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THE ROLE OF ACTING AS A BUFFER

The impact SIDA's instructions have on Swedish framework organizations when electing development projects.

Abstract

In 2010 the governmental agency called SIDA, increased the amount of administrative requirements for the election and evaluation of development projects led by their framework organizations. The enforcement of these new instructions has affected the ongoing activities of the framework organizations to various extents. To investigate how these instructions affect the processes of deciding which projects to implement by which partner, two of SIDA's framework organizations were studied. By using a qualitative method to collect data, twelve respondents from both framework organizations, SIDA, the Swedish Ministry for Foreign Affairs as well as Stockholm centre for organizational research, SCORE, were interviewed. From the study it was concluded that the instructions has required the framework organizations to adapt their ongoing procedures to meet the needs of various external groups. By taking the role of acting as a buffer, the framework organizations try to balance the needs of their own members, the partner organizations, as well as SIDA.

Keywords: Legitimacy, Control, Support, Needs and Reality.

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1. Introduction to the thesis

In this section, the area of issue, the purpose of the study as well as the research questions will be presented. In addition to that, the delimitations will be explained and the key terms will be introduced.

1.1 Subject area

The decision of choosing which international partner organizations to cooperate with, but also to fund, commit and engage to, lies in the hands of a few selected Swedish civil society organizations, CSOs. The CSOs that decide which potential partner organization to enter partnership with, are selected by the Swedish international development cooperation agency, SIDA, a governmental agency working on behalf of the Swedish parliament and government 'with the mission to reduce poverty in the world' (SIDA, 2011).

The money provided to SIDA, which is distributed to development projects, is funded by the Swedish taxpayers. As each decision involves actors from all over the world, at various levels of scale in a complex and constantly changing environment, these CSOs are faced with challenging decisions to make. The CSOs which are entitled to perform this task of distributing parts of the Swedish development aid budget to organizations all over the globe are known as SIDA's *framework organizations* (SIDA, 2011*).*

In May 2008, the Swedish government made a new request. The Swedish government asked the Swedish Ministry for Foreign Affairs, to compile a recommended strategy. They were asked to propose a strategy to be used by SIDA in their work of supporting Swedish civil society organizations. A couple of months later the government affirmed the new strategy for the period 2010 until 2014 (Utrikesdepartementet, 2009). The new strategy required more effective follow-ups as well as better monitoring of results. In turn, SIDA then enforced more instructions for the civil society organizations to follow when electing and evaluating different partner organizations and their projects. The enforcement of this new strategy changed the focus on control and follow-ups, at several levels within the development cooperation processes. In this thesis I have

chosen to look at how these new requirements and the increased amount of instructions have affected the Swedish CSOs in their work of electing which partner organization and project to implement.

1.2 Purpose

The investigation of the process of electing which organizations to cooperate with as well as which projects to implement will be done by looking at two well-established Swedish framework organizations; Church of Sweden and Olof Palme International Center. The purpose of this study is to investigate how these framework organizations are *affected,* in the election process, by the contemporary instructions and guidelines enforced by SIDA in 2010. The intention is to look at how these instructions affect the process of deciding which projects to implement by which partner. In addition to that, the focus is also on how the election process, and the decisions which are made then, affect the ongoing work for the frameworks organizations when the projects are operating. In other words, to investigate if there are any future consequences that go hand in hand with some of the decisions made in the election phase.

This investigation will be relevant in order to understand the impact as well as importance of instructions when deciding which organizations to interact with and which projects to implement. By looking at this, I hope to be able to illustrate *why* these instructions are as important, or perhaps not as important, for the organizations.

1.3 Research questions

The aim of the study is to fulfill the above stated purpose, and in order to achieve that, the main question of focus will be as follows:

How are the framework organizations affected by instructions from SIDA, when deciding which organizations to cooperate with and which projects to enforce?

In addition to the main question, the following research questions will help to achieve the purpose of this study:

- To what extent do these instructions affect the election of partner organizations and projects, and why is that?

- If these instructions only affect the work to some extent, then which other elements plays an important role in electing partners and projects?
- Are there any future consequences that go hand in hand with the choices made in the election process due to the usage of these instructions?

In order to understand how organizations are affected by these instructions, it is important to understand the reason for why these exist. This will be done by using institutional theory and in particular the theory regarding 'the audit society'. In addition to that, theories regarding ambiguity in decision-making and organizing will be used to help to explain how other elements might play an important role when electing organizations and projects.

The study focuses on two different organizations that are operating within the same 'arena of issue', both being established framework organizations focusing on development cooperation. Although these organizations have different approaches and different focus, they both follow the same instructions and guidelines from SIDA and are thus influenced by similar external forces. By looking at two organizations, I hope to get more accurate results and a more valid investigation of the importance of these instructions. The amount of employees within these framework organizations that are working in accordance with these instructions, are not unlimited. Therefore I focused my study on two different organizations, in order to get interviews with people that actually have the expertise that I am looking for.

1.4 Delimitations

With multiple actors and interests involved in the process of development cooperation with local organizations from all over the world, there are several perspectives that shape the actual contextual setting in this arena of issue. Having several interesting perspectives available to investigate, it is necessary to narrow the span of focus of this study in order get a more specific investigation, and to reach the purpose of the study. Aspects regarding for example implementation, monitoring and evaluation of these projects, as well as the shaping of these instructions will not be the focus of investigation in this study as it would be unreasonable to achieve investigations of that width during the short time period of this project.

Studying a complex issue with several important aspects to investigate, I have had to choose carefully which aspects to focus on in order to fulfill the purpose of the study and to answer the research questions. In addition to the above mentioned, I want to emphasize that this study will not look in detail at the various types of projects, nor try to map a general decision-making process, as these vary greatly from project to project and from organization to organization. Rather than trying to find general patterns, I will focus on highlighting different phases of the election process that are of great importance in order to understand how the election processes are affected by the instructions set by SIDA.

The focus of the study will hence be on the election of organizations and projects, as well as on possible consequences from decisions made in the election process, occurring when the projects are operating. The study will emphasize these areas, through the framework organizations' point of view.

1. 5 Definitions of key terms

For all useful definitions see appendix A

2. Theoretical framework

In this section, the theories used in this study will be introduced. In order to fulfil the purpose of this study, the theories of main focus in this framework are; institutional theory and its approach towards the audit society, theories regarding ambiguity as well as theories of decision-making processes. To cease this section, former research as well as the possibilities to fill a research gap will be discussed.

In order to understand the decision-making process of the framework organizations, theories of decision-making will be used to get a more detailed analysis. In addition to these, institutional theories, and particularly theories regarding the audit society, will provide a different approach to the usage and importance of these instructions. Moreover, I hope to find explanations as to why the current work of these organizations is shaped the way it is by adding theories regarding ambiguity. With all of these theories I believe that I will be able to investigate how the election-instructions affect these organizations when deciding which project to do, as well as how the decisions made in turn affects the ongoing work of monitoring these, whilst being in process.

2.1 Institutional theory

Institutional theory describes how different organizations are expected to perform in different ways. Expectations that other organizations and actors have regarding for example; which formal as well as informal rules to follow (Eriksson-Zetterquist, 2009), and how to adapt to changes of preferences amongst other actors. There is no fixed definition of the concept, but one commonly used description of the term is, as described by Ronald Jepperson (Eriksson-Zetterquist, 2009, p7); 'the notion of institution can be used in sense of organizing as well as established ways to act. These procedures are often represented to be the fundamental rules of a society, "the rules of the game". These rules are not perceived, nor analyzed to be part of what people are aware of'.

As society is becoming more complex, more rules are emerging and our perception of different types of organizations is changing. The need for organizations to adjust its performance, both to the internal groups' requirements as well to the preferences of the external surrounding, thus

plays an important role in the work of organizations. As Philip Selznick (Eriksson-Zetterquist, 2009, p.50) stated; 'the actual procedures of every organization tend to be molded by action toward those goals which provide operationally relevant solutions for the daily problems of the organization as such'. In other words, he described how all ongoing actions of organizations are not necessary for achieving the main goals of the organization, and that these activities are done to meet the requirements of the surroundings. This important aspect of the institutional theory needs to be more explicitly explained through the concept of *audit society* in order to understand the effect that external forces have when shaping the performance of organizations.

2.2 Audit society

As various actors in society have more and stronger demands, organizations are exposed to what is described as *institutional pressure* by Eriksson-Zetterquist (2009, p.66) and as an *audit explosion* by Michael Power (1997, p.127). These phenomena where actors, and society in general insist to gain more control over the performance of the organizations, has led to requests of more transparent activities, outcomes and results through the usage of various standards, instructions and guidelines. The various organizations follow these requirements to be accountable to society and too maintain their legitimacy (Power, 1997, p.147), which often is necessary in order to get support from stakeholders, in particular (Eriksson-Zetterquist, 2009). The term of audit society is often linked with the idea of new public management. This concept describes how bodies in the public sector adopt practices and methods of how to govern the organization from the private sector, focusing on for example improving the effectiveness and efficiency, as well as the governance of these bodies (Power, 1997).

