The changing Dutch NGO

Exploring organisational, strategic and financial changes between 2010-2016

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Nijmegen, December 2018
Organisational, strategic and financial changes

1. Dutch NGOs do not only come in many forms and shapes (e.g. in terms of size, strategy, history, and focus) but they are also extremely diverse in terms of the changes they went through since 2010.

2. The idea that NGOs are reluctant, or unable, to change or to adapt to changing circumstances is obsolete. All Dutch NGOs have changed financially, organisationally and strategically since 2010 – although some in substantially more ways and more extreme than others.

3. Financially, the Dutch NGO sector has grown significantly since 2010. In this process, they have also become even more dependent on (Dutch and/or non-Dutch) government funding while the importance of foundations as funders has increased as well. Perhaps counterintuitively, Dutch NGOs have diversified their funding base outside of government funding.

4. Organisationally, change among Dutch NGOs appears more moderate. Although in number of staff they have grown substantially as a group, other organisational changes (e.g. field offices, departments) are only observed for a minority of NGOs.

5. Based on growth in budget and staff, the idea of a Dutch development NGO sector in decline has to be dismissed.

6. Strategically, Dutch NGOs have seen many and major changes. This particularly holds for the growing importance of advocacy as a strategy, combined with conducting and publishing research, and strengthening CSOs in the Global South. This applies most clearly, but not exclusively, to NGOs included in the Dialogue & Dissent funding scheme of the Dutch government. Dutch NGOs also have increased their interaction with a larger number and more diverse set of organisations outside of those they fund.

Triggers for change

1. For most Dutch NGOs both internal and external triggers (residing within and outside the organisation, respectively) are behind the changes they went through. The external ones dominate, however.

2. New staff and/or management play a role in the internal triggers for change as they bring in new ideas and new ways of working. Hiring staff from the corporate sector, for instance, seems key in setting off the organization on a more business-oriented course. Self-reflection (e.g. based on feedback from the field) is also an important internal trigger.

3. Surprisingly, among the external triggers reported, challenges stemming from contextual changes in the Global South (e.g. changing poverty profiles, growing inequality, environmental degradation) are considered least important. The most important external trigger for change within Dutch NGOs are challenges growing out of changes in funding and funding systems – particularly those of governments.

4. In terms of funding, a(n) (sudden) decrease in funding is a major impetus for change. Strikingly, the same holds for a(n) (sudden) increase.

5. Crucial in the changes in the funding system are the increasing focus on competition for funding and the more business-like approach of donors exemplified by tendering and preconditions regarding cooperation and partnerships.
Policy questions

The findings raise a number of important questions for the policy debate on Dutch NGOs

1. Should the government carry responsibility for its considerable influence on individual NGOs and the NGO sector more broadly? And if so: how should that responsibility look like in practice?

2. Should the government nurture the diversity of the NGO sector in its relations with NGOs? And if so: how can such a diversity be accommodated in that relationship?

3. What are the advantages and disadvantages (including hidden costs) of the competition through tendering for (different types of) NGOs individually, and for the NGO sector in general?

4. How autonomous in their policy and strategy can NGOs possibly be, given the fact that unrestricted funds are minimal?
Foreword
This research report continues where the 2016 report ‘The NGO funding game’ (Schulpen 2016) ended. Based on a survey among 69 Dutch NGOs, in-depth interviews with seven of these NGOs, annual reports and policy papers, and data from the CBF database, the present report provides a first comprehensive answer to two questions: (1) what are the strategic, organisational and financial changes that Dutch NGOs have undertaken between 2010 and 2016? and (2) what is/are the principal driver(s) behind these changes? In doing so, the report adds to the discussion on the changing world of international development and the call upon development actors (and particularly NGOs) to adapt to changing circumstances.

The report shows that Dutch NGOs have heard this call to adapt loud and clear but also that they differ substantially in what they have heard and how they reacted to this. Put differently: Dutch NGOs are sensitive to different triggers or drivers for change and also change in different ways and directions. Here we provide an insight in this diversity among the Dutch NGO community while at the same time trying to tease out some broad trends and commonalities. As such, our findings provide an opportunity for Dutch NGOs to learn from each other while simultaneously offering input for the continuing policy discussion in the Netherlands on NGOs and the (future) relationship between the (Dutch) government and these private development organisations.

This report would not have been possible without the help of a large number of people and organisations. Many thanks are due to all the NGOs that participated in the survey and to a selection of them for taking time to discuss face-to-face what triggered the change process they went through since 2010. Thanks also to CBF for providing their database on Dutch NGOs for the period up to 2014 and for making additional data available on their website. It remains a pity that such data are not more easily available for research purposes in the Netherlands. Finally, many thanks to Pieter van Groenestijn of the Research Technical Support Group of the Radboud University for his perfect support in drafting the survey, sending it out and in analysing the survey data.

As always, all analysis and interpretations are the sole responsibility of the researchers. That also holds for any mistakes made. Call upon us in case you have any questions or remarks following what is stated in this report or if you want to use this report for a discussion within your own organisation, or together with your peers.

Nijmegen, December 2018

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Content

List of Tables, Figures and Boxes 6
Introduction 7
Methodology 9
  Cross-section? 10
Changes 13
  Financial changes 14
  Organisational changes 20
  Strategic changes 23
What drives change? 29
  Internal triggers 30
  External triggers 30
Concluding remarks and discussion 35

References 38
Annex 1. Survey 41
List of Tables, Figures and Boxes

Figure 1. Ways of working (in %, N=69) ........................................................................ 12
Figure 2. To what extent do the three fields of change apply to the changes within the NGO sector since 2010? (in %, N=62) ........................................................................ 13
Figure 3. Annual budget – comparing 2016 and 2010 (% increase / decrease) (N=60) ........................................................................ 14
Figure 4. Growing and declining importance of income sources (in %, N=64) ........................................................................ 15
Figure 5. Percentage of total budget gained by source, per budget group based on budget 2010 (N=54) ........................................................................ 16
Figure 6. To what extent do these statements apply to your organisation? (in %, N=64) ........................................................................ 17
Figure 7. Changes in # of staff members (N=66) ........................................................................ 21
Figure 8. Changes in ‘ways of working’ with a division into seven intervention strategies (N=69) ........................................................................ 24
Figure 9. Changes in # of countries and in # of Southern partners from 2010 to 2016 (N=57) ........................................................................ 25
Figure 10. Reasons for interacting with specific types of Northern organisations (in % / N=69) ........................................................................ 27
Figure 11. Reasons for interacting with specific types of Southern organisations (in % / N=69) ........................................................................ 27
Figure 12. Changes in interaction with specific types of Northern and Southern organisations (in % / N=69) ........................................................................ 28
Figure 13. Importance of external triggers for change process of Dutch NGOs (in %, N=62) ........................................................................ 31

Box 1. Postcodeloterij ........................................................................ 18
Introduction

In 2016, the research report ‘The NGO funding game’ (Schulpen 2016) took a closer look at changes in the central NGO subsidy schemes of the Dutch government (i.e. those subsidy schemes that are managed and administrated centrally by the Ministry of Foreign Trade and Development Cooperation in The Hague) over the period 2003-2016. This closer look first of all substantiated the cuts made in funding NGOs by the Dutch government. In 2010 still some €900 million was transferred via these central schemes to NGOs. One year later this was down to €520 million only to further decrease to just over €300 million in 2016. Second, and despite decreasing funds, the number of schemes through which these funds were distributed to NGOs increased substantially. And this increase was mainly seen with so-called thematic schemes – those funding schemes in which the government policy was central, leading to a development in funding practice and policy in which the government was increasingly in the driver’s seat. Questions could and should thus be raised about the autonomy of Dutch NGOs applying for funding under these schemes. Third, and connected, the study argued that since 2000 a gradual ‘managerialisation’ of the NGO policy took place ‘in which the idea of development as a “political process to change unequal power relations” is replaced by the idea “that development can be planned and measured” and where NGOs “implement contractually specified activities”’ (ibid: 33).

By adding the overall high dependency of Dutch NGOs on government funding (ibid: 23) to these findings, the conclusion seemed warranted that the budget cuts and the accompanying changes in the funding system must have had an effect on Dutch NGOs. It is, for instance, highly unlikely that the drastic reduction in government subsidies to one of the bigger Dutch NGOs ICCO (2010: €130 million; 2011: €60 million; 2016: €6 million) did not have an impact on this organisation. Likewise, there are many other NGOs that have lost out since 2010 (notably the largest Dutch NGOs such as Cordaid, Hivos and Oxfam Novib), just as there are others that have received (sometimes substantial) more funding from the Dutch government over 2010-2016 (e.g. Aids Fonds, Both ENDS, Mama Cash).

At the end of his report, Schulpen (2016: 34) then asks ‘how all these changes impact the NGOs that are or were part of the Dutch NGO funding system’. The present report tackles this question – although from a much broader perspective following the simple notion that ‘a dramatically changing world requires [NGOs] to fundamentally rethink all aspects of their work’ (Gnärig 2015:14). First of all, we cast a wider net by including organisational and strategic changes, alongside financial ones. Financial changes relate to the financial resources required by NGOs to carry out their work. More concretely, it covers such areas as diversifying resources, more attention to fund raising activities (e.g. more public donations, more focus on corporate donations), and/or cutting down on expenditures. Organisational changes concern the question how the organisational structure of NGOs has changed, for instance in terms of type or number of employees, dismantling or strengthening specific departments, decision-making or governance structure, and/or decentralisation (e.g. field offices). Finally, strategic changes concern all changes related to vision, mission and objectives and, particularly, the way NGOs want to achieve these objectives. More concretely it relates to changes in programmes (e.g. stronger thematic focus), countries (e.g. concentration on fewer or specific countries or geographical areas), partners (e.g. in number and type of partners), and/or intervention strategies (e.g. stronger focus on advocacy at the expense of direct poverty reduction).

We, secondly, take a broader perspective by not assuming that changes within Dutch NGOs are necessarily related to challenges posed by the changing Dutch funding system. Gnärig’s ‘dramatically changing world’ includes much more than only a Dutch system in flux. As point of
departure, and following the discussion within the literature, we distinguish here between shifts in three interrelated fields. The first relates to changes in the field of development problems. Think about changes in global poverty, the emergence of climate change as a global challenge, environmental degradation, demographic and technological changes and increasing inequality (e.g. Severino & Raj 2009; Shafik 2010; Kharas & Rogerson 2012; Grotenhuis & Gruiters 2012; ICSC 2013; Green 2015). The second field concerns that of changes in the world of international cooperation (thus including those in the Dutch funding system). More in general, the field of international cooperation might be regarded as a trigger for change within NGOs because of, among other things, increasing pressure on effectiveness and accountability, the emergence of new actors and the diversification of ‘aid’ actors, and the increasing pressure to work in partnership with both governments and the private commercial sector (e.g. Giffen & Judge 2010; Worthington & Pipa 2010; Sheahan 2010; Schulpen et al. 2011; Greenhill et al. 2013; Kinsbergen 2014; Richardson 2018). Third, and last, come challenges (and thus possible drivers for change within NGOs) emerging with regard to non-governmental organisations themselves. Here we rely on literature emphasising a growing disconnect between NGOs and people or civil society, the so-called shrinking political space for NGOs, increasing doubt or criticism of NGOs’ effectiveness and legitimacy, and the increasing competition between NGOs (e.g. for funding) (e.g. Tomlinson & Macpherson 2007; Bebbington et al. 2008; Mundy et al. 2010; CIVICUS 2011; Fowler & Biekart 2011; Della Porta & Diani 2011; Banks & Hulme 2012; Habraken et al. 2013; Casey 2016; Pandya & Ron 2017; Perera 2018).

Although undoubtedly more challenges can be brought forward, the above selection seems more than enough to warrant the call on NGOs to adapt to changing circumstances. It is important to emphasise that many of these challenges are not by definition negative or positive and can in fact be both at the same time. Changes in the funding regime of NGOs, for instance, cover both a downsizing of aid budgets going to or through NGOs but also an ‘expansion of the funding base for nonprofits through […] corporate sponsorship, and private philanthropy’ given in by ‘shifts to more privatized solutions to public problems’ and ‘a growing middle class in the South that is seeking greater participation and has more disposable income to support philanthropic activities’ (Casey 2016: 294). Likewise, falling poverty levels can hardly be seen as negative although they undoubtedly impact on the work of NGOs. Other challenges such as the shrinking space for NGOs are almost by definition negative, at least from an NGO perspective.

This study then asks two straightforward questions: (1) what are the principal strategic, organisational and financial changes that Dutch NGOs have undertaken between 2010 and 2016? and (2) what is/are the principal driver(s) behind these changes? Important here is that this study starts from the idea that (1) all NGOs have embarked on a path of change for themselves but also that (2) NGOs will differ not only in the fields and the way(s) they have changed but also in why they have changed. Neither will NGOs consider all challenges – or drivers of change – equally important to tackle, nor will NGOs react in the same manner to these challenges.

The report starts with an explanation of the methodology used and an exploration of the extent to which the NGOs covered in this study might be regarded as a cross-section of the Dutch NGO sector.¹ This is followed in section 2 by describing and analysing the change processes within

¹ NGOs are seen as part of Civil Society defined as ‘the arena – outside of the family, the state, and the market – which is created by individual and collective actions, organisations and institutions to advance shared interests’. As this research deals primarily with those formal Northern organisations geared at development and operating within the system of international cooperation, we feel that using NGOs instead of CSOs is more appropriate also because civil society is not restricted to (formal) organisations but includes also individual
Dutch NGOs since 2010. We start out with financial changes, move to organisational changes next, and finally deal with strategic changes. In section 3 we explore the diversity of triggers behind these changes and we end, in section 4, with some concluding remarks and a discussion of the findings.

