

STUDY INTO

**THE INSTITUTIONAL
GOVERNANCE PRACTICES
OF AIN MEMBERS**

Association of International NGOs in Nepal (AIN)

2010

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Foreword

The Association of International Non Governmental Organisations (AIN) is a network of INGOs which has been working in Nepal since September 1996. The network & currently has more than 90 members operating in a wide range of fields. The members of AIN have come together as a network to promote mutual understanding, to exchange information and to share their experiences of social development work in Nepal.

In order to promote good governance within member Organisations and their respective partner NGOs, AIN in 2005 published recommended Guidelines for forming Successful Partnerships. These Guidelines are intended to set a high level of transparency and an increased level of democracy in the standards of governance and performance of AIN member and partner Organisations working in Nepal.

The present study on “The Institutional Governance Practices of AIN Members” is intended to explore practices of institutional governance as exercised by INGOs in relation to their partners, & other stakeholders & government bodies. In particular it focuses on transparency, accountability and Organisational effectiveness using these headings to review the effectiveness of the AIN recommended partnership guidelines. The study findings and information provide useful reference material for AIN members along with examples of good practice to encourage Organisations to think in an innovative way about their programming.

We would like to acknowledge the consultancy support of ODC (Organisational Development Centre) who undertook the study and prepared an earlier draft of the report which the AIN Capacity Building Working Group has developed significantly. We would also like to thank Sten Andreasen, Country Director of MS Nepal, Joseph Aguetant AIN Steering Committee member from Terre des Hommes, Deepak Koirala CBWG Coordinator from Save the Children, Nick Barry from VSO, Madhu Pokharel from MS Nepal and Soni Pradhan of AIN/CBWG. They all worked together with ODC in designing and providing technical inputs to develop the concept of the study. Similarly we would like to acknowledge CBWG members for their regular support in all stages of the report. We would like to thank Simo Galimberti Deputy Country Director from CCS Italy for providing input particularly with regard to recommendations, and Alan Wallace from VSO for helping with the final editing of the report.

AIN extends special thanks to those members who contributed their time and who supported the process by taking part in the surveys and by providing other information. I would also like to thank the AIN Steering Committee members for providing their feedback during the final stages of the report.

Special thanks must go, again, to Sten Andreasen, Country Director of MS Nepal for financial support to undertake the study and to support other activities of CBWG.



Chij Kumar Shrestha
AIN
Chairperson

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Executive Summary

Following the production by Association of International NGOs (AIN) of Guidelines for Forming Successful Partnerships for all its member and partner organisations in 2005, AIN undertook a series of promotion and dissemination workshops at the regional and national level. These workshops pointed to the need to explore how AIN members were using the Guidelines to build partnerships with NGOs across Nepal. This present study was commissioned to address that need.

- The objective of the study, broadly, was two fold: first understand to what extent the Guidelines have been adopted by AIN members: and secondly to learn what practices of institutional governance are exercised by INGOs in seeking to satisfy the demands from their NGO partners. It was decided to give structure to the study by focusing on three headings which had emerged in the course of the dissemination and consultation process: accountability, demonstrable transparency, and effectiveness.
- The intention was to encourage AIN members in Nepal to reflect on and to assess their own governance practices. In this respect, the purpose of the review was to fact-find; to take stock of progress by AIN members in using the AIN Partnership Guidelines and to identify support and training needs which would encourage greater usage. It was anticipated that through a process of self-assessment, the practices of institutional governance as exercised by INGOs in relation to the Partnership Guidelines could be explored in detail and more fully understood. A particular focus is the extent to which these criteria are applied to the development and implementation of partnership agreements between the INGO and its partner local NGOs.
- The Organisation Development Centre (ODC, the appointed consultancy) addressed this challenge through a literature review and a questionnaire specifically designed to enable self- assessment by the AIN members. The questionnaire was built around the Guidelines and subsequent to receiving completed returns a series of semi-structured interviews were held. The questionnaire was completed by 39 of AIN's members and of these 9 participated in the follow-on interviews. Following completion of the detailed work by ODC and productive discussions between AIN's Capacity Building Working Group and ODC the report was further developed and completed by AIN.
- It is clear from the study that AIN members take governance seriously and are aware of the importance of being able to demonstrate accountability, transparency and effectiveness in the way their organisations operate.
- The majority of INGOs used the Guidelines in whole or in part to inform or guide their relationship with their partners.
- In relation to Accountability 97% of respondents indicated confidence in knowing to whom their organisation is accountable. A broad range of mechanisms was identified through which respondents exercise both external and internal accountability, including the various ways in which the external (to Nepal) international board of the INGO and the in-country leadership worked.
- The majority of study respondents use defined criteria for the selection of partners and some use selection committees in order to ensure Transparency. All INGO respondents use some form of written contractual agreement to ensure transparency and confirm obligations and expectations on all sides.
- The collection and provision of information was noted as a key element of transparency with some INGOs having more sophisticated information management systems in place than others.
- The extent to which INGO participants share budget information with partners varies.
- Quarterly reflections, half yearly social audits and reviews of strategy are processes undertaken by most of the INGOs interviewed.

- ❑ Decisions about which projects the INGOs choose to undertake are made in relation to their contribution to achieving the Organisation's larger goal in 94% of the survey respondent INGOs.
- ❑ In relation to Effectiveness, all respondents stated that what their Organisations intend to achieve (outcome) is clearly documented in programme plans that benefit from learning gathered through project evaluations.
- ❑ All study respondents said that to a greater or lesser extent measures or indicators are set at the start of projects to assist in the assessment of progress towards achieving stated goals. Three quarters, (76%) of respondents indicated that they use specific processes for monitoring project progress to ensure effectiveness. All survey respondents said that mechanisms are in place for evaluating project impact.
- ❑ A full and detailed list of recommendations drawn from the survey findings as well as some which have been developed by the AIN Capacity Building Working Group in the light of those findings are presented in [chapter 6](#) categorised under the headings of Accountability, Transparency and Effectiveness.
- ❑ In the course of the report, tables listing initiatives and practices adopted by respondents are provided at appropriate points to facilitate reference.
- ❑ Recommendations include proposals for training and coaching activities which may be of value to many AIN members.
- ❑ The report contains significant detail in relation to the governance activities of the respondents and there is a declared willingness from many AIN members to share good practice. An extended list of good practice currently undertaken by AIN members is attached as an Annex: 4.
- ❑ While the Guidelines and other leaflets produced by the CBWG have been read and have been of use, it is evident that learning for AIN members will be best carried out through training, coaching, shadowing and similar activities, rather than by the production of 'how to' reports or tool-kits. There may be implications in this for the way CBWG goes forward with its other work.
- ❑ It should be noted too that this study is based on the self-perception of the respondents only. It may be helpful for AIN to consider carrying out a similar study for partner Organisations. Comparing the findings of the two reports (this present report and a report that reflected what the views of partners are) would produce more evidence to better understand and analyze the impact of Partnership Guidelines in achieving good governance.
- ❑ Having said this, the survey and report has helped us to understand how the Partnership Guidelines are viewed, to establish to what extent they are being used and to identify what the challenges and issues are that AIN members – and their partners - face when trying to deliver high quality services to communities.

1

Introduction, Objectives and Methodology of the Study

Introduction, Objectives & Methodology

1.1 Introduction

In order to promote good governance within member organisations and their respective partner NGOs, the Association of International NGOs (AIN) produced Guidelines for Forming Successful Partnerships in 2005. These AIN recommended INGO-NGO Partnership Guidelines are intended to set a high level of transparency and an increased level of democracy in standards of governance and in the performance of AIN member and partner organisations working in Nepal.

It was accepted that each INGO-NGO partnership would set out their own appropriate steps and decide on the speed at which they would progress towards achieving the standards set out in the Guidelines. By using the Guidelines as the basis for partnership building, INGOs would be deploying effective organisational development tools and would contribute to and strengthen the pursuit of good governance.

Since producing the Guidelines, the AIN Capacity Building Working Group has actively disseminated and promoted them to different stakeholders (NGOs, INGOs, Government bodies and donors). Progress has been made too in raising awareness of the need to strengthen and improve governance more generally across the sector at all levels.

As part of the promotion and engagement work around the Guidelines, AIN ran three Regional and one National Workshop, the latter with a particular focus on 'Exploring the challenges of Good Governance in I/NGOs'. Valuable comments and feedback came from these events. In particular, at the National Workshop a significant conclusion addressed commitment to good governance and the unmet challenges that such a commitment brought up which included the following list:

"Perceived lack of commitment shown by some I/NGOs (to good governance): The process of getting consensus to implement good governance principles into practice; The level of knowledge required to implement the principles successfully; Having sufficient time to implement successfully; Having sufficient resources to support good governance practices". (AIN Efforts for Implementation and Experiences; CBWG 2009; page 9).

In this context, AIN through the Capacity Building Working Group decided to look again - and more closely - at the practices and experiences of members in relation to the 2005 Guidelines. AIN needs to understand the progress that members have made in enhancing their governance practice, acknowledging that the Guidelines apply equally to their own as to the NGO institutions. Terms of reference were drawn up and the Organisation Development Centre (ODC) was commissioned to undertake a review. The focus was to be on the progress made in establishing institutional governance within the AIN membership in the light of the principles detailed in the Partnership Guidelines.

1.2 Scope, Purpose and Objectives of the Study

The purpose of this study is to fact-find; to take stock of progress across the AIN membership with regard to the implementation of the AIN Partnership Guidelines and to identify support and training needs. The objective was to understand, through self-assessment, what governance practices INGOs has developed in relation to their dealing with external partners/stakeholders (NGO partners, community partners, government bodies/authorities) in the light of the principles stated within the Partnership Guidelines. The extent and quality of these current practice is assessed in the study against the interpretation of good governance practices as set down by AIN in the Guidelines themselves.

It is recognised in the study that INGOs have their Boards of Trustees and Executives in their home countries, and so their key governance mechanism is outside Nepal. So each INGO in Nepal is therefore operating as an arm of its 'parent' organisation. It is both guided and restricted by the vision which the remote board has and by the decision-making processes, policies and performance goals by which

board seeks to operate. The scope of this study, however, is not to directly review the governance practices of the parent organisation even though these will influence the working practices of the INGO in Nepal. Neither is this study about reviewing political governance per se, although the influence of the political system on the operation of INGO and NGO partnerships is acknowledged. The study was and is intended to encourage AIN members in Nepal to reflect on and self-assess their own governance practices, to identify what has worked well, what has been challenging and what additional support or training might be needed.

1.3 Focus of the Study

In order to provide focus to the study and in light of the feedback from the workshops held regionally and nationally three particular themes were identified around which the self assessment and reflection could be structured. These themes are define as follows:

Transparency – To what extent and in what ways do INGOs believe they exercise transparency in their operations in relation to their partnerships with external stakeholders? In the 2005 Guidelines, transparency is defined as “*The provision of information to stakeholders about who we are and how we raise and use our resources, maintain records and make decisions that affect all rights holders involved in our work.*”

Accountability – To what extent and in what ways do INGOs demonstrate meaningful accountability to users, clients, beneficiaries and rights-holders? The 2005 Guidelines define accountability through the following statement: “*The partnership is accountable to stakeholders, including rights-holders, for the effectiveness and efficiency with which we use the resources we mobilise, and they are able to openly express their rights, choices and concerns.*”

Effectiveness – How do INGOs know if they are effective? It was outside the scope of this work to understand whether INGOs are effective in programme terms; the focus was more on mechanisms, processes, tools and best practices to assist INGOs to understand their own effectiveness as organisations¹.

1.4 Methodology

The underlying approach was to engage AIN members and, as noted above, to encourage self-assessment and reflection. A six stage methodology was applied:

a. Review of relevant documents and materials

A selection of contemporary literature relating to governance best practice was reviewed in preparing the questionnaire and as context for the overall production and writing of the report. Although initially a broad literature review was planned, it was later decided to focus on the Partnership Guidelines for the development of the survey materials. In the course of the study, efforts were made to source materials documenting core approaches to governance (both theory and practice), to identify policies and tools that are in use or available, and to note the activities that have been undertaken and reported on by interview participants.

b. Questionnaire design

A questionnaire was developed with input from the Capacity Building Working Group (CBWG) and the AIN Steering Committee. The ‘Principles and Indicators of the AIN recommended Partnership Guidelines’ - the Guideline - document was the main reference source for the development of the qualitative and quantitative study questionnaire. In addition to enabling self-assessment by AIN members, the idea was to develop a tool that would enable INGOs to understand the extent of their journey to enhance their institutional governance practices for future self-assessments (see Annex 1 for the Questionnaire).

Every effort was made to structure questions that would engage respondents in a learning process, supporting their self-assessment of governance as they completed the questionnaire or responded

¹The definition of Effectiveness is treated differently than the definition process for Accountability and Transparency in the 2005 Guidelines and is explored later in this report.

to questions in the subsequent interviews (see below). In an iterative process, three versions of a draft questionnaire were presented to the CBWG for review and input and the third version was taken to the AIN Steering Committee for agreement before being finalised and then tested online.

c. On-line questionnaire

Once finalised, the questionnaire was placed on Survey Monkey, an internet based survey tool. CBWG members tested the questions and tool before all AIN members were invited to complete it online. The survey tool is designed in such a way as to facilitate general analysis of the responses. Questions for the semi-structured interviews were designed to elicit fuller perceptions of what has worked well, what has been challenging and what additional support or training is needed.

d. Semi-structured interviews

Data about current practices in relation to the Partnership Guidelines was collected from 39 (44%) AIN member INGOs via the online questionnaire although only 32 (82% of the respondents) completed all questions². Representatives from 10% of AIN members (9 INGOs) were contacted for face-to-face interviews (see Annex 2 for the indicative questions asked). The representative sample (see Annex 3) was as chosen by the AIN CBWG.

e. Analysis of the findings

The findings from the questionnaire responses and interviews were reviewed to assess the extent to which AIN-defined governance principles were being applied. Illustrations of best practice were identified where possible and challenges and areas for improvement were drawn out where these could support learning by others. Specific or general gaps in competence or capacity within INGOs that might be overcome by acquiring additional skills or knowledge were noted as a partial training needs analysis. (Needs were extrapolated from the experiences of those AIN members who responded, so the resultant picture is partial only).

f. Identification of tools

Effective tools, methods and processes used by respondent organisations that could assist with the implementation of good governance and self-assessment were identified in relation to their value for AIN members in the context of Nepal. A list of these practices has been attached as Annex: 4

1.5 Report production

The findings from the review have been written up to enable members of the AIN to reflect on current experience (positive and challenging) and to learn from best practice. Examples provided by participating INGOs have been included. Findings illustrate the range of success in terms of applied governance practice. In addition the report includes references to materials and tools used by members and commentary is made on their apparent value for AIN members in the Nepal context.

Feedback, input and comments on the first draft were sought from the CBWG and from the Steering Committee before the final, revised document was presented by ODC. This revised ODC document has been further developed by the CBWG & it is hoped that the final report is a useful tool for reflection and learning.