Together the audit society and the organizations thus create a way to perform, with rules for doing so, and as described by Eriksson-Zetterquist (2009, p.19) 'the creating of this world is completely transparent for them'. The importance of following external rules and goals is hence an emerging aspect in daily life performance, to maintain the legitimacy. Organizations need to demonstrate that they follow the requirements of society, illustrated by Talcott Parsons as 'Institutional patterns defining and regulating limits of commitments to this organization as compared with others in which the same persons and other resource-controllers are involved, patterns which can be generalized on a basis tolerable to the society as a whole' (Eriksson-

Zetterquist, 2009, p.55). Depending on the type of organization it is, the influence of society has varying importance. Organizations that work without the intention of getting profit perform in a rather complex and different reality than regular profit organizations. For organizations that are partly sponsored with tax money, the importance of society thus plays a bigger role (Power, 1997, p.100). To please the expectations and auditing from various actors and society as a whole, organizations strive to work towards a standard, to perform what is considered to be best practice (Power, 1997).

2.3 Ambiguity

To illustrate how to organize in a rather unorganized world, theories of ambiguity play an important role (Sahlin-Andersson, 1989). When organizing difficult projects in complex and dynamic environments, several parties and actors are often required to handle the process in an accurate and efficient way. With various actors, the diversity of experiences and different backgrounds requires a somewhat uniting idea of what is to be done, in order to enable action (Sahlin-Andersson, 1989). As the number of organizations and actors increase, it gets more and more problematic to create for example uniform goals and to allocate power among the actors Sahlin-Andersson continued, and the ambiguity arises when organizations that operate projects in partnership however maintain their 'separate identities' (Sahlin-Andersson, 1989, p12). Ambiguity is described as something that is partly inevitable, and in order to understand the actual processes of organizations, we hence need to understand ambiguity, she added. How each issue is labeled and classified, plays an important part in constituting the conditions as well as determining how the interactions in the processes evolve. The seemingly clear label of the issue might however obscure and conceal ambiguity about what the issue is actually about (Sahlin-Andersson, 1989). As described by Cohen et al (1972), organizations rarely organize themselves around problems, but rather around ideas and expressions.

The concept of ambiguity has often been associated with unorganized and uncontrolled situations with misunderstandings and conflicts of how to perform, and a lot of insecurity among the various actors. Sahlin-Andersson (1992) however provided a different perspective of how ambiguity can be useful when organizing in organizations. She emphasized how ambiguity can provide possibilities for actors to make their own interpretations and run their own interests

within the common frame for the cooperation, the somewhat shared interpretation of what the issue concerns (Sahlin-Andersson, 1989, p18). Ambiguity enables the possibility and flexibility to exploit the present, to be innovative and to use resources effectively. However, she added that *too* much ambiguity could result in uncertainty and conflicts when acting.

In each and every organization, there are various rules of different kinds, such as rules of how to act and rules of what is required of actors in the organization. These rules and roles are there to reduce uncertainty and to support and stabilize the processes. A common way to try to get stability and clarity is through trying to program decision-making processes (Sahlin-Andersson 1989, p22). As seen in well-established organizations, it is difficult to make changes in the processes and to adapt to changing contextual settings due to the many and rigid rules. Rules can however be divided in two main categories, both formal rules and informal rules (Sahlin-Andersson, 1989), where the formal rules are easy to coordinate and adjust when working in partnership with other organizations. The informal ones however, are more difficult to detect and affect, as these often link the actual interpretations, experiences and expectations of the individuals.

Having imprecise and general goals is a way for organizations to handle hidden and implicit conflicts. If the goal is not formulated very precise, there will be a gap for each party to do their own interpretation, to interpret the matter into their own preference which in turn will increase their own commitment to the issue. Some conflicts are however inevitable and impossible to solve, and in order to enable action, then both complexity and ambiguity needs to be clarified (Sahlin-Andersson, 1989).

2.4 Decision-making process

2.4.1 Bounded rationality

When using the rational model of how to make a decision, one follows a step-by-step process starting with having for example clear and consistent preferences that we follow when searching for information. Having the available alternatives in front of us, we then evaluate these in relation to preferences. The actual *choice* takes place through reasoning and looking into facts before we take action. Despite the rational process that this choice model follows, the usage of it

has been questioned by several scholars. James March is one of those who questioned it and suggested alternative ways of illustrating the decision-making processes. March (1978) describes the phenomena of bounded rationality as a more reality-based theory of decision-making than the normative model of perfect rationality. His main argument for questioning the rational model regards the uncertainty, of what he describes as guesses, when making decisions. Guesses about the future consequences of our actions as well as guesses about future preferences for those consequences are hence uncertainties that have to be dealt with, for each decision.

The variety of bounded rationality theories is wide. One of the concepts used within the bounded rationality theory is for example *limited rationality* which emphasizes 'the extent to which individuals and groups simplify a decision problem because of the difficulties of anticipating or considering all alternatives and all information' (March, 1978, p.591). Another example of a bounded rationality is the idea of *contextual rationality* which emphasizes 'the extent to which choice behavior is embedded in a complex of other claims on the attention of actors and other structures of social and cognitive relations' (March, 1978, p.592).

2.4.2 Decision-making arena

Cohen et al (1972, p.1) illustrate organizations as a collection of decision-making processes and ideas, what could be described as 'organized anarchies'. The three main characteristics of these are; first of all, the problematic preferences, being for example inconsistent, endogenous as well as imprecisely defined. Secondly, these organized anarchies are characterized by the unclear technologies, having processes which are not fully understood by the participants themselves. The usage of the principal of trial and error process hence is common, as the actors do not know what the best practice is. Last to mention of the three main characteristics is the fluid participation, which is describes the variation of how much and how long the participating actors are involved in the decision-making process.

The authors (Cohen et al., 1972) further illustrated the model by describing four independent streams that compose the model itself. In order to handle these complex settings of the decision-making arenas, the authors emphasized the need of an interaction of the four different streams in order for a decision to be made. These streams are defined as the flows of participants, problems,

solutions and choice opportunities. The stream of participants highlights the participants which are actually present when decisions are to be made as well as the level of engagement of these. The stream of problems portrays the concerns which people both within and outside the organization have. The stream of solutions comprises all the solutions which exist in the organization, not only solutions to problems but also *possible solutions* to, at the moment, non-existing problems. The fourth stream, of choice opportunities, describes situations where the organizations are expected to produce decisions, being either planned situations or those occurring all of a sudden.

The importance of understanding how various participants interact has been investigated by several scholars. As Baier et al (1986) elaborated, implementing decisions which have been made by one actor and performed by another, might lead to problems when implementing the decision, described as the problem of decoupling. Risks of having different interests as well as competence, can be problematic they argue. What the authors described as the naivety of policymaker (which in the context was interchangeable with the decision makers), can hence result in for example inadequate resources, failure of building a proper administrative organization, too high expectations as well as the failing to consult with affected groups.

2.5 Former Research

Due to the relatively new tendency of managing the framework organizations through results-based management (appendix A), the research within this area is limited. One of the most recent studies performed was however the report provided the Government's survey support, which monitored the framework agreements system. It focused on investigating whether or not the contemporary system imposed by SIDA work in accordance with the strategy imposed by the government. One of the main findings from their evaluation was that the system needs to be simplified as the relationship and reporting system between SIDA and the framework organizations was found to be extensive and complex (Stadskontoret, 2013). In the report, they hence suggested that SIDA propose a simplified model, which interconnects all monitoring management tools in a foreseeable plan for the entire period of contract. In addition to this report, other research from for example SCORE, Stockholm Center for Organizational Research as well as reports from some university students, have been done.

2.6 Research Gap

Although there has been an ongoing trend of looking at results-based management, most actors normally seem to evaluate the usage of this, from the perspective of SIDA. So by providing a report from the perspective of the framework organizations, my intention is to try to capture how these instructions affect the organizations in their daily life activities, their decision-making process, and to see if there are any effects on their overall performance. By providing more empirical evidence into this ongoing evaluation of the usage of results-based management, I hope to be able to contribute to the search of finding suiting management tools used when governing the performance and reporting of these framework organizations.

3. Methodology

The selection of research paradigm, theory of science and method will be discussed in this section of the thesis. In addition to that, the reliability and validity of the study as well as the perceived obstacles will be raised.

3.1 Scientific approach

The decision of how the research should be conducted, led to deciding which of the scientific approaches of positivism or interpretivism to use. The positivism approach takes the point of view of seeing reality is as a phenomenon which exists independently of us. From this perspective, reality is perceived as something that can be measured objectively and something that can be captured through quantitative data. The alternative approach, interpretivism, however emphasizes the idea that social science is formed by studying reality, which exists within us. The idea that subjective and qualitative studies provide the data required to interpret and to understand the social phenomena of focus, goes hand in hand with the interpretist approach (Collis & Hussey, 2009).

In this explorative study, which is performed in a specific and complex contextual setting, the interpretist approach is most suitable. The interpretist perspective tries to *understand* and explain reality from the qualitative data, rather than to explain it through *measuring* the quantitative data collected. Seeing the social reality as something subjective, which is shaped by our own perceptions, makes the interpretist approach suit this study well. The study will therefore explore the qualitative data which reflects reality from the framework organizations point of view, rather than just measuring it (Collis & Hussey, 2009).

