



## **The evolving role of 21<sup>st</sup> Century Education NGOs in South Africa: Challenges and Opportunities**

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**January 2017**

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## **Acknowledgements**

Several people have enriched this paper through their contributions. Our sincere thanks are extended to the following:

Godwin Khosa, for guidance and support;

Dr Harrie Bickle, for background research and assistance with the presentation to the NGO summit in March 2016;

Dr Kim Draper, for assistance with the early writing of the paper;

Patricia Martin and Andre Wiesner, for editorial assistance;

All those that gave freely of their time and their ideas, both informally during the education NGO leadership summit and as respondents to the NGO survey.

DRAFT

## **1 Introduction**

Throughout South Africa's political evolution, non-governmental organisations (NGOs) have played a vital role in supporting the country's development, doing so by delivering critical services such as education to the disenfranchised majority, advocating for rights-based governance, policies and laws, and holding the government accountable for its legal and development responsibilities.

The role, strategies, and capacities of NGOs, as well as the resources supporting their work, have shifted over time in response to the prevailing political economy. During the apartheid years, NGOs played a strong adversarial and activist role, one in which they were supported by substantial international development funding. In turn, the transition to democracy after 1994 brought about a change in their role and strategies. Democratic participatory structures obviated the need for their adversarial stance, and the period was marked by strategic and funding shifts in which many NGOs took on a delivery role and underwent a decline in their advocacy and strategic capacity.

In more recent years, however, there has been yet a further shift in the political landscape as a result of South Africa's adoption of the National Development Plan (NDP). The NDP charts a new strategic path not only for NGOs but for civil society at large, which, along with the business community, is envisaged as working in partnership with the government and bearing shared responsibility for implementing the social compact embedded in the Plan.

These changes make it necessary to scrutinise the strategic focus of the NGO sector to ensure its optimal alignment with, and capacity to advance, the national development vision.

It is against this background that the National Education Collaboration Trust (NECT) hosted a national education NGO leadership summit in 2016. It brought together NGOs involved in education to reflect on their respective roles in supporting the implementation of the NDP and on their operational preparedness and sustainability for doing so. The summit affirmed that NGOs are essential to advancing the national education vision, reflected on progress in implementing the NDP, and highlighted the importance of collaboration between all stakeholders. There was a shared recognition that NGOs are uniquely placed to make a significant contribution to the achievement of the NDP's education goals; at the same time, it was also recognised that a number of factors and constraints inhibit the NGO sector's full development potential and that these need to be addressed as a matter of priority so that work may begin in earnest.

This paper sets out to examine the developmental role the education NGO sector can play in advancing the NDP's goals and the risks and challenges that inhibit it. The aim is to contribute to an evidence base of actions that can be taken to make the sector a strong, effective and sustainable partner in improving the national education system and thereby securing the education outcomes that are needed for laying the foundations for South Africa's continued social and economic development.

## **2 Post-apartheid education progress and challenges**

The government has made significant gains in increasing access to affordable basic education for the majority of the country's previously disenfranchised citizens:

- It has achieved near-universal enrolment among 7-13-year-olds (the age of compulsory education). In 2013, enrolment rates stood at 99.3 per cent.<sup>1</sup>
- Gender parity has been achieved, with equal numbers of boys and girls enrolled at primary and secondary levels.<sup>2</sup>
- Public schools cater for more than 96 per cent of all learners. Of the country's 14 million learners, approximately 12.5 million (90 per cent) are in publicly funded or government schools. Many of these schools do not charge school fees.
- South Africa invests a higher proportion of its national budget on education than many other middle-income countries. In 2016/2017, public education, at five per cent of GDP, was the second largest item of the budget, comprising about 24 per cent of the budget's total allocation of R297-billion.
- Equity in school funding has improved to address the legacy of inequality, with public spending now higher for African than white children.

Notwithstanding these gains, quality education is frustratingly elusive for the vast majority of children, young people and their families. Indeed, improving the quality of education is one of the most pressing challenges in post-apartheid South Africa.

Despite the achievement of near-universal enrolment at the General Education and Training (GET) compulsory level, outcomes remain poor. Surveys, matric pass rates and numerous assessments, among them the international TIMSS<sup>3</sup> and PIRLS,<sup>4</sup> regional SACMEQ<sup>5</sup> and national ANAs,<sup>6</sup> indicate that the majority of learners perform extremely poorly in the critical areas of numeracy and literacy.

For instance, the 2011 PIRLS results showed that 58 per cent of Grade 4 learners were functionally illiterate – that is, unable to understand what they read in any language – and that almost 30 per cent were completely illiterate. In Grade 5, approximately 80 per cent of African-language learners, along with nearly 50 per cent of their English- and Afrikaans-speaking peers, had not mastered basic reading skills.

High rates of failure and drop-out offer further testimony to the poor quality of teaching and learning in South Africa. About half of the 1.3 million learners who started school in 2004 dropped out before reaching Grade 12 in 2015, and, of these, only about 70 per cent passed their matriculation examinations: if one considers the large proportion of learners who drop out over the 12 years of schooling, the real pass rate is closer to 35 per cent.

Given the importance of mathematics and science to economic development, the very low levels of achievement in these subjects is of concern. The NDP identifies the production of high-level science, engineering and technology skills as a crucial supply-side factor enabling the growth of an industrial economy. Since mathematics and physical science are 'gateway subjects' to careers in science, medicine, commerce, engineering and other key sectors, low learner-achievement in 'quality' mathematics passes is a major bottleneck in providing the high-level skills the country sorely needs.

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<sup>1</sup> Department of Basic Education. 2015. 2014 Education for All Progress Report. DBE. Pretoria.

<sup>2</sup> DBE. 2015.

<sup>3</sup> Trends in International Mathematics and Science Study.

<sup>4</sup> Progress in Reading Literacy Study.

<sup>5</sup> Southern and Eastern African Consortium for Monitoring Educational Quality.

<sup>6</sup> Annual National Assessments.

In 2015 about a quarter (26 per cent) of the matriculation candidates who wrote mathematics – and even fewer (20 per cent) of those who wrote physical science – attained a pass of 50 per cent or more. Moreover, as is evident from the following tables, there has been a worrying decrease in the number of candidates enrolling for mathematics and physical science, and little discernible improvement in outcomes over the past five years, in spite of significant financial and technical investments by the government, development partners and NGOs.

<b>Year</b>	<b>Total wrote</b>	<b>Total achieved &gt;=30%</b>	<b>Total achieved &gt;=40%</b>	<b>Total achieved &gt;=50%</b>	<b>% obtained &gt;=50%</b>
2008	301 987	137 748	90 599	63 658	21.08%
2009	304 159	137 681	87 502	53 772	17.68%
2010	263 341	124 932	81 506	50 226	19.07%
2011	224 635	104 033	67 541	41 587	18.51%
2012	225 954	119 800	80 713	51 255	22.68%
2013	241 509	140 304	97 748	63 152	26.15%
2014	225 522	117 967	79 037	50 368	22.33%
2015	263 904	126 583	84 273	53 590	20.31%

<b>Year</b>	<b>Total Wrote</b>	<b>Total achieved &gt;=30</b>	<b>Total achieved &gt;=40</b>	<b>Total achieved &gt;=50</b>	<b>% obtained &gt;=50%</b>
2008	219 222	120 911	63 055	33 872	15.45%
2009	232 826	84 370	46 789	22 650	9.73%
2010	205 633	98 418	61 001	37 882	18.42%
2011	180 628	96 464	61 121	37 107	20.54%
2012	179 254	106 756	70 066	43 651	24.35%
2013	184 383	120 972	78 653	47 031	25.51%

<sup>7</sup> Data sourced from DBE NSC Reports (2008,2009,2010, 2011, 2012, 2013, 2014 and 2015) and Umalusi data

<sup>8</sup> Data sourced from DBE NSC Reports (2008,2009,2010, 2011, 2012, 2013, 2014 and 2015) and Umalusi data

2014	168 013	100 184	62 034	37 759	22.47%
2015	193 224	109 513	69 726	42 461	21.98%

### 3 The scale, nature and causes of poor education

Given the severity of the problem, the multiple, interrelated structural and systemic drivers of poor quality, as well as the numerical and geographical complexity of the landscape, bringing about sustained nation-wide improvements in educational outcomes represents one of the country's largest management and implementation challenges.

