors may be brought in. Some donors require the recipient NGO to have its own internal audit process as well. Cooperation is usually mandatory. When there are suspicions of misconduct or of fraud, the donor may require a full–fledged investigation. Most project agreements spell out in some detail what the donor can and cannot do.

Sample documents and materials for exercises

In the instructor’s resource material, there are a number of documents that may be of interest to the students, such as a completed project document (submitted by a Sudanese NGO to the UN for funding), a simple “quick impact” application form used in post-conflict recovery programs (for very small projects, such as fixing a bridge or painting a school), sample project budgets, and detailed project design and management guidelines used by agencies such as UNFPA, the European Union and the ILO. These are mostly in English, and it will depend on the time available and the language skills of the students to what extent they can be used in the course.

The instructor may wish to assign a project to the students, whereby the group as a whole decides on an overall development project to be addressed, agrees on a specific context, and then splits up in groups of four or five, who independently draw up a logical framework (and maybe even a
budget) showing how they would design a project in response to the problem. Each group then presents to the others, and comments on the others’ work.

D. MONITORING AND EVALUATION

Everyone -- your donors, your stakeholders, and most of all, you yourself -- wants to know how the implementation of your project is working out, and whether it achieves the results you had expected. You need to monitor progress, and evaluate outcomes. Concrete evidence about the outcome of a project is essential to decide whether it has actually contributed to the elimination of the problem it was meant to address. Future decisions rely on the quality of such information.

When you developed your logical framework, you identified indicators which would allow you to determine whether you had achieved the results that you had expected, whether you had delivered all the outputs you had planned, and whether all the activities on your list had in fact been completed. You also developed or identified tools to verify these indicators.

In fact, you had already designed a monitoring and evaluation framework – ready to use!

What is monitoring?

Monitoring is a continuous internal process, conducted by managers, to check on the progress of project interventions against predetermined objectives and plans – your logframe. Monitoring is an ongoing management task: have we achieved today what we set out to do? Where do we have to make adjustments in our plans? Regular reports on project implementation are the outcome of a monitoring process: was equipment available as planned, are activities on time (as mapped in the work plan), are the outputs produced on schedule? This kind of careful watching makes it possible to catch problems before they become unmanageable, and to take corrective action before it is too late. The reports can follow the logframe and the workplan.

What is evaluation?

Evaluation is the act of discovering whether we are achieving, or are likely to achieve, our objectives. Evaluations answer specific questions:

- Effectiveness: to what extent has the project achieved, or is it likely to achieve, its objectives?
- Efficiency: do the expected project results continue to justify the costs?
- Relevance: does the project continue to make sense – are its objectives still relevant to the problem?
- Validity of design: is the design logical and coherent, and are the linkages between the components clear?
- Unanticipated effects: is the project having any significant effects, either positive or negative, that were not expected?
• Alternative strategies: is there, or would there have been, a more effective or efficient way to approach the problem?
• Causality: what external factors affected the project’s performance (see the assumptions and risk assessments in the logframe)?
• Sustainability: what is the likelihood that the project will be sustained after the withdrawal of the external support, such as donor funding or technical advisory presence?

Why are evaluations done?

In project and program management, evaluations usually have two objectives:

• Lessons learning: to help all partners and stakeholders to learn from experience through discovering whether particular interventions have worked or not, and through understanding why they have been relatively successful or unsuccessful in particular contexts, and
• Accountability: to account for the use of financial resources to funders, such as the donor agencies themselves, the parliaments, taxpayers, foundations and individuals who provide their funds, and the beneficiaries in whose name the funds are raised and used.

Types of evaluation

There are two ways of grouping evaluations. First of all, they can be defined in terms of timing – at what point do they take place? Second, they can be defined in terms of personnel – is it an internal or external exercise?

Three types stand out in terms of timing:

• Interim evaluations, also called “reviews”, look at project outputs, likely effects and impact while the project is still being implemented. This is not monitoring (day to day management control), but it helps to assess at an early stage whether it is necessary to adjust any policies, objectives, strategies, funding arrangements or institutional partnerships.
• Terminal evaluations are the analysis at the end of a project – they provide decision makers with information for future planning and project design (but the actual impact of the project may not be clear that soon).
• Ex-post evaluations refer to the assessments carried out some time after the completion of the project, perhaps two or three years later. At that stage, the long term impact of the project becomes more visible, and questions about its sustainability will be easier to answer.

There are several types of evaluations in terms of the people involved:

• Internal evaluations, conducted by the project staff, in cooperation with stakeholders, often timed around key phases of an ongoing project.
• External evaluations, conducted by consultants whose distance from the project can lend greater objectivity. These often focus on the management processes as much as on the outcomes.
• Participatory evaluations, externally led, which try to channel the voices of the beneficiaries in order to give as true a picture as possible of the project’s impact on those whom it was meant to serve.

Getting the most from evaluations

There are several strategies that you should take into account when you plan an evaluation, so you get the best results:
• The benefits of the evaluation should justify their costs – do not go overboard. Often, evaluations are too costly and time-consuming in proportion to the information they provide. As a general rule of thumb, the cost of an external evaluation should not exceed five percent of the total project budget, unless you are conducting a pilot project that will be replicated on a large scale if it is successful.
• Encourage an “evaluation culture” in your organization. Show that you will apply the lessons learned, and do so already at the monitoring stage, confronting any problems that may arise rather than hiding them. The senior staff of your organization should lead by example.
• Shape your evaluation around the areas where you most need guidance for the future – no need to spend too much time on internal efficiency is the real question is how a specific new distribution strategy affected the beneficiaries – set the right terms of reference.
• Choose the right evaluator. Internal evaluations can be valuable if resources are limited, and the areas of uncertainty are mainly organizational, or if policy choices are clear. External evaluators may have a better perspective, but they also don’t know your organization as well as you do. Sometimes, a mixed team will work well.
• Protect your credibility. Make sure that the evaluators whom you choose are widely respected as independent experts, known to most stakeholders. Make your selection process transparent, by publicly soliciting bids, for example. Ask the potential evaluators to include a description of their methodology in their proposal.
• Make it clear what will happen with the evaluation report. Involve all the stakeholders openly. Set up a participatory review process; make both the recommendations and your decisions on those recommendations public.