With the focus to investigate how these framework organizations are affected by these instructions; an explorative approach has been taken, looking at the phenomena from various points of views within the framework organizations. In addition, the explorative approach was also used in order to get more insight in the arena of issue, interviewing some of the external actors, who influence the election process of potential partner organizations. Taking these

various aspects into consideration, the interpretivism paradigm hence seems suitable for this case study in order to understand the area of issue fully (Collis & Hussey, 2009)

3.2 The interaction between empirical evidence and choice theories.

There are various ways in which the interaction of theories and empirical evidence can form knowledge. The way in which old and well-established theories are used as a frame for the study, comparing empirical evidence to, testing how well the theories actually match reality, is known as *deduction*. What could be seen as the opposite of deduction is called *induction*, where empirical evidence is collected without much foreknowledge of the theoretical frame. This thesis will however take a path where the focus will be place somewhere in the middle of these two. The interaction of deduction and inductions is known as *abduction*, which reflects the process where the collection of empirical evidence is crucial in order to analyze and to submit further questions of research. Once these have been developed, and the theoretical frame is shaped, the process of continuing to find empirical evidence is then possible to proceed (Alvesson & Sköldberg, 1994).

Although this process is considered to be abductive, it leans more towards the inductive end of the scale. When investigating a very complex study area, with multiple actors, laws, levels of scale and problematic considerations which the actors are being faced with on a daily basis, it is therefore necessary to look at what reality is indicating before choosing which theoretical frame to use as a tool.

3.3 Qualitative method

When investigating an issue that involves several actors at various levels of scale such as the local, the national and the global level of scale (Herod, 2009), it is necessary to have a wide knowledge about the topic in order to make an accurate and valid investigation. The qualitative approach is suitable for this thesis, where the contextual setting is dynamic and constantly adapting to various demands and pressures arising both within the organization, *intra-organization*, and between organizations, *inter-organization.* To understand how each element in the process connects to each other and to understand the thoughts and experiences of the various actors in the process, interviews are necessary. The findings from the qualitative investigation

are useful as several different groups that influence the decision-making process, are reached through these interviews. With relatively general and open questions connected to the research questions, the respondents were able to provide their own personal opinion regarding the issue (Kvale, 1997).

3.4 Secondary data

The secondary data consists of official documents from the two organizations of focus; Church of Sweden, (from now on abbreviated to CoS) and Olof Palme international center, (OPC) as well as from SIDA, the Swedish Ministry for Foreign Affairs and the Government's survey support. The internal documents received from the framework organizations mainly focus on the decision-making process of choosing partners organizations as well as documents regarding the core values and ongoing work that is performed. The documents from the remaining institutions provided information about governmental policies, instructions regarding the decision-making process for framework organizations as well as a report from the Government's support survey regarding the current framework agreements for Swedish organizations.

The secondary data provided a solid base when analyzing the interviews, and was also a reliable resource in order to confirm the answers of the respondents. Secondary data regarding the shaping of these instructions provided by SIDA could possibly have been interesting, however as the focus of this thesis is on how these instructions *affect* the decision-making process of these two Swedish organizations, those documents were thus not necessary for this investigation.

3.5 Primary Data: Selection of respondents and performance of interviews

The initial interviews in each organization provided a good overview of how the different organizations operate in general. I was provided with several documents of how the organizations perform as well as documents regarding the election of partner organizations to cooperate with. The first interviews were conducted with the Head of Division South at OPC and with a programme manager as well as one employee working at the information department, at CoS. These were followed by three interviews at OPC. The first one was with their financial controller, the employee that controls the economic performance of the partner organizations. The second interview was with their Monitoring and Evaluation manager, who has the main

contact with SIDA. The final interview was performed with one of the programme managers, who handle the main part of the contact with the partner organizations. These three interviews provided more specific information of how the organization operates. In addition to these interviews, I had one more interview at CoS with their coordinator for development cooperation. This interview further clarified the different processes and interconnected the previous interviews in a logical way.

After these seven interviews, I got in touch with two researchers at SCORE, Stockholm Centre for Organizational Research. Through these, I got the opportunity to get more background knowledge of Swedish 'nonprofit' organizations in general, as well as more knowledge about the linkage of different actors in the processes of development cooperation. These interviews were of great importance as they helped me to get a better understanding of the arena of issue in which the framework organizations are performing.

Through the contacts from SCORE I managed to get my three final interviews, one with SIDA and two interviews with the Ministry for Foreign Affairs. These final interviews provided the background information needed in order to make an accurate investigation and analysis of the election processes performed by the framework organizations of focus. The reason for these additional interviews was thus not to provide additional perspectives, but rather to provide necessary information in order to understand the arena of issue and to make a valid and accurate analysis.

Before the interviews, a set of open yet focused questions were made in order to reach closer to the reality and perspective of the respondent regarding the issue of focus. As most of the questions were open, the respondents could elaborate more on certain issues and less on others depending on their own preferences. The way the respondents put weight on certain issues hence indicated how important certain topics were to the respondent and how engaged they were in different issues. Although the questions were relatively open, the interview itself was relatively managed as it followed a clear red thread. All interviews were *semi structured*, which can be described as flexible however focused. A very useful structure when trying to understand the perspective of the respondent for each phenomena being discussed (Kvale, 1997).

3.6 Reliability, validity and perceived obstacles

The findings from this study will be valid in terms of its accurateness in this contextual and contemporary setting. The validity might therefore change, as changes of the current systems occur. Due to the recent release of the report from the Government's survey support that indicates the need of revising the contemporary system, the current system might change, which in turn could affect the validity of this study. Another important aspect to take into consideration is that it is the knowledge, interpretation and perception of the different respondents that has highly shaped the content of this report. The emphasis on certain aspects hence reflects the various respondents' opinions, in this contextual setting, which is something that is important to keep in mind when drawing conclusions.

As the two framework organizations have internalized the instructions from SIDA to different extents, the empirical findings look relatively different between the organizations, which should be kept in mind when reading. In addition to the differences of performance, my request of having more interviews with CoS was unfortunately declined, so the initial findings will therefore be the base for this study. As the findings from my interviews with CoS could not be confirmed by more respondents, this can in turn thus affect the validity and reliability of the empirical evidence. Although the somewhat unbalanced empirical findings, I however hope to provide a picture that reflects the reality I have been illustrated, through my interviews with the respondents.

Having all of the interviews as well as most of the documents written in Swedish, I have had to translate most of the empirical findings into English. Due to the human factor, there might thus be some shading of words and expressions, which unfortunately, might get lost in translation.

4. Empirical evidence

The empirical section will provide a historical background of the instructions made by SIDA and a brief summary of these in order to introduce the empirical findings from the interviews. A brief description of the framework organizations of focus will then follow before entering the main section about the empirical findings regarding the election process. These processes will be explained by dividing them into different main phases.

4.1 Historical Background

The policy regarding 'Sweden's support to civil society in development countries within Swedish development co-operation', called Pluralism, was decided by the government in 2009. From this policy, the strategy of support through Swedish organizations in the civil society then was decided for the period 2010-2014, explained Sofia Karlsson from the Ministry for Foreign Affairs. It was the first time in history that thematic strategies, within the appropriation item regarding civil society organizations, was made. This as the government wanted more order and clarity on the development cooperation performed and better governance of the work performed in general, explained Tomas Brundin from the Ministry for Foreign Affairs. The main focus and objective of Sweden's support to the civil society in development countries, is a vibrant and pluralistic society in development countries that effectively contributes, with a rights based approach, to reduce poverty in all of its dimensions (Regeringskansliet, 2009).

With the increased focus, from both the government and SIDA, on the effectiveness of the work as well as the cost efficiency of the money used to fund projects, SIDA's role is hence to make sure that the framework organizations work in accordance with the strategy, with the focus on reducing poverty, explained Joacim Carlson, programme manager at SIDA. The emphasis on being representative was indicated throughout all interviews. As pointed out by Anna Sundström, Head of Division South at OPC; 'we as a framework organization are representing the Swedish civil society'. The increased rivalry of tax money is also one contributing factor to the increased importance of following up projects, to look even more at results achievement, as well as evaluating organizations in better ways, Carlson mentioned. SIDA's internal management system

for the interventions is accordingly highly influenced by the importance of relevance, goal achievement and capacity of the different cooperation partners to handle the money provided to them. Having better management tools is therefore important in order to assure that the tax money goes to its intended purpose, in as an effective and efficient way as possible Carlson further explained.

4.1.1 Results-based management

The work done by the framework organizations is highly influenced by what SIDA describes as *results-based management* (appendix A). This strategy has in turn permeated the instructions and guidelines provided to the framework organizations in their ongoing contact and work with the partner organizations from all over the world. Before the instructions provided in 2010, some guidelines and detailed management tools regarding how the cooperation between SIDA and the framework organizations should be performed existed. However, the focus on results-based management was not as strong then as it became in 2010 Carlson explained.

4.2 Application requirements

In the application from the framework organization to SIDA, several elements of information is required such as a results framework as well as solid and thorough systems for planning, carrying out, monitoring, risk management and evaluating the programs. During the ongoing performance of the development cooperation, each framework organization have to follow-up some of the plans and accounts stated in the application, which makes the shaping of the application the platform to compare future performances to (for more information regarding the monitoring phase see appendix B). In order to make the main application requirements more visual, I have made a list of what needs to be included (SIDA, 2010):

- Set goals and expected results.
- An account for how the framework organization aims to assure quality when working towards achieving the set goals.
- Information of how the result-based management of the framework organizations is managed.