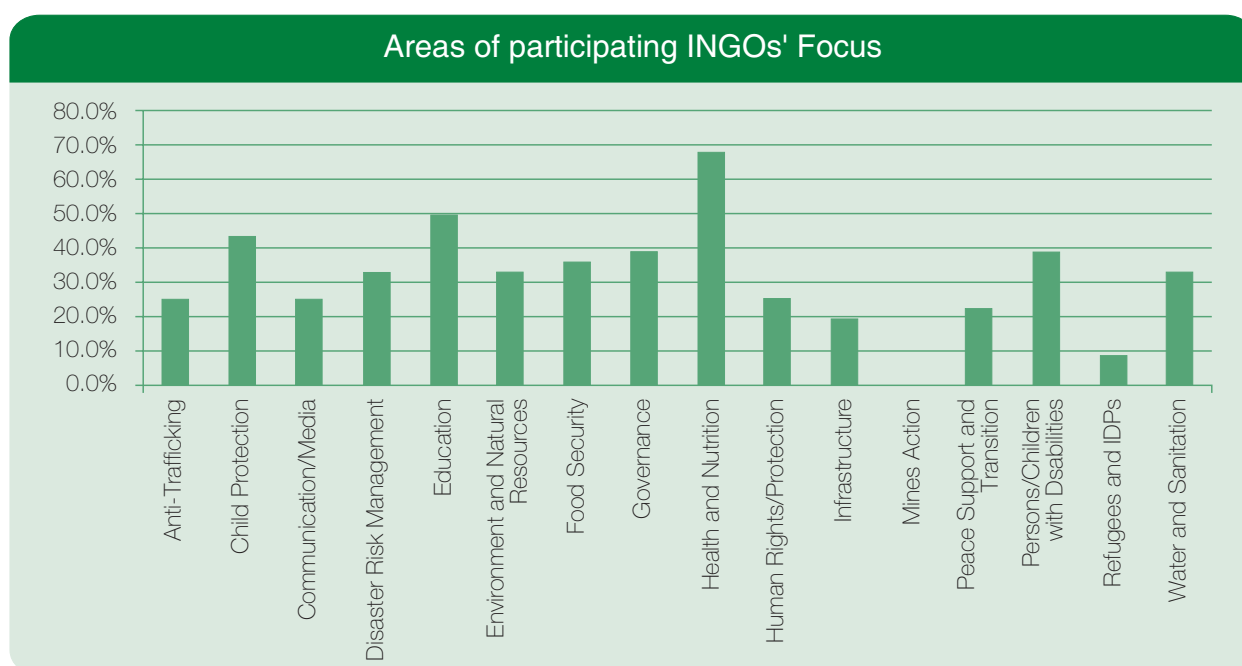
1.6 Participating organisations

All AIN member organisations were invited to complete the online survey, but as we noted above only 39 did so. Those INGOs that participated varied in terms of size, strength, age and activity. The areas of focus of INGOs represented in the survey are as follows³:

²One survey respondent was unhappy with the nature of the questions that referred to direct project management and rights-holders and felt that the whole survey was flawed.

³Of course most INGOs are engaged across a range of areas of activity & this is reflected in the clearly multiple entries in the diagram.

Diagram I Areas of participating INGOs Focus



Some INGOs are operating closely with project partners whereas others are more focused on supporting the government in delivering their obligation to Nepali people. At least two of the participating INGOs have private sector partners as well as public and civic sector partners. One INGO says that bringing the private sector, civil sector and NGOs together in this way gives a consortium real effect and provides for new perspectives.

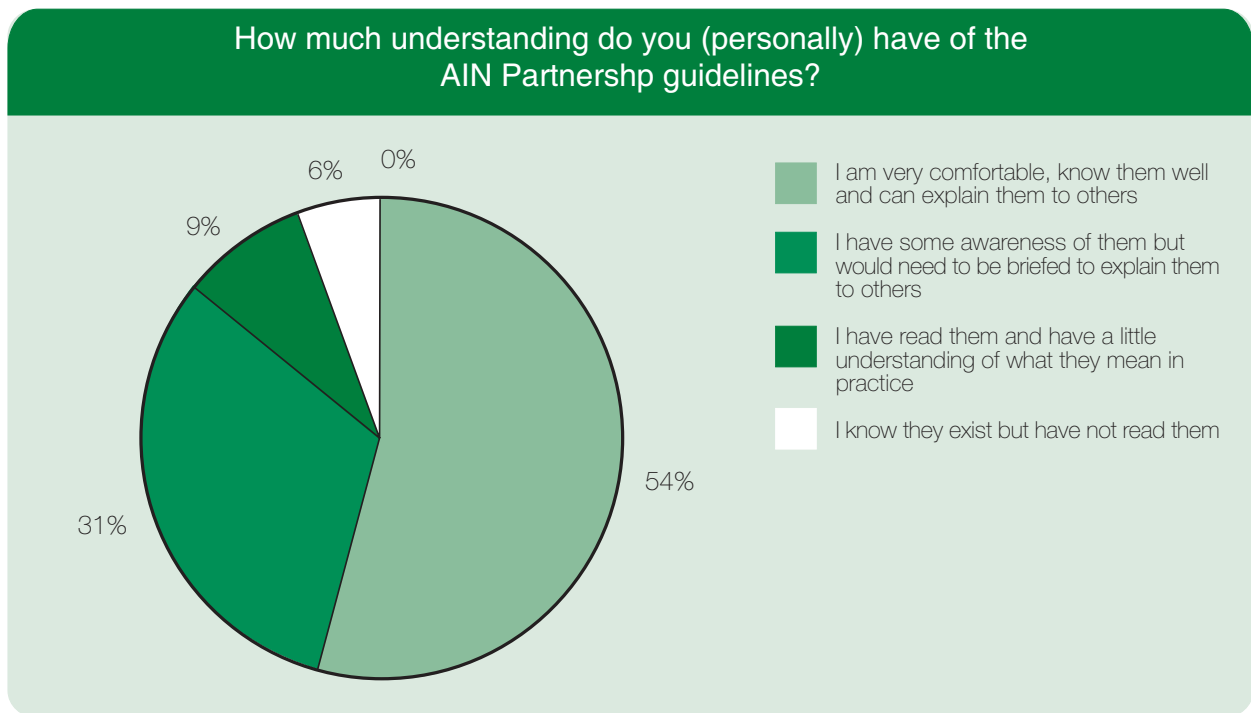
There was a range in size of survey respondents in budget terms with the planned expenditure in Nepal of the smallest INGO being US\$190,000 and the largest being US\$15,000,000. Eight of the organisations responding who answered this question have no international staff compared to three with 160, 50 and 42 international staff respectively; all others have 10 or less. Seventeen of the responding agencies have less than twelve national staff (ranging from 1-11) whereas two have more than 1,200.

It is clear from the study that AIN members take governance seriously and are aware of the importance of being able to demonstrate accountability, transparency and effectiveness in the way their organisations operate. Not all INGOs have the same internal resources as others and yet the majority were able to articulate the practices they have adopted to make their organisations transparent and accountable to stakeholders. Some organisations are more experienced than others in the range of approaches to good governance that are in regular use (such as Social Auditing and Public Hearings). Several indicated a willingness to learn more about good governance practice. For the raw data from the survey that shows the spread of responses to each question see Annex: 5.

1.7 Perceived value of the Guidelines

Of the INGO respondents, 54% stated that they know the Partnership Guidelines well and can explain them to others. The majority of INGOs used the Guidelines in whole or in part to inform or guide their relationship with their partners. Guidelines are used by 34% of respondents to inform their planning whereas 63% do not follow every aspect within them. Two respondents stated that the Guidelines do not offer more than the organisation already has in place and one stated the Guidelines are not used at all. One respondent said the INGO based its Partnership Strategy on that of AIN, especially the principles and prerequisites of partnership. Two respondents stated that the collective or umbrella status of the Guidelines gives strength to AIN member organisations in circumstances where they may be asked to do something that is inappropriate, unethical, non-transparent or corrupt. The Guidelines add weight when a personal 'no' or declination would not be sufficient.

Diagram II Understanding of Partnership Guidelines



1.8 Structure of the Report

Following this introductory chapter, Chapter 2 sets out detailed findings in relation to ‘Accountability’ focus. This is followed by chapters on detailed findings under Transparency (Chapter 3), and Effectiveness (Chapter 4). Chapter 5 presents a Conclusion and Recommendations.

For each of these ‘Findings’ chapters (Chapters 2, 3, and 4), numerous examples of practices, tools and experiences relating to the relevant topic – Accountability, Transparency or Effectiveness - are provided in a summary table at end of chapter. The intention is to present as complete a picture as possible of the ways in which AIN members are addressing the challenges of building effective partnerships with NGOs while using the AIN Partnership Guidelines.

While each chapter generates specific recommendations, these are not presented chapter by chapter but are deferred to Chapter 5, where they are all presented together.

The Questionnaire, Interview Questions, and list of interviewed INGOs are all included as Annexes.

2

Accountability

Accountability

2.1 Findings - Accountability

The study was designed to understand the extent to which INGOs demonstrate meaningful accountability to stakeholders. The Guidelines define accountability as follows: “the partnership is accountable to stakeholders, including rights-holders, for the effectiveness and efficiency with which we use the resources we mobilise, and they are able to openly express their rights, choices and concerns.” In the process of data gathering, details of how INGOs demonstrate accountability to staff were also shared. The findings are shown below under a) external accountability (to service users, government, other partners and beneficiaries) and b) internal accountability (to staff and the INGO’s management and board).

2.1.1 External Accountability

All but one of the respondents (97%) indicated confidence in knowing to whom their organisation is accountable, with some indicating a range of stakeholders over and above those who directly benefit from funding and other support provided. This range included accountability to children to improve their lives; to the Nepali people, to donors; to the government (to support their national work); to the hierarchy within the INGO; to the board members and to member organisations. One INGO identified their Board members as being accountable to the organisations the board members represented and for this reason they expect to see the impact of the programme in Nepal. They do this through field visits and discussions with beneficiaries when in the country.

a. Partners

Just under 30 survey respondents (88%) said that information is collected from partners to enable the INGO to learn from them, to understand their needs and to support the planning process. There is strong commitment (94% of survey respondents) to ensure women and other marginalised and disadvantaged people participate in the planning process.

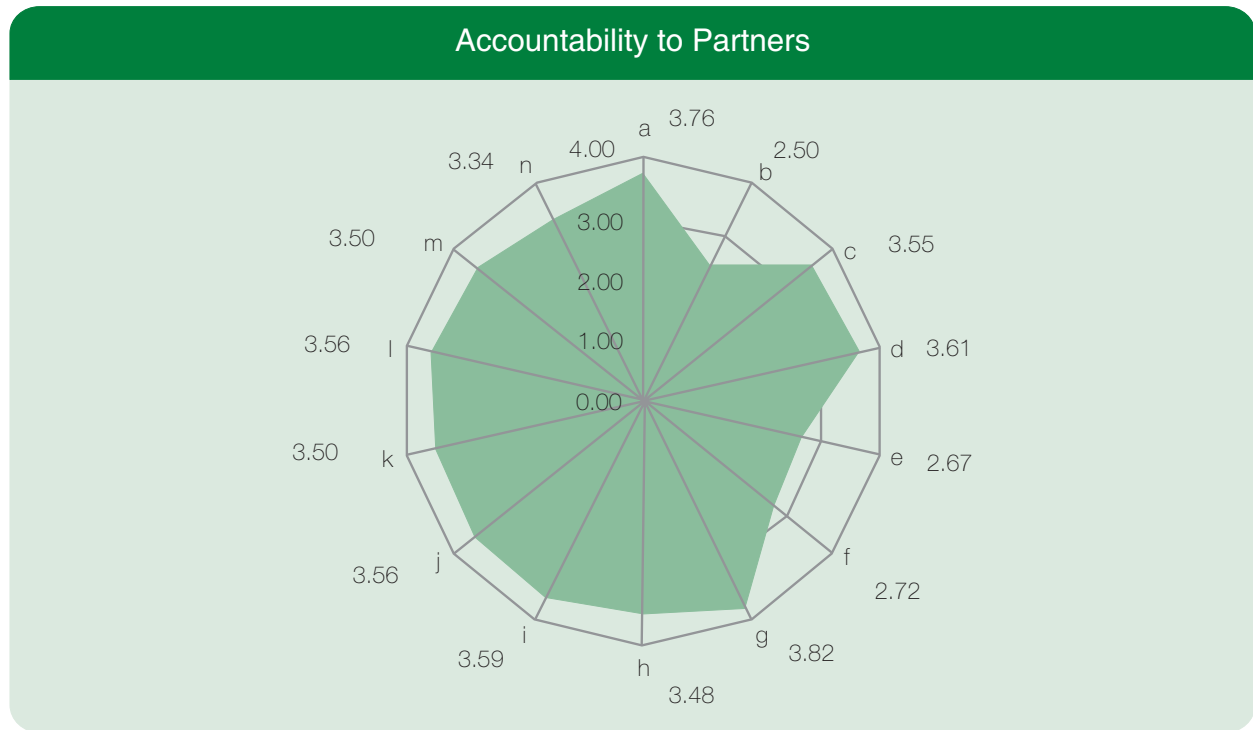
Over 20 (69%) INGOs said they have procedures in place for engaging partners for planning, implementation, reviewing progress and evaluating impact. Seven INGOs were less positive about their practice here while three do not have procedures in place. There is a strong sense that methods of engagement encourage genuine, constructive feedback from partners (97% of survey respondents said this was the case) and 91% of survey respondents said they have changed plans – to a greater or lesser extent - as a result of input from partners.

Of the INGOs who responded, 94% said that their partners are involved in the evaluation of projects where this is appropriate. One respondent said that after each year of the project of implementation they go with each partner to the relevant district offices to present the annual report and discuss the outcomes achieved. These meetings are officially recorded and the minutes are sent to the stakeholders involved thus upholding a strong value of equal participation and communication between the partners. Another INGO organises occasional feedback/sharing meetings with beneficiaries and undertakes a process to gain beneficiaries/right holders’ feedback on some of the technology used. An INGO with a mandate to work for children reflected on the challenge of how best to engage children in decision making. They are now contemplating the formation of an advisory board at the country level for this purpose.

Just under 20 (58%) of survey participants meet with their partners at least quarterly to review plans and progress made. Four (13%) do so monthly; two half yearly and three annually. For one INGO, the frequency depends on accessibility to the partner and project location. For more remote areas, visits are only made annually. Two of the respondents meet partners as and when required and two others have more frequent contact, in one case working side by side. One of the INGOs interviewed explained that their planning process is ‘bottom up’. Partners go to the target groups and discuss ideas. The Regional office compiles the feedback before sending it through to the national team. Weighting the responses to the questions under the heading “In what ways do you ensure your

organisation is accountable to those for whom your organisation exists?” provides the following picture whereby each arm reflects the averaged, weighted response to each sub-question (see the key below):

Diagram III Accountability to Partners



Key

- a) We understand clearly to whom our organisation is accountable. We are well aware of our accountabilities to them.
- b) Board members hold to account the most senior executive positions in the organisation (e.g. Director) on behalf of rights holders, and our partners know how this happens.
- c) Information is collected from partners and prospective partners to learn from their experience and to understand their needs before any project is planned.
- d) Active steps are taken at the time of project planning to ensure the participation of women and other structurally marginalised and disadvantaged people..
- e) We hold public hearings include some who are before a project begins and encourage debate and challenge.
- f) The people attending our public hearings are beyond those who are or will be directly involved in managing the project.
- g) We are clear with partners about what we can and cannot offer and the amount of resource we have available.
- h) We have changed project plans as a result of input from partners.
- i) Partners have access to project plans and budgets that are related to our partnership.
- j) We have procedures in place for engaging partners in all stages of project work (planning, implementation, reviewing progress and final evaluation).
- k) Partners are involved in project evaluation when appropriate.
- l) We use methods of engagement that encourage genuine, constructive feedback from partners.
- m) Results of financial audits are shared with partners when appropriate or relevant to our relationship with them.
- n) We distribute the annual reports relating to our work to our partners.

b. Social Welfare Council (SWC) and Government

Findings show that the Social Welfare Council is seen as a major stakeholder and an important element in external accountability. INGOs felt a responsibility to build effective relationships with the SWC and the policies and procedures produced by them (the SWC) are followed.

