INGOs must make tough choices

To meet growing calls for tangible results INGOs have been forced to adopt managerialist practices. Managerialism, however, is incompatible with the principles of INGOs. To prevent becoming ‘schizophrenic’ and lose their credibility, INGOs have to make tough choices that will profoundly affect their identity, funding base and future relevance.

Since the late 1990s, INGOs have increasingly embraced managerialist ideas and practices. Managerialism is a specific form of management which is based on a number of assumptions and values. It assumes that development is plannable, controllable and measurable, that people are primarily driven by self-interest and that only those things are of value which can be measured and have direct utility. Managerialism is usually associated with advanced management tools in areas such as impact assessment, financial management, risk analysis, planning, monitoring and evaluation. These tools are seen as crucial for improving and demonstrating effectiveness and efficiency.

It is not difficult to understand why managerialism is so attractive. It promises increased performance and more value for money, less risk and comparability between organizations. Its emphasis on accountability and control suggest that there is less room for corruption and incompetence. Critique on managerialism seems unreasonable: who can be against more effectiveness and efficiency? For many people, INGO therefore have the duty to make their interventions measurable so they can show what they have achieved. This viewpoint is strengthened by the decreasing public support for development cooperation: only by demonstrating tangible results, it is implicitly argued, trust can be restored.

Despite its appealing nature, managerialism has attracted considerable criticism. Amongst others, it has been argued that quantitative impact assessments are not a suitable instrument for accountability due to methodological limitations and the risk of creating a paper reality. Other frequently raised points of criticism relate to an increase in workload, excessive bureaucratisation and risk-avoiding behaviour. The problem with managerialism, however, is of a much more fundamental nature: its ideological underpinnings and practices clash with the principles of INGOs at the level of values and assumptions regarding the nature of reality.

First, managerialism clashes with the widely shared importance that INGOs attach to their autonomy. Most INGOs regard their and their partners’ added value to lie in their autonomy and ability to raise a critical voice. Securing this autonomy is therefore of the highest importance. Within managerialism, however, relations between organizations are by default fee-for-service exchanges: the sub-contractor does what the contractor wants it to do. As the foreign aid environment is increasingly governed by managerialist principles and practices, INGOs lose their independence. A related problem is that this also means that instead of Southern priorities, the goals and agendas of Northern donors and INGOs increasingly form the starting-point of interventions.

Second, managerialism clashes with the importance that most INGOs attach to changing power relations. Many INGOs see development as a process which is inherently political. Managerialism, however, assumes that development is plannable, controllable and measureable. Implicitly, this reduces development to a technical and a-political process and diverts attention away from questions of politics, power and distribution. Furthermore, managerialist tools, due to their requirements, have the unintended consequence of confining the scope of interventions to precisely those that are a-political. Rational planning tools are known to be limited in their ability to handle interventions that are unpredictable, process-oriented and difficult to measure: precisely the characteristics of interventions seeking to change power relations.
Third, the managerial emphasis on distrust and direct utility as the starting-point of inter-organizational relations conflicts with the importance that most INGOs attach to partnership. To them, the intrinsic value of their relations with Southern partners matters as it reflects the idea that development cooperation is neither about fighting somebody else’s battle nor about pity or charity. Instead, they view themselves as part of an international network of organizations that cooperate on the basis of principles like equality, trust and mutual respect. These values conflict with managerialism which only values directly utility and assumes a low-trust environment in which people are primarily driven by a desire to maximise personal advantage.

In short, managerialism, as a specific form of management, is far from ideologically neutral and contradicts with many of the commonly shared INGO-principles at the level of values and assumptions about the world. Each INGO has to decide for itself, on the basis of a review of its own principles, whether it is a compatible form of management or not. For some organizations, particularly those with a more businesslike profile, it will be less problematic than for others.

Those organizations reaching the conclusion that the ideology of managerialism is incompatible with their own principles are facing tough times. In the current political climate, it is likely that the pressures on INGOs to adopt managerialist practices will further increase. The strategy of combining ‘original’ INGO-principles with those of managerialism is not a sustainable option, however, as it creates the risk of organizational schizophrenia due to conflicting premises and values. Such organizations need to find forms of management that allow them to be as effective and efficient as possible, yet do not distort their principles. Should INGOs decide to reject managerialism, however, they are apt to have increasing difficulties in acquiring official funding.

Even when INGOs choose for a future direction (largely) outside the official aid system, they still have to deal with increasing societal pressures to demonstrate results. The main advantage of operating outside of the official aid system is, however, that they can deal with these accountability pressures on their own terms. Whatever they decide to do, INGOs stand at a crossroads and the choices they make will have key consequences for their future relevance, funding base and identity.