- The focus on sustainability is something that SIDA emphasizes, and an account for effectiveness and cost efficiency is hence of great importance.
- Predictability of the programs as well as an accurate budget is also important.

A presentation of the programs, in which the various projects are located, is also required of the framework organization. In that presentation, an integrated analysis of the poverty situation in which the program is operating, should be included. Besides that, a description of the main target audience and actors of relevance to achieve the objectives should be presented as well. Not only goals and expected results are required for all the programs, baseline of the contemporary situation as well as indicators of goal achievements, based on the contemporary situation, are also necessary. In addition to the already mentioned, analyses of identified risks as well as an action plan for these are also expected in the application. SIDA moreover requires an account for sustainability aspects of the programs, including plans of how to phase out the financial support at the end of the project cycle. Last but not least, a budget is asked for in the application (SIDA, 2010).

A presentation of interventions is another required section in the application to SIDA. The interventions that compose the various programs should thus be presented, providing information regarding the geographical boundaries in which they operate within and/or thematic focus and direction they have, information about local partners as well as the total budget. On request from SIDA, the framework organizations also have to provide (SIDA, 2010);

- Information regarding the goals, expected results and indicators for goal achievement.
- Analysis of the capacity of the partners.
- A risk analysis.
- An account for the financial support provided to the partner organization from other actors.
- A detailed budget of the intervention.

4.3 Presentation of the framework organizations

4.3.1 Church of Sweden

With more or less 6.5 million members, CoS is one of the largest CSO in Sweden. With its strong Christian 'value foundation' CoS is part of the world council of churches, the Lutheran World Federation as well as the alliance called ACT, Action by Churches Together (Svenska Kyrkan, n.d). ACT works with long-term development in more than 140 different countries all over the world. The main focus of the alliance is to shape society into a place where justice, peace, dignity and respect for both the environment as well as for us humans. The alliance strives to improve the lives 'the poorest and most vulnerable people in areas of the world with the greatest need for external assistance'. This can be done in various ways, not only directly, but also indirectly, for example influencing decision-makers to take responsibility to protect the human rights (Svenska Kyrkan n.d).

The main focus of the international work performed by CoS is the ambition to shape a world where there is no 'hunger, poverty and suppression'. In order to achieve these goals CoS highlights the importance of building strong confidence and abilities in people, so that they can fight for their rights (Svenska Kyrkan, n.d). Working with countries from all over the world strengthens the knowledge of the national organizations within the ACT, the local expertise and experience hence makes the work efficient (Svenska Kyrkan, n.d). The importance of sustainability permeates the work CoS does. The work focusing on the safety and development of society is thus done in order to protect the people of today as well as creating possibilities for the future generation (Svenska Kyrkan n.d).

All the development cooperation projects that are funded by SIDA goes through the national level of the organization, as Elin Adelmar, coordinator for development cooperation at CoS then clarified, no projects that are funded by SIDA is hence ran by the local parishes.

4.3.2 Olof Palme International Centre

The cooperative body OPC was founded 1992. The organization works with international issues, focusing on democracy, peace as well as human rights, and operates on behalf of the Swedish labor movement. OPC cooperates with organizations from all over the world, such as South

Africa, Palestine, and Burma. The development cooperation projects led by the OPC strive to empower people in order to make a change themselves. OPC's main target groups of focus, are youth, woman as well as grassroots activists. Due to the spread network of the Swedish labour movement, their values are shared with partners from all over the world which facilitates and enables interaction and cooperation internationally (Olof Palme international Center, 2012).

With all its 27 member organizations, OPC covers a large share of Sweden's population (Olof Palme international Center, 2012). Having each member organization (MO) represented in the board, Sundström explained that the work hence is shaped and represented by the members of OPC. The development cooperation performed by OPC is done either directly by OPC or through one of their MOs, Sundström explained.

OPC themselves handle the projects performed by stronger as well as more established partners whereas the MOs run the rest of all the projects performed. Even in the projects that OPC run, they try to involve the MOs as far as possible, Sundström explained. Most of the projects handled by MOs are performed through cooperation with one of the MO's international sister organizations, having with the same ideas and core values as the MO itself, Sundström added.

4.4 The election process: Church of Sweden

In the following sections, the empirical findings from the interviews with the respondents from Church of Sweden will be presented.

4.4.1 The initial stage

Anyone can apply to get their project funded by CoS, however that is not how the process normally starts. In my interview with the programme manager at CoS, Inés Bustamante, I was informed that CoS has a working routine which is utilized in the majority of the cases. It all initially starts with CoS sending out an invitation letter, each year, to either churches which they already know and have developed a relationship with or to developmental organizations that might or might not be related to these churches. With this invitation letter, the potential partner organization receives CoS's guidelines for financial support, which are highly influenced by

SIDA's own guidelines to the framework organizations as well as the core values and main focus of CoS, Sanna Bülow that works at the information department at CoS explained.

The guidelines include application dates, required content of application and reporting, requirements for financial support as well as an overview of the different programs and strategic objectives of CoS. The general contextual description required in the application is highly influenced by the core values of CoS, focusing on for example gender equality as well as how the project relates to the issue of HIV when taking place in areas where HIV is endemic (Guidelines p17). Further, the applicant is informed about the three different perspectives which permeates all work done by CoS, which are; the rights based and gender perspective, the reconciliation perspective as well as the sustainability perspective. CoS also inform the applicant about the five different thematic programs through which CoS has organized all of its international cooperation, such as through Christian Community, faith and life as well as Democracy, Peace and Security (Church of Sweden, 2012, p.10-11). The application itself also provides some mandatory questions regarding for example; the relationship between the project and the context, the risk analysis as well as the required resources and potential problems with these.

4.4.2 Assessment of potential partners

The reason for sending invitations to certain potential partners and not to others, was impossible to give one single explanation to, Bustamante explained. As each and every potential partner has a unique relationship and history that links them to CoS, it is difficult to give *one* valid explanation for sending these invitations, that can be useful for all different cases, she explained. Although there are no clear explanations for choosing to send these invitations to some potential partner rather than others, there are however certain *requirements* that the potential applicants need to meet. When sending the invitation letter CoS makes sure that the potential partners meet the needs of the internal requirements when sending the application, such as the requirement to have matching basic values and principals as CoS and to have a code of conduct which is approved by CoS, Bustamante added. In addition to their own internal requirements, CoS then follows additional evaluation steps, which have been highly influenced by the instructions from SIDA, Bustamante explained.

Each programme manager is provided with a working template, consisting of several optional questions to take into consideration when evaluation applications for partnership (Svenska Kyrkan, 2010). This template consists of questions such as if there has been previous cooperation with the organization, and if so, how successful that was.

The application is then evaluated from how qualified it is, if there are clear indicators, expected results and so on. The indicators can be shaped in various ways. Either by indicating quantitatively measurable results, such as amount of activities performed, or through *qualitative indicators* which are a bit trickier to create, for example measuring changes of attitudes over time, Adelmar explained. She then added; 'generally, I believe that this is something that the entire development cooperation society find difficult'. Bustamante described problematic situation when measuring how many that changed their way of thinking regarding a certain topic after a workshop as one example of the difficulties in shaping qualitative indicators. With the perceived problems regarding formulating accurate and useful indicators, Adelmar explained that there is a risk that one focus too much on results that are possible to measure without *too* much effort. The long-term changes that all involved organizations and actors strive to achieve are often very difficult to phrase and measure. The trend of requiring results, goals and indicators that are possible to measure, in a realistic way, therefor affect the type of projects that are actually being implemented, she added.

In addition to the more general questions, the template consists of various additional questions which should be used as a support when evaluating the applications, however, as stated in the document, one does 'not need to answer all these questions in order for the evaluation to be considered solid' (Svenska Kyrkan, 2010, p.1). Other factors such as the contextual situation as well as the relationship with the partner, normally determine how much weight should be put on certain parts of the evaluation (Svenska Kyrkan, 2010). The criteria which should be evaluated and rated according to the evaluation template are; relevance, feasibility, effectiveness and efficiency, sustainability, forms of co-operation, capacity development and risk (Svenska Kyrkan, 2010):

- The aspect of relevance concerns the relevance of the problem analysis in relation to specified goals of both CoS, the potential partner as well the CSO-goal set by the government, 'to have a lifelong and pluralistic civil society in development countries which contributes effectively, through a rights-based approach, to reduced poverty in all its dimensions' (p2).
- The aspect of feasibility regards whether or not there are conditions and resources to operate and actualize the plans and projects, taking both external as well as internal conditions into consideration.
- Effectiveness and efficiency describes to what extent activities lead to desired outcomes and impacts as well as how cost efficient the performed activities are.
- The section regarding forms of co-operation describes the collaboration between other actors and organizations at all different levels of scale, globally, nationally, regionally and locally.
- Sustainability relates to the strength of the idea itself. Factors such as how much the activities depend on external actors and how well planned it is, are brought up in this section.
- Capacity development relates to the plan as well as the needs for developing capacity throughout the project.
- Last but not least comes the risk, and risk analysis, where for example both internal and external risks are taken into consideration.