One respondent stated that they hold three layers of stakeholder meetings for government agencies twice a year. At the Village Development Committee level, progress and future plans are presented; at the District Development Committee level, partners organise the District Advisors Committee where they present the plan; at the national level, National Steering Committee Meetings are held that are chaired by the SWC. Different ministries are represented and other organisations attend (e.g. National Dalit Commission, National Planning Commission). These meetings are held twice a year; once to review progress and to discuss plans for the current year and once to review the year. The purpose is to provide guidance and to give feedback in terms of policy. Similarly, another INGO interviewed said their Steering Committee meetings are attended and chaired by ministry staff and held at least annually and sometimes twice a year. The organisation is required to explain its work at such meetings and considers itself accountable to the Social Welfare Council.

In terms of demonstrating accountability to government partners, all but one of survey respondents said they understand the government rules and regulations as they affect the programme and their organisation (27 said yes, very much so; while 4 respondents indicated a more reserved 'yes'). Moreover, 24 survey respondents were confident their organisations complied with their SWC agreement and evaluation process whereby seven marked a less confident 'yes' and one respondent did not know. One INGO is registered with the Ministry of Finance not with the Social Welfare Council.

Of the respondents, 44% (14) said they have changed project plans based on the results of SWC evaluations and 40% (13) indicated they usually do. Two respondents indicated this was not always the case and three did not know. There was a strong level of confidence that the programmes of the INGOs contributed to the National Plan of Action and other Government priorities with 97% marking this as 1 or 2 where 1 meant yes/very much so and 4 was no/not at all.

One of the INGOs interviewed has formed a Central Project Advisory Committee to establish more contact with the Government. It has SWC & Ministry representatives within its membership. Meetings are held biannually. The Committee functions in an advisory capacity helping the INGO to build government relations and check that the programme is in line with the national strategy. Another INGO interviewed said their Project Advisory Committee at the national level is attended by different line ministries and is taken very seriously. Twice a year the organisation is challenged on the programme plans and progress made. At the District level, project advisory committees are held. Relevant people are invited by local partners and comments and suggestions are given and received. These meetings are considered valuable for the INGO as they show whether resources really are being used well. Gaps, if any, are identified. The SWC is involved in all process is considered to be a good way to engage line ministries.

The Social Welfare Council is involved in all processes relating to project approval, monitoring and evaluations of another INGO interviewed.

c. Country Strategic Plans

Country Strategic Plans are used to guide the development and design of INGO projects. Feedback is then sought from planning ministries via a national workshop to the draft Country Strategic Plan of one INGO before the Plan is finalised. Another INGO interviewed said it monitors project performance through work plans, objectives and targets (using log frames) and analyses results and achievements. Indicators are created for each result area. Mid-term Evaluations of projects are undertaken by the SWC and final evaluations are used to monitor progress. Valuable learning, they reported, is gained from evaluations, Annual Reflection Reviews and Project Performance Reviews. Regular monitoring of programmes is undertaken by people from headquarters and by donors. The Strategic Plan of one INGO interviewed is developed in Nepal but in line with the global strategy produced at its international headquarters.

d. Public Hearings

Public Hearings have been found to be an important vehicle for building trust and demonstrating accountability to communities. Just over half of the of INGO survey respondents said public hearings are held before a project begins in order to encourage debate and challenge, although 14 said this was not really the case. Most of the respondents said that Public Hearings were attended by people who were not directly engaged in the project process thereby indicating a degree of public take up of the offer to be informed and to contribute. But 38% said that there was little take up of the offer to attend public hearings.

e. Annual Reports

Annual Reports are used by INGOs as an information sharing tool with 88% of survey respondents saying they distribute their annual reports to partners. Four out of 32 respondents do not do this although one said they will do once their first annual report is ready. One INGO interviewed used their annual report to demonstrate the breakdown of expenditure on projects. Their latest report shows that 65% of funds were spent to benefit poor people; 54% of this was for women and 70% was spent in rural areas. Two of the INGOs interviewed use case studies for their Annual Report, which draw on learning from the project work.

f. Donors and Financial Accountability

One element of the questionnaire focused on financial accountability to INGO donors. Confidence in the integrity of their own financial management and that of partners was high in 97% of survey respondents with 24 (75%) saying they are very confident and seven (22%) saying they are broadly confident. Of survey respondents 56% said they have some confidence in the integrity of partners at a project level and 41% are very confident. All respondents stated they have mechanisms in place to ensure funding is used for the purposes for which it was received (75% very much so and 25% indicated yes but less confidently).

Nearly all survey respondents hold annual financial audits where partners are part of the meetings are informed of the results with 81% being very confident about this and 13% being less sure although still positive. Two respondents stated that their organisations do not do this or do so in part only. Every one of the responding INGOs stated that agreed recommendations from annual financial audits are implemented with 84% being very confident of this.

The commitment to financial accountability is strong in the INGOs interviewed. Financial audits are undertaken and controls are systematically applied. One INGO gave an example of ending a partner relationship due to poor standards of financial behaviour. A personal visit was made to the partner organisation to explain the reasons and help them understand the consequences of their actions – financial integrity was seen as the litmus test of accountability. Regular internal and external financial audits are undertaken by another INGO interviewed and the reports are submitted to the SWC. For another INGO interviewed, internal and external audit reports are sent to the SWC and the Senior Management Team (SMT) as well as to headquarters. One INGO interviewed explained that a financial management framework is used. When there is surplus of funds such information is provided to the funding partners. If necessary, the surplus funds are returned or, if permitted by directives, used for other projects or programmes.

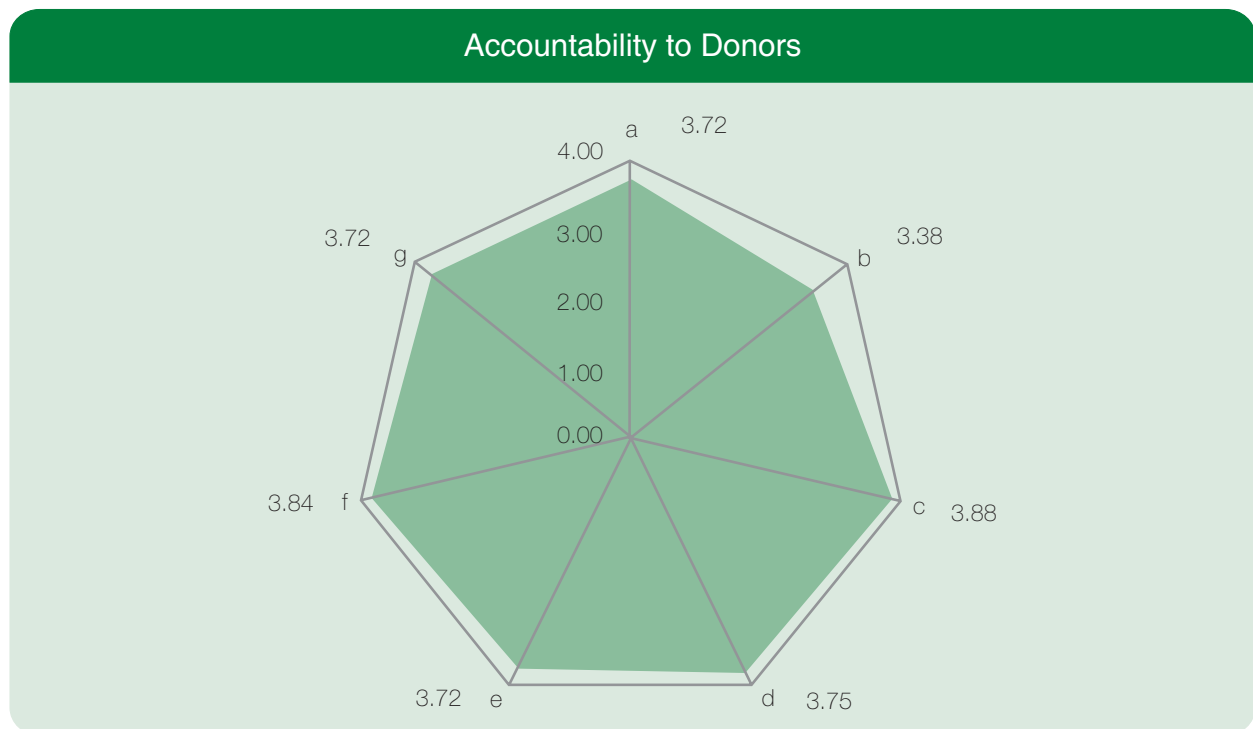
All but one of the respondents (97%) said they are clear with partners about what is on offer and the amount of resource available. Of 32 respondents answering this, 29 said partners have access to project plans and budgets that are related to the partnership. Three answered that this was not really, or not at all, the case. The results of financial audits are shared with the partners of 28 of the respondent INGOs when appropriate or relevant to the relationship and 'not really' or not at all by four.

Not all INGOs document project achievements against predetermined indicators and share this information with funding partners although 25 respondents were very confident that was the case, five being positive but less assured and two indicating that this may or may not always happen. One respondent stated that the INGO shares its activities and financial plan (income and expenditure) in annual meetings with target groups and stakeholders while another INGO conducts assessments

of partners' capacity and risks and, based on the results, develops and implements action plans.

By weighting then averaging the total sum of the responses to the questions relating to accountability to those who provide funding to INGOs, the following map emerges. Each element refers to one question area (see key below):

Diagram IV Accountability to Donors



Key

- a) We are confident of the integrity of our financial management and that of our partners at a project level.
- b) We are confident of the integrity of our partners at a project level.
- c) We have a Financial Management Policy with supporting procedures in place that are fit for purpose and comply with generally accepted accounting principles and practices.
- d) Mechanisms are in place to ensure funding is used for the purposes for which it was received.
- e) Annual financial audits take place and partners are part of the exit meetings and informed of the results.
- f) Agreed recommendations arising from annual financial audits are implemented.
- g) We document project achievements against predetermined indicators and share this with funding partners.

g. Summary Table: Tools and Practises for External Accountability

Tools/Process	Practices; Examples of practices adopted by one or more respondents to the Study.
Advisory Board	Formation of advisory board at district and national level
Annual Report	<p>Annual program and financial report that draw on learning from the project is shared with partner, line agencies, funding agencies, Social Welfare Council and other relevant agencies.</p> <p>Is also used as information sharing tool.</p>
Stakeholders meeting for government	<p>Three layers of stakeholders meetings, Organised twice a year at :</p> <p>Village Development Committee (VDC) Level: Progress and future plans are presented;</p> <p>District Development Committee (DDC) Level: Partners Organise the district advisors committee where partners present the plan. Formation of District Project Advisory Committee.</p> <p>National Level (NL): National Steering Committee or Central Project Advisory Committee is formed and meetings are held that are chaired by Social Welfare Council.</p> <p>National Steering Committee is comprised of other government line agencies such as National Planning Commission. The purpose is to provide guidance and feedback in terms of policy. These meetings are considered to be a good way to engage line ministries. The social Welfare Council being involved in all processes</p> <p>These practices establish more contact with the government and with the Social Welfare Council and Ministry representatives</p>
Feedback/Sharing Meeting	Organised with beneficiaries from time to time. This is a process to gain beneficiaries/rights holders' feedback.
Public Hearing	Important vehicle for building trust and demonstrating accountability to communities. Public Hearings are held before a project begins so as to encourage debate and challenge.
Meeting with Partners	<p>Organise at least quarterly to review plans and progress made. This helps to be clear with partners about what the Organisation can and cannot offer and the amount of resource available.</p> <p>In these meetings INGOs can share information on activities and on financial plans (income and expenditure) particularly in larger annual meetings with target groups and stakeholders.</p>
Mid Term Evaluations	Mid term evaluation of projects is undertaken by Social Welfare Council (SWC) and final evaluation is done to monitor progress.
Annual Reflection Review and Project Performance Reviews	<p>These are used as learning processes during the implementation process with partners, headquarters and donors.</p> <p>Project Performance Review is undertaken by people from headquarters and donors.</p>

Financial Management	Financial management policies that are fit for purpose and comply with generally accepted accounting principles. These ensure funding is used for the purpose for which it was received and is seen so to be used.
Annual Financial Audits	<p>Where partners are part of the meetings and informed of the results, agreed recommendations from annual financial audits are implemented and controls are systematically applied.</p> <p>Internal and external audits to promote financial accountability toward donors, government and partner Organisations and right holders are conducted in some instances.</p> <p>Audit reports are sent to Social Welfare Council and the Senior Management Team and to the Headquarters.</p>
Assessments of Partner's Capacity	To identify risks and based on the results, develop and implement action plans.

2.1.2 Internal Accountability

a) INGO Boards

As be noted at 1.2 above, each INGO survey respondent has a Board that sits outside Nepal with its own ideas, approaches and accountability mechanisms - although one was in the process of becoming a Nepali NGO with its own Board at the time of the study. Ultimate accountability is held at this external Board level and authority is delegated to the regional team with the country management responsibilities exercised through the 'country director' (this term is used generically). The extent to which the country director is empowered appears to vary between INGOs. For one INGO the Board acts as a check against senior management decision-making although in another case the Board is considered to be too far removed to hold country level senior managers to account. The country director is accountable to the Board for programme activities and is required to report to the Board in at least two of the INGOs interviewed. Two others among the INGOs interviewed said their Board members are in turn accountable to members through a wider General Assembly.

A broad range of responses in the survey came from reaction to the statement: "Board members hold the most senior executive positions in the organisation (e.g. Director) to account on behalf of rights holders and our partners know how this happens". Of survey respondents, 63% felt this was true to a greater or lesser extent whereas 25% felt this was not the case and 13% did not know. One respondent challenged the use of the terminology in the question.

b) Delegated Budgets

One INGO interviewed mentioned their decentralised responsibility for financial decision making. Managers are expected to follow procedures and guidelines and through this have decentralised responsibility for budgets. The organisation is now considering inclusion of accountability indicators within the performance review process as a way of holding managers to account for programme spends.

c) Staff

Some of the organisations interviewed also talked about their accountability to staff. They demonstrate this accountability by holding open meetings that encourage contributions and engagement in the decision making process. Where decisions are taken at a more senior level genuine efforts are made to feed the results back to staff. At one larger INGO the senior team now tends to instruct managers to hold meetings in Nepali to ensure everyone understands the decisions made. For another organisation interviewed, their clear organisational mission is used to engage and motivate

team members in making collective efforts and contribution. The organisation believes that this enables effective steering of programme activity.

One INGO interviewed mentioned they have introduced an Internship Policy to support Dalit, Janajati and women in employment. There is a strong commitment and mindset of inclusion. All staff is given training on how to be inclusive in their practice and an annual workforce diversity assessment is done of all projects to understand if the team has been inclusive in its work activities. Another INGO interviewed promotes and practises the principles of gender and inclusion in all its activities. Of their 125 staff, 27% are women and 40% are janajatis.

d) Addressing Hierarchy

One of the challenges in Nepal for INGO senior officers is the cultural tendency towards unquestioned deference to hierarchy. Encouraging contributions and constructive challenge from staff is therefore not easy for senior staff.