1. Methodology

The study uses both qualitative and quantitative methods. Apart from document analysis (annual reports, policy papers, internal and external studies), three initial in-depth interviews have been held with the directors of Cordaid, Hivos and Oxfam Novib. These interviews provided not only an insight in the different ways these NGOs have dealt with changing circumstances, but also was used to draft a survey (see Annex 1). This survey was sent to 235 Dutch NGOs which received funding from the Dutch government at least in one year over the period 2010-2016. To determine which NGOs to contact we relied on the NGO funding database (Schulpen 2016). This also means that a small part of the NGOs contacted (and consequently a small part of the respondents) can be categorised as Private Development Initiatives (PDIs) (Kinsbergen 2014). Although PDIs are generally characterised as development organisations not receiving direct government funding, some of them managed to do just that, principally under the SBOS - Citizenship and Development Cooperation – subsidy scheme of the Dutch Ministry of Foreign Affairs which was specifically meant for these smaller organisations and ran between 2010 and 2012 (Schulpen 2016).

On October 26, 2017, all directors/managers of the selected NGOs (either via their personal email address or via a general email address) received an invitation to participate in the survey on behalf of his/her organisation. The invitation contained a link to a web survey with 25 questions divided over (1) strategic changes, (2) organisational changes, (3) financial changes, and (4) drivers for change. Closed questions (with answer categories) alternated with open questions trying to grasp as much as possible of the (presumed) diversification between NGOs. Reminders were sent on November 8 and 21, 2017.

The mail to seven organisations failed and a consequent check revealed that five of them no longer had a website in the air. They were thus assumed no longer operational. Five other NGOs turned out to have dissolved their organisation of which one got in contact and stated: ‘Due to funding constraints we had to close down our office so it does not serve a meaningful purpose to keep us in your sample’. Of the remaining 222 NGOs, 110 did not respond, while six NGOs explicitly declined participating in the survey (principally because of time constraints). Of the 106 NGOs that opened the survey, 71 filled out at least the first block of questions about ‘strategic changes’ (which was taken as a minimum for inclusion in the analysis). However, one NGO which filled out the survey later withdrew its cooperation and one more NGO was excluded principally based on the fact that, in contrast to all other respondents, this is not primarily a development organisation. In fact, this particular organisation is principally active in the Netherlands itself, spending a mere 0.6% of its total budget on development cooperation activities in 2016. The remaining 69 NGOs have been included in de analysis representing a response rate of 30.8%. Given our efforts to track an organisation’s operational status, we consider organisations that did not react as typical non-response.

actions. We thereby acknowledge as well that equating civil society with NGOs (as many donors still do) can be criticised for its ‘simplistic view of civil society as a collection of organisations rather than a space for interaction and negotiation around power’ but particularly for narrowing down this ‘collection of organisations’-idea by focusing almost exclusively on NGOs (Banks & Hulme 2012: 21; also see Obadare 2011).
The survey was generally filled out by a director or manager of the NGO (CEO, director, director of external affairs, director of programmes, director of finance, M&E manager, managing director, office manager, operations manager) (56 or 81% / N=69). The remaining 13 respondents were board members (chair, secretary, member) (5 or 7%), programme, project, research & knowledge, desk or M&E officer (5 or 7%), or business controller, business developer or policy advisor (3 or 4%).

Following the survey, additional open face-to-face interviews have been held with a first group of five Dutch NGOs between May and October 2018. Care was taken to select those NGOs which represent the diversity of NGOs in the survey in terms of, for instance, dependency on government funding and ways of working. The central focus of the open interviews was to delve deeper into the triggers behind the reported strategic, organisational and financial changes over the period 2010-2016.

Before moving to the outcomes of the study, it should be noted that respondents were guaranteed strict anonymity with regard to the survey unless they explicitly indicated otherwise. In the end, 20 NGOs (29%) gave permission to be mentioned (of which several indicating that they would like to review the report before publication). As a consequence, only those NGOs which explicitly agreed are mentioned by name when quoting from the survey. In case of information derived from interviews or publicly available documents (e.g. CBF, annual reports) NGOs will be explicitly mentioned by name. Unless stated otherwise, all quotes are from data generated through the survey.

**Cross-section?**

As there is no overall picture of the Dutch NGO world (Schulpen & Hoebink 2014), there is also no way to guarantee that the 69 NGOs included here form a representative cross section of this ‘world’. Nevertheless, the 69 Dutch development organisations included here are testament to the idea that the ‘once fairly surveyable Dutch non-governmental development community has [...] become much more complex’ (*ibid*: 174). In many ways our respondents clearly show this ‘complexity’ (or perhaps better: diversity).

The data confirm, for instance, that ‘the majority [are] relatively young’ (with 36% in our survey being founded after 2000) and that there is a ‘continuous emergence of new [NGOs] combined with the persistence of the older ones’ (with 29% of the surveyed organisations being established before 1980 of which three date back to the end of the 19th century or early 20th century) (Schulpen & Hoebink 2014: 175). They also show this diversity when looking at countries in which they are active. The 2010 data for 63 of the NGOs show activities in 20 countries on average, with a range between 1 (five NGOs) and 100 (*Both ENDS*). Large disparities can also be observed in terms of budget, income sources and staff.

Budget-wise, the respondents cover both (very) small NGOs and (very) big ones. In 2011, the CBF Database covered around 600 Dutch organisations in the field of international aid with a combined budget of ‘close to EUR1.5 billion’ (Schulpen & Hoebink 2014: 179). The division of this budget was highly skewed with ‘the 30 biggest and most well-known NGOs’ covering already three-quarters of that total budget. Of these ‘30 biggest’ in 2011, more than half is represented in our sample. Besides, although only based on data for 53 NGOs, the total budget in 2010 of the NGOs in our sample was €930 million (with the seven biggest taking in 66%). This also means that budget-wise there are a few very small organisations included in our research as well – organisations that Kinsbergen (2014) would typify as Private Development Initiatives (PDIs). In terms of income sources, earlier studies (Schulpen & Hoebink 2014: 179) show government
grants to be the most important overall. This certainly holds for the 30 bigger ones in 2011 for which government grants covered 43% of their income in 2011. Data from the NGOs in our sample for 2010 show this to be 52%, which is most likely due to the fact that our research specifically focused on those NGOs that received funding from the Dutch government for at least one year during 2010-2016. With regard to staff, data for 66 of the NGOs in our sample for the year 2010 show them to range between 1 and 1,200 employees, with an average of 68.

The complexity and/or diversity of the Dutch NGO field is also noteworthy in terms of focus and strategy. As Schulpen & Hoebink (2014: 176-177) argue, it has been tried in many ways to categorise Dutch NGOs in terms of intervention strategies and roles. This has led to the development of a wide spectrum of strategies and roles but never to a true categorisation in terms of placing ‘one NGO under one role [or strategy] and another under a different one’. They blame this lack of categorisation on ‘insufficient data’ but also on the reluctance of authors due to categorisation being ‘a politically sensitive endeavor’ and on the likelihood that the majority of NGOs would belong to several of the distinguishable roles and intervention strategies.

The latter is quite clear when looking at some of the data available. The NGO branch organisation Partos, for instance, provided data on its 80 members in 2007, of which 32 are included in our survey. Partos distinguished between six intervention strategies (also see: Schulpen & Hoebink 2014: 176; DGIS 2009a; DGIS 2009b; Riddell 2007; Grotenhuis 2009; Lewis & Kanji 2009): (1) lobby & advocacy; (2) direct poverty reduction; (3) civil society building; (4) research; (5) networking; and (6) strengthening public support. Data for 32 of ‘our’ NGOs included in the Partos database show the vast majority (87%) to use at least three of these strategies simultaneously (with 34% using all six strategies). Not surprisingly, all six strategies are important in the NGO repertoire with five strategies being mentioned by 68% to 78% of the NGOs and ‘civil society building’ even by 87%.

The Partos database also distinguishes between five roles for (Dutch) NGOs: (1) financer (funding of Southern partners for their development interventions; (2) implementer (implementing own activities); (3) advisor (e.g. capacity building); (4) knowledge centre (knowledge collection and dissemination); and (5) intermediary (bringing different organisations – including public and private ones – together). Data for ‘our’ NGOs show that none of these roles really stands out, with each of them being mentioned by between 70% and 80% (N=32) of the respondents. Only one of these 32 NGOs opts for a single role; practically all opt for at least three roles for their own organisation (and nine for all five roles). Important here is that not all NGOs in the survey are ‘involved in grant making’ as one of the respondents to the survey so clearly stated.

We also witness the same idea of ‘NGOs combining all kinds of roles’ when moving to the part in our survey where NGOs were asked to indicate the extent to which specific ways of working have become more or less important since 2010 (see further under ‘strategic changes’ below). Taking these answers here as an indication of the specific ways of working of an NGO (excluding a few organisations indicating that none of the 11 ways of working apply) shows that some ways are markedly more important than others (see Figure 1). 97% of the NGOs are involved with ‘supporting and strengthening CSOs’ (i.e. civil society building) and 94% being active in the field of ‘influencing governments and other powerful organisations (i.e. advocacy)’ and in the field of ‘conducting and publishing research’ (i.e. research). Much less popular are ‘funding individuals’ (42%) and ‘providing humanitarian and emergency assistance’ (46%). Although there are differences between NGOs, it is interesting to see that NGOs typically recognise themselves in eight of the different ways of working distinguished in Figure 1, while 11 NGOs report to be active in all 11 ways of working. It should be noted here that some additional ways of working
were added by part of the NGOs ranging from ‘capacity building of local governments’ via ‘empowering people on a mental and spiritual level’ to ‘strengthening global citizenship in the Netherlands’ (i.e. public support role mentioned by several NGOs).

**Figure 1. Ways of working (in %, N=69)**

Source: Survey ‘The changing world of Dutch NGOs’.

The above already indicates that part of the NGOs in our sample regard themselves as ‘broad’ organisations using different intervention strategies (and quite often in many different countries and thematic areas). Others in turn are more specialised focusing either on a specific target group, region or even country, or theme. *International Child Development Initiatives (ICDI)*, for instance, presents itself as ‘a knowledge organization in psychosocial development of children and young people growing up in difficult circumstances’ (website ICDI). *Waterhelp*, in turn, present itself as a ‘volunteer organisation active in the field of water technology’ while *Stichting Duurzame (Micro-)Pensioenen in Ontwikkelingslanden* obviously focuses on pension systems and emerged as the mutual initiative of the Dutch Association of Insurers and the Federation of the Dutch Pension Funds with support from the Ministry of Foreign Affairs. And while *Women Win* sets out to achieve its mission ‘by connecting the global sport, development and women’s movements’ (website Women Win), *IHJR* ‘engages respected scholars, public-opinion leaders, decision makers, and other stakeholders from diverse sides of a conflict to work together on multi-year projects designed to address contentious historical issues in a meaningful and impactful manner’ (website IHJR). It should be added that at present (mid 2018) not all respondents are ‘alive and kicking’. In fact, both *Women’s Peacemakers Program* and *Oikos* dissolved their organisation at the end of 2017.

Finally, while the survey was restricted to NGOs that have been or still are funded by the Dutch government it is important to highlight some differences here. For the majority, Dutch government funding has come from one or more of the central funding schemes administered by the Ministry of Foreign Affairs in The Hague. Others have (also) been funded from decentralised funds administrated by Dutch embassies in specific developing countries, while a few have received government funding more indirectly as a(n implementing) partner of a Dutch NGO. The latter, for instance, holds for *Leprastichting* which up to 2011 received (government) funding via *PSO*, for *RNTC* which received such funding via *RNW Media*, or for *Women*
Peacemakers Program which was a ‘sub-contractor’ (but not an official partner) under one of the MFS2 alliances. This already shows that also in terms of ‘usage’ made of Dutch government funding schemes the NGOs in our sample differ substantially. The sample includes major recipients as Oxfam Novib (which over the period 2010-2016 received funding from at least eight different central schemes to the tune of some €515 million) but also minor ones like Mira Media (which tapped into one central funding scheme and received about €72,000 over 2010-2011).

2. Changes

Below we present the major changes Dutch NGOs went through over the period 2010-2016 based on the outcomes of the survey among 69 NGOs, interviews, documents and available databases (principally the CBF database). We start with financial changes which directly link up with the 2016 report on changes in the NGO funding schemes of the Dutch government (Schulpen 2016) followed by organisational changes and strategic changes. Two remarks are warranted upfront, however.

First, it is interesting to note that all NGOs feel strategic changes apply to their own organisation and that there are just a few that regard organisational and financial changes as non-applicable (6% and 3% respectively / N=62). Moreover, strategic changes are considered to apply (very) strongly by 61% of the NGOs, while this is 45% for organisational changes and 47% for financial changes (also see Figure 2). Important is also that all NGOs regard at least one of the three groups of changes discussed here to hold for their own organisation. There are, as expected, huge differences between NGOs with regard to the extent these types of changes apply. For a group of 18 NGOs, all three types of change apply (very) strongly and this groups includes such diverse NGOs as Save the Children Netherlands, Cordaid, Aflatoun, Women Peacemakers Program, ISA-Youth, Aqua for All, and Dorcas. On the opposite side there are three NGOs (including Stichting DMO) for which these three change categories only apply marginally (and occasionally not at all).

![Figure 2. To what extent do the three fields of change apply to the changes within the NGO sector since 2010? (in %, N=62)](source: Survey ‘The changing world of Dutch NGOs’.)