4.4.3 Obstacles on the way

With several different categories to control when electing partner organizations, there are can thus be some problematic 'stages' in process. In the interview with Bustamante and Bülow they explained that sometimes the partner organizations perceive parts of these requirements as problematic to fulfill. The knowledge and experience of how to formulate clear goals and indicators of goals vary, Bülow explained. Therefore they need to support some organizations to formulate parts of the application, more than others. Bülow however emphasized that they *support and advice* the organizations, 'rather than govern the organizations' operations'. This important aspect of supporting and advising the partners was emphasized by all respondents,

who highlighted the importance of what they described as *partnership*, throughout the performed projects.

The sometimes problematic initial phase of each project, when the partner organization forms its own goal indicators (appendix A) for each project, was explained thoroughly by the respondents. As these indicators emerge from the *needs assessment* that the partner provide in their application, or occasionally from baseline data that sometimes are provided in the application, different types of assessments are thus made depending on the project, explained Adelmar. There are no general rules for when to use baseline data or when the needs assessment is sufficient, Adelmar explained. However, the baseline data is normally required for projects that have quantitative goal indicators. An initial baseline assessment is then done and the results throughout the project will be compare to this assessment, she explained. The baseline assessment is performed by the partner organizations, Adelmar explained. These organizations can either collect the data themselves, analyze already existing data from statistical reports, or cooperate with other local actors. The initial assessment can sometimes be difficult to perform, for example in disaster contexts where rapid changes constantly obstruct the collection of accurate data. Adelmar explained how CoS during the follow-ups, tries to help the partner organizations when there has been issues to find valid and useful indicators. By asking people; what they have observed, what they are particularly proud of from the project, what changes they have seen, and what the most important thing the project has contributed with is, CoS receives different types of information from different point of views Adelmar emphasized.

Another important aspect, that sometimes can be tricky, is the issue of creating a reliable risk analysis. What is defined as a threat and what is not can sometimes be difficult to determine. Adelmar described that, CoS always have an open dialogue with the partners when formulating these risk analyses. She emphasized the value of the local knowledge when performing a risk analysis, as the partners are the ones who are actually familiar with the local arena, the ones who know what can possibly be a threat or not. There are however threats that sometimes can be forgotten by the partners, or not seen as risks, such as the threats for the local actors, Adelmar explained. The risk analysis itself is performed at what she described as ‘different levels’, as CoS have to provide SIDA with a risk analysis of their own organization, which in turn is

dependent on the risk analysis made by each partner organizations. So the various risk analysis interact, and in the end the one SIDA requires is the one from CoS, their own organization. However, random samples of the quality of the partners' risk analyses can be made by SIDA she explained. This is nevertheless something that happens very rarely.

4.4.4 The final decision

After passing the various requirements, it is time for the final decision of approving the projects or not. The projects that pass all the requirements normally become projects Bustamante and Bülow explained. However, it is not clear that CoS can get enough means for all projects that they want to run, explained Adelmar. When electing project, an advisory group is gathered, analyzing the application and all information provided, and together they make the final decision. The formation of the advisory group varies from project to project. Although it varies, there are nevertheless always three administrative employees present; normally one policy administrative, and often two programme managers which then have the majority of the maintained contact with the partner organizations, Bustamante explained. As highlighted in all of the interviews, CoS emphasize the importance of choosing projects where, as Bülow explained, CoS believes that they can contribute and add value to the work performed by the partner.

4.4.5 As the project goes on

As the partners have been elected and the projects have been approved, the process is in progress. When the projects are in operation, the program managers maintain the contact with the partner organizations. They follow up how the projects are going through Skype, phone calls and emails, described by Adelmar as the *informal contact* with the partners. This kind of contact is contact that exists in excess of the monitoring required by SIDA (appendix B). Depending on which phase the projects are currently at the amount of contact will vary, Adelmar explained. More contact of this kind takes place for example before it is time to hand in reports and before CoS does their annual visits.

As part of the annual monitoring, the framework organizations look up the performance indicators set at the initial stage of the project when applying (SIDA 2010). Helping the partners to adjust the initial indicators to well-working indicators at this later stage, is part of the support

that CoS provides. Adelmar explained that SIDA prefers to get an account of the 'chain of events' for each indicator, rather than just the indicator itself when evaluating the performance. She then described that although the indicators can be adjusted, projects sometimes stick to the initial indicators a bit too long, no matter what, instead of changing these when they appear problematic. As CoS as well as SIDA in turn also have goal indicators for their own organizations, these indicators are interconnected at 'several levels' as Adelmar described it. The way each project formulates its indicators, shapes the indicators of CoS, which in turn affects the indicators of SIDA.

4.5 The election process: Olof Palme International Center

The findings from the four interviews with respondents from Olof Palme International Center will now be presented in the sections below.

4.5.1 The partners OPC aims to reach

Any organization can apply for development cooperation support from OPC, however, more or less all of the actual applications come from those organizations where there has been contact for a long time with either OPC or a MO before the actual application is sent, explained Frida Perjus, program manager at OPC. In that way, OPC has been able to discuss the application with the potential partner beforehand, explained Sundström. Through the MOs well-established global networks and close relationships with sister organizations, as well as OPC's own contacts and local offices in eight different countries around the world, the framework organization has great local knowledge in various regions, she further explained.

In order to be an interesting applicant, the potential partners first of all have to have ideas and values similar to OPC. In addition to that, OPC focuses on supporting projects within chosen thematic areas such as civil participation and trade union community work. OPC strongly emphasizes the importance that the organizations involved in carrying out the project add value to it, as well as the importance that the 'local project organization as well as the final target group(s) are highly involved in the project planning', and that the projects focuses on 'strong local ownership in the project' (Olof Palme International Center, 2011, p.10). As Sundström explain in my interview with her, OPC primarily address member-based organizations where the

target groups have the possibility to affect the project itself, organizations being represented by the target group.

4.5.2 The requirements

OPC has created its own criteria for evaluating potential projects. The criteria is however highly influenced by the guidelines and instructions from SIDA, focusing on relevance, sustainability, feasibility, effectiveness as well as efficiency and risk analysis (Olof Palme International Center, 2010). Sundström explained that OPC is highly affected by SIDA when forming the election processes, she then described the instructions from SIDA as 'clear but wide frames to work within', with the opportunity of choosing which country to operate in as well as which type of project to run. The applications sent to OPC follow, as Anita Fagerberg, financial controller at OPC described it, 'very strict guidelines' of how to do for example the budget.

The applications are sent in by the partner organization and confirmed by the corresponding MO. A big variety of issues are stated in the application, requiring a lot of information from the various actors involved. The partner should present the project and how it is planned to work, and describe the appropriateness of the partner, such as what specific knowledge the partner has, that makes it the most appropriate organization to perform the project (Olof Palme International Center, 2011). To make the main requirements more visual, these will be listed below:

- Several analyses regarding both 'problems and context' as well as 'target group and stakeholders' are required in the application.
- OPC requires an account for objectives, indicators and baselines for the project through what is known as a 'logical framework approach matrix', often used by SIDA when evaluating projects (appendix A).
- OPC also needs 'a method for objective-oriented planning, analysis, assessment, follow-up and evaluation of projects. It is widely used in development cooperation' (p.10).
- Each applicant also *must* include an environmental analysis and action plan, as well as a gender analysis and action plan concerning gender power equality.

- Depending on the project, other mandatory analyses and action plans are required, such as HIV and AIDS action plans and analyses when carrying out projects in sub-Saharan areas for example (p.13).
- The application also requires a lot of information about potential risks, risk of corruption as well as a risk analysis. Where the partner should describe for example identified external as well as internal risks, an action plan for these and the probability for these to occur.

In the Logical framework approach matrix, the applicant needs to 'state the indicators you will use to measure that the project is on track to achieve the objectives/have achieved the objectives' as well as provide *Baseline data,* 'in order to measure the results with the predefined indicators, you need to know the situation of each indicator before the project starts. Describe the situation of each indicator before the project' (Olof Palme International Center, 2011, p.11). Sundström explained that each program as well as project should have baselines data. Collected by either the partner organization or by an external actor, such as a consultant Monica Billgren, Monitoring and Evaluation manager at OPC explained. Perjus explained that, in the application the partner needs to specify objectives of the project which have to match the overall objectives set in the OPC country program. After fulfilling the various requirements, the application ends with sections about the sustainability of results and the plan for monitoring and evaluation. Further, 'a copy of the applicant organization's most recent Annual Report with the accompanying Audit Report' should be enclosed **(**Olof Palme International Center, 2011, p.9).

4.5.3 Perceived problematic requirements

As the knowledge of both partner and member organizations vary, the difficulties in formulating goals and indicator vary as well, where some need more support from OPC than others. Perjus explained that rather than focus on the administrative, 'the partners are more focused on their activities and performance'. As Billgren further exemplified, difficulties in phrasing goals in a way that captures the purpose of the project, such as to mobilize or strengthen the target group, can be difficult for partner organizations to do without the help from either MOs or OPC.

The quite demanding risk analysis can also be tricky to complete for some partner organizations, and then OPC or the MO steps in to help, Perjus explained. The partners often mention larger

risks, such as armed conflicts and corruption, but sometimes leave out risks that are more closely related to the project, she explained. Having country programs, which include all of the projects within that country, each project need to fit in the bigger plan for that country. The overall risk analyses for each programs become useful tools when inspecting the various risk analysis given by each project. The different project risk analyses often correspond to each other well, both at the program level and the project level, Perjus explained. Risk analyses can affect whether or not to expand the support, at a program level, but are on the other hand seldom a reason for rejecting applications she added.