Staff meetings are used in two INGOs to encourage staff members to voice ideas and concerns. In one of these, quarterly Team Leader Meetings are chaired by different team leaders each time on a rotation basis which increases participation and encourages inclusive decision making. Similarly, in another INGO interviewed, office staff participate in fortnightly meetings that are chaired by each member on a rotational basis. This INGO has formed a Senior Management Team (SMT) that serves to diffuse the potential or perceived power of the expatriate country delegate. An agenda generated by the country delegate and added to by SMT members, is circulated prior to the meetings; minutes are produced and distributed at the end. Another INGO interviewed uses staff meetings to engage staff in the planning process. One INGO interviewed has acknowledged the need to re-activate and continue the annual gathering event of all the project staff to share the project activities and develop individuals' capacities. They have realised that regular staff meetings at all levels (i.e. central, regional and district and VDC) need to be initiated and organised. The management recognises too the need to provide training on good governance to all staff members across the organisation.

e) Management Arrangements

One larger INGO has decentralised management whereby managers are expected to use the available guidelines and policies and are held to account for their action. They hold a series of meetings at different levels within the organisation for the purpose of sharing information and making decisions. A Senior Management Team of department heads makes decisions relating to organisational policy and national team members can raise issues for consideration and decisions by this team. Decisions made are communicated to staff after one week of the meetings. An extended Senior Management Team is used for sharing policy issues, and addressing what is going well and what needs to improve. The Directors' meeting is held weekly. Key events, management challenges and new issues are discussed here. A general staff meeting is held every two months for two hours with the purpose of information sharing, questions and dialogue. The minutes are in English so managers with Nepali speaking staff members are expected to hold separate meetings to explain them. In addition to these meetings, unit meetings are held weekly.

A sounding board for the country delegate of one INGO interviewed is provided by the regional officer and advisors (e.g. Child Protection Officer). Efforts are made to listen to the views of the whole Senior Management Team. The INGO's culture of neutrality and non-confrontation however, means that challenge from the regional team is rare so stimulation, fresh ideas and challenge is gained from Regional Retreats. Technical Advisors stimulate best practice as valuable resource people.

f) Summary Table: Tools and Practices for Internal Accountability

Tools/Process	Practices
Sounding Board	To make efforts to listen to the views of the Senior Management Team (SMT) in the Organisation.
Decentralised Financial Responsibility and Accountability Indicators	To allow budget control at a lower more appropriate level subject to procedures and guidelines. Can be done in tandem with accountability indicators used as part of performance review.
Accountability to Staff	This is demonstrated by holding open meetings that encourage contributions and engagement in the decision making process.
Internship Policy	<p>To support Dalit, Janjati, Indigenous People and women into employment and to help and support them when they are there.</p> <p>Staff are given training on how to be inclusive in their practice and an annual workforce diversity assessment is done of all policy.</p>
Staff Meetings	To encourage staff members to voice ideas and concerns and to engage staff in the planning process
Senior Management Team, Country Management Team	<p>Serves to diffuse the potential or perceived power of the expatriate country delegate.</p> <p>Makes decisions relating to Organisational policy. National team members can raise issues for consideration and decisions.</p>
Annual Gathering	With all the project staff to share the project activities and develop individual capacities.
Decentralised Management	In large Organisations, managers are expected to use the available guidelines and policies and are held to account for their action.

3

Transparency

Transparency

3.1 Findings – Transparency

The second of the three headings chosen to give structure to the study is transparency. The study has tried to establish how & to what extent and INGOs exercise transparency in relation to their engagement and partnerships with external stakeholders. Transparency is defined as “the provision of information to stakeholders about who we are and how we raise and use our resources, maintain records and make decisions that affect all rights holders involved in our work”.

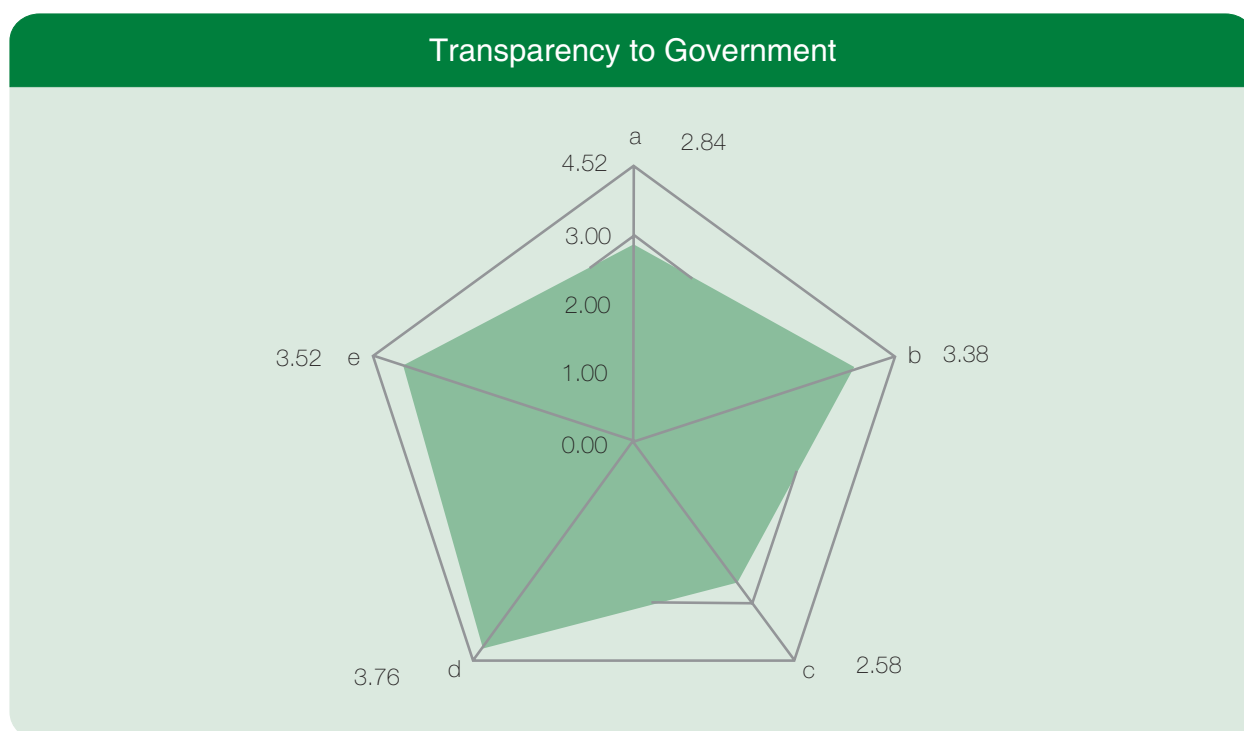
Survey respondents were asked to indicate in what ways their organisation ensures practices are transparent to partners. All said they make their organisation’s vision and goals clear to partners and potential partners so they know what the organisation is trying to achieve. A significant 84% (27) stated that this was very much the case while a further five (16%) said they did but said so but with less assurance. As noted earlier, the Strategic Plan of one INGO interviewed is developed in Nepal but in line with the global strategy produced at its international headquarters.

For one INGO Contributions to plan preparation of one INGO are gained from local and national stakeholders, ministries and the SWC via a consultation process. In this way partners are able to understand the goals of the INGO and the part they – the stakeholders - play in helping to achieve them. Once agreed, the plan cannot be amended from the ground although annual work plans derived from the Strategic Plan can be adjusted in-year as these are informed by reviews. The Annual Work Plan is discussed at the Village Development Committee level where financial reports are also shared. This sort of iterative process is used by another INGO as a way of helping to influence the INGO’s strategies.

a) Transparency at local government level

Of the survey respondents, 22 (69%) participate in whole or in part with or without partners in the District Development Committee planning process. Nine do not (28%) and one respondent did not know. Policy Advisory Council meetings are Organised by 88% of respondents (28) to share project information. Just over half the survey respondents, (52%), said they Organise District Policy Advisory Council meetings are to share project information; 42% (14) do not and two respondents did not know. The vast majority of respondents (94%) said they are aware on one level or other of the requirements of the Social Welfare Council, while one was not so sure and another stated he/she did not know them. (It is worth remembering that one INGO in the survey stated they were registered with the Ministry of Finance and not the SWC). Nearly all, 94%, of respondents stated they were confident to a greater or lesser degree that their organisation is abiding by the SWC rules in relation to administration and Programme costs. One respondent was not confident of this and another did not know. The summed weighted responses demonstrate this through the diagram as follows with the key given below:

Diagram V Transparency to Government



Key

- a) Do you/your partners participate in the District Development Committee planning process?
- b) Do you organise Policy Advisory Council (PAC) meetings to share project information?
- c) Do you organise District Policy Advisory Council (DPAC) meetings to share project information?
- d) Are you aware of the requirements of the SWC?
- e) Are you confident you are abiding by the SWC rules in relation to administration and programme costs?

b) Partner Selection and Engagement

Of survey respondents, 90% use defined criteria for the selection of partners to some extent, and nearly all of them 87% - share these criteria with potential partners so they understand the process. The Partner Selection Process of one INGO interviewed is now undertaken via advertisement and includes selection criteria. Stakeholders such as Village Development Committee representatives are involved in the selection process. Another INGO interviewed said they sometimes (but not always) advertise in national papers to source new partners. Proposals received are screened and short-listed organisations are put forward to a Selection Committee. Potential partner organisations are asked to present to the Committee that makes the final selection. Another INGO interviewed said they also use transparent criteria when assessing the capacity of partners. A pre-award tool is used to assess partners' capacity and action plans are made accordingly in a participatory manner. Another INGO interviewed states that it uses its own and the AIN partnership guidelines for the selection of partners. For another, potential partners are identified through advertisements and this is followed up by compliance checks as the grant period runs on.

All INGO respondents use some form of written contractual agreement (Memorandum of Understanding, Partnership Agreement, Contract or Partnership Principles) to ensure transparency and confirm obligations and expectations on all sides. The agreement specifies the scope of the work, of the partnership and the responsibilities of both partners. One INGO interviewed, said the Memorandum of Understanding is used to monitor and manage activities and fund flow. It has been used to

terminate two relationships to-date thus having demonstrable value in handling difficult partnership relations.

The partners of another INGO interviewed are invited to a meeting about the closure of existing projects and the opening up of new projects. This provides the opportunity for them to influence plans. Engaging partners in developing the objectives and planning the outcomes, activities and indicators is felt to enhance their belief in and commitment to the resulting programme. Similarly, another INGO which looks for longer-term partnerships holds project planning meetings with them to develop the proposals themselves. This provides for openness and sharing of plans, ideas and decision making. However another INGO said that developing longer-term partnerships was difficult given that many partnerships are based around short or medium term funding periods.

Community involvement is limited or not evident at the project design stage for at least one INGO interviewed because designing is undertaken by the local NGOs and the project staff. One large INGO interviewed has a partners' meeting twice a year. Sometimes they organise a 'heads of partners' meeting to share the strategic vision and plans.

One INGO shares the project budget with the implementing partners throughout the project phase and further enhances its transparency by sharing all its programme and budget information on its internet website. Similarly, another interviewed INGO gives its partners access to the whole budget (including information about salaries). One INGO interviewed uses the headquarters to undertake audits which they believe helps to ensure transparency.

c) Social Audit and Similar Reviews

Quarterly reflections, half yearly social audits, half yearly financial audits and a review of the strategy itself are among the processes undertaken by most of the INGOs interviewed. One INGO has been holding Social Audit for partner organisations since 2003. Social Audits or similar methods are used to share project information and generate discussion with partners about activity and outcomes in 21 (66%) of INGO survey respondents. Ten INGOs do not use them and one respondent did not know. One INGO survey respondent said they have not applied social audit in a structured way but use other similar methods to share project information.

The public audits, mid-term and end term evaluations held by one INGO interviewed are well attended. In their view, well managed public audits make a significant difference to the project when all partners and community members know how much is spent in each VDC.

Bi-annual auditing is undertaken by another INGO to make projects transparent to partners, not just to donors and headquarters. Managers are required to take any follow up action required.

For yet another INGO interviewed, the Social Audit meeting is held at the project level for the purpose of transparency and 20-30 people generally come from the community and from government and community based partner representatives. Most of the questions relate to finance and to the project process although people are slowly starting to ask about social change. The Social Audit statement is signed by all parties. Similarly, Public Audits or Hearings have been used by this INGO since 1988. These mainly focus on infrastructure projects where income, expenditure and variations are presented and questions are invited. The partners invite stakeholders to these hearings. The INGO involves beneficiaries in procurement decisions and includes them in committees as a way of increasing their participation.

One INGO interviewed talked about the Right to Information Act. The INGO is prepared for people to request information about the organisation but very few requests have been received so far. This INGO wants to introduce a national level Social Audit process and to undertake a public launch of its work. They want to translate their new strategy into Nepali and make a child-friendly version of it.

One large INGO interviewed has a number of internal checks and balances in place. For example, the Audit Department's reports are sent to country and regional directors who check if the country team really is applying the policies and procedures in place.

d) **Communications, Reports and Websites**

One INGO interviewed has identified the need to start sharing project information at the district level with the local level stakeholders. They recognise the need to develop a system for gathering consumers' feedback and suggestions for improving the projects, the organisation's systems, working modalities and practices. They believe that the communication flow for any decision from the centre to the grass-roots is currently weak and ineffective. Conversely, one large INGO interviewed has a whole Information Department dedicated to producing and providing information to people. This promotes transparency. All public reports are published, pamphlets are produced and the website is maintained to make information about the project widely available to the public. Another INGO interviewed produces regular reports, publications of activities and audit reports on a cluster basis (both internal and external). These are made available to the Social Welfare Council, the District Development Committee, funding partners and local stakeholders. Any other related information required is provided to the concerned stakeholders on request.

For one INGO interviewed it is now common practice to share information with communities in the form of Fact Sheets that include programme and operational budget information. The information sheets are in English and Nepali and supported by a sign board at the site of the projects. Their headquarters has now adopted the same process for all other countries in which it operates. The country staff are required to carry with them what they call the 'green card' of factual information about the INGO and the AIN 'yellow card' showing the organisation's operating mode. Evidence of the value of this process in governance terms has been the trust shown by communities during the time of Maoist conflict. The INGO's teams were permitted to continue working in the conflict areas. It is believed that this process of transparency has increased commitment in the partnerships.

Although not yet done systematically, one INGO interviewed puts out information to explain how much resource is coming from the organisation itself and how much is from other institutions. The intention is to respect that everyone in the project area has a right to know how much money is coming in. Where there are other funding organisations in project areas there is a Forum to discuss projects, to avoid duplication of effort and to share learning. Another INGO interviewed involves the line ministry at the centre and line agencies at the district level, sharing project information from regular monitoring and evaluation processes. A different INGO interviewed has decided that for reasons of good governance it should regularly share its programme implementation modalities and budget with all the stakeholders at the district level and seek to develop the capacities of the local partners specifically in the area of leadership, project management and financial management.

e) **Complaints and Conduct**

Of the survey respondents 91% state that partners have access to a mechanism to make complaints and know about or understand the process which the Organisation follows when responding. In line with the requirements of the Social Welfare Council, the role of a Local Issues Person has been introduced by two of the INGOs interviewed as a way of providing communities with someone to talk to if they are concerned about the INGO or its work. Similarly, a Complaints Box has been installed by an INGO in some places where they work as a way to encourage feedback from communities and to reinforce the team's sense of accountability to them.

Another INGO interviewed speaks of working actively to develop trust in the relationship with partners recognising that fear of lost funding is the most likely cause of limited challenge. A Whistle Blowing Policy which enables staff to take issues directly to Head Office is welcomed by one INGO interviewed as a vehicle for staff to voice any concerns about the professional practice of colleagues.