Secondly, while our analysis focuses on the period 2010-2016 the changes Dutch NGOs went through did not necessarily start in this period. More in general, one would expect NGOs which by definition are organisations aimed at contributing to ‘change’ to also go through continuous change processes themselves. And that is exactly what some of the NGOs stated when asked to indicate the year in which they felt changes in the most important field were set in motion. As
one of them remarked: ‘For us, this is a continuous process. Impossible to link it to a specific time period’. Perhaps ‘no idea’ and ‘throughout the years’ should be seen as answers in the same vein. Nevertheless, 55 NGOs (80% / N=69) did mention (a) specific year(s). The year 2015 pops up most frequently while also the years 2010, 2011 and 2012 are rather ‘popular’. Although these are the years covering the major changes in the Dutch government funding policy of NGOs (see Schulpen 2016), it would be premature to conclude already from this that these funding changes are the most important drivers behind the reported changes within Dutch NGOs. We come back to these drivers after our discussion of the actual changes.

**Financial changes**

Considering the relative high dependency of Dutch NGOs on government funding and the downward trend in NGO funding in the Netherlands since 2010 one would expect the majority of NGOs to consider financial changes as the most important change area. In reality, less than half of the Dutch NGOs (47% / N=62) feels financial changes to apply (very) strongly. From a narrow view at ‘financial changes’ in terms of the available annual budget, this is confirmed by data on changes in annual budgets over the period 2010-2016. Based on data for 60 respondents from CBF and annual reports, 22 NGOs show a lower annual budget in 2016 compared to 2010, while 38 NGOs had a higher annual budget in 2016 than in 2010 (also see Figure 3). Together, the available budget of these 60 CSOs increased from some €1 billion in 2010 to nearly €1.2 billion in 2016. That relatively few feel that statements as ‘has reduced the running costs of the organisation’ or ‘has reduced its spending on programmes’ to apply (very) strongly to themselves then becomes understandable.

**Figure 3. Annual budget – comparing 2016 and 2010 (% increase / decrease) (N=60)**

![Bar chart showing annual budget comparisons between 2010 and 2016](image)

Source: own calculations based on CBF data and annual reports of Dutch NGOs

When taking ‘financial changes’ a bit broader by looking also at the sources of income, data for 56 NGOs (based on CBF and/or annual reports) for 2010 and 2016 show the dependency of Dutch NGOs on government sources (i.e. percentage of the total budget derived from government sources in a given year) to have moderately increased from 44% to 49%. Individual NGOs might substantially deviate from this average figure, however. Dependency rates (for 2016) range between 0% and 96% with 24 remaining (well) below the average of 49% and 27 receiving well above that average from governments. Besides, five NGOs (e.g. Zeister Zendingsgenootschap, Lion Heart Foundation) did not receive any funding from governments neither in 2016 nor in 2010 but were recipients of such funds in between.
Also in terms of changes in dependency rates over the period 2010-2016 NGOs show a widely diverse pattern. A group of nine (mainly relatively smaller) NGOs only received government funding for a few years between 2010 and 2016 (in which years government funding made up anywhere between 1% and 58% of their total budget). *Aflatoun International*, for instance, only received government funding between 2010 and 2013 during which its share in the total budget declined from 27% to 3%. In contrast, *The Hunger Project* received its first government funding in 2014 and has seen its dependency rate increase to 29% in 2016. Of the 46 Dutch NGOs that continuously received funds from governments over the period 2010-2016, 17 became less dependent, two saw no changes, and the remaining 29 became more dependent. *Aids Fonds*, for instance, received 30% of its 2010 budget from governments; six years later this was 62%. *Aqua for All* in the meantime went from a dependency rate of 58% in 2010 to 77% in 2016, *Dorcas* from 10% to 39%, and the *Burma Centre* from 25% to 91%. Simultaneously, *Edukans* went from 48% to 18%, *ICS* from 78% to 38%, and *Light for the World* from 32% to 3%.

For a majority of NGOs (57% / N=56), increasing dependency rates on government funding go hand in hand with increasing annual budgets. The budget of *Both ENDS*, for instance, nearly tripled between 2010 and 2016 and received 377% more from government sources in 2016 compared to 2010 meaning that its dependency rate increased from 74% to 89%. Likewise, for 13 NGOs (23% / N=56) declining government funding equalled declining budgets. The logic ‘less government funding = smaller budgets’ (or: ‘more government funding = higher budgets’), however, certainly does not always hold. *Wilde Ganzen*, for instance, saw its budget increase from €13.8 million in 2010 to €17.5 million in 2016 while moving from nearly €1.5 million in government funds in 2010 to less than €0.5 million six years later.

**Figure 4. Growing and declining importance of income sources (in %, N=64)**

![Figure 4. Growing and declining importance of income sources](image)

Source: Survey ‘The changing world of Dutch NGOs’.

The survey confirms the diversity among our sample (N=64) in the extent to which official sources (i.e. funds from governments and inter-governmental organisations) have changed in importance between 2010 and 2016 (also see Figure 4). 42% of the NGOs state that these official sources have become (much) more important while they have become (much) less important for 14% and have remained equally important for another 42%. Figure 4 shows that the same diversity holds for other sources such as ‘own fundraising’ (with 31% stating that own fundraising is not relevant) or funds from the private sector. Interesting is the robust growth in the importance of foundations as a source of income with 53% claiming that foundations have become (much) more important.
The latter is also clear from those 47 Dutch NGOs that provided data on the number of official donors, companies, foundations and CSOs providing funding in 2010 and 2016. On average, these NGOs received funding from four foundations in 2010; in 2016 this had grown to six. ISA-Youth, for instance, had one foundation as a donor in 2010 but in 2016 there were four providing funding. At the same time, on average Dutch NGOs saw an increase in number of donors not only with foundations but also with official donors (+1.8 / N=50), CSOs (+1.3 / N=49) and private companies (+61 / N=46). The increase in number of private companies as donor is highly influenced by just a few NGOs that already worked together with a large number of private companies in 2010 and have since managed to increase this number even more (e.g. The Hunger Project, Woord en Daad).

The increase in number of CSOs as a source of funding is interesting as well but also points at a gap in our knowledge about the extent to which NGOs actually support each other. Hivos, for instance, reported over 2016 to have received 8.5% of its total income from ‘other non-profit organisations’. This, however, included also foundations and, for instance, the Inter-American Development Bank but also NGOs such as Oxfam Novib, Stop Aids Now! and Practical Action. How big this inter-NGO funding is, how important it is for individual NGOs, the extent of change therein and the reasons behind such change remain unclear for now and warrants further investigation. Partly the reported growth in number of CSO funders may be attributable to the emphasis placed by official donors (including the Dutch government) on ‘alliances’ or to NGOs hiring in expertise to implement parts of their own programme. In other cases reported CSO funding may simply be due to the receipt of membership fees by NGOs performing a network or platform function as is the case with Wo=men which in 2016 received about 15% of its total budget from Hivos, Oxfam Novib, Care, Cordaid, ICCO, Mama Cash, Rutgers WPF, Plan and Simavi.

Figure 5. Percentage of total budget gained by source, per budget group based on budget 2010 (N=54)

Looking at changes per income group of NGOs, Figure 5 shows that percentage wise only the five biggest in 2010 have not seen any change in terms of government funding. For these five organisations government funds made up 75% of their total budget in both 2010 and 2016. Their income from own fundraising in the meantime increased marginally – meaning they became slightly less dependent on other sources (e.g. other CSOs, foundations, investments, interest). All three other budget groups saw the importance of government funds increase (in the case of the €25-50 million group even from 28% to 48%) while also ‘other funding’ decreased. Own
fundraising as a percentage of total income increased only among the group of NGOs under €5 million. For the two groups in the middle a higher dependency on government funds thus went hand in hand with a decreasing importance of own fundraising.

All in all, only 12.5% of the responding Dutch CSOs (N=64) state that the idea of diversification of financial resources between 2010 and 2016 does not apply to them (while over one-third of the CSOs feels its applies (very) strongly to them). This diversification comes at a price, however (also see Figure 6). Nearly 90% experience more competition (ranging from somewhat to very strong) from other CSOs in securing funding while a much smaller part (49%) also experiences such competition from the private sector (companies). More than 50% also feels that they have become competitors of CSOs in the Global South for funding and three out of four experience more difficulties in keeping their financial budget at the same level. Interestingly, many (81%) at the same time feel that diversification of funding actors in development creates opportunities (also) applies to them.

Figure 6. To what extent do these statements apply to your organisation? (in %, N=64)

![Figure 6](image)

Source: Survey ‘The changing world of Dutch NGOs’.

Important is also that most CSOs feel that they have to pay more attention (in terms of time and/or resources) to raising funds. Occasionally, fundraising was linked to staff changes (see below under ‘organisational changes’) for instance in case of one NGO claiming that they ‘lost the capacity for effective fundraising due to staff changes’; a capacity they ‘are in the process of rebuilding’. At the same time, MAX Foundation in its 2015 annual report stated to have ‘expanded [its] fundraising team by hiring a Development & Fundraising Manager to focus on institutional fundraising opportunities’.

Crucial here are the problems related to the decrease of unrestricted funding. As an NGO which has seen a substantial budgetary growth since 2010 remarks: ‘[…] unrestricted fundraising from the public remains the same with more effort, restricted funding increases so the ratio deteriorates’. In reality, however, this NGO saw its own fundraising also increase – as did quite a few of its colleagues. Other NGOs fared less well with some registering substantial declines in funds generated from the general public – up to -90% when comparing 2016 with 2010. Together the 57 NGOs for which such data is available for the years 2010 and 2016 show a relatively minor growth in own fundraising from €282 million in 2010 to €308 million in 2016 (+9%). This is substantially less than the growth in the overall budgets (see above).
At the same time, certainly not all funds generated via donations from the general public can be considered ‘unrestricted’ as at least part of this is collected for specific programmes and projects (Interview Cordaid 13-6-2017). This is different for institutional donors. Considering the overall growing dependence on government funding for our 69 NGOs and the growing importance of foundations, it is likely that the ‘deteriorating ratio’ between restricted and unrestricted funds holds for many more respondents. The fact that essentially all funding from official donors is restricted and cannot be used freely by recipients simply means that there is ‘less financial room for innovation and funding of activities outside of those that are part of specific programmes’ (Interview CEO Cordaid, 15-5-2017). For an organisation like Cordaid (Interview Cordaid, 13-6-2017) that leaves the money received from the Postcodeloterij as one of the few unrestricted sources (also see Box 1).

**Box 1. Postcodeloterij**

The Postcodeloterij is not only one of the few remaining sources of unrestricted funds, but also a substantial ‘donor’ for many civil society organisations, also in the field of international cooperation. Of the 69 Dutch CSOs in our survey, 21 received lottery funds in 2018. While some of them have received such funds already since the 1990s, others have been added more recently to the list of in total 103 recipients. Likewise, the sums made available to some reach tens or even hundreds of millions, others are relatively small recipients. The table below provides an overview showing that Oxfam Novib is by far the biggest recipient of Postcodeloterij funds in our sample with an average annual contribution of €13.5 million over the period 1990-2018 which amounts to 7.5% of the 2016 budget. For some, the average annual contribution (in terms of the 2016 budget) is substantially bigger – with Aflatoun even reaching one-fifth of the budget. It is this relative importance that brought the director of The Hunger Project to the remark to find it ‘odd that [Postcodeloterij funding] is not a separate category [in the survey] given its importance for many NGO’s revenue and significance for core funding’.

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Since</th>
<th>Abs. (€ million)</th>
<th>Annual average</th>
<th>As % 2016 budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Oxfam Novib</td>
<td>1990</td>
<td>390.7</td>
<td>13.5</td>
<td>7.5%</td>
</tr>
<tr>
<td>2 Amnesty Int.</td>
<td>1996</td>
<td>87.1</td>
<td>3.8</td>
<td>14.2%</td>
</tr>
<tr>
<td>3 Cordaid</td>
<td>1996</td>
<td>66.6</td>
<td>2.9</td>
<td>2.1%</td>
</tr>
<tr>
<td>4 Leprastichting</td>
<td>1996</td>
<td>39.0</td>
<td>1.7</td>
<td>16.0%</td>
</tr>
<tr>
<td>5 Terre des Hommes</td>
<td>1996</td>
<td>56.3</td>
<td>2.4</td>
<td>11.4%</td>
</tr>
<tr>
<td>6 Free Press Unl.</td>
<td>1997</td>
<td>17.0</td>
<td>0.8</td>
<td>4.7%</td>
</tr>
<tr>
<td>7 Plan Nederland</td>
<td>1998</td>
<td>57.6</td>
<td>2.7</td>
<td>5.7%</td>
</tr>
<tr>
<td>8 Simavi</td>
<td>1998</td>
<td>22.6</td>
<td>1.1</td>
<td>6.4%</td>
</tr>
<tr>
<td>9 IUCN</td>
<td>2000</td>
<td>24.4</td>
<td>1.3</td>
<td>7.0%</td>
</tr>
<tr>
<td>10 War Child</td>
<td>2000</td>
<td>31.9</td>
<td>1.7</td>
<td>5.9%</td>
</tr>
<tr>
<td>11 Aids Fonds</td>
<td>2001</td>
<td>40.7</td>
<td>2.3</td>
<td>5.2%</td>
</tr>
<tr>
<td>12 Save the Children Netherlands</td>
<td>2002</td>
<td>19.9</td>
<td>1.2</td>
<td>4.5%</td>
</tr>
<tr>
<td>13 Hivos</td>
<td>2007</td>
<td>31.4</td>
<td>2.6</td>
<td>2.2%</td>
</tr>
<tr>
<td>14 Mama Cash</td>
<td>2008</td>
<td>11.5</td>
<td>1.0</td>
<td>7.5%</td>
</tr>
<tr>
<td>15 Solidaridad</td>
<td>2009</td>
<td>16.1</td>
<td>1.6</td>
<td>8.7%</td>
</tr>
<tr>
<td>16 Aflatoun</td>
<td>2010</td>
<td>4.0</td>
<td>0.4</td>
<td>20.2%</td>
</tr>
<tr>
<td>17 Wilde Ganzen</td>
<td>2010</td>
<td>6.5</td>
<td>0.7</td>
<td>4.1%</td>
</tr>
<tr>
<td>18 The Hunger Project</td>
<td>2011</td>
<td>4.8</td>
<td>0.6</td>
<td>13.0%</td>
</tr>
<tr>
<td>19 Pharmaccess</td>
<td>2012</td>
<td>3.8</td>
<td>0.5</td>
<td>n.a.</td>
</tr>
<tr>
<td>20 Edukans</td>
<td>2014</td>
<td>2.0</td>
<td>0.4</td>
<td>4.3%</td>
</tr>
<tr>
<td>21 KNCV Tuberculose</td>
<td>2018</td>
<td>0.9</td>
<td>0.9</td>
<td>1.2%</td>
</tr>
</tbody>
</table>

Source: own calculations based on Postcodeloterij website (2018), CBF database and annual reports
For many the constant need to be on the look-out for new funding possibilities is worsened by the growing use of competitive tendering systems by donors. This not only creates financial insecurity but is also ‘costly’ if only because there is no guarantee that money invested in proposals will also pay off (Interview director Oxfam Novib, 21-6-2017). Schulpen (2016), for instance, showed that from the 832 applications received for 15 different subsidy schemes of the Dutch government just 25% were approved. Brand (2015) then specifically zoomed in on one of these subsidy schemes (the so-called FLOW-2 programme) which showed a success-rate of only 3%. ‘Although her own quick-and-dirty calculation that the 265 proposals put forward for FLOW-2 had cost the applying organisations between €12 to €20 million is unverifiable, it is clear that applying for funding costs money and that when proposals are not funded this investment is money lost’ (Schulpen 2016: 18). It is perhaps logical that several NGOs in the meantime have set specific internal targets for their tendering success.