As most of the development cooperation being performed as a side project to the main performance of the MOs, the individuals involved do this on their spare time. Sundström explained that 'solidarity and commitment is what drives these individuals within the MO to do this. How much administrative work can one then demand them to do?' OPC thus attempts to unburden the MOs and partner organizations by giving a lot of administrative support. 'One can say that we are acting as a "buffer"', where the increasing administrative demands from SIDA stays at OPC, rather than being passed along to MOs and partners who cannot always meet the needs of the administrative requirements, Sundström explained.

4.5.4 Choosing project

The projects that pass all the requirements normally become projects. When passing all requirements such as fitting OPCs 'niche' of a specific program, and contributing with positive synergy effects, there are normally only a limited number of organizations left that far in the process, Billgren explained. The final decision of which project to choose runs *fluently*, Perjus explained. The importance of looking at the overall performance, rather than just the results of the projects, is something that all respondents emphasized. When choosing projects the perceived difficulties in creating realistic goals that are 'measurable' also affect which kind of projects to do and which to avoid, Sundström explained.

Although the application process itself screen out projects, an actual acceptance process do however take place. A suggestion of which application to accept is first made by the programme manager, in accordance with other programme managers at OPC. As each programme manager

manage projects within a specific ‘geographical region’, they have good local knowledge of the area and the actors there, which makes it possible for them to make accurate decisions, explained Sundström. After the programme managers have made the suggestions of projects these are then discussed with the Head of that division. A formal acceptance then needs to be done by the management, which normally does not change the proposed choices, Billgren explained.

4.5.5 After the project implementation

After the project has been implemented, OPC then follows the requirements of monitoring the project (appendix B). In the annual report each indicator is followed up, and as Billgren explained, it is quite common that these indicators have to be adjusted when doing the annual review. OPC has contact with both the partners and MOs, via telephone, Skype and email several times each six months when the projects are in progress. This type of contact could be described as OPC’s *unstructured contact*, Sundström explained. Due to the different support required, the need of this unstructured contact varies as well. Good conditions for dialogue with partners and other actors on the local arena are very important for various reasons, she explained, not only to have good relationships with the partners, but also to be able to monitor the other donors and actors on the arena. In other words, to be updated on the local contextual changes, as well as to update the partners about possible changes in the program strategies from OPC, she added.

In addition to the contact handled by OPC, the MOs visit the projects annually as well, and produces a travelling rapport which OPC can use, Perjus explained. All of this maintained contact enables OPC to check results, explained Billgren, and sometimes update for example the activity plan or budget, as it can be difficult to stick to the initial plan for the entire 3 years long project cycle, Perjus added. ‘Sometimes the partner organizations contact me, mostly when problems occur’ Perjus explained, and after the reports or the monitoring, the LFA matrix (appendix A) sometimes needs to be adjusted she added. Perjus described her role as being twofold, being placed in a ‘dilemma’; both being the coach and project leader, as well as the one claiming results.

If contextual settings change for example, then a project might need to change its baseline data, Perjus explained. As for example the quantitative indicators build on the baseline data, these thus

have to change as well. An example of a country where it has been difficult with baselines is Burma. Having activities in remote areas where very few can read and write, one had to ask people face to face about their opinion instead. When asking the participants of some of the preformed workshops, about their opinions, most said they were happy with the results. Perjus explained that 'even if they thought it was bad they would never admit it', as that would be considered to be extremely impolite in their culture. She added that using the LFA has both pros and cons. As it is a relatively new management tool, which is not always perfect to use, she illustrated that it therefore should not be used excessively. In addition to the sometimes problematic quantitative indicators, the qualitative indicators can be difficult to handle as well. The complexity of measuring qualitative indicators requires a lot of time, 'time that could be used to implement activities', Perjus explained. The increased focus on the *impact* of the projects has made it more difficult to formulate realistic goals, that are achievable, Sundström explained.

5. Analysis

This section of the thesis presents the empirical findings which in accordance with the theories of focus can answer the research questions.

5.1 The difficulties of interweaving various decision-making processes

The increased demands from SIDA regarding the election of partners broadened the boundaries of influence in the decision-making processes, leading to increased involvement of higher instances, a phenomenon similar to the changeable decision-making barriers illustrated by Cohen et al (1971). As the requirements increased, the already existing problematic of finding general working procedures that are applicable to most projects and partners, appeared to become even more enhanced as the demand of collecting similar information about each project emerged. Although similar information is required from each project, it can still be very difficult for the framework organization to find a routine, a best practice for the election process, which suits the different projects. The reason for the difficulties in finding a best practice was as explained by Bustamante, a result of the variety of projects, in for example size, location, and in how these are financed.

Another contributing factor to the difficulties in finding a best practice for the election process and its phases, is simply that it is very difficult to foresee the future consequences of a decision. This is a dilemma which all decision-makers are exposed to, according to March (1978). Operating in these complex and complicated environmental settings, it is more or less impossible to be able to predict future consequences of the choices being made today. The framework organizations handle this uncertainty, as seen throughout this study, through basing decisions on previous experiences. As mentioned by Sundström, each programme manager has great knowledge of the geographical area that they are in charge of, as they have experiences of similar projects. Based on that knowledge, the framework organizations can thus see potential in some organizations and projects. Thus, by basing the decisions on previous experiences and intuition, the programme managers feel more secure that they made an accurate decision, as it worked before, in similar situations. The need to maintain some of the old procedures is, as

indicated by the study, important in order for framework organizations to perform with as a little uncertainty of future consequences as possible. As projects varies a lot, the framework organizations need to look at the projects separately rather than following a general procedure.

The procedure of electing the projects through discussing each option with colleagues in the framework organization reduces the risk of single-mindedness. Several actors with different experiences evaluate the possible fit of the applicant before it gets approved, or declined. As illustrated by the respondents from the organizations, the best practice for electing projects, of various kinds, thus emerge from the knowledge, expertise and experience of the programme managers and its colleagues, rather than from instructions given by SIDA, who is not actively participating in the election. As indicated throughout the interviews, the increased strictness in the instructions is perceived to shape the decision-making process of electing projects and how to proceed. All of the respondents illustrated the current situation as a mix of old routines and new requirements, where the framework organizations try to adapt the new ways of working with the already existing ones. The likelihood that the new procedures fit with the initial ones increases, as seen in the study, the more imprecise and flexible these are. This finding of how these instructions affect the performance routines in the framework organizations is consistent with conclusions drawn by Sahlin-Andersson (1989) regarding the usefulness of ambiguity.

5.2 Choosing which preference to follow

Similar to how Cohen et al (1972) described the preferences in unorganized anarchies as problematic, one of the problematic aspects in the usage of these instructions is as seen in this study, the inconsistency in perceived preferences of the election process. The variety of opinions regarding the usage of the instruction spread from Carlson's positive attitude to the sometimes more hesitating attitude from the respondents in the framework organizations. The function of these instructions thus varies in the interlinked decision-making processes, studied in this thesis. What is considered to be best practice and not hence depend on which link in the decision-making chain we are located, and is therfore inconsistent among the various actors influencing the election process.

The mission to ensure that the intended purpose of the strategies decided by the Swedish government is followed affects all the work done by SIDA. The preference for transparency and need for the requested information is, seen from the perspective of SIDA, a crucial aspects which shape the ways in which they act. However, as indicated by the respondents from the organizations, these preferences do not seem to be shared fully by the framework organizations. The emphasis on transparency and detailed information is as highlighted by the respondents, not always considered to be best practice in the work performed by the framework organizations. Being driven by the commitment of the members of the organizations, the framework organizations indicated that they strive to find what they consider to be the best fitting projects, regarding performance, rather than solely focusing on implementing projects where the partner can meet the administrative requirements. Thus, by having clear instructions of what SIDA require, the empirical findings indicate that these instructions limit the possibility for the framework organizations to fully work towards their own preferences, which drives their motivation, will and commitment to make a difference.

5.3 The audit explosion

The framework organizations know what information they are responsible to provide, both to SIDA and the partners. One example of this is the partner visit that OPC does before starting a new project, to ensure that partner know what they are expected to do. Similar to the observations made by Power (1997), the study indicates that when all involved actors follow these instructions, the development cooperation becomes transparent. The responsibility becomes spread to the actors involved, as they all contribute to the information flow. A flow created via the chain of interdependent actors, as they all affect the decision-making processes of electing the partner organizations. The possibility to take the responsibility that one is expected to, can however sometimes be limited by one's own skills and knowledge, as seen in this study where the partners sometimes are unable to produce the information required by SIDA.

The increased focus on providing the right information to SIDA has led to an increased administrative load, which can be exemplified well through the requirements of phrasing objectives, goals and indicators in the way required by SIDA. As Sundström mentioned, the framework organizations have the role of becoming a 'buffer' as SIDA increase the amount of

instructions. The administrative load usually ends up within the framework organizations, as the partners often have difficulties in handling the requirements themselves.