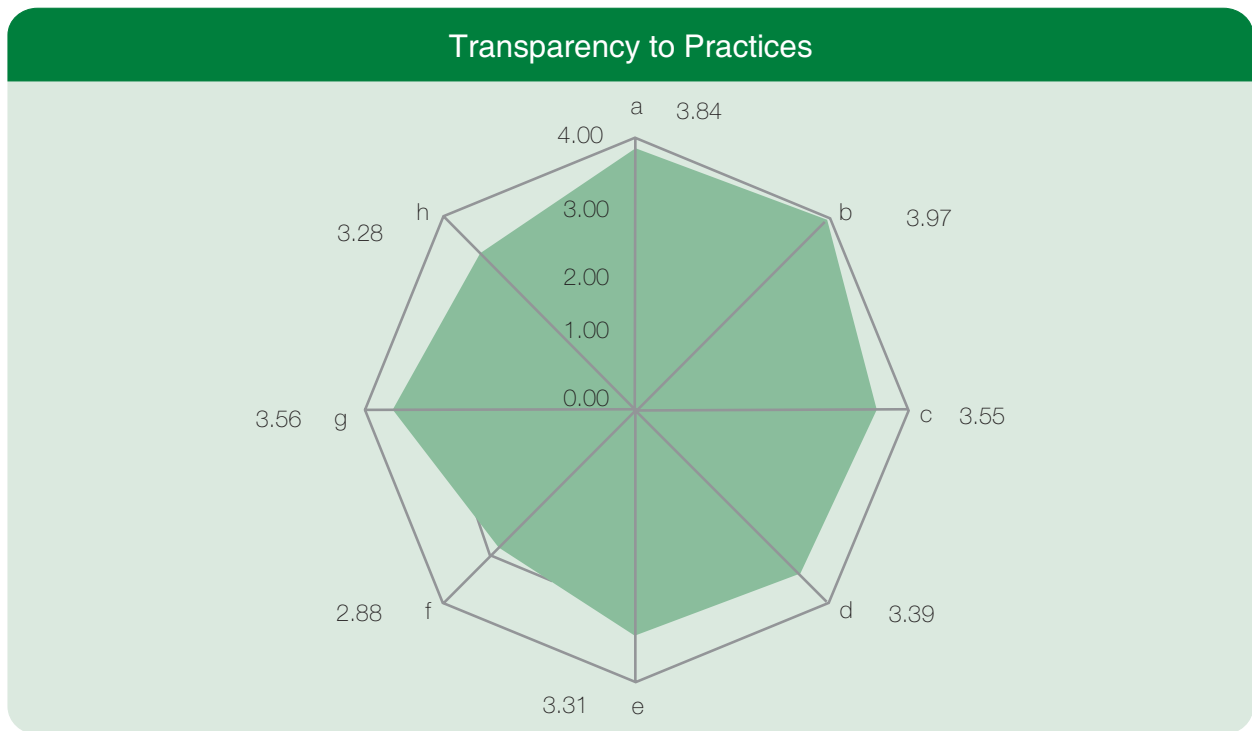
Organisational policies are seen by one INGO interviewed as a means to support transparency and to ensure staff are clear on what is expected of them. Individuals are expected to sign and be held to account against an explicit Code of Conduct designed, for example, to protect the safety of young people. Another INGO interviewed said they have a control mechanism in place for all procurement and this is working well. It includes defined authority levels that are expressed in an organisational policy.

f) Policies and Procedures

Staff in all but one of the responding INGOs, knows and understands to some extent what is expected of them in relation to project governance, achieved through policies and procedures. Of survey respondents, 88% said their organisation’s policies, procedures and guidelines are regularly reviewed and refreshed to reflect their learning as an organisation. Four, or 13%, said this is not the case in their INGO.

It appears to be common practice across the INGOs interviewed to recruit new staff via advertisements and to manage selection through transparent processes (e.g. selection committees). The staff selection criteria for one INGO includes consideration of ethnicity, caste and gender to encourage diversity within the team. This can be challenging to implement however when a range of strong candidates are in the field. The salary structure for posts is known to all staff and an annual performance appraisal process that is implemented in at least two INGOs encourages people to have their say. The promotion of staff in one INGO interviewed is based on performance as defined by their personnel policy. One INGO working to support young people used to involve children in the selection of staff. Now the team is too big for this to be manageable given the number of people being recruited. It had been difficult to make it work for senior level appointments as the INGO felt partners did not really understand what was needed in terms of professional competences required.

Diagram VI Transparency Practices



Key

- a) We make clear our organisation’s vision and goals clear to our partners and potential partners so they know what we are trying to achieve;
- b) We have a clear written agreement that specifies the scope of our work and of our partnership and the responsibilities of both partners;
- c) We use defined criteria for the selection of partners (refer to partnership guidelines);
- d) We share our selection criteria with potential partners so they understand our process;

- e) Partners have access to the mechanism to make complaints and know the process we will follow to respond;
- f) We use Social Audits or other similar methods to share project information and generate discussion with partners about activity and outcomes;
- g) We have policies and procedures so that staff know and understand what is expected of them in relation to project governance;
- h) Policies, procedures and guidelines are regularly reviewed and refreshed to reflect our learning as an organisation.

g) Summary Table: Tools and Practises for Transparency

Tools	Practices
Strategic Plan	<p>Is developed in Nepal but in line with the global strategy and in line with headquarters.</p> <p>Contributions are gained from local and national stakeholders, ministries and Social Welfare Council through a consultation process so partners are able to understand the goals of the Organisations.</p>
Annual Work Plans	<p>Are developed and shared at district and Village Development Committee level and at national level with the partners, stakeholders and line agencies.</p>
Partner Selection Process	<p>Undertaken through advertisement and includes selection criteria. Stakeholders such as Village Development Committee representatives can be involved in the selection process.</p> <p>Advertise in national papers to source new partners.</p> <p>Proposals received are screened and short-listed; Organisations are put forward to a Selection Committee.</p> <p>Transparent criteria when assessing the capacity of partners.</p> <p>Pre-award tool is used to assess partner's capacity and action plans are made accordingly in a participatory manner.</p>
Written contractual agreement	<p>This could be a Memorandum of Understanding, Partnership Agreement, Contract or Partnership Principles to ensure transparency and confirm obligations and expectations on all sides.</p> <p>Agreement specifies scope of work, of the partnership and responsibilities of both partners.</p>
Project planning meetings	<p>This aims to provide openness and sharing of plans, ideas and decision making.</p> <p>Budget and program activities are discussed and prepared.</p>
Programme and budget Information	<p>Shares with the implementing partners throughout the project phase and further enhance transparency by sharing all its programme and budget information on its website.</p> <p>Headquarters undertakes an audit which they believe helps to ensure transparency.</p>

Social Audits	To share project information and generate discussion with partners about activity, outcomes and budget which makes significant difference to the project.
Public Audits or Hearing	Mainly focus on infrastructure projects where income, expenditure and variations are presented and questions are invited.
Internal checks and balance in place	The audit department's reports are sent to country and regional directors to check if the country team is really applying the policies and procedures.
Right to Information Act	Organisation prepared to respond to people's requests for information.
Fact Sheets	Used to share information with communities. Can include programme and operational budget information. Can be published both in English and Nepali.
Local Issues person	As a way to provide communities with some one to talk to if concerned about the INGOs or its work.
Complaint box	To encourage feedback from communities and reinforce the Organisation's sense of accountability to the communities.
Whistle Blowing Policy	Enables staff to take issues directly to head office and as a vehicle for staff to voice any concerns in work.
Procurement Policy	Control mechanism in place for all procurement. It includes defined authority levels.
Personnel Policy	Includes consideration of ethnicity, caste, gender to encourage diversity within team. The promotion of staff is based on performance as defined by personnel policy.

4

Effectiveness

Effectiveness

4.1 Findings - Effectiveness

For this, the third heading used to give focus to the study, respondents were asked to provide their own definition of organisational effectiveness for the relevant section of the questionnaire. This was consistent with the self-assessment aspect of the study and was particularly appropriate as organisations tend to have their own measures and criteria for assessing how effective they are being. An extensive range of criteria and definition was provided with a high degree of overlap indicating a good level of consistency. Some useful examples from the many contributions of respondents are listed below:

Effectiveness is:

- Sustainable impact through programs that built government, community and household level capacity to improve health, education and quality of life;
- Capacity to succeed in achieving anticipated results and accomplish established goals. It is a question of doing the right things when and where they need to be done;
- Achieving intended results with quality and value for money;
- The ability of an organisation to perform and achieve the planned target /goal with given resources, on time and with quality outputs and impact. This ability will depend on the quality or capability of the staff, decision making and planning processes, implementation systems, supervision and monitoring of field activity.

There were many more suggested definitions and comments but the primary themes were delivery against intended goals, effective use of resources and adherence to time frames. There was relatively little focus on effectiveness in relation to the involvement of community in the definition of goals and objectives. This is not to say that such engagement does not happen but rather to note that it is not to the forefront when INGOs think about areas in which they need to be effective. On the other hand we have had many good examples of partner engagement in the earlier sections on accountability and on transparency.

To understand whether INGOs are effective, attention was paid in the study to the mechanisms processes, tools and practices currently in use by INGOs and to their value to the organisation in enabling them to operate effectively.

a) Identifying outcomes and expected impact

Of the 32 respondents to this survey question, 72% said they felt their organisations have a clear statement that expresses the Organisation's expectations about the benefits, difference or outcome in rights holders' lives that the organisation is established to deliver. Of the respondents, 16% had some level of confidence about this whereas 13% said they did not.

Decisions about which projects the INGOs undertake are clearly made in relation to their contribution to achieving the Organisation's larger goal in 94% (30) of the survey respondent INGOs, whereas two indicated this was not the case. One respondent was unhappy with this statement saying that the decision about which projects should go ahead should be based on their contribution to the national development plan and their impact on the focus group, not their impact on the organisations larger goal.

All respondents stated that what their Organisations intend to achieve (the outcome) from undertaking the Programme is clearly documented in programme plans but 25 respondents were more confident about this than the other seven.

Of the respondents, 97% said that baseline information is collected and informs the design of project plans before action is taken; only one respondent felt this was not really the case.

Learning from evaluations of previous projects directly informs the project plans of all survey respondents with 25 (78%) being more assured of this than the remaining 22% (7).

b) Administrative Costs

Of the respondents 66% said their Organisations manage administrative costs within a specified financial limit (e.g. as a percentage of total budget) within the prescribed rules and regulations of the Social Welfare Council and as per the general agreement. Eight respondents, (25%), felt they have some confidence that this is happening but were not totally certain and 9% said their Organisations did not.

c) Goals and Monitoring

Of the survey respondents 25 (78%) were confident that qualitative objectives of projects are clearly defined at the outset; five (16%) were reasonably confident of this and two respondents were not. All survey respondents said that, to a greater or lesser extent, measures or indicators are set at the start of projects to assist in the assessment of progress towards achieving the goal. Again, to a greater or lesser extent, all survey respondents said that project plans and activities are adapted or changed mid-term if necessary to reflect changes in context or progress towards the bigger goal. Of the respondents 25 (76%) indicated that they have processes in place for monitoring project progress and these are applied across all projects. Six respondents reflected that they were reasonably sure this is the case and two said they were not really convinced. Although all survey respondents said that mechanisms are in place for evaluating project impact and are exercised for all projects, 20 were more assured in their response than the other 12 respondents.

d) Review and Feedback

One INGO interviewed stated they operate mid-term and final term partnership reviews which involve the same participatory process as used for project planning. Project monitoring information is produced by another interviewed INGO and regularly shared with the Social Welfare Council and headquarters. One INGO interviewed has strict monitoring and evaluation systems at a country level that are in place for every project. The process is undertaken together with partners. The teams cannot say they are doing something unless its outcomes can be measured. Internal evaluations are carried out to monitor current performance, learn and take action to improve future performance. In this sense, the system acts as a clear check on effectiveness.

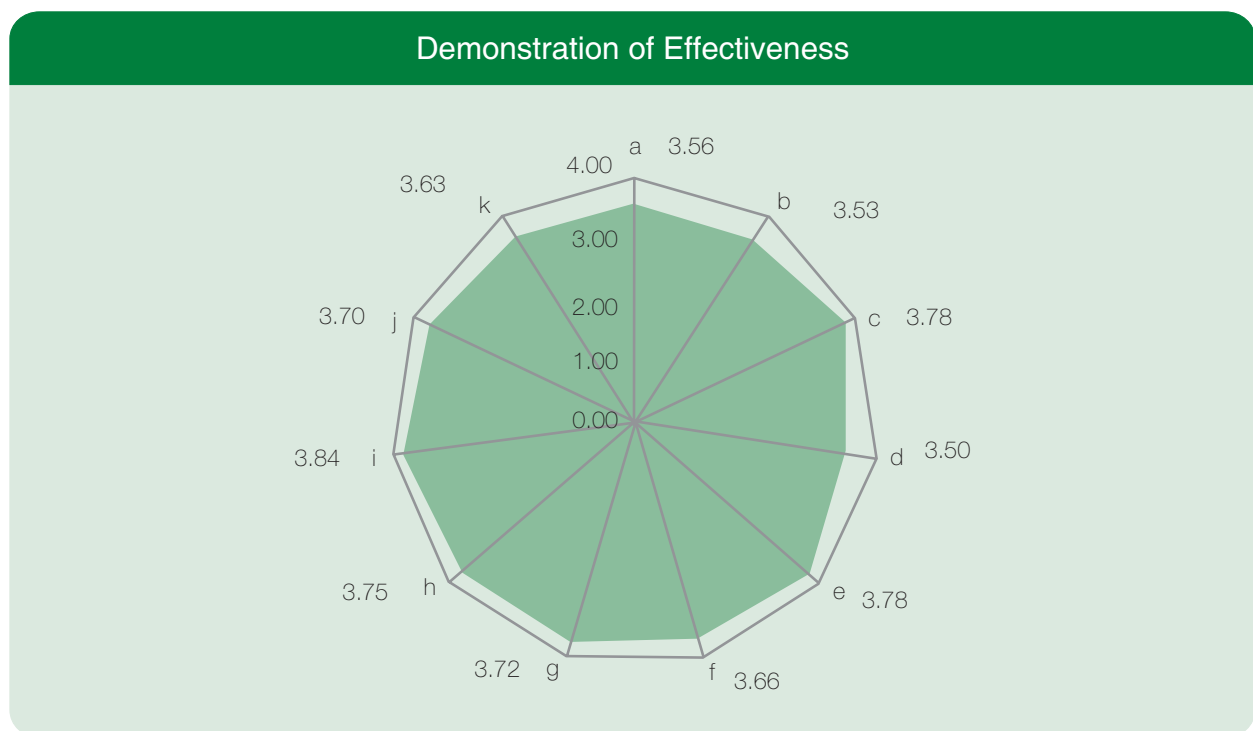
Youth work and disaster risk reduction work relies on funding to sustain any activity. Effectiveness for an INGO working in these areas therefore relates to the ability of the partner to spin off outcomes from a project and expand the services over time. Qualitative feedback from beneficiaries provides some perceptions of effectiveness as does feedback gained from monitoring and evaluation reports. One INGO suggests District Accountability Committees can be useful in providing an independent perspective especially when they have something to share. The same INGO interviewed stated that for those organisations working in micro-finance or agriculture, there is little doubt about impact that will be financial. The challenge is for programmes to have outcomes that can take off over time. The INGO interviewed that works in this field uses profit indicators so that farmers can see what aspect of the intervention has had a direct impact on their profit. In this way, the INGO and farmers can see the return on investment and can adjust their activity accordingly. Measuring income as well as understanding costs provides clarity about the real areas of improvement (e.g. a cardamoms dryer was high cost and only provided a small increase in profit.)

Another INGO interviewed said they use an impact measurement system where indicators measure all the project activities from different levels. The information gained from this is shared with the national line agencies in such a way that it reflects the national Millennium Development Goals and Human Development Index. In addition, their stakeholders, prior to the project design, are introduced to a poverty analysis system that helps their understanding of the causes of poverty. This INGO perceives itself to be transparent but also believes that to be truly effective it needs to do more to reach out to the most vulnerable groups in the communities and to focus on impact. It seeks to organise an exchange programme within different projects to help enhance and share learning.