Occasionally, NGOs speak out more fiercely against the competition-driven tendering system of many donors with Women Peacemakers Program seeing such a tender model not only creating ‘fierce (and unfair) competition’ but of actually ‘undermining the much-needed diversity in civil society’. Others criticise the ‘project focus and the obsession with lowest price’ or see ‘the strong push of the Dutch government and other right-wing governments for market-based solutions [as] fatally [undermining] the integrity and accountability of international sustainable development policies’.

‘Market-based solutions’ are, however, certainly not considered problematic by all NGOs. Rather they are seen as part of the solution. Market-oriented activities might then be part of the overall strategy in terms of generating (additional) income and at the same time working on awareness building about development problems and what ordinary citizens can do to help as is most likely the case with the Woord en Daad recycling shops. At the same time, such market-orientation might also be more fundamental – relating to the idea that NGOs need to become more business-like to ensure not only their (financial) survival but their relevance. Woord en Daad thus also offers trainings but also ICS is a case in point here. At the end of the 2000s this organisation decided that the ‘traditional approach [within development work] consisting mainly of donating money and goods’ was over. The alternative was found in ‘social enterprises with a business model where financial profit goes hand in hand with social impact’ (ICS 2015: 2). Now, ICS has established four such social enterprises of which Agrics (offering agricultural products on credit to small farmers) is one.

Also other NGOs talk and act in market terms. Solidaridad (2015: 1) then feels that ‘a paradigm shift is currently taking place in the world of development cooperation’; a shift that calls for ‘market-based solutions’ which are regarded as ‘more efficient and effective than more traditional approaches’. Aflatoun, which prides itself on its ‘social franchise model’ in social and financial education, in the meantime feels that its drive for ‘scaling up’ can only be reached by leveraging ‘its key capacities to earn income’ ‘beyond the open source core curriculum’. More concretely, the organisation aims to market the ‘distinctive value’ of its International Secretariat (e.g. in terms of its expertise in contextualising the curriculum to local circumstances and its research and evaluation capability) by ‘evolving into an expertise centre and knowledge hub’ (Aflatoun 2018: 12-14).

Finally, the increasing emphasis on collaborative tendering is criticised in particular by smaller CSOs. The Women Peacemaker Programme is certainly not alone in stating that they ‘are driven to being a subcontractor to be able to have access to funding’ while another simply states that ‘it has become very difficult for small organisations to apply for government funding individually’.
Simavi in the meantime emphasises that ‘the Aid and Trade agenda [of the Dutch government] has led to more emphasis on partnering with the private sector but funds are not actually realistically open to NGOs’ which in turn makes ‘it difficult to access that funding’. Another NGO again emphasises the ‘increased and more detailed accountability structures’ which brings us to the organisational changes of Dutch CSOs over 2010-2016.

Organisational changes

If one thing is clear from the organisational changes elicited in the survey, it is that relatively many Dutch NGOs feel that statements such as ‘has given prominence to qualitative methods for assessing progress and impact’, ‘has put more emphasis on demonstrating quantitative results’, ‘has made “value for money” an important concept in decision-making’, and ‘has given prominence to risk assessment in daily operations’ apply to their organisation. This relates as well to the fact that a (large) majority agrees (strongly) to such statements as ‘becoming more competitive has become key to organisational survival’, ‘NGOs need to become more business-like to ensure their relevance and survival’, and ‘reducing overhead costs is crucial to survive as an organisation’.

All these principally seem to reflect the changes in what is demanded from NGOs in terms of accountability. Such changes seem to be an answer not only to the ‘increased and more detailed accountability structures’ asked for by official donors but also to the growing (public and academic) scepticism towards the effectiveness of NGOs and the growing competition for funding; in which success ‘depends primarily on quality of deliverables in the field’ according to one of the respondents. From such a viewpoint, the fact that more than just over 30% of NGOs (N=65) feels that ‘has invested in staff with a different expertise than before’ applies (very) strongly to their organisation perhaps not only points in the direction of staff needed for fund raising (see above) but also of staff needed for accountability (and thus for monitoring and evaluation – M&E).

In more concrete terms, organisational changes can be reflected in changes in the number of staff. The result that 18% of the respondents (N=66) feels that the statement ‘has reduced the total number of staff members’ applies (very) strongly is understandable considering the fact that overall data (from the survey, annual reports and CBF database) for 66 respondents show a substantial increase in staff members. In 2010, some 4,500 people were employed by these 66 NGOs. In 2016, this number increased to just over 5,700. It should be noted, however, that two organisations alone (SNV and ZOA) take up already 42% of all staff members in 2010 and 37% in 2016. Adding six other ‘big’ NGOs (including Oxfam Novib, Hivos and Cordaid) brings this already to 70% and 67%, respectively. The remaining 30% and 33% are divided over 58 NGOs.

Figure 7 provides an overview of the decrease or increase in staff (in terms of number of employees) of these 66 NGOs. From this it is clear that (1) seven NGOs saw no changes at all – including one organisation which is run entirely by volunteers; (2) ‘only’ 17 NGOs mark a decrease in staff members but this totals only to -193 or 0.2% of all staff of these 17 NGOs in 2010; and (3) a large majority of 42 NGOs saw an increase with half of them adding 10 staff members at most. It should be noted, however, that adding just a few staff members over the period 2010-2016 might still mean a doubling (or more) as is the case with Aqua for All moving from 7 staff in 2010 to 15 six years later and another moving from 1 to 6 staff members.

Important to add here is that the number of staff should not necessarily be equated with ‘head office’. Hivos, for instance, in its 2016 annual report states to have increased its staff from 337 in 2015 to 384 one year later. Of these 384, however, ‘only’ 137 (36%) ‘were based at the Global
Office in The Hague’ while the remaining 64% ‘worked in the regions’. For Oxfam Novib, with a total number of employees of 1,452 in the beginning of 2018, this division between head office and field (i.e. in the 13 countries in which Oxfam Novib is the ‘executive affiliate’ for the Oxfam alliance) is even 22%-78% (Oxfam Novib 2018). Equally, changes in staff might also hide the role of volunteers in organisations and the emergence of ‘different staff contracts’ aimed at creating ‘a flexible pool’; a flexibility needed in ‘an uncertain and fast changing world’ as Dorcas explains.

**Figure 7. Changes in # of staff members, 2010 and 2016 (N=66)**

![Bar chart showing changes in number of staff members, 2010 and 2016.](chart)

Source: Own calculations based on Survey ‘The changing world of Dutch NGOs’, CBF database and annual reports

Combining changes in budget with changes in staff shows that there are 13 NGOs (22% / N=60) which ended up with a smaller staff and a smaller budget, while there are 32 NGOs (53%) for which exactly the opposite holds. The remaining 15 NGOs combine a smaller budget with more staff (13%), a higher budget with a smaller staff (4%) or an equal number of staff with a higher (7%) or lower (2%) budget. Besides, there is no obvious correlation between the extent of changes in budget and staff. Both ENDS combines a tripling of its budget with a 33% increase in staff, while an education-oriented NGO combines a halving of its budget with a 8% reduction in staff. All in all, the idea of a correlation between changes in the available budget and changes in the number of staff does not hold for all organisations – and for hardly any NGO if such an idea assumes proportionality, for instance, a 10% increase in money equals a 10% increase in staff. Only some NGOs come close to this, as is the case with, for instance, Hivos (growth in budget of 56% and growth in staff of 50%).

Overall, however, close correlation between staff and budget has to be discarded if only because it depends on the type of activities undertaken (e.g. an organisation providing technical assistance likely spends a large part of its budget on experts while an organisation supporting access of poor people to medicines likely spends a large part of its available budget on the costs of medicines rather than on staff). Besides, Dutch staff are most likely more expensive than local staff and with some of the organisations it is mainly the latter category of employees that has grown due to decentralisation and the opening of field offices. Of the 1,131 employees in the 13 countries in which Oxfam Novib is the ‘executive affiliate’ only 72 (6%) are ‘expats’ and the remaining 1,059 (94%) ‘nationals’. Finally, changes in staff might not only be attributed to budgetary changes but also to strategic changes (e.g. choice of themes or countries – see below) or other organisational changes.
A large number of possible organisational changes then apply (very) strongly only to a limited number of NGOs. A reduction or dismantling of thematic departments, for instance, only applies (very) strongly for 13.7% of the NGOs (N=66). With regard to ‘departments’, Oxfam Novib does report to have changed from ‘functional departments (international regions, campaigns, lobby and advocacy and marketing and fundraising) [...] to thematic units’. And Cordaid either disbanded or substantially reduced several departments (e.g. press briefing, communication, education) in 2016 (Interview Cordaid 13-6-2017).

At the same time, only 16.7% of the respondents feel that setting up or increasing the number of field offices to apply (very) strongly. Still, 21 NGOs (36% / N=58) reported an increase in number of field offices from 2010 to 2016. One NGO, for instance, reports a doubling (from 10 to 20) in number of field offices in that period while Cordaid moved from 0 to 10. Among the latter, eight are at present regarded as being ‘truly functional’ (Interview Cordaid 15-5-2017). While the principal drivers for setting up these ‘Cordaid field offices’ were to bring decision-making closer to the interventions as well as the decentralisation of NGO funding (e.g. away from centralised funds administered in donor headquarters to decentralised ones administered – for instance – by embassies), these offices are not yet self-sufficient and require specific investments from the head office in The Hague. Finally, it should be noted that between 2010 and 2016 there are also eight NGOs (14% / N=58) indicating to having reduced the number of field offices (in two cases to 0). All in all, the number of NGOs with one or more field offices increased (from 41% to 57% / N=58) between 2010 and 2016.

Limited (strong or very strong) applicability also holds for organisational changes in terms of setting up closer organisational cooperation with other CSOs (26% / N=65) and certainly with regard to merging with (an)other CSOs (7.5% / N=66). The latter might point at the oft- reported reluctance within the broader NGO-field towards mergers (Gnärig 2015) although there are some well-known examples such as the recent merger between UTZ and Rainforest Alliance, or Sympany (which emerged in 2015 as result of a merger between KICI and Humana), Free Press Unlimited (established in 2011 as a merger of Free Voice, Press Now and the international projects department of RNTC), Aids Fonds (the merger of Aids Fonds and Stop Aids Now! In 2016), Cordaid (which in 2000 became the ‘biggest Dutch catholic organisation for development cooperation’ due to the merger of Mensen in Nood, Memisa Medicus Mundi, Cebemo and Bisschoppelijke Vasten Aktie – see: Van Heijst 2014: 11), and the former NiZA which was a merger of three other organisations working in and on Southern Africa. In this light it is noteworthy that a majority of Dutch NGOs (57% / N=65) (strongly) agrees that NGOs need to reconsider their reluctance towards merging with other NGOs.

In this respect it is interesting to see that IHJR worked as ‘an independent foundation (Stichting) until May 2016 when it joined Euroclio […] a registered nonprofit organization […] able to receive grants and charitable contributions on behalf of the IHJR’ (website IHJR). An organisation working with small-scale farmers in eight African countries at the same time states that mergers are not always easy certainly not when participating ‘in an international network’. This NGO decided instead to ‘to grow closer to [their] international network and claim specific roles within that network’. Essentially, this is also what Oxfam Novib did when it joined Oxfam International in 1994, added Oxfam before its original name in 2006 and has since worked on streamlining and a division of labour among the different Oxfam International affiliates. Also other organisations looked for inclusion in international networks. NiZA joined the federation Action Aid International and in 2012 was rechristened as ActionAid (the Netherlands), while Dark & Light (established in 1982) in 2012 joined the Basel-based Light for the World International and consequently changed its name to Light for the World. Other NGOs that are part of an
international network or federation – or the Dutch branch of an international NGO – include Plan Nederland, Amnesty International, The Hunger Project, World Resources Institute, VSO Nederland, Save the Children Nederland, and Terre des Hommes Nederland.