Sample Documents

In the materials provided to the course instructors, there are some very solid OECD guidelines for those who need to justify the cost of monitoring and evaluating, or who need to choose the right evaluator. A chapter on participatory evaluations from URD, the French NGO’s participatory management handbook, is also included, as well as a rather lengthy copy of the UK’s Department for International Development (DFID) internal guidelines for its field staff, giving the donor perspective. Again, these are all in English, but they may be of use to some participants in the course.
PART II

BUILDING INTERNAL MANAGEMENT CAPACITY

It is not enough to be able to present a good project proposal or to develop good indicators for monitoring and evaluation – the question will immediately arise: does this NGO or CBO really have the capacity to implement this project? Donors normally ask questions about a NGO's staffing, its human resources policies, its financial structures, its internal oversight, its leadership, and its ability to work in a diverse environment, across the barriers of culture and identity.

This second part of the manual examines some of the basics that you can do to build such capacity, and to convince the donors that the appropriate structures are in place.

A. MANAGING PEOPLE IN NATIONAL NGOs AND CBOs

A coherent human resources management system consists of a series of building blocks that are all connected. In the following section, we will examine the architecture of such a system, by looking at each of those components, and at the way they interact.

Note to instructor: it might be helpful to discuss with the participants how general principles of good human resources management, such as those outlined in People in Aid’s “Standards of Conduct” (included in trainers’ materials), can be tested against practical indicators - e.g., if an organization truly believes its staff are its most important resource, how much does it budget for psychosocial support? If the participants have a good knowledge of English, the entire document should be reviewed, and then shared.

Strategic planning

- First of all, we need a vision of what we want to achieve, what the world would look like if our vision became reality: for example, “a world without violence”
- Then, we need to prepare a mission statement: what we as an organization intend to do in order to contribute to that vision: for example, “bring down the number of child soldiers in militant groups in our region”
- Then we need operational objectives, in other words: how are we going to do this?
- For that, we draw up an organizational structure: how we group our people effectively. Usually, in a small NGO, that requires the functions of senior management, administration, logistics, and program management
- This can then be refined to the level of a staffing table: each function is described in terms of the positions created to support it. For example, the administration function

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2 Based on syllabus and course content developed by Professor Dirk Salomons for New York University's Wagner School of Public Service, 2001
might translate into a) chief administrative officer, b) finance officer, and c) personnel officer. The logistics function could require a lot of staff, or just one person, depending on the nature of the organization: if you transport food and shelter over a large distance to various regions, this might be a big unit – or you might just need one logistics officer, dealing mainly with internal transportation and some basic procurement.

- For each of these positions that you have created, you need a thorough job description, and an outline how the job interacts with others, e.g., supervisory relationships.
- Finally: staffing is never static. Organizations constantly change – they grow and shrink as resources come and go, and their mandate shifts as the external challenges evolve. So it makes sense to make projections for various scenarios, and decide what your staffing would look like under each of these options, so you can initiate recruitment, rotate staff, or decide on layoffs well in time.

**Job classification and job design**

- Decide what type of hierarchical structure best suits your organization:
  - Command and control, top down, highly structured, many layers – good for operational work, e.g., fire brigade
  - Informal, egalitarian, few layers, consultative – good for advocacy work, policy analysis
- Create classification levels for those jobs, a system of ranks, and develop the indicators to justify the differences among those ranks, such as:
  - Level of education required
  - Level and type of experience required
  - Level of autonomy or authority, also financial
  - Extent to which one supervises others
  - Impact of work, and consequences of errors
  - Level and nature of external contacts
  - Physical hardship
- Define and rank the jobs in your organization accordingly. Ensure the job descriptions are accurate. You would probably discover you have created several occupational job series, for example: 1. Chief, finance section, 2. Senior finance officer, 3. Finance officer, 4. Finance clerk – four levels within one administrative specialization.

**Note to the instructor:** the material made available to the instructor has guidelines for the preparation of job descriptions – it would be helpful to conduct a group exercise whereby a description is developed for a job that everyone knows, such as “driver”. A set of sample job descriptions (program officer, administrative assistant, office assistant) is also included for reference.

**Setting salary levels and establishing benefits**

- Decide what position you want to take up among your competitors (each has its advantages, depending on the work you do as well as on the labor market):
  - Top employer, paying the highest salary, retaining existing staff, attracting others away from your competitors, investing heavily in training
Middle range, cautious but stable, not attracting “stars”, but getting the job done with limited turn-over of staff
Lowest range, minimal pay, little or no investment in training, high staff turn-over

- Find out what benefits you have to offer legally, and decide which you want to offer as a matter of sound and human policy: e.g., pension, medical insurance, life insurance, housing subsidies, transportation subsidies, education grants, etc.