In the schooling sector, about 12.5 million learners, based in a little under 26,000 schools, are taught by some 425,000 teachers. Teaching takes place in nine different provinces and in 86 districts in the country. Cutting across this landscape, the following factors, among others, create a weak platform for the delivery of quality education:

- inadequate school infrastructure;
- inadequate teaching and learning resources (including textbooks);
- large class sizes;
- a shortage of qualified teachers, especially in mathematics and foundation phase languages;
- poor learner commitment and discipline; and
- inadequate parental involvement.

Poverty, poor nutrition, poor access to health care, and poor access to, and the poor quality of, early childhood care and education, create structural educational barriers that require focused interventions to equalise the educational opportunities of the majority of children living in poverty.

### 4 Responses to date: limits and challenges

Problems of quality in education are well recognised, and numerous initiatives, supported by significant private, donor and public funds, have been implemented by multiple stakeholders, including NGOs, in a bid to address them. However, as is evidenced in the preceding section, these initiatives have had little, if any, lasting or scaled-up impact on improving the quality of education in South Africa.

The limited returns have led to growing donor fatigue within the private business and donor community. This in turn has impacted negatively on the sustainability of the NGOs and the many projects initiated by them, and consequently places future gains from current projects at risk.

If NGOs are to fulfil their development potential and contribute meaningfully to the implementation of the NDP, it is critical that the negative cycle of funding insecurity and limited impact be addressed. This necessitates critical reflection on the effectiveness of the NGO sector and its contribution to improving teaching and learning in South African schools in support of the NDP. This requires identifying ways in which the NGO sector could be better aligned with the NDP and strengthened to make more effective use of available resources to sustainably address the most pressing quality challenges for the benefit of the national education system.

## 5 The development role of NGOs

NGOs in developing countries play an important development role. They advocate for policy change and are often the vehicle for community participation in policy and political processes. Where governments lack capacity, NGOs provide services and are well placed, given their freedom to innovate, to test new approaches to persistent social and economic challenges. They also serve as a conduit for financial assistance from developed countries.

Where the government has a positive social agenda, and where NGOs are effective, there is potential for collaborative and synergistic relationships between government and civil society organisations. But this is not always the case: in some instances, the relationship can be one of distrust, particularly so when governments fear that NGOs will erode their political power (Clarke, 1995).

## 6 The NGO sector in South Africa

Stats SA reported that in 2014 the country had 127,000 registered non-profit organisations (NPOs).<sup>9</sup> The sector is comprised of organisations of varying sizes and mandates that operate across multiple domains in both the formal and informal economy. Voluntary community-based organisations make up 95 per cent of the sector, and non-profit organisations and trusts the balance. In addition, an estimated 50,000 NPOs are unregistered. Education NPOs account for about 6 per cent of the NGO sector.

### 6.1 The changing role of the NGO sector

Depending on the country's historical and political context, NGOs have played varying roles and enjoyed differing capacities and levels of support, as reflected in Figure 1: The NGO landscape.

In the years prior to 1990, they had a key part in the struggle against apartheid, defending the rights of disadvantaged communities and delivering public services such as education, health care and welfare where the apartheid state had refused to do so. During this era, NGOs usually adopted a confrontational, activist stance and received generous financial support from international donors, who saw them as credible vehicles through which to channel funds.<sup>10</sup>

In the post-1994 transitional period, the sector followed a more conciliatory and collaborative approach, with numerous NGOs working side by side with government to draft the new constitution and develop a constitutionally aligned legislative framework. The funding landscape changed, too, in that resources were allocated through bilateral arrangements between the South African government and funders. This impacted on the shape and nature of the relationship between government and NGOs as well as on the capacity of NGOs. Many NGOs now saw their primary role as that of service providers rather than advocates for change and accountability, in addition to which a noticeable skills exodus occurred in the sector when practitioners and activists began leaving NGOs to join the government.

Later, in the years post-2000, NGOs increasingly focused on service delivery. The period also saw a sharp decline in international funding, with local donor fatigue further reducing the available resource pool for NGOs, thus increasing competition for funds and impairing the sustainability of many organisations. In addition, funders placed greater demands on NGOs, expecting higher levels of

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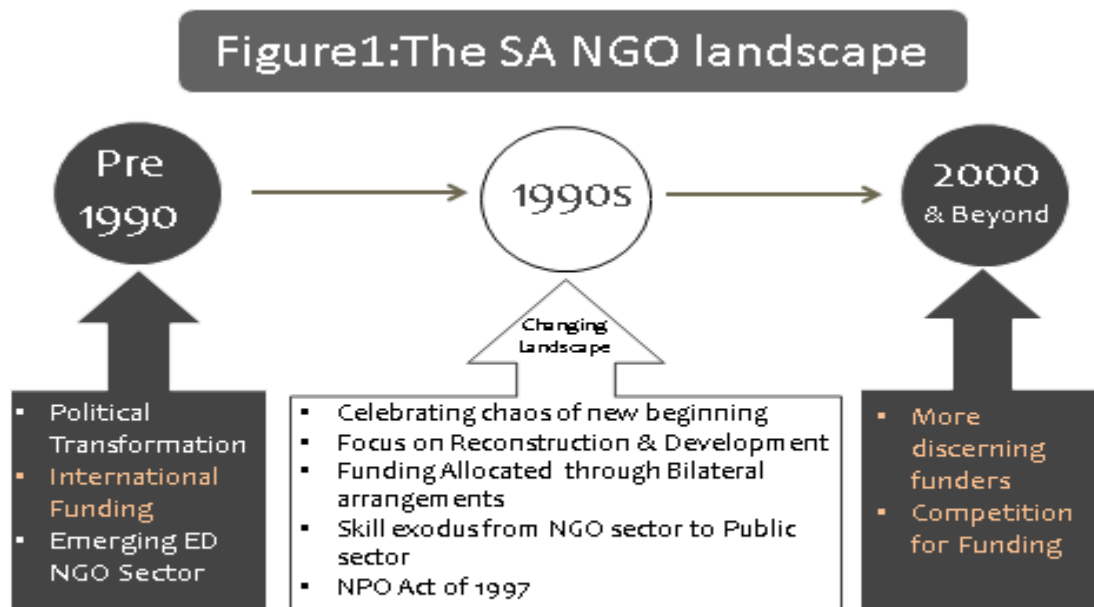
<sup>9</sup> Stats SA, 2015.

<sup>10</sup> The largest conduits at the time were the Kagiso Trust, Interfund, the South African Council of Churches, and the South African Catholics Bishops Conference



accountability as well as stronger governance and an increased focus on evidence derived from evaluation and research.

Despite the move towards a service-provision role in these later years, a number of NGOs, albeit a decreasing number, continued to play a pronounced advocacy role, holding government to account for its international and constitutional human rights responsibilities.