Limited (very strong) applicability also holds for organisational changes dealing more directly with partners (and particularly those that receive funding from these Dutch NGOs). Seven out of ten Dutch NGOs (N=66) feel they have not reduced investments in capacity building of Southern partners while 69% have not reduced the funding of Southern partners’ administrative overheads and 58% have not moved to more competitive tendering in their grant-making. What does apply for many NGOs, however, is the intensification of reporting requirements from Southern partners (with only 27% stating this does not apply at all to them). This is in line with the already mentioned increasing demands at the address of NGOs to show not only their effectiveness but also their impact.

Strategic changes
The ‘evidence-call’ in the field of international cooperation is again emphasised when considering that only 10% (N=69) does not identify with the idea of following a more evidence based strategy between 2010 and 2016. For all others this idea applies (although for only a relatively small part - 26% - (very) strongly). The same holds for the revision of the organisation’s theory of change which fits (somewhat to very strongly) nearly 90% of NGOs.

Also with regard to the way of working or intervention strategies major changes can be seen. As explained earlier (see page 11) it is common practice to distinguish between three major intervention strategies: (1) direct poverty reduction (i.e. service delivery and economic interventions aimed directly at poor people); (2) civil society building (i.e. supporting and strengthening civil society organisations); and (3) lobby and advocacy (i.e. influencing governments and other powerful organisations to which can be added conducting and publishing research). In addition to these three central strategies, four specific ways of working are distinguished here as they hold for quite some organisations. Here, it concerns specific interventions in the field of (4) human rights, (5) peace and reconciliation; (6) humanitarian and emergency assistance, and (7) strengthening public support (i.e. providing independent news and information to people) (also see Figure 1).

With only 17% of the NGOs not being active at all in the first intervention strategy, direct poverty reduction remains central for Dutch NGOs. It is, however, interesting to see that 43 NGOs (62%) are active in both social (e.g. health, food, education) and economic services to poor people and that only a few restrict their service to either the social (9%) or economic (12%) field. Perhaps more important, but not surprising given the prominence of the ‘Aid & Trade’ agenda, is that social services have lost out in favour of economic services. In fact, 59% of the 51 NGOs active in this field state economic services to have become (much) more important while this is only 14% for social services (N=49). This is strengthened by the fact that for 27% social services have become (much) less important since 2010, while this is less than 8% for economic services. In contrast, strengthening civil society as an intervention strategy has become (much) more important for more than half of the NGOs in our sample, while this strategy is ‘not relevant’ for only two NGOs (2.9% / N=69).

Although the latter also holds for four NGOs when looking at the third intervention strategy of lobby & advocacy, it is exactly this strategy that has grown in importance among Dutch NGOs. That only a minority of surveyed NGOs (29% / N=68) signals that the statement ‘my organisation has become more focused on advocacy at the expense of more direct poverty reduction
interventions’ applies considerably to strongly to them should then most likely be read as a rejection of the last part of that statement and not the first part. As Figure 8 shows, advocacy as an intervention strategy has become (much) more important since 2010 for more than two-thirds of the NGOs. That includes one NGO which in 2012 still noted that influencing policy is ‘not the most important part’ of its activities (Stop Kindermisbruik 2012). Not surprisingly, none of the eight organisations for which advocacy is ‘not relevant’ or has become (much) less important since 2010 is a grantee under the ‘Dialogue & Dissent’ (D&D) subsidy scheme of the Dutch government which is focussed on advocacy. In contrast, for 19 of the 22 NGOs in our sample that are grantees under the D&D scheme advocacy has become (much) more important since 2010 (whereas it has remained equally important for the remaining three).

Figure 8. Changes in ‘ways of working’ with a division into seven intervention strategies (N=69)

Although ‘conducting and publishing research’ is often described as a separate intervention strategy, it seems logical to link this to advocacy as knowledge might be seen as a crucial base for influencing others. From such a viewpoint, it comes without surprise that research has become (much) more important for more than half (50.7% / N=69) of the NGOs. It should, however, be acknowledged that growing importance of advocacy does not in all cases go hand in hand with growing importance of research. Besides, a few NGOs even show that research and advocacy is not always a match at all. For some advocacy is now more important than it used to be in 2010 but they are not active at all in the field of conducting and publishing research. For others it is exactly the other way round.

More specific ways of working are generally less popular among Dutch NGOs. The exception to this rule are interventions related to human rights (which, because of their political nature, might even be linked to the growing importance of advocacy as an intervention strategy). There are only eight NGOs (12%) for which ‘helping people claim their human rights’ is not relevant, while this way of working has become (much) more important for 38%, has remained equally important for 46% and has become (much) less important for a meagre 4%. In contrast, helping build peace and reconciliation is not relevant for 46% and has become (much) more important for 38%, has remained equally important for 46% and has become (much) more important for 38%.
for only 15%. Providing humanitarian and emergency assistance shows comparable outcomes (not relevant for 54%, (much) more important for 16%) as does providing independent news and information to people (44% and 19%).

Several other (often more concrete) strategic changes do not apply at all for the majority of NGOs. Some 54% (n=69) deny having reduced the number of thematic sectors it is working in (although only just over one-third denies switching to different thematic sectors). Data on the actual number of thematic sectors in 2010 and 2016 indeed show that a large part of NGOs stuck to their ‘traditional’ thematic sectors. Of course, there are clear exceptions here with Cordaid being a case in point. It sharply reduced its thematic focus moving from more than ten so-called business-units in 2013 to six themes in 2015 and five in 2016 (Cordaid 2014; Cordaid 2016; Cordaid 2017). It should be noted that comparing thematic sectors (or themes) of NGOs is a sheer impossible task simply because there is no uniform system used by all NGOs.

Also a reduction in number of countries they are working in does not apply to the majority of NGOs with 55% reporting no reduction and 52% stating not to have switched to different (types of) countries. One of the NGOs that made a fundamental switch with regard to countries is Cordaid. Partly this switch includes a reduction in number of countries but mainly it concerns a choice to concentrate its work in fragile countries. Underlying this choice was a poverty analysis but also a financial necessity. The idea was that in fragile countries a Dutch based NGO would have most added value (Interview Cordaid, 13-6-2017). What holds for countries also holds for partners with 65% arguing not to have reduced the number of its Southern partners. The fact that they may have stabilised or even increased the number of partners does not mean that it concerns the same partners, however. In fact, only 37% report that they have not switched to different types of Southern partners. This is in line with the finding from a recent study into the Strategic Partnership programme of the Ministry of Foreign Affairs where it was concluded that ‘the programme has already led to a substantial rejuvenation of the partner portfolio of NGOs’ (Van Wessel et al. 2017: 43).

Figure 9. Changes in # of countries and in # of Southern partners from 2010 to 2016 (N=57)

<table>
<thead>
<tr>
<th># of countries</th>
<th># of partners</th>
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<tbody>
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<td>Source: Survey ‘The changing world of Dutch NGOs’.</td>
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Figure 9 provides an overview of changes in terms of number of countries and partners for those respondents providing concrete data for both 2010 and 2016. The data show that, as a group,
the 57 NGOs for which such data is available are working in 43 countries more in 2016 than in 2010 but have also phased out their collaboration with 607 Southern partners. The latter for a large part is due to just a few organisations such as Cordaid (moving from 600 Southern partners in 2010 to 260 in 2016) and Oxfam Novib (from 900 to 500). In contrast, Aflatoun worked with 120 Southern partners in 2010 and with 180 five years later, while Both ENDS doubled its number of partners (from 100 to 200).

It is interesting to realise that there is no automatic relation between a reduction (or increase) in number of countries a NGO is working in and the extent to which the number of Southern partners goes down (or up). Although the majority shows such a correlation (i.e. 26% reports a simultaneous reduction in number of countries and number of partners, 24% an increase in both, and 9% stability in both), there is a rather large group of 24 NGOs (41%) with a different mix. Oxfam Novib again is a case in point in combining a stable number of countries with a 44% reduction in number of partners. Meanwhile, another NGO reportedly works in one country less in 2016 than in 2010 but increased its total number of partners with 50%, while yet another combines a 57% reduction in number of countries with a 33% increase in number of partners.

Other more concrete organisational changes are obviously more applicable. Strikingly, 62% of the NGOs (N=69) feels that a change as ‘has become more active in implementing programmes itself’ applies to their organisation somewhat to very strongly. Consequently, the idea that the majority of Dutch NGOs principally acts as a fund provider to Southern organisations but is not involved in implementation itself, is up for revision. Relatively big NGOs such as Cordaid and Hivos state that such a statement applies (very) strongly but the same holds for Zeister Zendingsgenootschap. According to Cordaid the organisation ‘has become an implementing organisation’ for a large part through its field offices (Interview Cordaid 15-5-2017). This change is attributed primarily to changes in the system of international cooperation (e.g. more tendering, strong project focus, less core funding) as a consequence of which the ‘margins for working with weaker [local] NGOs has become much smaller’. This raises questions about the extent to which one can still work on strengthening local civil society, meaning in practice that civil society building as an intervention strategy is jeopardised. It should be added here that Cordaid’s implementing role mainly holds for fragile countries (where fewer sufficiently qualified local organisations are available) and that in other countries Cordaid sticks to the idea that programmes are implemented by local partners (Interview Cordaid, 13-6-2017).

Finally, strategic changes might also include changes in the type of organisations a specific NGOs interacts with outside of their Southern partners. Here, a distinction is made between four types of organisations (each of these being further subdivided in Northern and Southern): (1) governments; (2) private sector (companies); (3) foundations; and (4) other CSOs (that is those with which they do not implement a specific programme and/or that they do not fund) and between seven different reasons why they work with them ranging from ‘to fund our work’ to ‘influence their work’.

The diversity between NGOs seen already with many of the issues under discussion is also paramount here. Some NGOs only work with a limited type of organisations and for a limited number of reasons whereas others work with about everyone for a host of different reasons. Hivos and Aflatoun are among the 19 NGOs (28% / N=69) that state to have interactions with all types – both in the Global North and Global South. On the other side of the spectrum are two small NGOs which have no interaction at all with any of the different types of organisations. Overall, interactions with Southern organisations (no matter their type) are substantially less
frequent than with Northern organisations. Overall (also see ‘not applicable’ in Figure 10 and 11), Dutch NGOs have the lowest interaction with private companies in both North and South.

**Figure 10. Reasons for interacting with specific types of Northern organisations (in % / N=69)**

- Not applicable
- Strengthen our presence at (inter)national level
- Influence their work
- Joint learning and understanding
- Complement our strategies
- Strengthen our skills and (organisational) capacity
- Fund our work
- Achieve shared goals

Source: Survey ‘The changing world of Dutch NGOs’.

**Figure 11. Reasons for interacting with specific types of Southern organisations (in % / N=69)**

- Not applicable
- Strengthen our presence at (inter)national level
- Influence their work
- Joint learning and understanding
- Complement our strategies
- Strengthen our skills and (organisational) capacity
- Fund our work
- Achieve shared goals

Source: Survey ‘The changing world of Dutch NGOs’.

Interactions between Dutch NGOs and different types of organisations differ, however, not only in terms of with whom they interact but also in terms of why they interact with specific actors. One NGO interacts with Northern government only because of available funding and another primarily to influence the work of that same government, whereas Oxfam Novib is driven not only by the possibility of funding but also (among other things) to achieve shared goals, strengthen their own skills and capacity, complement their strategy, and influence the work of
that Northern government. Figure 10 – depicting the reasons Dutch NGOs interact with Northern organisations – shows that funding is the most common reason to work with governments, foundations and private companies. Funding is, however, certainly not the only reason.

With respect to Northern foundations and private companies alike, achieving shared goals is mentioned relatively often (by 58% and 35% of NGOs respectively / N=69). In case of Northern governments (including presumably the Dutch government) also influencing their work is important for many NGOs as is achieving shared goals. The combination of funding, influencing and achieving shared goals is interesting as it combines vastly different types of relationships – a combination which holds for a fair number of Dutch NGOs. Working together with other Northern CSOs is not primarily driven by funding opportunities (although this certainly happens) but is mainly driven by joint learning and understanding, achieving shared goals, and the idea that such interaction complements the strategy of the NGO.

Looking at Southern organisations, Figure 11 first of all shows that substantially more Dutch NGOs do not interact with foundations, private companies, governments and/or CSOs from the Global South. For those that do, funding is with most types the bottom-ranked reason. Put differently, although there are a few Dutch NGOs for which funding from Southern organisations is a reason to cooperate with these organisations, Northern organisations are still central in funding. In cooperating with Southern organisations, different reasons are prominent for different types of organisations. In case of Southern governments this is primarily the rationale of influencing their work (e.g. advocacy) and achieving shared goals. The latter is also important with regard to Southern foundations (directly followed by joint learning and understanding) and Southern private companies (directly followed by influencing their work and complementing the strategies of the NGO). Finally, Southern CSOs are chiefly important to achieve shared goals, to complement the strategies of the Dutch NGOs in our sample and for joint learning and understanding.

Figure 12. Changes in interaction with specific types of Northern and Southern organisations (in % / N=69)

Source: Survey ‘The changing world of Dutch NGOs’.

Following this, it is pertinent to ask whether NGOs have seen changes in their cooperation or interaction with the different types of (Northern and Southern) organisations distinguished here. Respondents were asked to indicate the extent to which their interaction (in terms of number or
intensity of contact) with these types of organisation has become more or less important. Here, it is relevant to point out that there are only three NGOs indicating that their interaction has remained the same with all types of organisations. For all other NGOs some or all relationships have become either (much) more important or (much) less so. Figure 12 shows that overall there are only a few NGOs for which relations with any type of organisations has become (much) less important. The balance certainly shifts to (much) more important and essentially holds for all types (although somewhat less for Southern organisations, and Southern foundations in particular).