Another INGO interviewed has used its own financial management framework that helps track the efficiency of the programme for clusters, partners and the centre. The mid-term review conducted by the Social Welfare Council on the organisation's performance has provided assurance that the organisation has good practices and modalities in place that are being followed. In terms of costs, this INGO's expenditure is 78% for programme costs and 23% for administration. One INGO survey respondent stated they believe their Organisational effectiveness is very strong. They have lean teams in place and increased activity by 54% with only 11% more staff.

The averaged, weighted picture from the responses from the survey relating to effectiveness produces the following map:

Diagram VII Demonstration of Effectiveness



Key

- a) We have a clear statement that expresses the organisation's expectations about the benefits, difference or outcome in rights holders' lives that the organisation is established to deliver;
- b) The organisation manages administrative costs within a specified financial limit (e.g. as a percentage of total budget) within the prescribed SWC rules and regulations and as per the general agreement;
- c) What is intended to be achieved from undertaking the programme (outcome) is clearly documented in programme plans;
- d) Baseline information is collected and informs the design of project plans before action is taken;
- e) Learning from evaluations of previous projects directly informs our project plans;
- f) Decisions about which projects we do are clearly made in relation to their contribution to achieving the organisation's larger goal;
- g) Qualitative objectives of projects are clearly defined at the outset;
- h) Measures or indicators are set at the start of projects to assist in the assessment of progress towards achieving the goal;
- i) Project plans and activities are adapted or changed mid-term if necessary to reflect changes in context or progress towards the bigger goal;
- j) Processes for monitoring project progress are in place and exercised for all projects;
- k) Mechanisms for evaluating project impact are in place and exercised for all projects.

e) Summary Table: Tools and Practises for Effectiveness

Tools	Practices
Mid term and final term partnership reviews	<p>These can involve the same participatory process as used for project planning.</p> <p>Project monitoring information is produced by one interviewed INGO and regularly shared with the Social Welfare Council and headquarters.</p>
Monitoring and Evaluation systems	At country level are in place for every project. The process is undertaken together with partners.
Internal Evaluations	Carried out to monitor current performance, learn and take action to improve future performance.
Qualitative Feedback	From beneficiaries that provide some perceptions of effectiveness as does feedback gained from monitoring and evaluation reports.
Profit Indicators	<p>Where commercial decisions are being taken, e.g. with agricultural development and microfinance, livelihood and market programs help to see what aspect of an intervention has had a direct impact on farmers' profit.</p> <p>This helps to see return on investment and so adjustment to activity can be made accordingly.</p>
Impact measurement system	<p>In this system indicators are defined to measure all the project activities from different levels.</p> <p>The information gained from this is shared with the national line agencies in such a way that it reflects the national MDG and Human Development Index.</p>
Financial Management Framework	This framework helps to track efficiency of the programme for clusters, partners and the centre.

5

Recommendation and Conclusion

Recommendations and Conclusion

In this chapter we draw on the collective input from the respondents and on the experience of all those involved in the wider process of the study and we draw out the lessons in the form of detailed recommendations. In line with the preceding chapters, recommendations are presented under the headings of Accountability, Transparency and Effectiveness. They are based in the main on the data from the survey and on the responses and the views expressed in the follow up interviews. However some recommendations have been added which seemed (to members of the Capacity Building Working Group involved in the report) to be reasonable and logical extensions of the findings.

5.1 Accountability

The pursuit of good governance is to ensure, usually on behalf of others (owners, beneficiaries or others with a stake in the Organisation), that the Organisation achieves what it should achieve whilst avoiding behaviours and situations that risk its sustainability⁴. This requires INGOs to hold in balance the demands and expectations of a diverse range of people and it is clear from the study that AIN members have much to offer in relation to the maintenance of balance in this important area.

Accountability: External

a) Stronger cooperation and engagement with SWC

Although all the respondents have a positive and fruitful relationship with SWC, many feel a need to reinforce and strengthen the level of cooperation with SWC and to engage constructively with SWC in the field of monitoring and evaluation. Moreover it was felt that a proactive role for AIN towards government institutions, including the Social Welfare Council could contribute positively towards the formulation of government policy with regard to the governance of INGOs in Nepal. This agenda needs to be taken up at all appropriate levels.

b) Better and more accountability towards stakeholders

While some of the respondents do already address this, broader participation by local communities, beneficiaries and stakeholders should be enabled through specifically designed activities in all phases of a program or project cycle. Examples of best practice that may be replicated are:

- Holding public hearings before projects start.
- Regular interaction with partner organisations to review plans and progress at least on a quarterly basis.
- Better definition of expected outcomes and achievements should be shared and discussed with local communities and beneficiaries before the start of a project.

Accountability: Internal

a) Open up space for internal participation and involvement of the staff

Practical and simple actions should be internalized by AIN members to increase the sense of ownership within the Organisation. There is ample scope within organisations to create a stronger communication system so that decisions taken can be shared and staff kept up to date. Examples of best practice that could be adopted by AIN members are:

- Regular staff meetings at all levels of the Organisation to facilitate information flow;
- Frequent interactions between senior staff and more junior staff;
- Explicit sharing of the decisions taken by SMT at these interactions and meetings;
- Feedback systems to ensure involvement of all department staff in the design and implementation of activities.

⁴John Carver (2006)

5.2 Transparency

Currently, INGOs in general have a poor reputation among many observers and among members of the public in Nepal. Many see them as lavish spenders on office and vehicle costs for example, while the size of funds made available to communities is considered to be either very little or subject to far greater control and restraint. INGOs need to be more participative and transparent in their dealings with local partners, government and the community and one INGO explicitly argued that as organisations, INGOs need to improve their image in the community.

Standards and review of current Practices

a) Implementation of transparency component of AIN Partnership guidelines

The survey findings demonstrate that the Partnership Guidelines provide a good standard in terms of transparency but that they still need to be fully understood and adopted by some members. The process of building more effective transparency can be helped by linking with other bodies which are committed to the same principles of openness.

b) Engage with other stakeholders

AIN should proactively look for engagement and partnership with other key stakeholders involved in the promotion and enhancement of a transparency based framework within the sector. AIN could look explicitly for cooperation and partnership with external development partners in this regard, for example with the International Transparency Initiative (IATI) to ensure AIN's contribution in the implementation of the Paris Declaration on Aid Effectiveness and the Accra Agenda on Action.

c) Creation of strong indicators and benchmarks complementary to Partnership Guidelines

AIN members should ensure a minimum standard of transparency within their own Organisations and activities. Although not explicitly addressed in the study, AIN members might take account of international best practice and of IATI and considered the creation of a new set of indicators and benchmarks on transparency and accountability for internal use. An action plan could be designed to develop these indicators and benchmarks so that they improve and add to the existing Partnership Guidelines. Such on new framework could also include, for example, benchmarks on overheads and supporting costs aligned with internationally accepted practices.

d) Focus on RTI

Although the Right to Information Act does not have direct implications for INGOs, AIN members should carefully analyse and understand the changes enshrined in the Act. There is scope for AIN to actively collaborate with the National Information Commission and other likeminded not for profit networks in the dissemination of the implications of the Act.

e) Transparency towards the Partner Organisations

AIN should continue to effectively promote best practice in relation to standards of transparency with partner Organisations. Workshops can be organised and newsheets summarising projects which exhibited high levels of transparency and which drew the consequent benefits (trust, community support etc) should be developed and circulated.

f) Preparation and Distribution of Annual Reports

Partner Organisations, based on their own capacities and level of expertise, should be involved in the preparation of Annual Reports, with feedback and opinions being offered to the respective INGO partner. INGO Annual Reports should also reflect the strategic role played by local partners.

g) Strengthening Complaints Mechanisms

Partner Organisations need a suitable mechanism through which concerns and issues relating to the performance of partner INGOs can be addressed. Approaches from the private sector such as the Client Satisfaction Process or Partnership Performance Evaluation can be explored. The latter approach for example would enable partner Organisations an opportunity to assess the performance and the working relationship with its INGO partner and at the same time receive constructive feedback from the INGO partner on their overall performance and achievements.

h) Social Audit for All

INGOs should proactively set an example by undertaking social audit at a central level. In this important exercise, INGOs should positively seek the full involvement of partner Organisations and other stakeholders such as the SWC and other line agencies of the Nepali Government. Social Audit can be used as an excellent means of sharing information including, for example, the past year's financial performance and audit report as well as projections for future activity. AIN CBWG should continue with and redouble its efforts in this regard.

5.3 Effectiveness

It was noted at the beginning of Chapter Four (Findings: Effectiveness) that in terms of effectiveness the primary themes were delivery against intended goals, effective use of resources and adherence to time frames. There was relatively little focus on effectiveness in relation to the involvement of community in the definition of goals and objectives. This is not to say that such engagement does not happen but rather to note that it is not to the forefront when INGOs think about areas in which they need to be effective.

It's important for AIN members to actively engage the SWC to review and improve the current evaluation system which does not seem to be particularly effective in ensuring compliance with the agreed targets and outcomes set in the SWC-INGO Program Agreement. This is an important basis for evaluating effectiveness and it has to be made to work well. But the survey did confirm the importance of Organisational development activities that are offered by INGOs towards their respective partner Organisations.

a) Cooperation with SWC to improve current monitoring and evaluation system

The current system is presenting some flaws especially relating to the appointment of the consultants involved in the monitoring and evaluation process. The AIN Steering Committee should continue its high level engagement with SWC in a constructive and positive way to achieve high standards in monitoring and evaluation.

b) Activation of District level Project Committees

INGOs together with partner Organisations should do more to pursue the effective participation of District level Project Committees. This would increase exponentially the sense of ownership and control of the local administration of the development process and would contribute to better harmonization among the interventions.

c) Measuring the impact in a better way

The use of an impact measurement system by one Organisation that took part in the survey has been highly regarded and seen as innovative. This best practice should be shared among the members so that it could be readopted and replicated. In addition, not enough AIN members are making use of Baselines as a tool from which to measure performance and impact. Best practice in this field needs to be identified and disseminated⁵.

5.4 Suggested Role for AIN CBWG

a) AIN Induction package

Interested or potential members of AIN should be alerted from the beginning of their involvement with AIN about the importance of good governance. While AIN cannot pose any strict conditionality on membership entitlement based on the applicant organisation's performance/practices on good governance. It should nonetheless be made clear to all new members that AIN a very high level of importance on governance. In particular on high standards Accountability, Transparency, Effectiveness and Organisational Development are expect from all AIN members. An induction package should be provided to all new members that includes the AIN Partnership Guidelines and sets out AIN's practices and expectations with regard to the promotion of good governance.

⁵These issues will be taken up by the CBWG.

b) Awareness through Dissemination of AIN Partnership Guidelines

Partnership Guidelines need to be “digested” and internalized to a greater extent by member Organisations. All AIN members should be actively implementing partnership policies. The CBWG should continue with awareness raising and briefing activities making on Partnership Guidelines keeping them high on the agenda through the preparation and dissemination of case studies and concrete examples of best practices.

c) Supporting the Implementing Partner Organisations in designing their own Partnership Policy

It is in the best interest of Implementing Partner Organisation to have their own tools and criteria for partnership work with likeminded Organisations including INGOs. INGOs should play an active role in supporting Implementing Partner Organisations in this task.

d) Peer Awareness and Support

A selected number of AIN members, with proven expertise in the field of promotion of Organisational good governance and with sound partnership guidelines, could play the role of “brand ambassador”, helping and supporting others members not only in creating awareness but also offering practical support to members who might need it.

e) Help desk

Building on the idea of ‘peer support’, a small group of persons within the CBWG with experience on partnership, Organisational development and good governance should be available to provide feedback and suggestions on an adhoc basis to AIN members in need.

f) Voluntary peer review exercise among the members.

A voluntary peer review exercise could be promoted by AIN member Organisations that would be willing to test and improve their performance in the field of good governance and partnership.

The recommendations of this continuous exercise could be used by the members to improve their standing with the support and guidance of other members. A specific tailor-made coaching system could be designed to help “elevate” those who are lagging behind. The direct involvement of Country Director/Representatives would be a pre-requisite for initiating this process within the membership.

g) Investing in CBWG

The Capacity Building Working group has proven to be particularly effective in creating awareness among the members on issues related to good governance. But AIN members could be better informed about the strategic role played by the CBWG and could actively get involved in mobilizing the required resources to develop further the role played by the Working Group in the sector in relation to good governance. AIN might also consider involving external development partners in funding and or cooperating more with CBWG.

5.5 Conclusion

This study and the survey on which it is based addressed the membership of AIN with its huge diversity of membership in relation to resources, interests and capacities. The largest respondent employs hundreds of people and turns over millions of US\$ per year, while the smallest is not as large as some of the local partner NGOs with which AIN members collaborate. It is not surprising therefore that only a little over half were fully knowledgeable of and confident in using the Partnership Guidelines. Having said this, it is encouraging that there has been a generally positive response in relation to the value of the Partnership Guidelines as a contribution to the achievement of more effective governance. However, it must be recognised that there is more to be done to raise the standards of AIN members in relation to partnership working in the areas of accountability, transparency and effectiveness.

This is a view shared by many of the respondents who have had much to say about the ways in which best practice could be disseminated and training and coaching could be managed through AIN.

As it conducted the survey, the strongest sense gained by ODC of learning needs and of genuine enquiry was in relation to the use and application of some of the tools and processes so readily talked

about by members (e.g. management of Social Audit and Public Hearings). This may be coupled with a need to learn how best to manage large group interventions successfully whereby participants at big meetings can be appropriately stimulated and engaged to make valuable and constructive contributions as part of the good governance process. There may also be a need among some members to learn how best to gain assurance of partners' integrity.

Recognising the role of government officials in the evaluation and review process, not all INGO members felt their time was well invested or resulted in meaningful contributions in all cases in this regard. It might be that some support in how best to negotiate such roles would be appreciated by some member organisations, particularly those with less experience. Given that some INGOs do not have the mandate or funding to support capacity building and organisation development of the NGOs they are working with. There is great scope for some members to help and support other members with less expertise in this and other areas of good governance.

Among the more specific suggestions in relation to this help and support within AIN and how it could be managed in a mutual learning context were:

- Learning sessions so INGOs in different stages of development in terms of their governance practice can learn from those with more experience;
- Having the opportunity to shadow another organisation to learn how different tools and approaches are facilitated in reality. Coaching (rather than formal training sessions) was requested (for example, to understand how to effectively introduce Social Auditing);
- More training courses or workshops on governance implementation. Some said they would possibly be interested in this. Coaching support would be appreciated by others as the survey suggests that member Organisations will benefit from these approaches. (Actual demand for any training or coaching or other initiative will need to be separately tested).
- The idea of being part of a small support group from which to get advice and encouragement on how to enhance governance practice would be welcomed by a significant number of survey respondents.

What seems notable is that few if any respondents called for more documentation from AIN or from the CBWG. While the Guidelines and other leaflets produced by the CBWG have been read and have been of use, it is evident that learning for AIN members will be best carried out through training, coaching, shadowing and the activities outlined above, rather than by the production of 'how to' reports or tool-kits. Having said this, the delivery of effective shadowing, training and coaching will require relevant back-up and support documentation. There may be implications in this for the way CBWG goes forward with its work not least in relation to its current activities around Social Audit.

It should be noted too that this study is based on the self perception of the respondents and although the answers proved to be credible, it may be helpful for AIN to consider carrying out a similar study for partner organisations. Comparing the findings of the two reports (this present report and a report that reflected what the views of partners are) would produce more evidence to better understand and analyse the impact of Partnership Guidelines in achieving good governance.

The survey and report helps AIN to understand how the Partnership Guidelines are viewed, to establish to what extent they are being used and to identify what the challenges and issues are that AIN members – and their partners - face when trying to deliver high quality services to communities on a partnership basis. Practical recommendations have been provided showing how these challenges can be addressed and how partnership working and good governance generally can be improved. Some excellent practices already ongoing and readers are encouraged to look in particular at an annex 4 to this report where an extended list of examples of what AIN members are doing field is provided.