## 6.2 The role of the NGO sector in the NDP 2030

The NGO sector in South Africa has once again taken a leap forward. The National Development Plan 2030: Our Future – Make It Work positions it as a *social change partner* rather than oppositional *non-government player*.

It sees NGOs as legitimate and responsible partners, which, alongside other role-players, including the government, business and development partners, are collectively tasked with advancing the country's shared development goals of eliminating poverty and reducing inequality by the year 2030. Locating the NGO sector as a national partner aligns with the World Economic Forum's New Social Covenant, which is grounded in a social covenant between citizens, businesses and governments based on three core values: respect for human dignity, stewardship of the planet, and a commitment to the common good.

The NDP provides the blueprint for South Africa's efforts to eliminate poverty and reduce inequality by 2030. In particular, it recognises that education is the bedrock of sustainable development and the key to equalising meaningful enjoyment of the full suite of constitutionally protected rights; as such, the NDP prioritises improvement of the quality of education.

### **National Development Plan Chapter 9: Improving Education, Training and Innovation**

The NDP's education vision is that, by 2030, all South Africans have access to education and training of the highest quality, leading to significantly improved learning outcomes. It identifies a robust

education system - covering early childhood development, primary, secondary, tertiary and further education - as crucial for addressing poverty and inequality. Further, it envisages an education system that has the follow attributes:

- High quality early childhood education, with access rates that exceed 90%;
- Quality school education with literacy and numeracy at globally competitive standards;
- Higher Education and Further Education Training (FET), that provides people with real opportunities to reach their full potential;
- An expanding higher education sector that is able to contribute towards rising incomes, higher productivity and the move towards a more knowledge-intensive economy; and
- A wider system of innovation that links key public institutions with areas of the economy consistent with our economic priorities<sup>11</sup>.

Chapter 9 of the NDP recognises the poor quality of education as a complex problem, the resolution of which lies at the heart of the success of the plan. Hence, education is afforded the highest priority, and the NDP calls for collective and coordinated action across the full sector – government, NGOs, business, organised labour and development partners – to address the underlying causes of poor teaching and educational outcomes and thereby achieve the vision of quality education for all.

The NDP's education vision has been operationalised at the highest levels of government. The national Medium Term Strategic Framework (MTSF), which is produced by the Presidency, translates the NDP into a five-year action plan guided by 14 'priority outcomes'. Outcome 1 is 'improved quality of basic education'.

In turn, the Department of Basic Education (DBE) has adopted a national education strategy – the DBE Action Plan to 2019: Towards the Realisation of Schooling 2030 – which is aligned to the NDP and designed to deliver on Outcome 1 (DBE, 2015). The Action Plan has 27 goals: 13 of these deal with performance and participation outcomes, and 14 with actions to be taken to strengthen the sector.

The large number of goals underlines how diverse and numerous the role-players are who contribute to educational improvement. They include parents; teachers; school principals; officials at the district, provincial and national levels; Members of Parliament; leaders in civil society organisations, including teacher unions; private sector partners; higher education and research institutions; and international partner agencies such as UNICEF and the World Bank (DBE, 2015).

### ***6.3 The role of NGOs in supporting national development priorities***

The NDP provides a unified vision of South Africa's national development goals and prioritised areas of action, chief of which is the improved quality of education. This vision is premised on strong private-public partnerships: the NDP calls for 'partnerships across society working together towards a common purpose' and 'a virtuous cycle of building trust and engaging in discussion to confront the most pressing challenges – one that takes a long-term view'.<sup>12</sup> The NDP not only recognises the crucial role of NGOs as one of the key social partners, but also calls for the adoption of a more systemic approach to collaboration in order to ensure alignment with, and attainment of, the country's overarching education priorities.

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<sup>11</sup> NDP <http://www.npconline.co.za/MediaLib/Downloads/Home/Tabs/NDP%202030-CH9>

<sup>12</sup> NDP, p. 57.

In particular, the NDP requires measures to regularise and systematise the education-focused social compact through the establishment of a national collaborative initiative, which, under the leadership of the Department of Basic Education (DBE), is tasked with bringing together all stakeholders to drive efforts at improving learning outcomes in schools, starting with the worst performers. The NDP requires that the DBE assume leadership of the initiative, but emphasises that the national endeavour must draw on expertise in institutions that are already working on school improvement as well as in those that have the potential to make a contribution.

#### ***The Role of the Education Collaboration Framework and the NECT***

The Education Collaborative Framework (ECF) was established as the coordination vehicle envisaged by the NDP for facilitating a coordinated response across the sector to ensure the accelerated improvement of the quality of education in South Africa.

Its design and mandate has responded to the many challenges facing NGOs and is a vehicle for strengthening the role of the NGO sector in supporting scaled-up and sustainable education improvements.

The NECT was established in 2013, through the ECF, to strengthen partnerships and serve as an implementation vehicle for the ECF. The organisation is based on the principle that collaboration and focused effort by important role-players increases our power as a nation to secure the changes we urgently need in order to deliver quality education to all our children.

The NECT's point of departure is that the government and civil society have different but complementary roles to play in relation to education. The provision of basic education for the general population is the responsibility of the government, which is uniquely equipped to fulfil this overarching mandate. Civil society, with its diversity and flexibility, is able to support the government through innovation and accelerated delivery. Civil society becomes more relevant and influential when channeling its efforts in a coordinated way into the national education system.

The NECT's objectives are to:

- improve the quality of schooling and systems for monitoring and supporting schools;
- provide a governance platform for joint initiatives by civil society, business, trade unions and government to improve education;
- oversee implementation of collaborative education programmes and ensure their suitability to the situations they seek to address;
- strengthen coordination of private sector-funded activities to improve schooling and encourage alignment with the national agenda for education reform;
- undertake activities that promote good returns on investment for private and public spending on education;
- consolidate knowledge generated by private and public sector organisations about school improvement; and
- set guiding principles for national education programmes and local education projects.

Neither the ECF nor the NECT is intended to replace civil society and private sector initiatives aimed at improving education quality. Rather, they improve their coordination, ensure their integration with the government reform agenda, and increase their effectiveness and value.

The importance of NGOs in achieving the common vision was confirmed by the Minister of Basic Education at the NGO leadership summit hosted by the NECT in 2016, where she observed that '[n]on-governmental organisations have a crucial role to play in achieving goals set out in the National Development Plan'.<sup>13</sup>

This view was widely shared at the NGO summit. In short, there is national consensus that implementation of the education vision and priorities set out in the NDP requires a strong and active NGO sector.

This paper now turns to the following questions: Why is the NGO sector important to the implementation of the NDP chapter 9; what features and characteristics are associated with effective education NGOs; what features limit their effectiveness; and what action is necessary to overcome the barriers and challenges preventing the NGO sector from fulfilling its potential development role in education?

Many of these issues were considered during the NECT's education NGO leadership summit. In addition, following the summit, a survey was conducted with representatives from a range of sectors working within the education sector in South Africa. The purpose of the NGO survey was to gain insight into the value of education NGOs in South Africa today; the roles that they can and should play in support of education development; the challenges they experience; and what they require in order to be able to fulfill their roles.<sup>14</sup>

The second half of this paper reflects explicitly the views and experiences of partners from across the education sector, drawn from the summit deliberations and survey responses.

## **7 Why is the NGO sector important to implementation of the NDP's education vision?**

A key question that has been asked and answered concerns the value-add that NGOs bring to the table.