5.4 The need of possibilities to handle the institutional pressure

As indicated by both of the framework organizations, the difficulties in shaping measurable and realistic goals take up a lot of time in the organizations, time that could have been spent on for example implementing activities, as Perjus mentioned. The increased control of the election process and overall performance of these projects has affected, and constrained the goal setting of projects, requiring these to be more measurable and realistic, as respondents illustrated. As indicated by both organizations, there seem to be a risk of excluding some projects that focuses on long-term changes that are difficult to measure the results from. Projects that might be of great importance in order to; 'reduce poverty in all of its dimensions' (Regeringskansliet, 2009). The requirements can thus limit the number of projects focusing on solutions that can be found 'outside the box'.

As seen in this study, all respondents in the framework organizations mentioned the difficulties in shaping and formulating measurable goals. The request of indicators do not only affect the election of projects, but also give side-affects at later stages, such as when monitoring these. As the indicators often need to be updated throughout the project in order to fit both reality and budget, these affect the implementing organizations' ongoing activities. The framework organizations take on a lot of additional administrative load in order to make these indicators useful in their own reports to SIDA. As Adelmar mentioned, some indicators depend on having accurate baseline data. When these indicators have to change throughout the project, new baseline data therefor becomes necessary. The new required data should preferably already have been collected at an initial stage of the project, which makes it difficult to collect when actually discovering the need. The emerging situation thus leads to even more administrative load for the framework organizations.

As indicated by respondents from each of the framework organizations, it is from time to time difficult to fit reality in the format required by SIDA, especially regarding the shaping of goals and indicators. Operating in countries with demanding contextual settings also affect the

possibility for either partners or framework organizations to produce accurate information to be used by SIDA. An example of this is the sometimes problematic aspect of doing a baseline assessment, where the meaning of the information collected can change very quickly. The obstacle is hence not only the administrative load for partners or framework organizations to collect the information required, but it is also the important and sometimes problematic aspect of assuring reliability of the information collected. The lack of sufficient administrative structure of the partner, as well as problematic contextual structures can hence limit the reliability and usefulness of the information provide. With constantly changing contextual settings, the information needs to be constantly updated in order to be accurate, which increases the administrative load even more. The findings found in this study indicate problematic aspects of creating a completely transparent world as described by Eriksson-Zetterquist (2009), as the reality in which the partner organizations operate is not fully transparent and stable. As illustrated in this study, the choice whether to support a partner organization or not lies in the hands of the framework organization. The possibility to focus on the projects which they find most suitable therefore exists, however at the cost of a sometimes weighty administrative load.

5.5 How the bounded rationality influence the election process.

With the enormous amount of actors in the arena of development cooperation, the number of possible solutions to the consisting problems is vast. However, the solutions provide are not always suitable to the all of the various actors' preferences, an idea which is similar to Cohen et al.'s (1972) description of the *stream of solutions*. As indicated through the interviews with the framework organizations, solutions provided by partners often focus a lot on the actual activities that they want to implement, which is a fundamental and necessary element in the development cooperation, to achieve the set goals. The capability to phrase these solutions in the way required by SIDA however varies, as emphasized by for example Bustamante. As the administrative requirements of the partners appear early in the election process, there is a risk of excluding partners that have good ideas, but less administrative capacity, without the administrative help from the framework organizations.

Whether these instructions existed or not, the difficulty in choosing a project that fits the implementing organizations well would still exist. As already mentioned, the framework

organizations base many of their choices on previous experiences as well as intuition. The decision to choose which project to focus on therefore depends on the knowledge of the partner as well as the personal connection and relationship with the partner. As seen in both organizations, all relevant partners in the application process are chosen based on already existing contact and relationships, and thus not influenced by the instructions themselves. The choice of deciding which project to *actually implement* is however affected by SIDA's instructions. The permeating focus on supporting the right projects with the right values and ideas strongly influence the framework organizations. As a result, the framework organizations tries to take on the administrative load for the projects they believe are worth working for, regardless of what administrative capabilities the partners might have.

5.6 Cross-pressure on legitimacy

In order to be legitimate, these framework organizations have to be accountable (Power, 1997). In recent times the focus on legitimacy has been pushed towards the results-based management, which has led to enhanced importance of result as one of the most legitimate factors. Reasoning similar to Selznick (Eriksson-Zetterquist, 2009), these activities and requirements set by SIDA are however not always necessary for achieving the main goals of the framework organizations, but necessary in order to be a legitimate actor, which is accountable for SIDA and the Swedish citizens. Although fulfilling these requirements can give the organizations legitimacy, rules and instructions can nevertheless hinder the legitimacy of decisions made, as the framework organizations gain legitimacy from other groups such as their members as well.

Being member-based organizations, where the commitment from the members and MOs is the engine of the performance, the importance of being legitimate to their own members is hence vast. Due to the emphasized importance of the core values in all work done by CoS and OPC, the loyalty to their own beliefs permeates the work they perform. Similar to the issue described by Eriksson-Zetterquist (2009) the findings of this study correspond well to the idea regarding the importance of balancing the needs of internal and external groups. The framework organizations try to adjust their performance to the requirements and needs of both internal as well as external groups in order to be legitimate to both their members as well as other actors in society that support and finance the work they do. An example of this is the decision to act as what

Sundström described as a buffer, to take the hit of the increased administrative requirements from external actors in order to reduce the load on the implementing actors. By doing so, they can thus ensure that projects which represents their own core values are implemented.

5.7 Adjusting performance to the needs of whom?

The balance between fulfilling both external and internal needs can however become problematic when the external needs become increasingly demanding. In order to meet the needs of both external and internal groups involved in the decision-making process, it is necessary to understand the labeling of the issue. SIDA's illustrated preferences for further clarity and transparency are, as indicated by the respondents, however not always possible for the implementing actors to realize. An example of this, which all respondents in the framework organizations stressed, is the issue regarding the usage and usefulness of the set instructions for the indicators.

In order to fulfill the requirements set for both the election process as well as the monitoring phase when updating the indicators, both the knowledge as well as the possibility to perform is required of the actors. Although rules of how to perform are necessary in order to assure that things are handled in the right way (Sahlin-Andersson, 1989), these can however have a negative effect on the performance if they do not fit with the ongoing work in the organization. The importance of shaping instructions that are what Sundström described as clear but wide hence fits well with Sahlin-Andersson's ideas. Providing clear instructions clarifies what needs to be done, but then the width leaves some gap room regarding how to interpret the implementation. As seen in the study, this gap room was of great importance for the framework organizations, who try to find procedures and processes that best suits their organization, values and overall performance.

The power to influence the procedures has become increasingly centralized. By having SIDA as the founder of these instructions however not the implementer of these, those with the actual knowledge of the local settings have become less influential regarding how the decisions should be made. This occurrence of decoupling (Baier et al., 1986) is as seen in this study an explaining factor to the occasional *dilemma* of being either the coach, or the collector of information.

As seen in the study, the perceived needs for administrative requirements vary vastly between SIDA and the framework organizations**.** Due to the variety of needs in this interconnected decision-making chain, representatives on different levels identify different possibilities for improvement of the ongoing procedures. An example of this is the issue of whether shaping indicators according to certain criteria is improving the projects and its procedures or not.

Similar to phenomenon discussed by Sahlin-Andersson (1989), this study indicates that by having some gap and ambiguity in the instructions set by SIDA, these have been be more accepted by the framework organizations and the members who engage in the work performed by these. The possibility to interpret the matter to their own preference also enables the work to actually be done, making members and local actors feel that they actually can participate and contribute with their expertise and knowledge. Not only by making the members and staff of the framework organizations more committed to the development cooperation, but to also motivate the partners, who have the actual capability of performing the projects. This gap room is therefore of great importance. Thus, the ambiguity makes actors more committed to the issue, which in turn enables OPC and CoS to continue to produce solutions in partnership with the local actors.

The flexibility and space to make own interpretations and to adapt the process to reality, comes with the width and gap that exists in the instructions (Sahlin-Andersson 1989). As indicated by this study, the more decisions can be shaped by the framework organizations themselves, the closer to the actual arena the decision making process gets and better control and follow-ups can be made. An important example of this is once again the importance having well-functioning relationships with the partners, which is, as emphasized by Sundström, necessary in order to get a rapid feedback of the changes that are occurring in partner organizations as well as in the contextual settings. Having good relationships is more likely to be successful the closer the relationship is, and the more confidence the partners and the framework organizations have. By avoiding what Perjus described as the ‘dilemma’, and to rather focus more on being the coach than being the collector of detailed information, the relationship could hence become even stronger.

In order for the performance of these framework organizations to work, and fit reality, rules how to perform plays an important role. Similar to Sahlin-Andersson's (1989) ideas regarding the need of ambiguity for the survival of some already present rules, the study indicates the need of having some flexibility in the instructions in order to maintain some of the already existing rules. An important aspect of the ambiguity in these instructions, concerns the allocation of who should do what. As the process involves several actors, the requirements of for example shaping the indicators can thus be done either solely by the partners, through help from the framework organizations or if possible with help from MOs. It is therefore up to the framework organizations to decide how they believe they should fulfill the instructions. Hence, depending on which actor who will perform the task, the cost of time and administrative load on the various actors will vary.

As these framework organizations are not profit driven, the staff is thus very limited to perform only administrative tasks that are *necessary*. The size and allocation of the administrative requirements play an important role in the development cooperation performed. As illustrated in this study, the need of ambiguity in the instructions is crucial in order for the development cooperation to function, a finding which is similar to some of the ideas and issues illustrated by Sahlin-Andersson (1989) in her studies of managing bigger projects.