Carrying out a salary survey

- Select your comparators: organizations that have jobs similar to yours:
  - National NGOs
  - Community based organizations
  - International NGOs or international organizations that employ national staff
  - Banks, embassies, private sector companies with national staff
  - Government institutions
- Try to get access to their salary scales and job descriptions
- Match your jobs with theirs, not just in content, but also in scope, size of operations
- Use those pay levels as guidance in constructing your own salary scales
- Involve your staff in the process, both for transparency and for acceptance

Managing the recruitment process: getting the word out

- Good job descriptions make good vacancy announcements: just add the required skills and competencies, the type and nature of experience expected, salary range and key benefits, a brief profile of your organization, how and where to apply ..... 
- If you carried out a good salary survey, and positioned your jobs attractively, you should be able to attract good candidates
- Good stakeholders analysis now has an additional benefit: you have an instant network to make your vacant position known, and you get an opportunity to profile your organization as your job advertisement is always also an advertisement for your organization
- Choose your media for advertising carefully: print, websites, professional journals – set a budget, prioritize, don’t generate more applications than you can review and respond to
- Don’t forget: recruiting is a public relations exercise for your NGO – you may only hire one person, but many more will remember how you treated them!

Selection: finding the right candidate

- Decide on a selection process (in line with the way in which your organization takes decisions): establish a committee, authorize the line manager to make the choice, or have upper management choose the best candidate. Put the process on paper, so it is transparent, and share it with everyone involved.
- Review all applications, reply courteously to all applicants (even just in a pro forma e-mail), and create a shortlist of no more than four to six names. If your organization aims at diversity, this should be reflected in your shortlist.
• Arrange for face-to-face interviews with these candidates, so that they meet all the key people in your NGO – then have everyone compare notes. Use a standardized interviewing format, and use standardized interview summary sheets. This makes it easier to rank the candidates later on. Do not set up interview panels – they paralyze the candidate.
• Check references – formally and informally (using your professional network)
• Take a hiring decision quickly – good candidates do not wait forever!

**Note to instructor:** there is a set of guidelines for the interviewing process in your documentation – you might want to go over these with the students, and set up mock interviews, using a job description they themselves have developed, and then take turns, so that each student is interviewer, interviewer and observer. The observer comments to both interviewer and interviewee on what went well, and what did not. The interview report form provides a structure. Discuss the use of open questions, probing, supporting attitude…..

**Career development and mobility**

• Map out the career paths in your organization -- within occupations (e.g., from finance clerk to finance officer) and across occupations (e.g., from finance officer to program officer) – create room to grow
• If your organization is very small, think about career paths within a range of organizations in your area – do you exchange information about vacancies that are coming up? Do you pool resources for training?
• Encourage mobility, within your own organization or across organizations, and across regions, if your work allows that – the broader the experience that people get, the more useful they become
• Develop an rational and minimalist performance evaluation plan – start by setting goals for each staff member, write down expectations, keep a written record of special achievements but also of disappointments (“critical incidents”), discuss with staff member, summarize in writing at least once a year, make it clear what the consequences are of good performance (new contract, possibly more responsibilities) and poor performance (contract not renewed, or less responsibilities with less pay)
• Avoid comparing staff with each other, by ranking them or giving them “grades” – in performance evaluation, the only question should be “did the staff member do as well as he or she could”. People differ and have individual strengths and weaknesses – did they make the best of the talents given to them? If so, they performed well!
• Do not give “bonuses” for good performance. It angers the people who do not get a bonus, and it sends the wrong message: job satisfaction should come from the nature of the work itself, not from external incentives. Pay levels themselves should be adequate that people feel free to focus on their work.
• Have written policies on promotions, internal selection, and performance evaluations – discuss them with staff and make them available to everyone.

**Training and learning**

• Make on-the-job training a responsibility of supervisors – part of their performance goals
• Have a training plan based on the needs of the work unit, not of the staff member. Training is not always the answer. It may be cheaper or more effective to reassign, or replace …. Good selection should limit the need to provide training beyond induction and familiarization with organizational procedures, possibly language training
• Give staff members each a small grant for personal development instead, and give them free time, e.g. two hours a week, to invest in their own growth – need not be directly job-related
• Organize regular events where staff are exposed to the most recent developments affecting your organization – bring in speakers, circulate newspaper articles, have a house journal

Conflict resolution

• Know your country’s labor laws, and respect them
• Establish internal, informal procedures to deal with conflict before it escalates
• Have a fair disciplinary process, with clear, written procedures
• Develop a “mentor” system whereby junior staff can rely on senior colleagues for advice and support
• Make sure you have clear policies on sexual harassment: what it is, how to report it, how it is investigated, what the sanctions are (also on false accusations)

Wellbeing and workplace safety

• If your staff work in a stressful environment (conflict zones, harsh climate, isolated areas), provide psychosocial support (peer counseling, rest and recuperation leave, job rotation)
• Offer your staff access to anonymous support services to address personal crises, such as family conflicts, addiction, or debts – find community resources to provide such services
• Ensure workplace safety – maintain equipment, keep cars in good shape, keep office environment accessible (e.g. unobstructed stairs, non-slip floors)
• Make sure staff have access to rapid emergency care – nearby hospital or clinic

Staff security

• Gather information about possible security threats, both from criminals and from politically or religiously motivated armed groups
• Develop a security plan: who is in charge, how to communicate in times of danger, how to protect the office premises, how to train staff to react appropriately in a crisis, when and how to evacuate
• Build alliances with other, similar organizations to pool resources and information, emergency strategies, communications infrastructure

Note to instructor: among the materials made available, you will find the entire security manual of Care International, which shows you how a large international NGO addresses its external threats. National NGOs have far fewer resources, but some of the principles remain the same.
The text of a lecture on the subject, used at Columbia University, is also available – all this in English… In addition, there is a United Nations document, in Arabic, about security in the field.

**B. FINANCIAL MANAGEMENT IN THE FIELD**

**Why is this important?**

Your responsibility for the sound management of financial resources is as important as it is for managing the people in your organization. The chapter on the preparation of good project proposals gave you some tools for resource mobilization, fund raising, but once you have received the grant, you are accountable for its use, and for that, your accounts need to be in order.