### ***7.1 A developmental state***

The NDP envisions a capable and developmental state, with the government taking on the responsibility of service provision. Given the legacy of the past, as well as a lack of capacity, skills, expertise and funding, the government is not always able to deliver on its mandate alone. Additional funding from a range of sources, as well as assistance from NGOs, is required. Conversely, by partnering with the government, NGOs can contribute to strengthening the developmental state by providing technical expertise and support, thus supporting the delivery of services whilst transferring the skills needed by a developmental state.

### ***7.2 A strong civil society***

NGOs are close to communities, can tap into social capital, and are able to mobilise community members in support of national imperatives. They provide a conduit for effective civil society engagement in matters of governance and national development. Moreover, they act as an independent voice of civil society and offer an open space where people can organise themselves

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<sup>13</sup> Minister of Basic Education, Angie Motshekga, 11 March 2016.

<sup>14</sup> Annex 1 provides a list of the survey respondents.

around important issues. A vibrant civil society is necessary to hold the state to account and monitor delivery; in this regard, NGOs are able play a watchdog role. Equal Education is an example of such an NGO within the education sector.

### **7.3 Addressing current inequalities**

Inequality is one of the greatest threats to the world's social and economic stability. Research by Richard Wilkinson and Kate Pickett highlights that inequality, even more so than poverty, harms everyone in society. The authors show that unequal societies have lower levels of trust and well-being, as well as far greater social problems (including crime and corruption), than more equal ones.<sup>15</sup> Social movements are leading the conversation on inequality, with questions about justice, fairness and truth framing the discussion.

In South Africa, NGOs under the old regime were able to help reduce the ill-effects of inequality and oppression. Today, with South Africa having one of the highest levels of inequality in the world, its need for a strong social movement is as important as ever. As places where individuals, companies and communities are able to express their natural and human desire to help others, NGOs have an important role to play, providing a voice for the most marginalised in society, such as the aged and the disabled, and supporting critical services like education. The challenges of both redressing past inequalities in education and extending access to resources for a much larger school population places a huge demand on NGOs to make a contribution.

### **7.4 Unique advantages**

The NGO sector has several advantages that, if used optimally, can make a significant contribution to the challenges South Africa faces.

- The new age of ubiquitous communication and availability of knowledge is forcing a global repositioning of educational models designed in the industrial era. It would be impossible for even the most dedicated and capable team of civil servants to manage this task and keep up with global trends, let alone going even further and introducing innovation into the system. NGOs are able to provide a space for innovation, critical thinking and problem-solving to address South Africa's social, economic and skills challenges.
- Compared with the government, NGOs are relatively cost-effective and can provide services and support for human and social development that government cannot. For example, learners, teachers and parents need support in doses government officials do not have the time (and, sometimes, the experience) to provide.
- Because of their greater agility and flexibility, NGOs can respond to educational needs fairly promptly. They do not have the ponderousness and bureaucratic inertia that slows down and even paralyses the development initiatives of education departments.
- It is not only the government that depends on a strong NGO sector. Much funding flows through NGOs into development; hence, the funding sector also needs NGOs to be in a position to deliver on its development mandate.

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<sup>15</sup> Pickett, K. *The Spirit Level: Why More Equal Societies Almost Always Do Better*, 2009.

## 8 What roles should NGOs play to realise their value and potential?

The activities of NGOs can be categorised broadly as follows:

- activist NGOs that serve as critics and watchdogs of policy and its implementation, and that hold the government to account;
- social partner NGOs that assist the government in the delivery of its objectives by supplementing capacity in training, development and support;
- research and development NGOs that work in areas of innovation and programme design: this category includes NGOs that act as innovators testing new ideas or new ways of doing things;
- service-provider NGOs that are contracted by the government to assist in the delivery of its own programmes e.g. CAPs training;
- humanitarian NGOs that provide material or logistical assistance for humanitarian purposes in order to save lives, alleviate suffering and maintain human dignity; and
- NGOs that provide a vehicle to enable social entrepreneurs to operate with legitimacy.

These categories are not mutually exclusive, nor is one more important than another: all are necessary, all add value, and often a single NGO can fit into more than one of the categories.

Within the education environment in particular, NGOs can perform a variety of roles. The NGO survey identified the following as being key to supporting the education goals of the NDP:

- Education is an enormous mandate for the government to deliver on (for example, teacher development alone is a massive challenge). As such, the government needs the support of NGOs. By aligning their work with the NDP, NGOs can assist government in achieving its goals.
- NGOs can play a mediating role in intervention programmes. Their distance from the hierarchical and career demands inherent in officialdom gives them an independence which enables them to be supportive of government programmes yet critical of their shortcomings (in other words, they can both encourage and caution). This creates the potential for NGOs to serve as a connector between the education departments and schools and other partners, such as future employers.
- The government is often constrained from experimentation by rules, bureaucracy and the need to keep the system running. NGOs serve as external catalysts by bringing innovation into a high-compliance environment. The capacity of NGOs to innovate can also be utilised in effecting positive changes at school level; for example, a common feature of many NGOs is that they encourage teachers in under-resourced schools to apply creative solutions.
- NGOs can work to leverage the goodwill and volunteer spirit of South Africa's citizenry by mobilising around particular challenges that require additional resources and capacity. In particular, NGOs can focus on niche learning groups that have poor access to education, for example, special-needs learners, orphans, and learners in child-headed households.
- By creating additional capacity within the system and modeling what 'good' looks like for all role-players, NGOs are able to advocate for an ambitious agenda and push boundaries for education excellence.
- NGOs can assist with evidence-based policy-making by bringing what works in practice at the provincial, district and school levels to the attention of policy-makers.

- NGOs are able to enhance the brand of the DBE and certain individuals, where this is warranted. South Africa's national and provincial education departments often battle with negative press, yet there are many inspired, capable and committed principals, educators and district officials to whom NGOs can draw positive attention. This could go a long way towards addressing some of the fatigue and demoralisation prevalent in schools and districts.
- Given that BBEEE codes impose an obligation on companies to spend one per cent of net profit on socioeconomic development, NGOs provide a critical channel for these funds to be deployed. The NGO sector can play a valuable role at the intersection between the government and corporate sector and offer a testing ground for innovation in education. Once the impact of NGO innovation has been proven, such innovation should be embraced and integrated into government policy to become systemic and sustainable.

## **9 Strategic choices: How should NGOs strategise, plan and implement to ensure maximum development gains?**

Typically, innovative approaches to societal challenges become sustainable at scale only if and when they influence national development policies and form part of national development strategies.

Ultimately, to draw maximum benefit from it, the work of NGOs should have some impact on the system as a whole – by influencing policy, innovating or advocating for change. Yet most NGO interventions have very little or no systemic impact. The oft-quoted claim of the NGO/private sectors, namely that it is the role of NGOs to innovate and that of the government to take the innovation to scale, does not play out in practice. Instead, duplicated, uncoordinated interventions by NGOs – combined with patchy engagement with the government and insufficient consideration of scale and systemic change – have limited the system's adoption of successful practice.

For instance, in the past two decades, critical lessons have been learnt domestically and internationally from investment in maths projects, but the pervasive sectoral dysfunction in maths indicates that interventions in this area have had little to no systemic impact.

Mathematics interventions typically fall into five categories, namely:

- learner support and tertiary access (particularly of learners with potential);
- provision of equipment and materials and ICT-related interventions;
- teacher development (generally in-service);
- whole-school development; and
- district development/government capacity-building.