6. Conclusion

This study has focused on the effects instructions provided by SIDA have on the Swedish framework organizations when deciding which project and partner organization to cooperate with. Operating in a complex and dynamic environment, with a lot of different actors involved in the decision-making process of electing which partner organization to choose, all actors have their own individual interests. The importance and meaning of the project will therefore vary depending on whom one asks. Due to the variety of preferences, the election process itself can be seen to consist of several small projects, with different interests, focuses and goals.

The increased influence of external actors has in recent years led to an increased administrative load for both the partner organizations as well as the framework organizations in order for them to be considered legitimate to the Swedish taxpayers, who finance their work. As external control instruments have become internalized in the work procedures, inevitable for the framework organizations to ignore, the importance of the administrative parts in the decision-making processes for these CSOs has therefore become emphasized.

The study indicates that the framework organizations themselves are more, or less, influenced by the requirements, depending on which aspect in the election process one looks at. For instance, the requirements have *less* impact in the initial phase, as the framework organizations only consider applications from organizations that they are already familiar with. The requirements therefore only limit the amount of participants which the framework organizations already have considered to enter partnership with rather than screen out possible alternatives. On the other hand, the requirements affect other phases of the working procedures *more*. The requirements regarding the goal setting and indicators are perceived as something problematic according to the respondents, not only in the election process but also in the later stages. The need to update the indicators requires a lot of administrative work, both from the partners as well as the framework.

A seen in this study, the need to be legitimate both external and internal actors, is something that is of great importance for the framework organizations. By keeping actors both within the framework organizations as well as the partner organizations committed and engaged, the

framework organizations try to lead and guide these projects in a way that they believe will improve the current situation of the target groups as much as possible. The need for flexibility in the instructions provided by SIDA is hence a crucial aspect in the usage of these, as it leaves some space for the framework organizations to coordinate the task of fulfilling both the external requirements, as well as the needs of the various actors involved in the actual election of partners and projects. Thus, by being able to place the administrative requirements on actors that they find most suitable, the framework organizations can often manage to elect projects that they consider most appealing, however, at a high administrative cost.

This study shows that, it is not only necessary to have instructions that enable the framework organizations to allocate the administrative requirements on the most suitable actor. The flexibility of these is also necessary in order to have good conditions to communicate and maintain the important relationships with the various partners. The need of getting both local expertise from the partners as well as a rapid and useful feedback, play a crucial role in the development projects. As indicated by the study, the framework organizations therefore work to attain good relationships with the implementing actors, despite the administrative requirements which sometimes place the programme managers in a twofold position. Additionally, the flexibility of these instructions is important in order for the framework organizations to employ the crucial aspects of knowledge and previous experience within the framework organization, to the operating procedures.

Given the method used in this study, and given the respondents' replies to the questions, it can be concluded that the purpose of the system itself is not to be questioned. Emphasize should rather be held on the importance of shaping an information system that can handle the imprecise and dynamic decision structures and the limitations of reality. The attempts to capture reality through procedures that fit all projects, as well as through measurable indicators and realistic goals, can as seen in this study sometimes be quite problematic obstacles that shape the reality in which the framework organizations perform.

6.1 Contribution to knowledge and generalization

The results from this study can be applied to a relatively wide range of conditions and issues, as the increased influence from the audit society tend to affect the performance of civil society organizations more and more (Power 1997). Hence, the need to adapt the auditing systems to the arena of issue, and its complexities and limiting factors, is important in order for these evaluations to be successful in future uses.

By examining some of the problematic aspects found in this study, I hope to emphasize the need of finding systems which match the different needs and objectives of both the audit society as well as the implementing actors. This problematic issue is of great importance in all kinds of industries and fields of studies. Hence, by doing this study I hope to have provided further empirical findings and evidence to the research of how the enforcement of strict management tools can affect the implementing organizations.

6.2 Suggestions for further research

Further research in the area of the development cooperation is necessary in order to find ways to further improve already existing systems. I believe that by investigating how the partner organizations perceive these strict management tools imposed by SIDA, a more accurate and valid evaluation of the current system could be performed. In order to map both the positive as well as the negative aspects of these instructions, several aspects in the entire process of development cooperation need to be taken into consideration. Thus, the implementation stage as well as the monitoring and evaluation processes could also be further studied both from the framework organizations as well as the partner organizations point of view. To reach a more in-depth and accurate picture of the complex reality in which these framework organizations perform.

Another possible study of interest could perhaps be to investigate the shaping of these instructions decided by SIDA. In order to explore possibilities to further adapt these instructions to the ongoing performance of the organizations, it is necessary to investigate how much influence the actors involved in the implementation of the instructions have in the process of shaping these.

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7.1 Primary Interviews

Church of Sweden

Sanna Bülow 2013-02-18

Elin Adelmar 2013-03-05

Inés Bustamante 2013-02-18

Olof Palme International Center

Anita Fagerberg 2013-02-21

Anna Sundström 2013-02-21

Monica Billgren 2013-02-25

Frida Perjus 2013-03-04

SCORE

Ola Segnestam-Larsson 2013-03-07

Janet Vähämäki 2013-03-14

Ministry for Foreign Affairs

Tomas Brundin 2013-03-19

Sofia Karlsson 2013-03-20

SIDA

Joacim Carlson 2013-03-15

Appendix A: Key terms

Results-based management (RBM)

'A management strategy focusing on performance and achievement of outputs, outcomes and impacts. *Note: An orientation towards outcomes and impacts (rather than outputs) is often regarded as the distinctive feature of RBM. RBM is also said to be a management strategy that seeks to adopt a client and/ or target group perspective' (SIDA, 2007 p.27-28).

Indicator

'Quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development actor. *Note: An indicator can also be a measure of an aspect or dimension of change that is unrelated to any particular policy, programme, or project. Governments use social and economic indicators to monitor national developments, and international organisations use indicators in the same way to monitor change regionally and globally' (SIDA, 2007, p.39).

Performance indicator

'A variable that allows the verification of changes in the development intervention or shows results relative to what was planned' (SIDA, 2007 p.44).

Logical framework (Logframe)

'Management tool used to improve the design of interventions, most often at the project level. It involves identifying strategic elements (inputs, outputs, outcomes, impact) and their causal relationships, indicators, and the assumptions or risks that may influence success and failure. It thus facilitates planning, execution and evaluation of a development intervention. Related term: Results based management' (SIDA, 2007 p.40).

Appendix B: Monitoring processes

SIDA's requirements: Monitoring

SIDA have provided the framework organizations with guidelines and criteria regarding the annual financial report and revision. The main idea of these are to annually compare the actual outcome with the budgets made and to follow up the distribution of the funding by looking at how the money has been distributed among various actors. The framework organization and the partner organizations are also required to provide a risk analysis for the current work being performed. SIDA then requires and accountant to control the financial report made financial, both at a local level, checking the partner reports as well as at a national level, looking at the report sent by the framework organization (SIDA, 2010).

Monitoring CoS

A programme manager from CoS normally visits each project once a year, explained Adelmar. In addition to these visits, *formal rapports* are also sent to CoS from the partners. Depending on the partner and project these are sent either quarterly, semiannually, or yearly. Depending on the type of report, different requirements form the final shape of the report. For example, the annual report is normally the report with most requirements, and it is always checked by an external accountant. As the projects are so different from one another, 'some being integrated with several other projects, some being specific' it is difficult to have and standardized approach to how the monitoring should be in all cases, explained Bustamante. Principles of how to monitor exist (Svenska Kyrkan, 2012), however the way of using these depend a lot on the project itself, as these principles are very general, Bustamante further explained.

Monitoring OPC

OPC sends one of their programme managers to visit the project once a year. A standard procedure made for all projects, Billgren explained. When visiting the partners OPC uses a monitoring template (Olof Palme International Center, 2011) in order to create a 'project progress report'. A form which is more or less checking the same issues that were stated in the initial application, such as carried out activities, goal fulfillment, nondiscrimination as well as a check up on the risk matrix. In addition, each partner gets a visit from a financial controller, who

performs a financial monitoring at least one time each 3 years long project cycle. The financial controller inspect the partners' financial system thoroughly, in order to assure that their financial systems are good enough explained Fagerberg. It has been a great job to make the MOs 'understand that OPC need to have control over their partners' as OPC is following the guidelines provided by SIDA, she added. When OPC find some problems within the partner organization, they help to correct and support. The support for financial systems actually starts even before the project starts, as OPC always visit the organizations and procure their own local accountant. This visit is done to provide more security to OPC, Fagerberg explained. Some of the projects are financed by several organizations all over the world. Those partners therefore have several guidelines to follow regarding how to finance the money. OPC tries to help these partners to handle the heavy administrative load, by monitoring these partners, as well as providing and external accountant, explained Fagerberg. In addition to the visits the partners send a report as well as a short economic report, every 6 months, and after that the annual report is sent six months later, she added. All of the respondents from OPC explained that when monitoring the projects OPC can check that their core values and principal are being followed, as well as that the economic performance within the organization meets the needs of OPC. The monitoring is performed for OPC and its own good. However, it contains information which they in turn will report to SIDA, such as info regarding outputs, results and how the target group have been affected, Perjus explained.