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Annexes

Questions for all AIN Members on Good Governance Practice

Introduction

Capacity Building Working Group (CBWG) of AIN in consultation with ODC to undertake a survey of AIN members in relation to your governance practice. We hope you are able to complete this survey on-line. It should take around 30 minutes of your time. You can stop and restart where you left off at any time as long as you save your position.

Objective

The objective of this questionnaire is:

1. To provide you with an opportunity to self-assess your organisation's progress with implementing the AIN Partnership Guidelines
2. To understand the extent to which your organisation is employing the AIN Partnership Guidelines to deliver good institutional (*not political*) governance in relation to your external partners/stakeholders (NGO partners, community partners, government bodies/ authorities). The focus is on accountability, transparency and effectiveness.
3. To identify where and what type of support is needed to enhance good institutional governance practices as defined by the AIN Partnership Guidelines
4. To identify some general good governance practices that your organisation follows and why.

Your responses will be treated confidentially; all responses will be anonymous in the final report.

1. **In order to understand the size and sectoral focus of the organisation you represent, please can you provide the following information?** (Only enter numbers without \$ sign and without commas as the system has been set up only to accept numerical text)

■ What is the size of your organisation's global budget (in USD for this financial year) ?	
■ What is the size of your planned expenditure in this country (in USD for this financial year) ?	
■ How many international staff does your organisation employ ?	
■ How many national staff does your organisation employ ?	

2. Please tick which technical areas you focus on (you can tick more than one)

- Anti-Trafficking
- Child Protection
- Communication/Media
- Disaster Risk Management
- Education
- Environment and Natural Resources
- Food Security
- Governance
- Health and Nutrition
- Human Rights/Protection
- Infrastructure
- Mines Action
- Peace Support and Transition
- Persons/Children with Disabilities
- Refugees and IDPs
- Water and Sanitation
- Other (please specify)

The following questions seek to understand your level of understanding of the AIN Partnership Guidelines themselves.

3. How much understanding do you (personally) have of the AIN Partnership Guidelines?

- I am very comfortable, know them well and can explain them to others
- I have some awareness of them but would need to be briefed to explain them to others
- I have read them and have a little understanding of what they mean in practice
- I know they exist but have not read them
- I do not know about them

4. Does your organisation use the AIN Partnership Guidelines to guide your relationship with your partners?

- Yes, always
- Yes, but not always
- No

5. To what extent do the Guidelines influence your practices in relation to your organisation's work with partners?

- They inform our planning and the steps we take
- They have offered guidance although we do not follow every aspect
- They have not offered us more than we already have in place
- They have not influenced our work with partners
- Other (please specify).....

The following questions focus on the principle in the Partnership Guidelines of Accountability.

The definition of accountability used in the Guidelines is: *"The partnership is accountable to our stakeholders, including rights-holders, for the effectiveness and efficiency with which we use the resources we mobilize and they are able to openly express their rights, choices and concerns."*

6. **In what ways do you ensure your organisation is accountable to those for whom your organisation exists - to your rights holders and implementing partners?** (On a scale of 1: 'yes/very much so' to 4: 'no/not at all')

	1	2	3	4	Do not Know
a. We have a clear understanding of to whom our organisation is accountable. We are well aware of our accountabilities to them					
b. Board members hold the most senior executive positions in the organisation (e.g. Director) to account on behalf of right's holders and our partners know how this happens					
c. Information is collected from partners and prospective partners to learn from their wisdom and understand their needs before any project is planned					
d. Active steps are taken at the time of project planning to ensure the participation of women and other structurally marginalised and disadvantaged people are heard					
e. We hold public hearings before a project begins and encourage debate and challenge					
f. The people attending our public hearings are beyond those who are or will be directly involved in managing the project					
g. We are clear with partners about what we can and cannot offer and the amount of resource we have available					
h. We have changed project plans as a result of input from partners					
i. Partners have access to project plans and budgets that are related to our relationship					
j. We have procedures in place for how to engage partners in all stages of project work (planning, implementing, reviewing progress and final evaluation)					
k. Partners are involved in project evaluation when appropriate					
l. We use methods of engagement that encourage genuine, constructive feedback from partners					
m. Results of financial audits are shared with partners when appropriate or relevant to our relationship with them					
n. We distribute the annual reports relating to our work to our partners					
Other (please specify)					

7. We meet with partners to review plans and progress made at least:

- Monthly
- Quarterly
- Half yearly
- Annually
- Depends on the project and partnership
- Other (please specify).....

8. In what ways do you (your organisation) ensure your organisation is accountable to the Government? (For each statement, please respond on a scale of 1: 'yes/very much so' to 4: 'no/not at all')

	1	2	3	4	Do not Know
a. We understand government rules and regulations as they affect our programme and organisation					
b. We comply with our Social Welfare Council (Social Welfare Council) agreement and evaluation process					
c. Change project plans based on the results of Social Welfare Council evaluation					
d. I am confident that our programmes contribute to the National Plan of Action and other Government priorities					

9. In what ways do you ensure your organisation is accountable to those who provide funding for your organisation's work? (For each statement, please respond on a scale of 1: 'yes/very much so' to 4: 'no/not at all')

	1	2	3	4	Do not Know
a. We are confident in the integrity of our financial management and that of our partners at a project level					
b. We are confident in the integrity of our partners at a project level					
c. We have a Financial Management Policy with supporting procedures in place that are fit for purpose and comply with generally accepted accounting principles and practices					
d. Mechanisms are in place to ensure funding is used for the purposes for which it was received					
e. Annual financial audits take place and partners are part of the exit meetings and informed of the results					
f. Agreed recommendations arising from annual financial audits are implemented					
g. We document project achievements against predetermined indicators and share this with funding partners					
Other (please specify)					

The following questions focus on the principle in the Partnership Guidelines of Transparency.

The definition of transparency used in the Guidelines is: *“The provision of information to stakeholders about who we are and how we raise and use our resources, maintain records and make decisions that affects all rights holders involved in our work.”*

10. In what ways do you (your organisation) ensure your practices are transparent to your partners?
(For each statement, please respond on a scale of 1: 'yes/very much so' to 4: 'no/not at all')

	1	2	3	4	Do not Know
a. We make clear our organisation’s vision and goals to our partners and potential partners so they know what we are trying to achieve					
b. We have a clear written MOU/agreement that specifies the scope of our work and of our partnership and responsibilities of both partners.					
c. We use defined criteria for the selection of partners (refer to partnership guidelines)					
d. We share our selection criteria with potential partners so they understand our process					
e. Partners have access to the mechanism to make complaints and know the process we will follow to respond					
f. We use Social Audits or other similar methods to share project information and generate discussion with partners about activity and outcomes					
g. We have policies and procedures so that staff know and understand what is expected of them in relation to project governance					
h. Policies, procedures and guides are regularly reviewed and refreshed to reflect our learning as an organisation					
Other (please specify)					

11. In what ways do you (your organisation) ensure your practices are transparent to the Government?
(For each statement, please respond on a scale of 1: 'yes/very much so' to 4: 'no/not at all')

	1	2	3	4	Do not Know
a. Do you/your partners participate in the District Development Committee planning process?					
b. Do you organise Policy Advisory Council (PAC) meetings to share the project information?					
c. Do you organise District Policy Advisory Council (DPAC) meetings to share the project information?					
d. Are you aware of the requirements of the Social Welfare Council?					
e. Are you confident you are abiding by the Social Welfare Council rules in relation to administration and programme costs?					

The following questions focus on the principle of Effectiveness

12. How do you define organisational effectiveness?

13. In what ways does your organisation demonstrate its effectiveness to your partners?

(For each statement, please respond on a scale of 1: 'yes/very much so' to 4: 'no/not at all')

	1	2	3	4	Do not Know
a. We have a clear statement that expresses the organisation's expectations about the benefits, difference or outcome in rights holders' lives that the organisation is established to deliver					
b. The organisation manages administrative costs within a specified financial limit (e.g. as a percentage of total budget) within the prescribed Social Welfare Council rules and regulations and as per the general agreement					
c. What you intend to achieve from undertaking the programme (outcome) is clearly documented in programme plans					
d. Baseline information is collected and informs the design of project plans before action is taken					
e. Learning from evaluations of previous projects directly informs our project plans					
f. Decisions about which projects we do are clearly made in relation to their contribution to achieving the organisation's larger goal					
g. Qualitative objectives of projects are clearly defined at the outset					
h. Measures or indicators are set at the start of projects to assist in the assessment of progress towards achieving the goal					
i. Project plans and activities are adapted or changed mid-term if necessary to reflect changes in context or progress towards the bigger goal					
j. Processes for monitoring project progress are in place and exercised for all projects					
k. Mechanisms for evaluating project impact are in place and exercised for all projects					
Other (please specify)					

14. Is there anything you would like to add in relation to your understanding of governance prompted by any of the questions above or by the AIN Partnership Guidelines?

15. Would you value any of the following support/interventions to help you/your organisation and others learn together as part of the AIN?

	Yes	Possibly	No
a. We would benefit from more help or support in enhancing our governance practices			
b. We would benefit from more training courses or workshops on governance implementation			
c. We would benefit from coaching support by another AIN member			
d. We would benefit from more literature on how to implement good institutional governance in Nepal			
e. We would welcome being part of a small support group from which we can get advice and encouragement on how to enhance our governance practice			
Other (please specify)			

16. What can your organisation offer through the Capacity Building Working Group?

	Yes	No
a. We have experiences to share about our approach to enhancing institutional governance in our organisation		
b. We have some examples of good institutional governance practice in relation to transparency, accountability or effectiveness		
c. We have some tools that we have found useful to support our governance practice		
Other (please specify)		

Thank you for completing this questionnaire!

Your responses will be incorporated into a report for the AIN Steering Committee, the Capacity Building Working Group and all AIN members that should be available by the end of January 2010. A full set of questions will be incorporated into the report as an Annex for your future use and reference.

Individual Interview Questions for 10% AIN Members

1. What are the current practices (systems, culture, policies etc.) in your organisation relating to accountability, transparency or effectiveness?
 - What are they designed to achieve
 - What do they achieve? What difference do they make?
 - How do you know?
 - Please provide cases, stories or incidences that can testify the success of the institutional governance practice within your organisation.
2. How do you engage stakeholders in developing and refreshing the organisation's vision, mission or goals?
 - What is working well now?
 - What could be better?
3. What is currently in place within your organisation to ensure transparency of decision making to stakeholders?
 - What is working well now?
 - What could be better?
 - Please provide cases, stories or incidences that can testify the success of the institutional governance practice within your organisation in relation to transparency.
4. What is currently in place within your organisation to ensure meaningful accountability to your stakeholders?
 - What is working well now?
 - What could be better?
 - Please provide cases, stories or incidences that can testify the success of the institutional governance practice within your organisation in relation to accountability to stakeholders.
5. What steps does your organisation take to ensure it achieves what it set out to achieve (mechanisms, processes, tools, structure, policies)?
 - What is working well now?
 - What could be better?
6. How do you define effectiveness in your organisation? How do you know if your organisation is effective?
7. Being a Board member carries compelling obligations to those for whom the organisation exists. What support have your Board members received to enable them to govern well?
8. What support would you value to further improve the institutional governance practices of your organisation?
9. Do you have any examples of good institutional governance practice in relation to transparency, accountability or effectiveness?
10. What do you think your NGO partners want or need from the way your organisation governs itself?
11. List at least three good practices for institutional governance.
12. Do you follow any internationally agreed standards for financial reporting? Are you willing to share these?
13. Is your organisation accredited as charitable or registered in some other way?

Annex 3: List of Interviewed INGOs

The choice of INGOs was made by the Capacity Building Working Group. The methodology used was Stratified Sampling in order to arrive at 10 % of the total AIN membership (9 organisations).

Criteria for Stratified Sampling:

- INGOs (AIN members) working in right base as well as on service delivery
- Coverage of at least 7-8 districts
- INGOs working in Nepal since a decade and new INGOs working in Nepal more than 2 years
- Those INGOs who could provide information and identify the gaps in implementing it

Proposed List:	Substitute Sample
1. CARE	1. CECI
2. Helvetas	2. World Education
3. TdH	3. UMN
4. LWF	4. IRD
5. IDE	5. Plan Nepal
6. Save the Children	6. SHIA Nepal
7. Action Aid	
8. Mercy Corps	
9. Un Raggio Di Luce	
10. Mission East	

List of Interviewees

Organisation Name	Interviewee	Date
Action Aid Nepal	Khemraj Upadhyaya, Head of Programme	06 January '10
Lutheran World Federation	Jay Shankar, Program Coordinator, Yadu Lal Shrestha, Human Rights Advocacy Coordinator and Ramesh Jung Rayam, Finance and Admin Coordinator	06 January '10
CARE Nepal	Krishna Sharma, Organisation Development Coordinator	07 January '10
Mercy Corps Nepal	Josh DeWald, Country Director	07 January '10
IDE	Komal Pradhan, National Program Coordinator	07 January '10
Helvetas	Adhir Sharma, Deputy Country Programme Director	08 January '10
United Mission to Nepal	Prem Maharjan, Assistant Director/Technical	08 January '10
Terre des Hommes Foundation	Joseph Aguetant, Delegate in Nepal and Muna Basnyat, Anti-trafficking Programme Coordinator and Regional Adviser	08 January '10
Save the Children	Jagat Khadka, Deputy Country Director Operation, and Deepak Koirala, Associate Human Resources Director	14 January '10

Annex 4: Illustrations of members' good governance practice

Those AIN members interviewed were invited to share illustrations of good institutional governance from their perspective. The following practices were put forward as having been important in ensuring good governance for one or other of the INGOs represented:

- Ensuring no duplication of funders for the same project/activity.
- Writing up real case studies for annual reports that show changes in people's lives.
- Building long-term partnerships and working side-by-side, not shifting the burden of delivery to the partners.
- Signing agreements on sub-projects.
- Running 'Lessons Learned' workshops on a mandatory basis that provide a formal opportunity to give feedback on what worked or what did not. These are led by someone from the INGO but not from the team working on the project.
- Completing post evaluations (6 months after the programme end).
- Complying with Social Welfare Council rules and taking the laws of Nepal seriously. For example paying tax of expatriate staff, reinforcing an attitude to not hide anything.
- Actively seeking to increase the participation of children, listening to them and developing policies and procedures accordingly.
- Developing partnerships with a range of civil society and government organisations, having tripartite agreements and seeking to be complementary rather than to duplicate contributions.
- Holding sharing and learning sessions amongst partners.
- Using Child Link to encourage children to write to people about the money that reached them.

The following illustrations of good governance practice were shared through the interview process. Around a third of the survey respondents also indicated a willingness to share some of their own approaches, practices, tools and experiences in relation to transparency, accountability and effectiveness.