These types of interventions have levels of complexity that increase as one moves from the first to the fifth type of intervention, and that do so in inverse proportion to the NGO/private sector's ability to deliver the dosage required or to have any control over the broader systemic complexities. Interventions at a teacher-, school- and district level will be more reliant on issues such as accountability systems, vacancy rates at district- and school level, procurement and delivery. Funding individual learners is costly, but it is the area where the private sector can have the most control and where impact is more likely to be seen.

This is borne out by the 'Platinum and Passes' research, which established evidence of the so-called 'micro-macro paradox' in relation to the impact of mining investments on maths and science results in the Limpopo and North West provinces.<sup>16</sup> The findings were that positive results from the assessment of individual participants of a micro-project do not necessarily translate into positive results at the macro-system and broader sector level. This could be caused by a range of factors, such as the difficulty of translating immediate learning results into long-term systemic outcomes; similarly, support might have been given to a small sample of individuals which is not large or representative enough to make a significant change in the system. Another reason for the lack of systemic impact is the lack of adoption by the system of successful practice, both in terms of policy and implementation, because of insufficient knowledge dissemination about innovative, cost-effective and successful projects.

Nevertheless, the private sector continues to invest in NGO projects on the advice of service providers and recipients with no history of definitive successes at any scale.

This can be achieved either when an NGO is commissioned by the government to continue to provide its services to poor and marginalised communities it is already serving, or when the government adopts an approach used by an NGO, taking it as a model for replication and then changing it from an alternative to a mainstream practice. Clarke cites three examples: the Bangladesh Rural Advancement Committee (BRAC) in Bangladesh, the Escuela Nueva education program in Colombia, and the National Rural Support Program in Pakistan (based on the Aga Khan Rural Support Program).<sup>17</sup>

NGOs (and their private sector partners) should identify points of leverage which, if improved, could turn the whole (or significant parts) of the system around, instead of duplicating what the government can and is doing effectively; that is, there is a need for NGOs to differentiate themselves from the government.

## **10 Essential ingredients to realising NGOs' full development potential: ensuring scale and sustainability as national interventions**

Within the South African education sector, an example of an intervention that transitioned from an NGO-driven initiative to one adopted in full by the government is the Care and Support for Teaching and Learning (CSTL) programme. Piloted by an NGO in 2005, the programme is now housed within the DBE and embedded in policy and budgeted plans. The lessons from this example are useful:

- A strong and trusting partnership existed between the NGO and government.
- A strong and open relationship existed between the NGO and main funding partner, with acceptance of a long-term view for achieving the desired change.
- A shared vision was agreed upon by all partners at the outset.
- A clear understanding of the role of each partner, and recognition of the value each was adding.
- An initial small-scale pilot project (2002-2004) in 50 schools was followed by a larger trial (2005-2008) in 1,500 schools, one supported by robust monitoring and evaluation for measurement of impact.

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<sup>16</sup> Besharati, 2014.

<sup>17</sup> Clarke, 1995.



- A focused advocacy strategy, aimed at policy influence and based on evidence of impact, was pursued after the trial period
- The funding model moved progressively from initial reliance on external funding to a mixed funding mode, with the government partnering with various non-government funders.
- As mentioned, after a 10-year period, CSTL was fully adopted as a national programme of the DBE and embedded in government policy, plans and budgets
- The role of the initiating NGO shifted from that of driver to one of technical assistance and service provision.

Figure 1 illustrates the various phases of this approach to achieving systemic change.

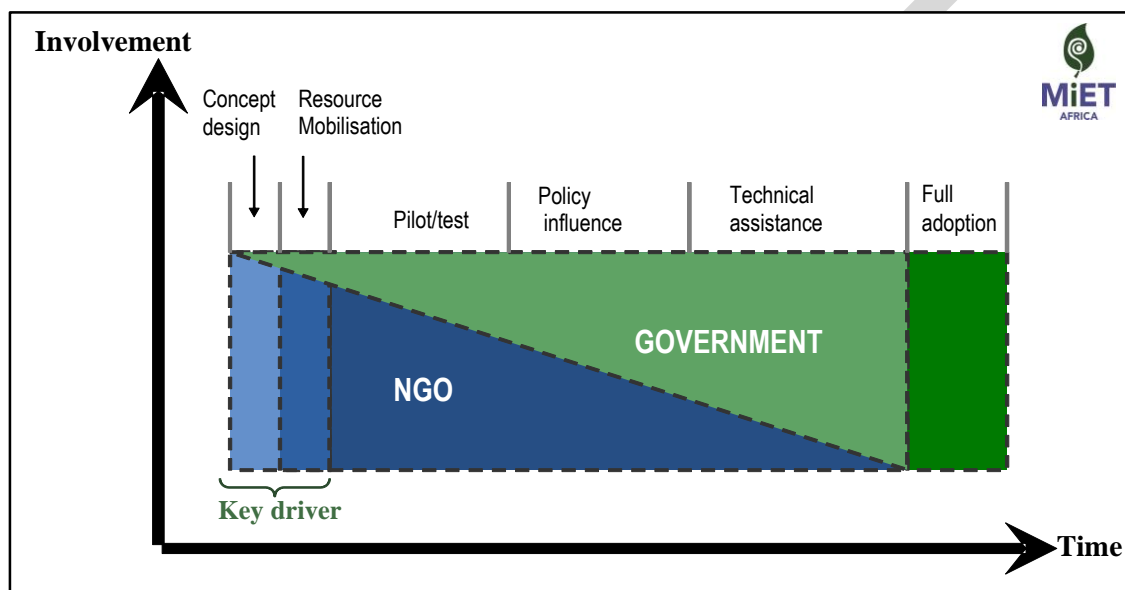


Figure 1: Systemic impact model

## 11 The role of collaboration and partnerships

Key to the success of the CSTL example above was the establishment and maintenance of strong partnerships. However, collaboration and effective partnering are not easily achieved:

The lesson for us, though, when we've been working on our own, [is that] it's much easier to control and direct and develop. When you're working in large-scale interventions, it implies a partnership, you have to do it in partnership. And in a partnership, you are not in control. There's a lot of give and take, there is a lot of compromises, and there is a lot of process.<sup>18</sup>

Collaborating with one partner is difficult enough, but most development interventions involve at least three partners – the NGO, government and funder; indeed, often there are multiple funding partners and/or NGOs, adding to the challenge.

<sup>18</sup> Gail Campbell, CEO Zenex Foundation.

An example of a successful collaboration involving a provincial education department, a local NGO and the Embassy of the Kingdom of the Netherlands (EKN) is the Education Centres Supporting Rural Development intervention. The aim of the project was to establish a network of education centres to provide the province's schools with hubs for teacher development, resource-provision and communication. Over the project period, the project was incrementally integrated into the department's policies, budgets and operational systems. The project, worth more than R300m and implemented over a period of eight years, confirms the importance that long-term investment, shared vision, and respect and trust amongst partners have in ensuring sustainability.

In driving a national plan through the work of NGOs, partnerships between NGOs are critical for success, and how partnerships are interrelated with NGO performance needs to be understood. Different factors motivate NGOs to form partnerships, among them the search for financial aid or resources and the shared need to address community needs.<sup>19</sup> The formation of NGO partnerships therefore should be systematic and well-planned, taking into account the strategic directions of the organisations, rather than poorly coordinated, ad hoc ventures.