Especially in small organizations, you will receive little support from Headquarters, if you have a Headquarters at all – much of the management responsibility rests with the manager in the field: you! Quality financial reporting also means that you have a good overview of your project’s progress, and you will find that good financial records make sound project monitoring and evaluation much easier.

**Preparing a budget**

- You already did that when you presented your grant proposal. Maybe you received the full amount that you requested; maybe you have less at your disposal. But it is time to review and adjust that budget, as it will be your main accounting tool.

- There are actually two types of budget. One is called a *revenue budget*, and it shows the ongoing income and expenditures over a fixed period of time, usually one year. Excluded are items that may last for longer than one year, such as vehicles, equipment and computers. An organization may then also prepare a *capital budget*, estimating the cost of these longer-term items, showing where the money will come from, and spacing it out over several years. For your purposes, you should simply combine the two – including both types of expenditures into one budget.

- A budget is a summary of your detailed calculations. Before you add a number for, say, salaries, you will have a discussion about the number of people you plan to employ, for how long, at what pay level, with which benefits, and so on – your worksheet then adds up to the number you put into the budget. Thus, a budget should not be a series of wild guesses – it should reflect careful, calculated estimates. If you have done work in the past, this becomes much easier, as you have past data to rely on.

- Once your budget has been reviewed and updated, it might look something like this:

---

DDAG HEALTH CARE CENTER
REVENUE BUDGET 1 JANUARY TO 31 DECEMBER 2010

INCOME

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Columbia University grant</td>
<td>$ 50,000</td>
</tr>
<tr>
<td>Grant from Ruritania Government</td>
<td>$ 50,000</td>
</tr>
<tr>
<td>Grant from UNDP</td>
<td>$ 20,000</td>
</tr>
<tr>
<td></td>
<td><strong>Total income</strong></td>
</tr>
</tbody>
</table>

EXPENDITURES

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries (4 people at $10,000 each per year)</td>
<td>$ 40,000</td>
</tr>
<tr>
<td>Rent of premises ($ 2,000 per month)</td>
<td>$ 24,000</td>
</tr>
<tr>
<td>Purchase of drugs</td>
<td>$ 16,000</td>
</tr>
<tr>
<td>Medical supplies</td>
<td>$ 20,000</td>
</tr>
<tr>
<td>Electricity and water ($200 per month)</td>
<td>$ 2,400</td>
</tr>
<tr>
<td>Travelling expenses (car lease, maintenance, gasoline)</td>
<td>$ 7,600</td>
</tr>
<tr>
<td>Training program (four sessions per year)</td>
<td>$ 3,000</td>
</tr>
<tr>
<td>Office expenses (lease computers, printing, cleaning)</td>
<td>$ 7,000</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

Cash flow forecasts

- You may have received your grants all up front, in one payment, and all the money is in your bank account. Congratulations! If not, your donor may make payments linked to certain achievements (one third when clinic is built, one third after two training courses are held, and so on). In that case you will have fixed monthly expenses, but your income will arrive in bits and pieces over time. How to make sure you do not suddenly fall short, and have no money to pay the bills at the end of the month or the quarter? Make a projection of your cash flow – it will look a bit like this:
<table>
<thead>
<tr>
<th>Period</th>
<th>Jan - March</th>
<th>Apr – June</th>
<th>July - Sept</th>
<th>Oct - Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Receipts</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant Columbia</td>
<td>25,000</td>
<td></td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td>Grant Ruritania</td>
<td>20,000</td>
<td>20,000</td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td>Grant UNDP</td>
<td>10,000</td>
<td></td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total receipts</strong></td>
<td>30,000</td>
<td>45,000</td>
<td>10,000</td>
<td>35,000</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Rent</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Drugs</td>
<td>8,000</td>
<td>8,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical supplies</td>
<td>20,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity etc.</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
</tr>
<tr>
<td>Travel</td>
<td>4,000</td>
<td>1,200</td>
<td>1,200</td>
<td>1,200</td>
</tr>
<tr>
<td>Training</td>
<td>750</td>
<td>750</td>
<td>750</td>
<td>750</td>
</tr>
<tr>
<td>Office expenses</td>
<td>4,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>53,350</td>
<td>19,550</td>
<td>27,550</td>
<td>19,550</td>
</tr>
<tr>
<td><strong>Balance at the end of the quarter: income minus expenditures</strong></td>
<td>30,000 minus 53,350 is deficit of 23,350!</td>
<td>45,000 minus 19,550 is surplus of 25,450 – we are back in positive territory</td>
<td>Again: we have a problem - calculate</td>
<td>All is well that ends well - calculate</td>
</tr>
</tbody>
</table>

- The example above shows how you can run into trouble. In the first quarter, you would run a deficit of $23,350! There are several things you can do: get a bank credit line (unlikely in most developing countries, and the interest rates will destroy your plans); ask your supplier of medicines to give you credit (not that likely either); instead of buying all medicines up front, buy the minimum now, also buy fewer drugs, and space out your expenditures so you do not exceed income each quarter. So you would revise your cash flow table…. If you did not do this kind of analysis, you would face unpleasant surprises!