The latter is of special interest as more than half of the Dutch NGOs indicate that their interaction with Northern foundations has become (much) more important since 2010. And as seen above, these Northern foundation are primarily interesting because of the funding opportunities they offer. This connects nicely to the finding of the most recent ‘foundation study’ of the OECD claiming that ‘50% of total philanthropic giving in 2013-15 was channelled through NGOs, civil society, PPPs and networks and the for-profit private sector’ (Benn et al. 2018; also see OECD 2018). Although the OECD sees ‘philanthropic funding […] as particularly vital for […] low income and least developed countries [and] several upper middle-income countries, Dutch NGOs clearly indicate that such funding is also an alternative for them. In the eyes of the OECD the ‘turn[…] to foundations for funding’ is driven by ‘significant budget cuts from donors and national governments’. This brings us to question what underlies the financial, strategic and organisational changes presented here.

3. What drives change?

In the search for what triggered the changes described above, a distinction can be made between internal triggers (residing within the organisation) and external ones (residing outside the organisation). Nearly half of the Dutch NGOs (48% / N=63) state these triggers are equally of an internal and external nature, while another 38% feels these to be mostly of an external nature. Only a few opt for ‘mostly internal’ (9%), ‘only internal’ (3%) or ‘only external’ (1.5%). Oikos provides a nice (although somewhat extreme) example of the mix of triggers leading to change. In April 2018, the Oikos board decided to dissolve the organisation per September 1, 2018. In a speech the director of Oikos briefly explained why the organisation was not ‘future proof’ highlighting ‘ending a few important and big multi-annual agreements with partner organisations’, but also ‘secularisation’, ‘other priorities of partners’ and ‘cutbacks in development cooperation’. He then added that Oikos did not have ‘the capacity to respond’ to these changes (Renkema 2018).

Illustrative as well is the example of Woord en Daad where two external triggers (a failed merger process and the announcement that their proposal for a major subsidy scheme of the Dutch government was not approved) and one internal trigger (the announcement of a manager that he would be leaving the organisation at short notice) happened simultaneously in the same weekend. This concurrence of events set in motion an internal process leading to a complete overhaul of the organisation into a project organisation in which flexible groups of staff are responsible for initiating projects and occasionally for finding funding for those projects (Interview Woord en Daad, 21-8-2018). The fact that Woord en Daad has managed to increase its budget substantially since this overhaul in 2015/2016 and is confident for the future seems to indicate for now the new organisational system is working quite well.

Although such a mix of internal (e.g. capacity) and external triggers (e.g. funding) may not be surprising, the story becomes already much less nuanced when zooming in on the most
important triggers reported by the NGOs (N=54). Even when taking into account that 17 (31%) of the organisations mention more than one ‘most important’ (internal and/or external) trigger, external ones are mentioned almost twice as often as internal ones.

**Internal triggers**

Triggers of an internal nature fall into two main categories. The first could be called ‘self-reflection’ echoing the answers of 17 NGOs (31% / N=54). *Wilde Ganzen*, for instance, dedicates its strategic change in moving more towards ‘investments in the capacity of Southern CSOs to raise funds and to claim their rights’ first and foremost to ‘the realisation that the solution to poverty lies not in the Global North but in the Global South itself’. Other NGOs simply refer to the (internal) ‘urge to realise more impact [...] by focusing on less issues’ or to ‘thinking and deciding on our core mission and values’. The latter shows that such self-reflection is ‘critical’ leading to, as one NGOs stated, ‘new insights/learnings how we can be more effective in our programming and how we can support this effectively by our organisation structure’ or to the realisation with another NGO that ‘regranting only’ is not the solution and that they ‘needed to invest in innovation [and] to become a partner and not only a funder’. Self-reflection is also salient in the case of another NGO dedicating changes to ‘the clear feedback received from the field that we could provide more meaningful support’ and to the ‘clear evidence that local, self-led, autonomous women’s rights organisations are egregiously under-resourced’.

The latter already shows that such critical self-reflection processes do not drop from the sky. In the case of a NGO supporting women’s, girls’ and trans groups, for instance, this was in turn triggered by ‘feedback from the field in 2008 that we could be more relevant in providing catalytic support to women’s right organisations’. The trigger for another NGO was that its ‘regional and country offices got enough capacity to manage their own organisation’ leading to a call for ‘more decentralisation’ and a ‘delegation of tasks and duties’. Others attribute the self-reflection to their ‘dedicated staff’, to giving ‘room to [and] invest in good ideas among staff’, or to their cooperation with other organisations. *Dorcas* notes that ‘increased cooperation with other organizations and players’ gave them ‘a wider window of knowledge and understanding’.

In addition, four NGOs relate changes within their organisation, their strategy or their financial situation to ‘becoming part of a global federation’, ‘changes in the international federation’, a ‘merger with a focus on a specific theme’, or actually ‘a crisis in a merging process that failed’.

In other cases, such ‘push factors’ are closer to home in terms of hiring new staff and/or management who also bring in new ideas. New staff and management is the second category of internal triggers distinguished here (reflecting the answers of eight NGOs – 15%). *Dorcas* received ‘fresh perspectives’ from new staff while for *Wilde Ganzen* hiring new staff (with earlier experience in other NGOs) in the early-2000s triggered not only its strategic move but also led to increasing attention to effectiveness and monitoring and evaluation (Interview Wilde Ganzen, 7-6-2018). In other cases such new staff and management went hand in hand with ‘new insights in management theories’. It should be noted that not in all cases such new staff or management are as such positive but that also ‘bad management’ can lead to change. Besides, small organisations can also be challenged simply by the ‘illness of a member’.

**External triggers**

With regard to external triggers adistinction was made between three groups originally. The first deals with contextual changes in the Global South or internationally relating to development problems (i.e. increasing inequality, changing poverty patterns and environmental degradation and climate change). The second group of external triggers relates to changes within the world of international cooperation itself (i.e. declining or fluctuating budgets, increasing marketization,
greater prominence to advocacy, and emergence of new development actors). Finally, the third group clusters challenges in the world of civil society and NGOs (i.e. shrinking space, effectiveness, and legitimacy). Figure 13 shows that such a distinction proves hardly meaningful at first, when trying to understand what kind of external triggers drive organisational, strategic and financial changes in Dutch NGOs. This changes when zooming in on the most important external triggers according to the NGOs.

Figure 13. Importance of external triggers for change process of Dutch NGOs (in %, N=62)

Although Figure 13 shows ‘development problems’ and (even more so) ‘civil society and NGO’-related triggers to be regarded as (very) important, much of this dissipates when asking NGOs to name the most important trigger(s). Looking from this point onwards only at the answers of the respondents to the open question about the most important external trigger for the change process their organisation went through (or is currently still going through) shows only eleven NGOs (20%) specifically mentioning a trigger categorised under ‘civil society and NGO’. Of particular importance is the call for effectiveness and accountability that organisations experience, which some link to scepticism towards them. A few NGOs add the ‘shrinking space’ for civil society – although it remains unclear whether they are referring to their own organisation or to that of their partners.

Likewise, there are 13 NGOs (24%) that emphasise ‘development problems’ as (one of the) most important triggers for change. Most development problems brought forward are directly linked to the focus of the NGO. For example, a media-oriented NGO highlights the ‘changing nature of the media environment’, another active (among other things) in ‘mobile health’ emphasises ‘digitalization in Africa, especially through mobile phones’, a third relatively small and mainly volunteer-driven NGO active in Darfur underlines ‘the continuous armed conflicts in post war areas’, and a fourth working mainly in agriculture refers to ‘climate change’. ‘Political changes’ are also brought forward occasionally (but without any further explanation). All in all, it is somewhat puzzling that for organisations that have been established to tackle some of the most challenging problems in the world, such problems (or changes therein) are not necessarily at the
forefront when being asked to point out the most important triggers for change within their own organisation.

At the forefront we encounter challenges related to the world of international cooperation. While not suggesting a kind of deterministic trap, it seems likely (as indicated already) that internal processes leading to changes within organisations are in turn driven by external pressures. For one NGO internal triggers principally refer to the response of the organisation to ‘external challenges and opportunities’. Also with Cordaid this external drive behind internal triggers for change is clear: the realisation that the organisation can no longer ‘survive alone’ can be seen as triggered by ‘reduced funding to Dutch INGOs’ by the Ministry of Foreign Affairs. The same essentially holds for Both ENDS although in this case it was the increase rather than decrease in funding that ‘led to a significant internal demand for change’ as it ‘required [them] to re-consider [their] international organisation due to raised expectations’. Effectively, Both ENDS Both ENDS decided to reorganise the management of the organisation by becoming a self-steering organisation, putting more emphasis on the responsibility of each employee in decision making and initiating changes in organisational processes.

Changes in funding are brought forward as the most important ‘push’ for Dutch NGOs to change, as reflected in the answers to the ‘most important trigger’-question of 26 NGOs (48%). Such changes in funding are not always ‘negative’ as also more funding can be a cause for change (as the example of Both ENDS above shows). One NGO provides a perfect example of the close link between funding and change. In 2012, this NGO ‘secured a huge government donor’ which made them ‘professionalise more’. In 2015, however, three ‘large, core government donor projects ended’ meaning that from 2016 onwards they ‘started diversifying [their] services to include more consulting and service provision’. Hence, the idea that it concerns principally those NGOs that have lost out in terms of total income and/or Dutch government funding since 2010 that see ‘funding’ as a major trigger for change has to be dismissed. The majority of NGOs signalling ‘changes in funding’ as a crucial trigger for change are organisations that have gained in terms of total budget and government funding since 2010. Both ENDS (see above) is a clear example, as is Aflatoun for which ‘[m]ore predictable and sustainable funding to meet our ambitious targets’ is noted as an important trigger for change.

Still, there are some organisations that have lost out in financial terms since 2010 to such an extent that it would seem inevitable for them to point at ‘changes in funding’ to explain the change process they went through since then. And yes, some of these are quite open and frank about it. One NGO which lost about 77% of its budget since 2010 (and saw its government subsidies decline with 70%) leaves it at ‘less donors, less money’ when asked about the most important trigger for change. Another simply mentions ‘cuts in budgets’. In the meantime, another NGO (similar to Cordaid’s response above) simply refers to ‘greatly reduced’ funding by the Dutch government. Edukans, for instance, not only attributes its reduction in number of projects in 2016 compared to 2015 to the end of funding under MFS-2 (Edukans 2017) but sees this stop in funding also more broadly as the source of changes in the organisation and its way of working, thereby framing 2016 as a ‘transition year’ (ibid: 5).

Already in 2011, Oxfam Novib (2011: 20-21) stated that the reduction of funding from the Ministry from 2011 onwards forced the organisation to decide on ‘major interventions’ in number of staff (particularly at headquarters), in number of partner organisations, and in number of themes the NGO is working on. In the same year, VSO Nederland (2011: 13) simply mentions that the gradual reduction of multi-annual subsidies from the British government forces VSO to economise. In case of VSO Nederland this led to a proposed reduction in overhead
and costs for sending out volunteers by 30% in three years (requiring a review of the volunteering process), increased investments in fundraising, and a reduction in staff (combined with a reorganisation and a bigger reliance on volunteers at the Dutch HQ office).

Others again specifically discuss other donors. One NGO talks about ‘declining funds from our own private fundraising campaigns’ which made them decide to ‘diversify funding and decentralise and transform offices into local NGOs to develop their own fundraising’. Another NGO speaks about the ‘declining fundraising market’ and not surprisingly so. Although the organisation ‘only’ lost 6% of its budget between 2010 and 2016, the income from its own fundraising activities declined with 45%. ICS (2016: 4) essentially links the political uncertainty with regard to ‘financial support of development countries’ in the Netherlands to its ambition for all their ‘enterprises to be standing on their own two feet within a few years’ and concludes that ‘that is why we also made a concerted effort in the past year to secure alternative funding, and why the structure and extension of our social enterprises have become a core activity of ICS’.

This then meant a fundamental change from being an organisation that ‘mainly looked to donations and subsidies to fund its activities’ to one that has ‘become an interesting party to invest in for impact investors and donor-advised funds’. Subsidies are, however, still needed as their ‘activities concerning parenting are not (yet) appropriate for a business model’ and ‘fundraising via private persons, foundations and businesses is therefore also being developed vigorously’ (ibid: 24).

Yet others link the ‘change in funding’ specifically to their area of work or to their organisational identity. One respondent which lost about 60% of its total budget between 2010 and 2016 refers to the ‘decrease of funding opportunities for CS/communities in Aids, TB and malaria’ and more specifically to ‘unsuccessful replenishment of the Global Fund in 2010’. Another NGO feels that there is simply a ‘shrinking space for women organisations concerning funding’, while an education-oriented organisation refers to ‘decreased funding for education’, and another feels there are ‘changing donor priorities away from Africa and away from development’ meaning they have ‘serious problems in getting [their] Africa programmes funded’. The Women Peacemakers Program even sees a ‘shrinking space dynamic’ in the Netherlands where ‘the political landscape [has] informed the funding systems in place’; funding systems that ‘leave no room for our type of organization (critical activist, feminist, global movement-oriented) to operate’. In January 2018, the Women Peacemakers Program closed its doors.