Collaboration and the sharing of knowledge amongst NGOs are equally important when impact at the level of the system is sought. In the absence of large, top-down, system-changing interventions, one way of influencing the system is by ensuring greater levels of coordination among interventions, adopting successful practices and making a commitment to learn from experience. The National Community of Practice in Maths and Science Learner Support is an example of an NGO-led intervention that has more than 140 member organisations engaged in sharing knowledge and successful practice, thereby reducing duplication, increasing reach and disseminating evaluation lessons.

## **12 Blockages preventing NGOs fulfilling their potential development role**

What is holding NGOs back?

It is no secret that many NGOs are confronted with serious financial and capacity challenges, resulting in a weakening, since 1994, of civil society. The NGO sector is under severe pressure, with many NGOs having closed or teetering on the brink of closure. At the same time, South Africa is faced with overwhelming development challenges relating to education, health, poverty and so on. Increasingly, government departments and agencies are incapable of responding to these challenges – factors such as corruption and lack of capacity and leadership result in slow or absent service delivery, which in turn has led to an alarming increase in social unrest in many parts of the country.

Finding solutions to these challenges will require the unique contributions of all development stakeholders throughout the country, a collective effort driven by a common vision as captured in the NDP 2030.

In order to move forward, we thus need to take an honest look at the barriers to NGOs supporting the goals of the NDP.

### **12.1 Funding**

Funding is viewed as the main barrier hindering the work of NGOs. It is not necessarily the lack of

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<sup>19</sup> Kukundakwe, 2013.

funding that hinders the role of NGOs – rather, it is the nature of the relationships between funders and NGOs, the lack of alignment between national education priorities and funders’ strategies, and the ineffective use of funds to drive nationwide and sustainable changes to the education system.

Post-1994, the landscape changed considerably: with a new democratic government, NGOs witnessed a shift to bilateral funding arrangements. This has meant that most funding flowing into the country is diverted through the government for delivery on its own mandate, with most funders supporting only that which is aligned to government policy, leaving very little space for innovation. More recently, large donor agencies have begun to explore social entrepreneurship as an alternative to donor funding. Although the emergence of social entrepreneurship holds enormous promise for addressing various issues of social injustice in South Africa, most ‘traditional’ NGOs find it difficult to make the shift required of them.

The global financial crisis saw many overseas donors drastically cutting their financial commitments to South African civil society. This, together with a reduction in funding to South Africa due to its middle-income status, contributes to the struggle for financial sustainability experienced by most NGOs. Furthermore, funding constraints mean that NGOs are unable to attract and/or retain expertise, and hence their ability to provide capacity to the state is weakened.

Funders are dependent on the NGOs to deliver, yet the relationship between funders and NGOs is generally distorted. This is primarily because funders hold the purse strings. The nature of engagement between NGOs and the funding community is not always transparent or easily accessible. Funders have not engaged sufficiently to maximise the potential of a mutually beneficial relationship; discussion around this needs to be opened up.

Funders support low-dose projects and over too short a period. Research indicates that only a small percentage of projects reach their objectives fully; that this generally takes longer than expected; and that success is often not sustainable beyond the timeframe of the intervention itself. Short-term grants create instability and insecurity, as well as making it difficult to plan long-term. Multi-year grants would allow NGOs to be innovative as well as to measure impact.

Then there is the issue of fickle donor appetites: certain causes become celebrated and then fall away. NGOs are also put at risk by funders’ unrealistic expectations regarding costing and timing – and by their sudden withdrawal of tenders. NGOs are squeezed on the margin, making it difficult for them to operate effectively. The paradox is that funders do not apply the same criteria to NGOs as they do to their own organisations.

There is also a lack of financial support from education departments for NGO development initiatives, with a perceived preference for ‘jet-in, jet-out’ consultants. Those NGOs that do receive subsidies from the government operate under stressful conditions, as subsidies, in the main, are not paid timeously.

## ***12.2 Funding the NGO sector***

During the apartheid era, most of the progressive civil society groups were funded by foreign donors and, to a limited extent, by liberal philanthropists in South Africa. The period 1994 and 2004 – commonly called the ‘honeymoon period’ of our democracy – saw a strong flow of foreign funding into the country, as the international funding world clamoured to contribute to building a new democratic South Africa. Both the government and NGOs were beneficiaries of this funding. After 2004, many

foreign donors argued that South Africa was a middle-income country and cut their funding to civil society groups. Instead, funding has been channelled to the government in the form of bilateral aid earmarked to be used either directly for government development programmes, or for the government to distribute to civil society groups.

The Organisation for Economic Co-operation and Development (OECD), which monitors 95 per cent of the world's aid flows, reports that donor funding to South Africa has quadrupled in the last decade, from \$337-million in 2002 to \$1.34-billion in 2012. The truth is that much of South Africa's NGO community has failed to analyse, lobby or compete for these donor funds. In addition, governance and accountability issues have plagued government funding agencies (for example, the National Development Agency and National Lotteries Board, discussed below), with civil society being critical of these agencies' inability to comply effectively with their legislative mandate to distribute funds.

Today, many NGOs are in deep crisis: some are unable to raise funds, others are struggling to adjust to a rapidly changing society, and many are under attack for their criticism of the government's poor service delivery.

### **12.3 NGO funding sources**

Funding for NGOs comes primarily from three sources: government subsidies, corporate social investment, and donors/foundations (both foreign and local).

#### **12.3.1 Government funding of NGOs**

The fiscal allocation to basic education of R265.7-billion for 2015/16 comprises 16.7 per cent of the national budget and is the second largest budget item (just behind Economic Affairs). In 2013 South Africa spent some 6.2 per cent of GDP on education, one of the highest percentages in upper middle-income countries. According to the 2015 UNESCO report *Education for All*, the average education spend as a percentage of GDP in upper middle-income countries was 5.1 per cent, with 14.9 per cent of their national budgets spent on education.<sup>20</sup>

Post-1994, the government set up the National Development Agency (NDA) to channel foreign and state funding to civil society groups, and later, began distributing a portion of the lottery income to charities through the National Lotteries Board (NLB).

The Funding Practice Alliance conducted research investigating whether the NLB and the NDA were meeting their legal mandates with regard to civil society organisations (CSOs) and grant-making, and the extent to which these agencies are realising their potential to address South Africa's development challenges.<sup>21</sup> The six-year study presented damning findings, reporting that the NDA was failing in its mandate to distribute funds to deserving civil society groups. It also found that the funding from the national lottery had not been effectively distributed to charities, often going instead to government agencies, well-connected 'civil society' organisations aligned to political leaders, and bodies that in many cases could generate money.

Similarly, research by a coalition of CSOs found that

the legislated "enabling environment" for civil society was dysfunctional. The NPO Directorate within the Department of Social Development (DSD) has been unable to

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<sup>20</sup> UNESCO, 2015.

<sup>21</sup> Funding Practice Alliance, 2011.

implement its responsibilities in accordance with the Non-Profit Organisations Act. The National Lotteries Distribution Trust Fund (NLDTF) and the National Development Agency (NDA) have not managed to disburse funding effectively to the sector in accordance with the relevant legislation.<sup>22</sup>

The Independent Development Trust (IDT) was set up by government in 1990 as an independent grant-making trust to fund education, housing, health services and business development projects in poor black communities. To date the organisation has delivered approximately R21.077-billion worth of social infrastructure and social development programmes in predominantly rural communities across the country.

### **12.3.2 Private-sector funding of NGOs**

Although their funding is smaller than the government's expenditure, South African business makes a significant contribution to education development. Most corporate spend in South Africa is through corporate social investment (CSI) channelled through NPOs, in particular education-focused NPOs. However, while this contribution has resulted in many worthwhile education projects, it has not improved the education system as a whole.