**Bank accounts, petty cash and cash books**

- As soon as you can, open a bank account. This will give you a written and reliable record of all money that comes in and that goes out. With bank statements to back that up. Start a simple cash book, writing down every day whatever you spend. If you work with “petty cash”, a cash amount you keep in the office for small expenditures, keep a separate logbook for that, and make sure you have a signed receipt for every payment you make. Keep that money under lock and key, preferably so that it takes two people to open the cash box…. Keep copies of your bank statements in a safe place – best to scan them and e-mail them to yourself, so there is a record in your “sent mail”.
A better cash book

- In fact, if you already set up a cash book, you might as well link it to your budget, as that will save you a lot of work later on. By itemizing all income and expenditures by budget line as you go along, you can see at any time not only how much money you have left, your “balance”, but also how much you have spent on each budget item separately – so you can see whether your cash flow projections have held up in reality! This is what your cash book might look like:
<table>
<thead>
<tr>
<th>Date</th>
<th>Description of activity</th>
<th>Income</th>
<th>Salaries</th>
<th>Rent</th>
<th>Drug purchases</th>
<th>Medical equipment</th>
<th>Electricity and water</th>
<th>Travel</th>
<th>Training</th>
<th>Office expenses</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 1</td>
<td>Bank deposit Ruritania</td>
<td>20,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>20,000</td>
</tr>
<tr>
<td>Jan 4</td>
<td>Check #1 payment Ali salary</td>
<td>5,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>15,000</td>
</tr>
<tr>
<td>Jan 5</td>
<td>Check #2 payment rent</td>
<td></td>
<td>2,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>13,000</td>
</tr>
<tr>
<td>Jan 7</td>
<td>UNDP grant deposit</td>
<td>10,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>23,000</td>
</tr>
<tr>
<td>Jan 7</td>
<td>Check #3 Payment Ahmed salary</td>
<td>5,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>18,000</td>
</tr>
<tr>
<td>Jan 8</td>
<td>Check#4 first medical shipment</td>
<td></td>
<td>4,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>14,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>30,000</td>
<td>10,000</td>
<td>2,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
This model gives you all the financial information you need on a day to day basis: how much is there in the bank, how much did we spend under each budget line, how does this compare to my cash flow projection…. At the end of the year, you add it all up to have a financial statement.

**Internal controls**

It is important that financial systems are designed to make sure that as few mistakes are made as possible, and that the opportunities for misappropriation (in fact, theft) are minimized. A qualified accountant may have to inspect your systems once they are in place, but on an everyday basis, the management of the NGO is accountable. Some rules and management actions may reduce the risk:

- There should be written policies, procedures and rules to deal with financial management, and all staff should be made aware of them.
- Management should monitor its cash flow and compliance with the budget on a monthly basis, if not more often, to ensure no crises arise.
- Precise records should be kept, and every transaction should be recorded as it happens. Receipts should back up every expenditure. Annual financial statements should be accessible for all stakeholders, as well as staff. It makes sense to have an oversight board.
- Introducing a “payment voucher” system may make sense, whereby a senior manager approves each expenditure *before* it is made, unless it is a recurring cost, such as salaries or rent. But nobody should just go out and buy a computer! Written approval, a voucher, should be required. Or, alternately, staff should be given an individual limit how much they can spend in a given period, and their purchases should be reviewed afterwards.
- Larger purchases should be made in line with internal procurement standards. Often, the donor will impose its own – see the sample UNDP contract in the instructor’s materials, for example, where the recipient Sudanese NGO is given specific procurement guidelines.
- Bank accounts should always be in the name of an organization, not an individual. All requests for bank withdrawals, like checks, should be signed by two people, or “two out of three”, whose names and signatures have been deposited at the bank by the senior NGO manager (the only one also allowed to make changes). Keep all money in the bank – never keep more than “petty cash” in the office. Check books should be locked up.
- If you use cash, keep it secure, in a safe. Only one person, the “cashier”, should have access to the cash. Receipts should be kept for each cash transaction.
- Segregation of duties: separating tasks, for example making sure that no person is solely responsible for an entire transaction, e.g., from ordering equipment to signing the check paying for it.
- If there is a suspicion of fraud, call in a professional auditor. It may be necessary to involve the police. Making sure that any evidence is immediately secured, so the person who may have committed the fraud can’t destroy it.
Engage a good auditor to go over your books on an annual basis, make recommendations for system improvements, provide a “management letter” with findings and recommendations, and produce an audit report.

C. ADAPTING TO NEW TECHNOLOGY

Why is this important?

There is always a danger that national NGOs in developing countries, especially when they come out of a period of conflict, feel completely isolated from the world around them – few resources, little international exposure, few connections with counterparts in other countries from whom they could learn, or with whom they could compare experiences.

Yet, with the expansion of the internet, this sense of isolation can make room for the possibilities of developing an extensive network in cyberspace, developing professional contacts and linking up with cutting edge new technology through a careful selection of relevant websites.

This chapter introduces some of the opportunities offered by the many sources now available on the World Wide Web, and makes the case that modern technology is accessible to all.

Why do we use technology in development?

- To do things that were not possible before, for example, vaccinate against diseases
- To save, or make better use of resources
- To facilitate project management by strengthening communications, enhancing security, or streamlining operations through information technology
- To improve development programming, in areas such as water management, energy, income generation, communications and IT, social services and construction, transport
- Many of these technologies are interconnected: better water management, for example, leads to bigger crops for farmers, and thus improves income generation

Why then do new technologies so often fail in the field?

- There may be technical reasons: too complex for remote, rural areas; not reliable
- More likely, there are social and economic reasons:
  - The technology is not sustainable, as no skilled people are available to operate and maintain the systems – and supporting technologies may not be available
  - The may be culturally incompatible with local societies (think of solar cookers)
  - The funding to expand the technology is lacking
  - Only few will profit from the innovation, lack of popular acceptance
  - The benefits are seized by the well-off (e.g., drip hydration: few can afford the initial cost of equipment)

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4 Based on a presentation prepared by Professor Dr. Jennifer Bremer, Associate Professor and Chair, Department of Public Policy and Administration, American University in Cairo
What works?