1. Mercy Corps has developed a step-by-step Due Diligence Guide to determining the possible risks and benefits of new corporate partnerships. Included in the guide for managers are a Corporate Social Responsibility Checklist and Due Diligence Matrix. The process of undertaking the Due Diligence check is to assess whether the potential partnership:
 - is compatible with Mercy Corps' mission and will contribute to its effort to promote secure, productive, and just communities; and will not pose a serious risk to Mercy Corps' image and reputation for integrity among donors and the communities where it works

Mercy Corps' Metrics of Success for Agriculture Projects: - Mercy Corps South Asia defines the success of delivery models along four levels of impact: household; market; social; and, environmental. Examples include:

Category of Indicator	Sample Impact Indicator
Household	<ul style="list-style-type: none"> <input type="checkbox"/> % change in profit <input type="checkbox"/> Total economic benefit of project related improvements <input type="checkbox"/> Improved dietary quality and quantity <input type="checkbox"/> % increase in value of production
Market	<ul style="list-style-type: none"> <input type="checkbox"/> Total economic benefit of project related improvement <input type="checkbox"/> # of new jobs created <input type="checkbox"/> % increase in sales
Social	<ul style="list-style-type: none"> <input type="checkbox"/> % participants belonging to marginalised or vulnerable groups <input type="checkbox"/> % decrease in community tension
Environmental	<ul style="list-style-type: none"> <input type="checkbox"/> # increase in environmentally friendly practices

2. Mercy Corps has learning material to share from its experience in the field of value chain development especially in the vegetable sub-sector, MIT supply chain development and their marketing and planning committee (MPC).
3. Mercy Corps uses a tool for partners called Capacity Indices. These are dimensions that seek to understand partner capacity and impact at a partner level. The tool is used for Disaster Risk Reduction Committees and for Trade Associations but not yet for NGO partners. The results are shown in a spider diagram so you can more clearly see where to put your efforts.
4. Conceptual Framework of Mercy Corp - Mercy Corps' programmes are market-driven and community-led. Its conceptual framework – the Vision for Change – emphasises the importance of public, private and civic sector partnerships in boosting accountability, participation and peaceful change.

For example, to bring about positive change for resource-poor farming households and their communities Mercy Corps works in partnership with:

- Civil Society: Civic organisations that are comprised of, or work for, resource-poor farmers (formal and informal cooperatives, local CBOs/ NGOs)
 - Private Sector: Agribusinesses, because they are primary movers in the agricultural economy and stakeholders such as Chambers of Commerce and/or trade associations.
 - Public Sector: Governments, because they are integral to an enabling environment
5. Action Aid Nepal shared the aim of their organisation when working with community groups and using a workshop methodology asked them (community groups) to state the indicators they would look for in an organisation that might work there. The community members identified more than 70 elements then rated 50 organisations against them before being asked to rate themselves. The process of getting the community to develop the indicators was key to securing legitimacy of the partnerships. In turn this process informed the development of Action Aid Nepal's Partnership Policy. Action Aid Nepal consults with the government to see where it can have the best impact. At the time of planning new project activity, Action Aid Nepal supports communities to undertake a Power Analysis which provides a framework for moving forward. A mix of stakeholders is engaged to undertake a Community Context Mapping Exercise and produce resource maps (Venn diagrams) that give a good sense of the situation and community needs and provide a baseline position. The wide involvement of stakeholders is found to expand the planning horizon and make the project planning process transparent. The community is then supported to prioritise needs through a participative process. Action Aid Nepal gives limits/boundaries (e.g. no more than 12% of money can go on support costs so 88% must go to the community). Activities should fall under their 3+1 Foundation Themes. The detail of the project activity is then out of the hands of Action Aid Nepal.
 6. Action Aid Nepal is in its 8th year of undertaking Social Audits. The budget and spend of each programme is disclosed to the relevant communities. All partners are expected to do the same locally. Action Aid Sri Lanka as part of a home building project gave the community the responsibility to agree the price for building materials, check off what was delivered, approve and then pay for the bills themselves. This process built demonstrable ownership. In a similar example in Nepal, bonded labourers have been supported to build houses. The initial designs of houses were done by agencies that met their needs but not those of the rights-holders. Now the process of influencing the design has been taken over by the householder. As a result of Social Audits, they are now making the decisions that affect them.
 7. Action Aid Nepal has introduced a cross-partner, Community Peer Review Process for partnerships in 3 areas. Partners from different projects undertake evaluations of others' projects. The impact of this goes beyond the production of reports (with more positive sides of the projects being noted). The real outcome is the learning that comes from the review process itself that is taken back to another community.
 8. An Accountability, Learning and Planning System is used at the global level (project management cycle). Action Aid Nepal recognised that monitoring and evaluation reports themselves can have little to do with poor people but rather only satisfy an organisational necessity. Real change will be identified by the people themselves so a Participatory Review and Reflection Process (PRR) has been introduced.

It involves consultation, reflection and the forming of recommendations for the future. Discussions take place around what was planned, what happened, why and why not and what made it happen including a review of the costs anticipated and incurred. The focus is on decision making for future finance and programme decisions. This PRR process is also used to inform Action Aid Nepal's country Strategic Plan. All partners, including business partners, come together to inform the plan. Now the process has been taken to the regional level and 60-70% of the global strategy of Action Aid has been informed by national strategies.

9. Terre des Hommes has introduced a new process for selecting partners to increase transparency. Two meetings were held in two districts simultaneously with interested NGOs invited by the District Development Committee office. A two-page project information sheet was handed out that gave the project philosophy and partner requirements. Dialogue was encouraged. NGOs were given one week to prepare two-page proposals that were opened on one day by a committee. A short-list was produced using criteria formed at the time using information from the information sheet. The criteria included experience, whether the organisation was legally registered, had staff available and was inclusive in terms of its governance structure. Short-listed organisations were interviewed. This process has now become established practice where the funding process permits.
10. Terre des Hommes' staff participate in fortnightly Team Meetings that are chaired by each member on a rotational basis. The chairperson determines the agenda thus sharing accountability for how the meetings are handled. Everyone attending is allotted 5 minutes to speak uninterrupted. The value of feeling heard and listened to has contributed to relevant information being shared, greater alignment, stronger connection between team members and enhanced team spirit. A time bank is created whereby unused minutes can be requested from the chairperson if one person has more information to share. This fun way of managing time is respected and ensures the overall time commitment is bounded and speakers have to earn the right to share more with the group than others.
11. CARE Nepal has developed impact measurement indicators that feed into the Millennium Development Goals and Human Development Index of the country.
12. Helvetas is willing to share example posters and fact sheets and their Learning through Monitoring Tool.

For details of Guidelines, Tools, Manuals and Indicators please visit ain website: www.ain.org.np

Please tick which technical areas you focus on (you can tick more than one)

Answer Options	Response Percent	Response Count
Anti-Trafficking	24.3%	9
Child Protection	43.2%	16
Communication/Media	24.3%	9
Disaster Risk Management	32.4%	12
Education	48.6%	18
Environment and Natural Resources	32.4%	12
Food Security	35.1%	13
Governance	37.8%	14
Health and Nutrition	67.6%	25
Human Rights/Protection	24.3%	9
Infrastructure	18.9%	7
Mines Action	0.0%	0
Peace Support and Transition	21.6%	8
Persons/Children with Disabilities	37.8%	14
Refugees and IDPs	8.1%	3
Water and Sanitation	32.4%	12
Other (please specify)		21
		answered question 37
		skipped question 2

How much understanding do you (personally) have of the AIN Partnership Guidelines ?

Answer Options	Response Percent	Response Count
I am very comfortable, know them well and can explain them to others	54.3%	19
I have some awareness of them but would need to be briefed to explain them to others	31.4%	11
I have read them and have a little understanding of what they mean in practice	8.6%	3
I know they exist but have not read them	5.7%	2
I do not know about them	0.0%	0
		answered question 35
		skipped question 4

Does your organisation use the AIN Partnership Guidelines to guide your relationship with your partners?

Answer Options	Response Percent	Response Count
Yes, always	34.3%	12
Yes, but not always	62.9%	22
No	2.9%	1
		answered question 35
		skipped question 4

To what extent do the Guidelines influence your practices in relation to your organisation's work with partners?

Answer Options	Response Percent	Response Count
They inform our planning and the steps we take	34.3%	12
They have offered guidance although we do not follow every aspect	60.0%	21
They have not offered us more than we already have in place	5.7%	2
They have not influenced our work with partners	0.0%	0
Other (please specify)		11
		answered question 35
		skipped question 4

In what ways do you ensure your organisation is accountable to those for whom your organisation exists - to your rights holders and implementing partners? (On a scale of 1: 'yes/very much so' to 4: 'no/not at all')

Answer Options	2	3	4	Do not Know	Response Count
a) We have a clear understanding of to whom our organisation is accountable. We are well aware of our accountabilities to them.	6	1	0	0	33
b) Board members hold the most senior executive positions in the organisation (e.g. Director) to account on behalf of right's holders and our partners know how this happens.	11	3	5	4	32
c) Information is collected from partners and prospective partners to learn from their wisdom and understand their needs before any project is planned.	7	4	0	0	33
d) Active steps are taken at the time of project planning to ensure the participation of women and other structurally marginalised and disadvantaged people are heard.	8	1	1	0	33
e) We hold public hearings before a project begins and encourage debate and challenge.	10	14	2	0	33
f) The people attending our public hearings are beyond those who are or will be directly involved in managing the project.	12	7	5	0	32

g) We are clear with partners about what we can and cannot offer and the amount of resource we have available	4	1	0	0	33
h) We have changed project plans as a result of input from partners.	11	3	0	0	33
i) Partners have access to project plans and budgets that are related to our relationship.	5	1	2	0	32
j) We have procedures in place for how to engage partners in all stages of project work (planning, implementing, reviewing progress and final evaluation).	7	2	1	0	32
k) Partners are involved in project evaluation when appropriate.	12	2	0	0	32
l) We use methods of engagement that encourage genuine, constructive feedback from partners.	12	1	0	0	32
m) Results of financial audits are shared with partners when appropriate or relevant to our relationship with them.	5	1	3	0	32
n) We distribute the annual reports relating to our work to our partners.	9	0	4	0	32
Other (please specify)					6
answered question					35
skipped question					4

We meet with partners to review plans and progress made at least:

Answer Options	Response Percent	Response Count
Monthly	12.9%	4
Quarterly	58.1%	18
Half yearly	6.5%	2
Annually	9.7%	3
Depends on the project and partnership	12.9%	4
Other (please specify)		6
answered question		31
skipped question		8

In what ways do you ensure your organisation is accountable to the Government? (For each statement, please respond on a scale of 1: 'yes/very much so' to 4: 'no/not at all')

Answer Options	1	2	3	4	Do not Know	Response Count
a) We understand government rules and regulations as they affect our programme and organisation	27	4	1	0	0	32
b) We comply with our Social Welfare Council (SWC) agreement and evaluation process	24	7	0	0	1	32
c) We change project plans based on the results of SWC evaluation	14	13	2	0	3	32
d) I am confident that our programmes contribute to the National Plan of Action and other Government priorities	27	4	1	0	0	32
answered question						32
skipped question						7

In what ways do you ensure your organisation is accountable to those who provide funding for your organisation's work? (For each statement, please respond on a scale of 1: 'yes/very much so' to 4: 'no/not at all')

Answer Options	1	2	3	4	Do not Know	Response Count
a) We are confident in the integrity of our financial management and that of our partners at a project level	24	7	1	0	0	32
b) We are confident in the integrity of our partners at a project level	13	18	1	0	0	32
c) We have a Financial Management Policy with supporting procedures in place that are fit for purpose and comply with generally accepted accounting principles and practices	28	4	0	0	0	32
d) Mechanisms are in place to ensure funding is used for the purposes for which it was received	24	8	0	0	0	32
e) Annual financial audits take place and partners are part of the exit meetings and informed of the results	26	4	1	1	0	32
f) Agreed recommendations arising from annual financial audits are implemented	27	5	0	0	0	32
g) We document project achievements against predetermined indicators and share this with funding partners	25	5	2	0	0	32
Other (please specify)						2
answered question						32
skipped question						7

**In what ways do you (your organisation) ensure your practices are transparent to your partners?
(For each statement, please respond on a scale of 1: 'yes or always' to 4: 'no/not at all')**

Answer Options	1	2	3	4	Do not Know	Response Count
a) We make clear our organisation's vision and goals to our partners and potential partners so they know what we are trying to achieve	27	5	0	0	0	32
b) We have a clear written MOU/agreement that specifies the scope of our work and of our partnership and responsibilities of both partners.	32	1	0	0	0	33
c) We use defined criteria for the selection of partners (refer to partnership guidelines)	20	8	3	0	0	31
d) We share our selection criteria with potential partners so they understand our process	17	10	3	1	0	31
e) Partners have access to the mechanism to make complaints and know the process we will follow to respond	13	16	3	0	0	32
f) We use Social Audits or other similar methods to share project information and generate discussion with partners about activity and outcomes	9	12	10	0	1	32
g) We have policies and procedures so that staff know and understand what is expected of them in relation to project governance	20	11	0	1	0	32
h) Policies, procedures and guides are regularly reviewed and refreshed to reflect our learning as an organisation	15	13	2	2	0	32
Other (please specify)						4
answered question						33
skipped question						6

**In what ways do you (your organisation) ensure your practices are transparent to the Government?
(For each statement, please respond on a scale of 1: 'yes/always' to 4: 'no/not at all')**

Answer Options	1	2	3	4	Do not Know	Response Count
a) Do you/your partners participate in the District Development Committee planning process?	12	10	4	5	1	32
b) Do you organise Policy Advisory Council (PAC) meetings to share the project information?	20	8	0	4	0	32
c) Do you organise District Policy Advisory Council (DPAC) meetings to share the project information?	11	6	9	5	2	33
d) Are you aware of the requirements of the SWC?	29	2	1	0	1	33
e) Are you confident you are abiding by the SWC rules in relation to administration and programme costs?	22	9	0	1	1	33
answered question						33
skipped question						6

In what ways does your organisation demonstrate its effectiveness to your partners?
(For each statement, please respond on a scale of 1: 'yes/very much so' to 4: 'no/not at all')

Answer Options	1	2	3	4	Do not Know	Response Count
a) We have a clear statement that expresses the organisation's expectations about the benefits, difference or outcome in rights holders' lives that the organisation is established to deliver	23	5	3	1	0	32
b) The organisation manages administrative costs within a specified financial limit (e.g. as a percentage of total budget) within the prescribed SWC rules and regulations and as per the general agreement	21	8	2	1	0	32
c) What you intend to achieve from undertaking the programme (outcome) is clearly documented in programme plans	25	7	0	0	0	32
d) Baseline information is collected and informs the design of project plans before action is taken	17	14	1	0	0	32
e) Learning from evaluations of previous projects directly informs our project plans	25	7	0	0	0	32
f) Decisions about which projects we do are clearly made in relation to their contribution to achieving the organisation's larger goal	24	6	1	1	0	32
g) Qualitative objectives of projects are clearly defined at the outset	25	5	2	0	0	32
h) Measures or indicators are set at the start of projects to assist in the assessment of progress towards achieving the goal	24	8	0	0	0	32
i) Project plans and activities are adapted or changed mid-term if necessary to reflect changes in context or progress towards the bigger goal	27	5	0	0	0	32
j) Processes for monitoring project progress are in place and exercised for all projects	25	6	2	0	0	33
k) Mechanisms for evaluating project impact are in place and exercised for all projects	20	12	0	0	0	32
Other (please specify)						1
answered question						33
skipped question						6

Would you value any of the following support/interventions to help you/your organisation and others learn together as part of the AIN?

Answer Options	Yes	Possibly	No	Response Count
a) We would benefit from more help or support in enhancing our governance practices	4	2	0	6
b) We would benefit from more training courses or workshops on governance implementation	6	6	0	12
c) We would benefit from coaching support by another AIN member	2	5	1	8
d) We would benefit from more literature on how to implement good institutional governance in Nepal	9	7	1	17
e) We would welcome being part of a small support group from which we can get advice and encouragement on how to enhance our governance practice	8	5	3	16
Other (please specify)				3
answered question 33				
skipped question 7				

What can your organisation offer through the Capacity Building Working Group?

Answer Options	Yes	In Part	No	Response Count
a) We have experiences to share about our approach to enhancing institutional governance in our organisation	10	14	1	25
b) We have some examples of good institutional governance practice in relation to transparency, accountability or effectiveness	11	10	1	22
c) We have some tools that we have found useful to support our governance practice	11	11	2	24
Other (please specify)				1
answered question 29				
skipped question 10				