It is important to note that triggers may not be constant and that different challenges may lead to different reactions over time. In this light, it is interesting to note that Plan Nederland (2011: 25-26), in discussing its challenges in 2011, mainly referred to financial challenges. Plan – which between 2010 and 2016 managed to keep its annual budget almost constant at just under €50 million – discusses ‘the financial crisis and the debt crisis’ (but: ‘the Dutch remain generous despite the economic crisis’); the ‘political climate’ referring principally to the amount of money made available for development cooperation by the Dutch government (but also casting doubts about the stronger focus on the role of the private commercial sector in development and concluding that civil society organisations remain needed to bring about societal change); and the ‘societal climate’ with its more critical and sceptical view on development cooperation (but again: ‘for now little of this trickles down to the giving behaviour of people’). Five years down the line, Plan Nederland (2016) comes with a much broader SWOT analysis. It qualifies as threats a mix of possible triggers for change: critical stance of citizens towards aid and a move towards providing aid close to home, the difficulties in showing the concrete impact of aid, the increasing competition of (international, small-scale and private) initiatives in the field of international cooperation, and institutional funding increasingly going directly to the South.
The latter links up to the idea that ‘funding’ as a trigger is not always about the money itself but often more about the funding system and changes therein. Again *Women Peacemakers Program* is quite explicit about this arguing that ‘our type of organisation cannot exist in line with its values in the current framework’; a framework that reflects ‘traditional development thinking of only the South needing to change’. But also others are critical about this system or specific elements thereof. *Aflatoun* talks not only about the ‘unfortunate shift from unrestricted to restricted grants’ but also holds that there is a ‘lack of real openness to innovation by donors’. *Cordaid* (interview 15-5-2017) links organisational change principally to such system changes in which, next to decreasing budgets, issues such as increased marketization and concomitant competition, tendering and less room for innovation are crucial. A law and human rights-focused NGO whose main cost factor is its staff adds to these complexities of the funding world the fact that ‘some funders, in particular the European Union, do not cover the full costs of projects’. Not only are ‘their rates [...] low’ but they also ‘require additional funding for a certain percentage of the budget’ (NHC 2015: 11). This happens to be the organisation for which the years 2011-2012 were difficult ‘mostly due to a decrease of Matra funding [a funding scheme of the Dutch government]’ while 2014 was an ‘exceptionally good year’ because of securing ‘new funding from the Ministry of Foreign Affairs’ Human Rights Fund’ (*ibid*: 11).

The above funding system challenges are also experienced by NGOs that financially became (much) stronger since 2010. One of them which grew budget-wise by 71% between 2010 and 2016 still talks about ‘donors want[ing] to fund more southern-based CSOs directly’ which ‘means we have to evolve our services to generate more staff funding’. Other organisations discuss the ‘shift towards evidence based’ or the ‘stress on results and impact’ in the donor community, ‘donor attention to specific topics and countries/ geographical areas’, or growing competition including a ‘fast growing commercial market for our solutions’. Yet others talk about the ‘commercialisation of development aid [undermining] the legitimacy of NGOs’ or link their ‘financial situation’ to ‘tender economics and control-mania that replaced trust’. A tender system that at least one of the organisations regards as serving ‘mainly large organisations’ and is part and parcel of what some call ‘market-based solutions’ with a ‘project focus and the obsession with lowest price’.

This ‘lowest price’-idea hits some organisations harder than others. *Cordaid*, for instance, struggles with the fact that the funding of overhead costs by donors is generally independent from where an organisation is working. As *Cordaid* focuses on fragile states, the true costs are often higher than those covered by a donor. ‘Up to now we manage to cover such higher costs from our own fundraising income’ according to *Cordaid*’s CFO but it remains unclear how long the organisation can maintain such a practice (Interview Cordaid 13-6-2017).

Similarly, a media and press freedom-oriented NGO embarked on a ‘growth strategy’ made possible by the ‘enormous and increased importance of our field’ but which was needed because of the ‘ever increasing organisational requirements from the side of accountability, impact and so on [which] prompted an enormous amount of increase in overhead needs (knowledge departments, finance, quality and accountability, legal, safety)’. Another struggles with combining ‘the business like working (which is often required by donors) with the knowledge and capacity building which we consider crucial to our work’ and yet another criticises the ‘increased and more detailed accountability structures’ stating it goes through ‘12-15 audits a year’.
Others again relate changes in the system of international cooperation specifically to changes in the Dutch system. The partnership-approach in the latest Dutch NGO subsidy scheme, for instance, takes ‘some getting used to’ with *The Hunger Project* feeling that ‘some of our colleagues still behave as dependent recipients’ with donors. Another NGO feels this ‘partnership approach which pushes CSOs to close cooperation with the Dutch government’ to interfere ‘with our watchdog role’ and argues that most CSOs in the Netherlands have become ‘risk-averse’ and ‘prefer an insider approach (dialogue) to create change instead of also opting for more outsider approaches (outright dissent)’. Whether this partnership is indeed interfering with the watchdog role of CSOs remains to be seen (the specific subsidy scheme only started in 2017) but that many of the NGOs involved in the programme prefer dialogue over dissent is corroborated by an earlier study (see: Van Wessel et al. 2017).

4. Concluding remarks and discussion

In 2008, a dialogue entitled ‘Development is Change’ was organised between the Dutch NGO community and the Ministry of Foreign Affairs aimed at providing a ‘mutual analyses of the ways in which a changing national and international context impacts on the roles and added value of civil society organisations and the Ministry’ (Stuurgroep Dialoog 2018). During one of the plenary sessions of this dialogue one of the NGO directors suddenly stood and declared that it were not the NGOs that should change but the Ministry. In a way one could say that the Ministry certainly did change (see: Schulpen 2016) – in fact the entire system of international cooperation changed. In the meantime, the remark of this particular NGO director has become outdated: all NGOs have changed since then.

Some NGOs qualify changes they went through as ‘minor’ (or perhaps more accurately as ‘normal’ changes for any organisation). For most organisations, however, these changes are perceived as more fundamental. Strategic changes (i.e. changes related to vision, mission and objectives, and the way an NGO wants to achieve these objectives) are the most prominent, followed by financial and organisational changes. What exactly has changed within each of these three categories of change is more difficult to say for the group of NGOs covered in this study as a whole due to their diversity. This diversity (in terms of size, budget, focus and intervention strategies) is reflected also in the way(s) they have changed since 2010.

This only strengthens the idea that changes are typically organisation-specific. By and large, the outcomes of this study emphasise the overall unique nature of individual Dutch NGOs. Still, a few things stand out even within this group of diverse NGOs when looking at different areas of change and, within these dimensions, to different types of changes. For instance, together they have grown substantially over the 2010-2016 period in terms of budget as well as staff. Together they also have become even more dependent on government funding but at the same time diversified their funding base (both in terms of number and type of donors). The majority of the NGOs also experienced more competition from other organisations for funding while simultaneously feeling that the diversification of funding actors creates opportunities. And among these funding actors foundations have become much more important for a large number of NGOs in recent years. Finally, Dutch NGOs face declining access to unrestricted funds, which raises questions about their autonomy.

In terms of organisational changes, diversity is already more prominent, but perhaps more revealing is the fact that, overall, the organisational field is the one where least changes have been reported. Most of the specific changes covered under the ‘organisational’ label either do not hold at all or only marginally for the majority of NGOs. In majority, they refrained from
reducing the total number of staff members or thematic departments, from setting up field offices, and from reducing the funding of Southern partners’ administrative overheads or reducing investments in capacity strengthening of their Southern partners. Actually, none of the organisational changes put before the NGOs applies (very) strongly to a majority. This changes only when looking at some of the organisation-related propositions where we observe that the majority agrees (strongly) that reducing overhead costs is crucial for organisational survival, that the reluctance towards mergers in the NGO-world should be reconsidered, that decision-making power needs to be decentralised to the Global South, and that a more business-like approach is important for ensuring NGOs’ relevance and survival.

The importance of several strategic changes stands in sharp contrast to the weak response in terms of organisational changes. Advocacy has become a (much) more important strategy for the majority of NGOs, as has conducting and publishing research and strengthening CSOs. This holds a fortiori for those Dutch NGOs that are part of the Dutch government funding scheme aimed at ‘strengthening advocacy capacities of Southern CSOs’. In terms of number of thematic sectors, countries and partners, the majority of NGOs does not show much change, however. Still, this majority is often a narrow one. Interesting here is also that overall Dutch NGOs have started interacting (substantially) more with a larger number and type of organisations outside of those they fund. Although they still have more frequent interaction with Northern organisations, also their relationship with Southern ones has increased. Why they interact with all kinds of different actors again is rather diverse. All in all, strategic changes are exemplary of the diversity within the Dutch NGO field.

Diversity is less clearly appreciated when looking at the triggers behind the above changes. Surely, diversity is still there with some emphasising internal triggers (from self-reflection to new staff and management) and others external ones. Overall, however, external triggers are considered more important. And within these external triggers it is, first of all, interesting to see that only four specific triggers are mentioned as (very) important by half or slightly more than half (50% to 55%) of all NGOs. These four either belong to challenges grouped under ‘changes in the world of international cooperation’ or ‘the world of civil society and NGOs themselves’. Challenges stemming from contextual changes in the Global South are, surprisingly, deemed (very) important only by a relatively small group of NGOs as a trigger for change.

Secondly, changes in funding turn out to be the most important push factor for changes in Dutch NGOs. This relates to funding in both monetary terms and in terms of the financial system. In monetary terms, changes are not only triggered in case funding goes down but also when it goes up. Perhaps more important than the mere increase or decrease in funding are the changes in the funding system of international cooperation; a system characterised by many for increasing competition and a more business-like approach of donors exemplified by tendering and preconditions regarding cooperation and partnerships. Many of the NGOs in our sample are critical towards such changes within the funding system and some stress the considerable ‘hidden costs’ in this system. For others, a more business-like approach should be welcomed if only because they regard it the best way forward in the field of development.

The latter already shows that simply judging the changes in the system of international cooperation as negative for NGOs is impertinent. It is beyond doubt that these system changes have had an impact on NGOs, but whether these changes should be qualified as good or bad overall cannot be answered. The answer most likely depends on whom you are asking. It seems likely that particularly those that have been part and parcel of that (funding) system for decades
will be more critical to the changes while at the same time also being more pressed to change themselves. Hard data to back up such a viewpoint is lacking, however.

In our search for what triggers change within NGOs we can then only conclude that challenges stemming from changes in the system of international cooperation should be regarded as more important than the size of funding circulating within that system, and also as more important than the ‘proliferation’ of development challenges or the increased questioning of CSOs’ effectiveness. But we should also conclude that NGOs in general adapt and change their way of working. They do so in many different ways and to different extents but the fact that they embrace change is crucial. It testifies to the adaptive capacity of these private development organisations. Whether this adaptive capacity is sufficient for NGOs to remain relevant and survive as a development organisations is, however, not always certain as the recent demise of some Dutch organisations shows and the continuing struggle of others indicates.

Ultimately, the question then is whether bilateral, multilateral or private donors that are responsible for the changes in the system of international cooperation should also bear responsibility for the changes within, the struggle or even demise of NGOs that (partly) rely on that very same system for their work. Answering that question depends most likely on your political conviction and thus on your viewpoint about the nature of NGOs and the preferred relationship between donors and NGOs. No matter your convictions, it would be good if donors would more readily acknowledge the potentially negative consequences of changes in their systems.

The reasoning of DGIS in 2010 (DGIS 2010: 10) that ‘a too large financial dependency from the government puts into perspective NGO’s position as representatives of a vital civil society’ and that in future NGOs should thus receive more funds from society (i.e. the general public or their own constituencies) and less from the government is then perhaps not only wishful thinking (considering the fact that the ‘general public’ is not a bottomless pit of money) but also fails to acknowledge government’s own responsibility in funding hundreds of Dutch NGOs over the years and making some of them big because of that funding. There is little (if any) evidence that government’s acknowledgement of its own responsibility in this has increased over the years.

Likewise, there is little evidence that different ministers over the years have put questions about consequences of (financial and financial system) changes up for discussion. Does the Ministry regard some NGOs ‘too big to fail’ or are all NGOs (whether big or small, experienced or new, broad or thematically oriented) of equal value? Do NGOs have an intrinsic value (e.g. because they are part of a civil society that should represent the diversity in society at large) or are they mainly a means to an end (and as such disposable if not doing a proper job)? Is a further homogenisation of the funding system for NGOs not in stark contrast to the often expressed ideal of a diverse civil society? Are NGOs by definition private entities that have to maintain themselves or does the donor community (and, in particular, government) have an obligation to help in that ‘maintenance’?

Perhaps it is time these and other questions are being asked – both by government and NGOs alike.
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Interviews

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Name</th>
<th>Position</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Cordaid</td>
<td>Kees Zevenbergen</td>
<td>General director</td>
<td>15-5-2017</td>
</tr>
<tr>
<td>2 Cordaid</td>
<td>Willem Jan van Wijk</td>
<td>CFO</td>
<td>13-6-2017</td>
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<tr>
<td>3 Oxfam Novib</td>
<td>Farah Karimi</td>
<td>General director</td>
<td>21-6-2017</td>
</tr>
<tr>
<td>4 Hivos</td>
<td>Edwin Huizing</td>
<td>General director</td>
<td>21-6-2017</td>
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<tr>
<td>5 Wilde Ganzen</td>
<td>Robert Wiggers</td>
<td>Deputy director</td>
<td>7-6-2018</td>
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<td>6 The Hunger Project</td>
<td>Evelijne Bruning</td>
<td>Director</td>
<td>21-6-2018</td>
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<td>7 Both ENDS</td>
<td>Danielle Hirsch</td>
<td>Director</td>
<td>22-6-2018</td>
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<tr>
<td>8 Woord en Daad</td>
<td>Jan Lock</td>
<td>Chairman Board of Directors</td>
<td>21-8-2018</td>
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</table>

Instruction for survey

Thank you for participating in this survey. You were selected for this survey because you have been identified as having received funding from one (or more) of the Dutch NGO funding schemes during at least one year over the period 2010-2016.