- Things that can be built locally and maintained by the community’s residents, but only if they can become a local business – otherwise they do not spread
- Things that come in a box, don’t need assembly or maintenance, and offer good value (such as mobile phones, which create local businesses and are widely used)

How to find suitable technologies for development activities in the field?

- Don’t limit your search to Africa – much has been developed in rural areas of Asia
- Search the web for sites that offer information on sustainable, appropriate technology, such as:
  - www.en.howtopedia.org
  - www.villageearth.org
  - www.kiwanja.net
  - www.tacticaltech.org/guides/intro
  - www.t4cd.org
  - www.tsfi.org
  - www.intrac.org
- Also look at the websites of some of the major international NGOs, such as Oxfam or Save the Children, and some of the UN programs and agencies, such as UNDP, UNICEF, the ILO, FAO, and WHO

Bottom line

- Technology can be a very good thing
- But only if it is adapted to the work environment
- And makes your project work better

D. PROVIDING LEADERSHIP

Why is it important?

Any organization that wants to make a contribution to society needs to have a clear vision where it can have the most impact, and serve in the most meaningful manner. While it is important that the organization be democratic, and that all members have a voice, it cannot survive unless it has a clear structure, and unless it takes its decisions in a firm and consistent manner. To provide such structure and consistency, it needs to choose its leader. But what makes a good leader?

What is real leadership?

- We know it when we see it:

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5 Based on research conducted by Alice Hecht for the International Peace Institute, New York
Vision, action, excellence, inspiration, motivation are all elements of good leadership that we think of when we try to define it.

Leadership is a human quality that some of us seem to have more naturally than others but it does not mean that only a few gifted ones can become effective leaders.

How do we recognize false leadership?

- We have executives who by the nature of their position in the hierarchy of the organization have acquired the status of ‘leaders’. With the best possible intentions, they never seem to be able to persuade others of the importance and the validity of their vision and the strategy they have developed to implement it. They eventually use the strength of their position to impose their ideas on the various stakeholders. They do not command respect; people wonder how such a high-level leader can be so lacking in self-awareness and so out of touch with the organization.

Do you become a leader or a manager?

- Both require skills to get people to do a job in order for the organization to achieve its goals.
- The big difference: managers have to deal with the 'here and now' while leaders have the future in mind.
- Leaders provide a long term vision of what they want the organization to achieve. They see possibilities where others see problems.
- A leader’s behavior has to fully support the values of the organization. If the leader does not act out these core values, he or she will never be able to mobilize and inspire his or her staff.

It’s about values

- Every organization should have core values that it treasures and nurtures and that are recognized and shared by both staff and management.
- Integrity demands consistency between one’s beliefs, values and principles and personal behavior.
  - Leaders have to symbolize integrity and accountability because the moral reputation of their organization depends on them.
- Leadership positions are transitional. You have not been selected for a life appointment.
  - Your staff will quickly figure out whether you are using your current position to line up your interest. A leader has to show total commitment to the job he is in today. If you act with personal gain in mind, whether political or financial, your colleagues and your staff will pay lip service to your title but none will respect you as a leader.
- Most NGOs and civic organizations are built around moral values and democratic principles.
You know the difference between a dictator and a leader! A leadership style that relies on threat and abuse no longer works and administrative systems should be in place to take action against abusive behaviors.

You need to exemplify the principle of respect for the diversity of points of view by surrounding yourself with people from a broad range of beliefs and cultures.

Leadership requires decisiveness and professionalism

- As a leader, you will be required to take decisions that are not always popular but are in the interest of your organization.
- You reach leadership positions because you are a decision taker, not because you are nice.
- The key is how you communicate and implement your decisions.
- Leadership demands professional accomplishment.
  - You need to be able to understand the issues at stake and be able to analyze the information provided to elicit the respect of your staff.
- Leadership demands ethical behavior.
  - Many leaders have tumbled because they did not adhere to ethical values or turned a blind-eye to behaviors among their close associates that were in violation of professional and ethical standards. The behavior of your advisers and staff reflects on the perception of you as a leader. Action must be consistent with statements.

What else?

- Consistency in mood and behavior are essential – losing your temper means losing respect.
- Make sure that your public persona matches a leadership image.
- Don’t let your private life destroy your reputation as a valuable member of the community.
- Set an example of a harmonious work environment.
  - Great leaders carry around them an aura of authority and calm. They do not need to raise their voice to be heard. They know how much more they will get from their staff through respect and positive communication. A climate of fear and anxiety does not generate innovation or creativity.
- Leaders are persistent when faced with challenges and know how to remain calm in stressful situations and in moments of crisis.
  - To be a successful leader, you need to navigate the stumbling blocks of the bureaucratic and political maze.
  - Challenges are part of day-to-day life and even if you feel utterly stressed, keep above the fray. It will help everyone when you remain calm. Losing one’s temper does not motivate others.
- You can’t do it alone. Create an ad hoc board of advisors.
- Surround yourself with people from diverse background and who know more than you do.
- Make sure that you consider the agenda of all your constituents.
• Listen and stay humble.
• Finally, let it go!
  o It might be ‘your idea’ but if it was a good one, everyone will claim it as theirs and it will become part of the new organization.
  o Nobody will remember how the organization functioned before! That will be the measure of the success of your vision.

Make sure you have followers!