Each year Trialogue conducts research into the (CSI) sector to track that spend, and according to the latest Trialogue CSI Handbook (18th edition), business spent R8.1-billion on social development in 2015. This represents a real decline of 6 per cent from 2014, suggesting that the growth in CSI-sector spend between 2001 and 2013 is beginning to wane. Although NPOs remain the favourite channel through which corporates directed their CSI expenditure, this has also declined, from 100 per cent in 2014 to 90 per cent in 2015; the proportion of funding has also declined, from 56 per cent in 2014 to 52 per cent in 2015.

Education continues to receive the greatest share of CSI support, given that, of the 81 businesses that responded to the 2015 survey, 92 per cent supported education projects. This is not surprising since it is in the interest of corporates to support education. Most recognise that improving the quality of education is more than a human rights issue; it also creates skills that necessary for the economy – and hence businesses – to thrive. In other words, it is good for business.

Investment in education between 2011 and 2014 showed steady growth, receiving 37 per cent of CSI expenditure in 2011, 43 per cent in 2012 and 2013, and 49 per cent in 2014, but this growth has levelled out, with a slight drop to 47 per cent, in 2015.

More than a third of this expenditure goes to maths and science initiatives, usually at FET and tertiary level. Encouragingly, project-level impact is evident in many CSI-supported maths-focused interventions. When impact is examined in the context of a specific programme, its theory of change and what the project is trying to achieve, the majority of CSI-funded projects – particularly at the learner-support level – show some degree of success.

The private sector should thus be encouraged to continue investing in NGOs through their CSI – but should do so in a smarter way. For more efficient and impactful investment with the ability to influence the education system, private funding needs to be allocated in a focused way and aligned with NDP priorities.

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<sup>22</sup> Coalition on Civil Society Resource Mobilisation, 2012, p. 5.

Specifically, the following recommendations are made:

- commit to collaboration and to learning from experience;
- enhance monitoring and evaluation and an evidence-based approach;
- consciously choose focus areas for greatest systemic impact;
- incorporate planning around sustainability, scaling and systemic impact from the start; and
- approach scale and impact in a collaborative way through sustainable partnerships.

Three meta-evaluations that provide vital lessons for the sector in defining the impact of corporate funded education projects are: the Zenex Foundation and Tshikululu Social Investments systematic, long-term meta-research, which looks at the impact of interventions over several years in order to establish what causes long-term impact; the recent evaluation of the Zenex Foundation's programme to improve access (cohorts 2007-12); and JET's evaluation of the RMB Fund's Maths Leadership and Development Programme.

### ***12.3.3 Foreign donors' contribution to funding the NGO sector***

Although international funders are still the largest contributors to the NGO sector, funding arrangements (as previously mentioned) have changed considerably since 1994, with most international funding going through bilateral arrangements. These arrangements, however, do still provide funding opportunities for NGOs. What is required of NGOs to benefit from this funding is a strong partnership with government and an alignment of work with its priorities. Although this may be restrictive, bilateral arrangements do hold greater potential for the work of NGOs to impact the system.

An example of international funding in support of the DBE is provided by the United States government through USAID. The latter's School Capacity & Innovation Programme (SCIP) is designed to improve primary-grade reading outcomes by building teacher-effectiveness and strengthening classroom and school management. The SCIP supports local South African models or interventions to expand, refine and rigorously test their interventions in preparation for broad scale-up at the district, provincial or national level. The programme encourages entities that demonstrate partnerships with like-minded organisations and/or school districts and provincial departments of education. For example, the ELMA Foundation and J.P. Morgan are key strategic partners with USAID in the development, funding and implementation of the SCIP.

A further example of bilateral funding is provided by the Global Fund. A partnership with the South African government through the South African National AIDS Council (SANAC) provides funding in support of the South African National Strategic Plan (NSP) on HIV, STIs and TB (2012-2016). Through this grant, NGOs are able to access funding to assist the DBE in implementing its Young Women and Girls programme.

There are still cases of international funders partnering directly with NGOs in South Africa, but these are few in number. The Swiss South African Cooperation Initiative (SSACCI) is an example of a public-private partnership (PPP) in the area of vocational training between the Swiss Agency for Development and Cooperation (SDC) and Swiss enterprises in South Africa. The partnership in development is aimed at strengthening the public skills training system in South Africa and thereby opening up new pathways to skilled employment for young South Africans.

Since its inception in 2001, SSACI has brought more than R100-million to skills development for South African youths, providing apprenticeships, internships and practical work experience for thousands of

trainees and college students. A long-term goal of the partnership was that the investment would have a systemic impact on South African institutions in the education and training sector. Since the end of the funding cycle in 2014, SSACI has positively influenced national policy on skills training and the provision of public training programmes. For example, workplace experience has been included in core curriculum, and adjustments have been made to the regulations governing apprenticeship training and to government subsidies for such trainings. However, it remains to be seen what the enduring effect is of the systemic changes that have been achieved through this PPP.

#### **12.4 The Cinderella sector: the status of the NGO sector**

The NGO sector is often viewed as the 'Cinderella' sector – neither valued nor respected. There is a perception that if one cannot make it in government or business, one can always join an NGO. In addition, NGOs have very little power, and without a strong, formal voice their position is weakened. The government and funding sectors hold the purse strings and hence also the power. NGOs need to reclaim the power they had pre-1994. Finding a platform for the collective voice and collaborative action of NGOs would be valuable. For example, in the past Sangoco played an important role in this regard.

However, the battle for resources (and egos) is always present and tends to stifle genuine efforts to contribute collectively in the education landscape. The competition for an ever-shrinking pot of donor funds means there are no incentives for NGOs to collaborate. When individual organisations in the sector undervalue the opportunities to collaborate and pool their strengths – and rather 'go it alone' and re-invent the wheel – the opportunity to deliver value is lost. Where it makes sense to create touch-points, this should be done without fear of diluting each individual organisation's contribution.

#### **12.5 Organisational weaknesses**

The current cadre of NGO leaders is aging, requiring an investment in developing new leadership for the sector. Leading a service-provider-type NGO requires one set of skills, whereas leading an NGO that is innovative or entrepreneurial requires another. There is a need to develop the leadership capacity of NGOs in both these areas. Retaining good leaders in the NGO sector is also a challenge. Too often good staff - who acquire their knowledge and skills from the NGO sector - are lost to the government and private sector owing to the more attractive conditions of employment found in the latter.

Weak governance and poor financial and administrative management deters funders from investing in some NGOs. A lack of strategic vision and ability to implement strategy effectively and efficiently, as well as 'mission drift' due to changes in funding priorities, often results in poor delivery.

The situation is made more complex by the comparative shortage of meta-evaluation in the sector, as well as by the lack of scientific rigour and objectivity which is often evident in NGOs' impact evaluations. Evaluation is frequently undertaken without a baseline, counterfactual or control group and, in such instances, it is possible that progress would have occurred anyway and in spite of the intervention. Corporates thus tend to be reluctant to invest in NGOs due to their lack of results or evidence of impact.

#### **12.6 Government-related challenges**

Prior to 2000, NGOs tended to work directly with schools. Post-2000, the state has become more interventionist and it is now desirable for NGOs to work *with* the state. Partnering with the government

is therefore important, but NGOs can risk losing their agency and/or pioneering role by being swallowed up in large government interventions. Furthermore, the bureaucratic nature of government and its unwillingness to embrace change can make it difficult for NGOs to influence policy and policy implementation; what is more, a preoccupation with project delivery results in minimal focus on innovation and experimentation. Poor communication between government partners at national, provincial and district level, along with the lack of a coordinated approach to service delivery, can sometimes result in competing priorities. Moreover, the low capacity of the system itself to absorb good ideas or change (evident, for example, in complex government red tape and requirements) restricts NGO-led innovation.