The study will be strictly independent in its analysis and your responses will be confidential and anonymous
- Reporting on this questionnaire will only be done on the basis of all respondents combined. It will not be revealed who said what.

Guidance notes
- Your responses should relate to your own organisation only.
- Please mark your choice by selecting the answer that is closest to how you see the situation for your organisation. If you do not understand a question, or if it is not relevant to your organisation, please choose ‘not applicable’ or ‘don’t know’. This also holds for ‘open questions’.
- There are 25 questions and it should take approximately 20-30 minutes to complete the questionnaire.
- It is possible to pause and return to the questionnaire at a later stage – please use the same unique link provided in the email and you will then be directed to the last question filled out by you.
- Please read the introductions and the questions carefully.

1. Please indicate (in one or two words) your position within the organisation (e.g. CEO, financial director, project manager, etc.)

Strategic changes
This survey covers three areas of change: strategic, organisational and financial. This first section discusses strategic change. This concerns changes in strategy towards achieving the organisation’s goals, as well as adjustments to the organisation’s mission and/or vision itself.

2. The ways in which organisations work differs substantially. Please indicate whether the following ways of working have become more or less important for your organisation since 2010.
   * In case a specific way of working was and is not relevant please tick the last column.
   * In case you feel a specific way of working of your organisation is not included in the list below, please add it in the final row and indicate whether it has become more or less important over the last years.

<table>
<thead>
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<th></th>
<th>Much more important</th>
<th>More important</th>
<th>Equally important</th>
<th>Less important</th>
<th>Much less important</th>
<th>Not relevant</th>
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<tbody>
<tr>
<td>1. Providing services directly to poor people and communities (food, healthcare, education, training, etc.)</td>
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<td>2. Supporting economic and productive enterprises that benefit poor people</td>
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</tbody>
</table>
3. Influencing government and other powerful organisations work (i.e. ‘advocacy’)

4. Conducting and publishing research

5. Supporting and strengthening civil society organisations (including media)

6. Helping people claim their human rights

7. Supporting collective action by our members

8. Funding individuals

9. Helping build peace and reconciliation

10. Providing humanitarian and emergency assistance

11. Providing independent news and information to people

12. Other, namely ....

3. Please indicate to what extent the following strategic changes apply to your organisation for the period 2010-present. My organisation ...

<table>
<thead>
<tr>
<th>Strategic change</th>
<th>Applies very strongly</th>
<th>Applies strongly</th>
<th>Applies considerably</th>
<th>Applies somewhat</th>
<th>Does not apply at all</th>
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<tbody>
<tr>
<td>1. Has reduced the number of thematic sectors it is working in</td>
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<td>2. Has switched to different thematic sector(s)</td>
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<td>3. Has reduced the number of countries it is working in</td>
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<td>4. Has switched to different (type of) countries</td>
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<tr>
<td>5. Has reduced the number of Southern partners it is working with</td>
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<tr>
<td>6. Has switched to different types of Southern partners</td>
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<td>7. Has become more active in implementing programmes itself</td>
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<td>8. Has revised its theory of change</td>
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<td>9. Follows a more evidence based strategy</td>
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<td>10. Has become more focused on advocacy at the expense of more direct poverty reduction interventions</td>
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4. Please provide data (as exact as possible) on the number of thematic sectors, countries and partners your organisation was working in or with for the years 2010 and 2016.

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<th>2010</th>
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<td># of countries</td>
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<tr>
<td># of (Southern) partners</td>
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<tr>
<td># of thematic sectors</td>
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</table>

5. Apart from Southern partners (with whom you work and whom you most likely fund), your organisation may have relations with a large number of different organisations from different
‘walks of life’. What are the main reasons why you choose to work, where applicable, with the following types of organisations? *more answers per type are possible*

* In case you do not work at all with one of these types of organisations please tick the last column (‘not applicable’)
* In case you feel a specific type that is important for your organisation is missing from the list, please indicate this type in the last row and indicate the main reason why you choose to work with this type.

<table>
<thead>
<tr>
<th>Achieve shared goals</th>
<th>To fund our work</th>
<th>Strengthen our skills and (organisational) capacity</th>
<th>Complement our strategies</th>
<th>Joint learning and understanding</th>
<th>Influence their work</th>
<th>Strengthen our presence at national / international levels</th>
<th>Not applicable (i.e. we do not work with …)</th>
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<td>Northern governments</td>
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<td>Other Northern CSOs</td>
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<td>Southern governments</td>
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<td>Southern private sector (companies)</td>
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<td>Southern foundations</td>
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<tr>
<td>Other Southern CSOs</td>
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6. Please indicate whether your interaction with different types of organisations has become more important (in terms of number of, or intensity of contact with, organisations in different types)?

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<thead>
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<th>Northern governments</th>
<th>Northern private sector (companies)</th>
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<th>Other Northern CSOs</th>
<th>Southern governments</th>
<th>Southern private sector (companies)</th>
<th>Southern foundations</th>
<th>Other Southern CSOs</th>
<th>Much more important</th>
<th>More important</th>
<th>Equally important</th>
<th>Less important</th>
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</table>

7. Are there specific ‘strategic changes’ that you feel have been crucial to the change process within your organisation that have not been mentioned already? If so, please describe these strategic changes in your own words

Organisational changes
This section addresses those internal organisational dynamics that relate to governance, decision-making, procedures and staffing.
8. Please indicate to what extent the following organisational changes apply to your organisation for the period 2010-present. My organisation ...

<table>
<thead>
<tr>
<th>Organisational change</th>
<th>Applies very strongly</th>
<th>Applies strongly</th>
<th>Applies considerably</th>
<th>Applies somewhat</th>
<th>Does not apply at all</th>
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</thead>
<tbody>
<tr>
<td>1. Has reduced the total number of staff members</td>
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<td>2. Has invested in staff with a different expertise than before</td>
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<td>3. Has reduced or dismantled specific thematic departments</td>
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<td>4. Has set up field offices in the Global South or has increased the number of field offices</td>
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<td>5. Has set up closer organisational cooperation with other CSOs</td>
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<td>6. Has merged with (an)other CSOs</td>
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<td>7. Has revised its internal decision making structure</td>
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<td>8. Has put more emphasis on demonstrating quantitative results</td>
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<tr>
<td>9. Has given prominence to qualitative methods for assessing progress and impact</td>
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<tr>
<td>10. Has given prominence to risk assessment in daily operations</td>
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<tr>
<td>11. Has reduced the funding of Southern partners’ administrative overheads</td>
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<tr>
<td>12. Has reduced investments in capacity strengthening of Southern partners</td>
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<tr>
<td>13. Uses more competitive tendering in its grant-making</td>
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<td>14. Has intensified reporting requirements from Southern partners</td>
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<td>15. Has made ‘Value for Money’ an important concept in decision-making</td>
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</tbody>
</table>

9. Please provide data (as exact as possible) on the number of staff members, departments and field offices of your organisation for the years 2010 and 2016.

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td># of staff members</td>
<td></td>
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<tr>
<td># of departments</td>
<td></td>
<td></td>
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<tr>
<td># of field offices</td>
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</tbody>
</table>

10. To what extent do you agree with the following statements with regard to organisational changes in your organisation?

<table>
<thead>
<tr>
<th>Statement</th>
<th>Agree strongly</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Disagree strongly</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Reducing overhead costs is crucial to survive as an organisation</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>2. The future of Northern NGOs is not in funding development interventions</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
3. NGOs need to reconsider their reluctance towards merging with other NGOs
4. Decision-making power needs to be decentralised to the Global South
5. NGOs need to become more business-like to ensure their relevance and survival
6. Becoming more competitive has become key to organizational survival

11. Are there specific ‘organisational changes’ that you feel have been crucial to the change process within your organisation that have not been mentioned already? If so, please describe these organisational changes in your own words

Financial changes
This section concerns the various aspects related to the financial resources that your organisation requires to carry out its work.

12. Please indicate to what extent the following financial changes apply to your organisation for the period 2010-present. My organisation...

<table>
<thead>
<tr>
<th>Financial change</th>
<th>Applies very strongly</th>
<th>Applies strongly</th>
<th>Applies considerably</th>
<th>Applies somewhat</th>
<th>Does not apply at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Has diversified its financial resources</td>
<td></td>
<td></td>
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<tr>
<td>2. Has paid (much) more attention (time and/or resources) to raising funds</td>
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<tr>
<td>3. Has reduced its spending on programmes</td>
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<tr>
<td>4. Has reduced the running costs of the organisation</td>
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</tr>
</tbody>
</table>

13. Overall, a distinction might be made between the following sources of income:
   a. official sources (governments or inter-governmental sources);
   b. own fundraising (among the general public);
   c. funds received through other CSOs (e.g. from their own fundraising, as a ‘subcontractor’ or partner in programmes of that other CSO);
   d. contributions from private sector partners or companies;
   e. contributions from private foundations; and
   f. sources from investments made or from own private sector activities (e.g. sales, consultancy).

Please indicate the extent to which these sources have become less or more important for the total budget of your organisation when you compare 2016 with 2010.
* In case a specific source was and is not relevant please tick the last column.
* In case you feel a specific financial source for your organisation is not included in the five types given, please add this source in the final row and indicate whether it has become more or less important over the last years.
<table>
<thead>
<tr>
<th>Official sources</th>
<th>More important</th>
<th>Equally important</th>
<th>Less important</th>
<th>Much less important</th>
<th>Not relevant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own fundraising</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funds from other CSOs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private sector (companies)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Private foundations</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments and profits</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

14. To what extent do you feel the following statements with regard to financial sources/changes apply to your organisation?

<table>
<thead>
<tr>
<th>Statement</th>
<th>Applies very strongly</th>
<th>Applies strongly</th>
<th>Applies considerably</th>
<th>Applies somewhat</th>
<th>Does not apply at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. We experience more competition from other CSOs in securing funding</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. We experience more competition from private sector (companies) in securing funding</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>3. Growing use of competitive tendering system by ‘donors’ creates financial insecurity</td>
<td></td>
<td></td>
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<tr>
<td>4. The diversification of (funding) actors in development creates opportunities</td>
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</tr>
<tr>
<td>5. We have increasingly become competitors of CSOs in the Global South for funding</td>
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</tr>
<tr>
<td>6. We experience more difficulties in keeping our financial budget at the same level</td>
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</tr>
</tbody>
</table>

15. Please provide data (as exact as possible) on the number of official donors (i.e. governments and inter-governmental organisations such as the EU), companies, foundations, and other CSOs providing financial sources to your organisation for the years 2010 and 2016.

<table>
<thead>
<tr>
<th>Official donors</th>
<th>Companies</th>
<th>Foundations</th>
<th>CSOs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
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</tbody>
</table>

16. Are there specific ‘financial changes’ that you feel have been crucial to the change process within your organisation that have not been mentioned already? If so, please describe these financial changes in your own words

**General**

17. We have now discussed three areas of change. Looking back at these areas: Please indicate the extent to which each of these fields applies to the change process your organisation has embarked upon since 2010.

<table>
<thead>
<tr>
<th>Field of change</th>
<th>Applies very strongly</th>
<th>Applies strongly</th>
<th>Applies considerably</th>
<th>Applies somewhat</th>
<th>Does not apply at all</th>
</tr>
</thead>
</table>
18. Please indicate the year in which you feel changes in this most important field were set in motion. Note that this might well be before or after the period 2010-2016.

19. Going through a change process is of course never done without a reason or trigger. Was or were the trigger(s) for the change process your organisation went through (or is going through) of an internal (residing within the organisation) or external (residing outside the organisation) nature, or both?
   a. Only of an internal nature
   b. Mostly of an internal nature
   c. Equally of an internal and of an external nature
   d. Mostly of an external nature
   e. Only of an external nature

20. What has or have been the most important internal trigger(s) for the change process your organisation went through or currently is going through? (open question)

21. In the literature, external triggers for change processes within NGOs are numerous. Below we provide a range of such possible external triggers. How important do you feel these external triggers have been for the change process your organisation went through or is still going through?

<table>
<thead>
<tr>
<th>External Trigger</th>
<th>Very important</th>
<th>Important</th>
<th>Neutral</th>
<th>Unimportant</th>
<th>Very unimportant</th>
<th>Don't know</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Increasing (national and international) inequality</td>
<td></td>
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<tr>
<td>2. Changing poverty patterns</td>
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<tr>
<td>3. Environmental degradation &amp; climate change</td>
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<tr>
<td>4. Increasing marketization of development cooperation</td>
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<tr>
<td>5. Greater prominence of lobby &amp; advocacy as a development strategy</td>
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<tr>
<td>6. Emergence of new (non-traditional) actors in development</td>
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<td>7. Shrinking space for civil society in many countries</td>
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<tr>
<td>8. Increased questioning of the effectiveness of NGO programmes</td>
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<tr>
<td>9. Increasing criticism on NGO legitimacy (in whose name …, etc.)</td>
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</tbody>
</table>
22. Please note any other external triggers that have been important for the change process of your organisation and have not been mentioned in the previous question? (open question)


23. In your own words: what has or have been the most important external trigger(s) for the change process your organisation went through or currently is going through? (open question)


Follow-up questions
24. This survey can only provide a first indication of the change processes Dutch NGOs have gone through. In order to further understand the what, why and how of these processes, we would very much like to conduct additional interviews with a selection of NGOs. Please indicate whether you would be willing to cooperate in such a follow-up interview. If so, please also indicate who we can contact for making an appointment for an interview.
a. No
b. Yes (please provide contact details)

<table>
<thead>
<tr>
<th>Name of the person to be contacted</th>
<th>Phone number</th>
<th>Email address</th>
</tr>
</thead>
</table>

25. Do you have any further comments about this survey? Here you can, for instance, indicate if your organisation's name can be used in reports.


Thank you very much for your cooperation!