• Involve your staff.
  o People love to be given assignments outside their routine activities. And make sure to reflect their willingness to take on more work
• You need to be credible.
• Stay involved in all parts of the work of the mission.
• Give broad guidance but let your staff run with it.
• Keep up to date with the implementation of projects.
• Be the first to arrive and the last to leave.
• You need to be visible:
  o You will not gain followers if you barricade yourself in your office and only a few chosen ones have access to you. You are the King or the Queen to them.
• Dedicate time and efforts to meet with your staff in their work space, not yours, especially those at the bottom of the hierarchy.
• Only promise what you can deliver.
  o Be careful not to make a promise that you cannot deliver.
  o Choose a level of expectations that matches your authority. Your staff will never trust you again if you promise and then can’t follow through.
• Accept responsibility.
  o You are the leader and the buck stops with you. Share successes with everyone but take the blame and carry the responsibility for failure.

E. COMMUNICATIONS ACROSS CULTURES

Why is this important?

We all live in a world of tremendous diversity. We travel, and meet people with different backgrounds, different habits, different religious values, and different political views. And even if we do not travel, all kinds of people come to us – different tribes, different nationalities. Living in isolation, dealing only with people who are exactly like you, is very difficult today. Learning to live in a diverse world is not only a matter of reluctantly accepting that not everyone thinks like us – there is also an enormous pleasure to be had from learning about different cultures: new music, new stories, new food, new ideas.

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6 Based on lecture notes prepared by Professor Dirk Salomons, Columbia University, with inputs from Dr. Peter Slors, consultant.
What is culture – how do cultures differ?

- What is normal? Look in the mirror, what do you see? You are normal, certainly, and you assume that people who do not look like you or think like you are not normal. But when they stand in front of the mirror, they also think they are normal, and they see you as different, not normal. So who is right? Is there anything like normal, or do norms just differ across cultures?
- If so, what is culture? Are you born with a culture, or do you learn a culture’s values as you grow up? A good definition is: the external, learned values and norms that shape an individual’s and a community’s behavior.
- Gurvitch, a sociologist, makes a distinction among four levels of culture. Imagine you travel to a new country. The first, upper level of that new culture is all that is materially visible, infrastructure, such as bridges, markets, schools, skyscrapers. You can see all that as you walk around. The second layer consists of the systems of a culture, its legal framework, educational system, business models, political parties, churches, etc. – you can go to a library and learn about that. The third layer of a culture is made out of its norms, habits, customs, attitudes on issues such as gender relations, how to bring up kids, how to relate to work, discipline – you can observe this as you live among the people in this new country. The fourth layer is the most intractable and most important one: values, beliefs, ideals, hopes, e.g., religion, patriotism, family. That is also the most difficult layer to understand.
- The last two levels are the most interesting. You find that it is hard to understand or characterize one's own culture, unless you have experienced other cultures.

What does this mean in practice?

- Culture determines to some extent how you think, feel, and act. Gives you a frame of reference and identity.
- Same act or gesture can be interpreted in many ways......... If someone shows you the soles of his shoes, do you think that is offensive? If someone burps after eating, is that bad manners?
- Think: look at a highly paid executive, living in a mansion, taking home millions – is it someone you admire or despise? What one culture sees as ambitious, the other defines as selfish..
- Feel: eating lungs or brains – delicious or horrible? Would you eat a cat or a dog? A horse? Which cultures do?
- Act: hand something over with your left hand? Eye contact or no eye contact?
- Not only culture though determines how we act: there are common human characteristics and traits -- need for food, for a social role, security -- feelings such as joy or anger. They transcend cultures.
- Then there are individual traits -- introvert, extrovert, optimist or pessimist, cautious or impulsive.
- Culturally determined behavior is only the third dimension of people's action. Everybody cries. Everyone laughs, sings, dances.
There are also dimensions linked to what Goleman calls “emotional intelligence” such as 1) self-regulation or self-control, 2) motivation, ability to wax passionate about something, 3) empathy, ability to understand how others feel, 4) social skills, and ability to relate to other people. These are also not limited to any one culture.

How do you deal with the differences?

- We have to be careful in using cultural differences to characterize people. Thus: danger of stereotyping. You move from "Dutch are generally frugal and adverse to showing their wealth" to: "Dutch are stingy".
- Before you know it, you enter the realm of prejudice, and then it's a small step to racism, ethnocentric behavior and what have you.
- In international setting: people overlap different cultures, have taken on ability to move from one to the other…. Example: people treat their parents or family in one, traditional way, and use appropriate language – but in the office, they act differently. Men and women may interact professionally at work, but revert to more traditional ways in a private setting.

What models exist to map out cultural differences?

- Specialists in cross-cultural studies often use Gert Hofstede's theoretical model (Dutch sociologist, 1950s). Hofstede distinguishes among four dimensions: a) the extent to which a community will accept differences in power; b) the extent to which a society is risk-averse, tries to avoid uncertainty, ambiguity c) the extent to which a society has an individualistic or a collectivist/community-oriented attitude; d) the extent to which a society cherishes "male" or "female" values -- assertive, materialistic, self-centered versus nurturing, demure, spiritual.
- Hofstede did ratings per country -- concluded for example that the French accept a larger power distance (hierarchy) and avoid risk far more than the Dutch.
- Pitfall: there are so many variants within one national culture… so maybe one should provide a frame for analysis, rather than a fixed grid of findings, which can easily become prejudices…..