Heavy reliance on external funds also leads to lack of trust by government, with NGOs sometimes being accused of promoting foreign agendas in view of their source of sustenance. This lack of trust limits effective collaboration between the government (specifically, policy-makers) and NGOs in driving the development agenda. The fragile political environment can make it difficult for NGOs to operate effectively; for example, it is difficult to work in a space that is highly unionised.

### **12.7 Inadequate accountability and associated capacity**

NGO accountability is increasingly important for stakeholders that regulate and fund NGOs, for the beneficiaries of NGO activities or targets of advocacy campaigns, and for NGOs themselves, individually and collectively.

Three key levels of accountability need to be considered: *upward accountability*, to funders and in meeting the formal requirements of applicable regulatory provisions; *downward accountability*, to the people who are being served or the constituency in whose name the rationale for existence is achieved in the first place; and *horizontal accountability* or peer accountability, failure of which can lead to unnecessary duplication, failure to forge the appropriate synergies, and the wastage of resources.<sup>23</sup>

NGOs are facing growing demands to implement accountability tools, processes and institutional mechanisms similar to those of corporates. An assessment of NGO accountability generally covers the following issues:

- the governance of the organisation;
- financial integrity – sources of funds, methods of fundraising, bookkeeping and auditing systems, use of funds, and so on;
- organisational reliability and capacity (policies, process and management systems);
- performance effectiveness (level of benefits and types of impacts experienced by members, targeted beneficiaries or the general public);
- voice/advocacy credibility (veracity, accuracy, authority, fairness and the representative nature of public statements and advocacy campaigns);
- access by stakeholders to information about the organisation; and

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<sup>23</sup> Naidoo, Kumi. *The End of Blind Faith? Civil Society and the Challenge of Accountability, Legitimacy and Transparency*. AccountAbility Forum 2: Special Issue on NGO Accountability and Performance. Sheffield, UK: Greenleaf Publishing Ltd, 2004.



- the organisation's responsiveness to complaints.<sup>24</sup>

Most NGOs will acknowledge that the knowledge and skills required for this level of accountability are lacking.

## **13 Overcoming the challenges**

### **13.1 Increased engagement**

It is a key point in time for both government and the funding sector (CSI, local foundations and international donors) to scrutinise their own engagement with NGOs and come together in the strongest possible way. A broader conversation around how NGOs can be better supported is needed. Trust and respect are critical for collaboration between all three sectors – that is, the government, funders, and NGOs. This necessitates a more transparent approach to engagement, one in which civil society is treated as an equal partner and taken seriously.

Furthermore, increased dialogue between the government and NGOs – along with an acknowledgment that education departments cannot address the immense challenges alone and a recognition of NGOs' expertise – is necessary so that the role of NGOs is not seen as threatening by the government.

There is not much support for promoting a strong participatory culture where NGOs share their expertise and knowledge. The need is to build trusting relationships and focus on areas where there is an openness to experiment.

### **13.2 Capacity-building**

Most NGOs will acknowledge that the internal capacity of their staff, especially in areas such as leadership, financial management, monitoring and evaluation, and project and knowledge management, is less than optimal. However, resources are required for staff development, and the majority of NGOs do not have the necessary discretionary funds for this. Funders should be concerned about capacitating NGOs, given that they have a symbiotic relationship with them: in other words, to a large degree the funding sector depends on the NGO sector to achieve its own mandate and vision.

### **13.3 A stronger and sustainable funding framework**

Funding is an obvious need for NGOs to successfully fulfil their roles. In her paper on NGO funding, Nomalanga Mkhize refers to the quest many funders take for 'the Holy Grail', that is, 'organisations whose social interventions have the potential to show the three big factors – "replicability", "scalability" and "high impact"'.<sup>25</sup> However, funding conditions have a considerable impact on finding 'the Holy Grail'. One- or two-year grants with a focus on quick wins tend to be the norm, resulting at most in political wins, but far more preferable are long-term funding flows for bringing about long-game positive change.

To provide greater financial sustainability in the long term, NGOs should be encouraged to diversify their funding base and work towards a mixed model of income generation. Often a relationship with one

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<sup>24</sup> Nelson, Jane. 2007. 'The Operation of Non-Governmental Organizations (NGOs) in a World of Corporate and Other Codes of Conduct.' *Corporate Social Responsibility Initiative*, Working Paper No. 34. Cambridge, MA: John F. Kennedy School of Government, Harvard University.

<sup>25</sup> NGO Funding Falls into the Trap of Chasing the Big Three, 6 November 2014.

or two funders is established, with the result that the NGO is left high and dry when the relationship ends.

Funding for NGOs needs to be realistic and on a par with that paid to other sectors for the same work. If NGOs are expected to provide professional, high-quality services, they cannot be squeezed to the bone. Government assistance in unlocking resources that might be sitting at school level (for example, transport money for educators to access training opportunities offered by NGOs) can release funding for other activities.

### **13.4 Evidence of impact**

Lack of reliable impact measurement and evaluation means large amounts of grant funding are wasted. A skill set that includes research and M&E for practical implementation is critical to be able to show success. Introducing standards such as social return on investment (SROI) would go a long way towards ensuring accountability and increasing levels of trust and cooperation between NGOs and the state and corporate sectors.

### **13.5 Improved status of the sector**

The 'Cinderella' perception of the NGO sector needs to be addressed. The following are suggestions of how this may be achieved:

- advocate for the work and aspirations of NGOs to be acknowledged, valued and celebrated;
- create a clear vision that people buy into and find ways to accommodate volunteers who share the aspirational vision;
- build optimism and belief that change can happen; and
- develop a platform for the collective voice and agency of NGOs.

## **14 Concluding remarks**

In the paper *The New Social Covenant*, the World Economic Forum speaks of a broken contract between business, government and society:

The social contract that binds us together is broken and social trust is at an all-time low ... Inequality is rife and we are struggling to equitably distribute already limited resources, leaving many people in extreme poverty. A new social covenant between citizens, businesses and governments urgently needs to be designed.<sup>26</sup>

The paper argues that covenants focus on values and trust, making them morally binding, whereas the current contract model is largely transactional. Although covenants will vary from country to country, they will be based on certain universal values, such as the dignity of the human person whatever his or her race, gender, background or beliefs; the importance of promoting the common good that transcends individual interests; and the responsibility for stewardship, with concern not just for ourselves but future generations. Together, these offer a powerful, unifying ideal: valued individuals, committed to one another, and respectful of future generations.

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<sup>26</sup> The World Economic Forum, Global Agenda Council on Values: A New Social Covenant. Davos, Switzerland, January 2016 [http://www3.weforum.org/docs/WEF\\_GAC\\_Values\\_2013.pdf](http://www3.weforum.org/docs/WEF_GAC_Values_2013.pdf)

The NDP, with its unifying vision and framework for action, provides the basis for a new social covenant for the country.<sup>27</sup> This paper has presented the opportunities for the NGO sector, and specifically education NGOs, to contribute to the realisation of the NDP goals, as well as its challenges. It is time for intentional reflection and conversation around a new social covenant that provides a call to collective action for all – civil society, governments and the private sector.

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<sup>27</sup> Annex 2 is an adaptation of the WEF's mapping of the New Social Covenant values against other initiatives, with a focus on the NDP.

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