Alisjahbana’s model

- More appealing: the Indonesian philosopher S. Takdir Alisjahbana. Focus on values -- how much importance societies attribute to them…
- "Values as Integrating Forces in Personality, Society and Culture", 1975
- Six core values:
  - Solidarity, attachment to the group
  - Power, through individual development or achievement
  - Economic value, usefulness, "ownership" of natural resources
  - Esthetic value, beauty, stewardship for natural resources
  - Theory, the value of rational and objective reasoning
  - Religion, the value of belief in invisible mysterious forces
- You can reduce this to three coupled sets of opposite values:
Social values

- Makes a big difference whether a child is brought up sleeping alone in crib, all by itself in a playpen, developing skills through toys, or whether a child is carried on its mother’s back, sleeping with parents, observing relationships rather than objects -- "I" vs. "we"…
- Individual vs. group also: Western focus on individual heroes and captains of industry as role models, less emphasis on group achievements benefiting society (e.g., teachers and nurses are paid poorly). Western workers tend to be mobile, uprooted, while many countries in the global South focus on relationships and group unity, harmony.
- Cultures that value the group have extended family rules: family comes before business. If you have power in an organization, you owe your family jobs. Frequent family visits are obligatory --- You have to support your family financially, your income belongs to the group, the family, the clan, not to you individually. This fits in with discussion on merit vs. patronage…
- How they see us individualists: "should you really put your parents in an old people's home, warehouse them?"
- Different negotiation models – get to know people before you talk business.
- Other cultural dimensions: guilt versus shame. Responsibility vs. fear of exposure. Linked to individualism vs. group culture. "Loss of face". Important to leave someone's value intact, not to humiliate, shame them. Speaking the truth is less important than maintaining harmony. So don’t always expect straight answers.

Faith versus rationality, secular versus religious societies

- Some people believe that a higher being has given them clear rules and values to live by, and that these rules have been revealed in holy texts, be it the Koran, the Bible, Buddha’s teachings or any of the other great religious writings. They find it absurd to make a division between their religious life and their political or professional life – you do not leave you values and beliefs behind when you leave your home.
- Others believe only in reason, and argue that religion has nothing to do with daily existence. They believe in a strict separation of church and state, and in moral values separated from religion.
- When people with such different values have to work together, they need to understand that these differences are real, and they need to respect these differences. In general, it is wise to observe the values of the host country in this respect, and to realize that people will always act on the basis of their convictions. This does not make them “good” or “bad”.

Ecological values: consumption versus sustainability

- This is the battle between people who believe they “own the earth” and those who see themselves as custodians for future generations. The coping mechanisms of people affected by conflict may be highly efficient in using every scrap – be it the innards and...
offal of animals caught for consumption, be it berries and leaves, be it herbs for medicinal purposes, rain caught in reservoirs. When they see western wastefulness, they are appalled.

- Oil companies, embarrassed by so many environmental disasters, now realize that frugality is a good image builder and marketing tool – alternative energy, solar panels, wind power, electric cars – “green” offices, recycling of waste. This has become a matter of culture, and people who do not share those values are seen as “greedy, thoughtless”. On their part, they see those environmentalists as alarmists, tree huggers, people who block access to essential natural resources.

Other cultural divides

- **Being versus doing** – another cultural divide. Achieving, results, promotions, bonuses, public recognition for individual prowess. Or: letting things flow spontaneously, live for the moment, enjoy your coworkers, things evolve organically.
- Western perception of **time**: time as money, timeliness as a virtue, living as dictated by schedules and timetables. Five year plans, one year plans, short time contracts. Racing from the past to the future, no sense of "now" as the essence of living. Question - if you are invited for dinner at 8, when do you show up?
- Alternative: time as a flexible commodity, time for others an essential courtesy, results accepted as objectives but not time bound, the future as hard to define, impossible to plan for. Time is respect. In managing people, this distinction is crucial.
- **Space**: privacy versus common space. European vs. American bathrooms. The locker room syndrome. Distance -- how far away do you stand or sit when talking to someone? How awkward is to be jammed into an elevator or bus with others? Window view or corner room as symbol of hierarchical position… Is your office a private place, do I knock? Executive office vs cubicle…
- **Communication.** Sending and interpreting messages, verbal and non-verbal. Think of clothing, fashion -- how complicated even within our own culture!
- **Language**: the meaning of "yes"… Try out several inflections…
- Two main groupings:
  - Indirect language, circumspect, deferential, oral, flowery, formal (e.g., Buddhist or Islamic cultures)
  - Direct language, precise or even blunt, written where possible, businesslike, informal (e.g., North America, UK, Netherlands -- note languages that have only one "you"!)
- Listening - it's an art. Moran, International Management, 1986, identified at least five types of listening:
  - Unresponsive listening, absorbing information without evaluating it
  - Defensive listening: seeking counterarguments as you listen, oozing distrust
  - Offensive listening, seeking opportunities to attack wherever possible (political debates)
  - Polite listening, inattentive, just waiting to get a word in yourself
  - Active listening - listening for meaning and intent.
- Non-verbal communication. Body language. Facial expressions. Show emotions or not? Make direct gestures or not? Maintain eye contact or not? Firm handshake or not? Bow?
How deep? Point at things, or not? How do you gesture "come here", with palm of hand showing or not? Remember: The finger!! Can get you killed in NYC… Touching people, not touching? Men holding hands?

- **Colors** as symbols… e.g., color for mourning -- black in Europe and North America, white for Islamic countries and Japan, purple for Latin America.
- The meaning of red: love and danger in Western countries, death in some African countries, evil in Indonesia and Thailand (don't use red pen).
- Green: safety in the West, Holiness in the Islamic world (see their flags-- don't use green in advertising).
- All this is essential when it comes to negotiations, e.g., access in a humanitarian crisis.

**Some do's and don'ts:**

- Don't rush to judgment. Observe, listen, look, ask.
- Find the human being inside the "other". Peel off the externalities, find the face, find the voice.
- Show respect. What is normal for the other? What will they think of my behavior?
- Ask yourself questions about the new culture: whom do people admire here, what do children learn, what is punished most heavily, what insults hurt most, what do men or women fight about, why do people commit suicide?
- Begin to see your own culture as equally unusual, observe how it influences you….
- Develop the skills and aptitudes that allow you to develop and maintain contact with people from another culture more easily -- patience, humor, restraint, acceptance of contradictions.