

Let us fund civil society organizations for the long haul

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Most donors' horizons of time and their roles have narrowed over the past two-three decades, with some notable exceptions. An unreal expectation of having strong civil society organizations (CSOs) without supporting their overheads, which I wrote about in my last column, is one manifestation of this narrowing. The other is a reluctance to commit long-term funding.

These few columns are about the actions of donors and what they should be careful with, since the CSO landscape is profoundly shaped by what they do. Much of what we have learnt is based on our own experience and mistakes as a large donor, as also from what we have observed in the behaviour of the donor ecosystem and its effects on CSOs, a phrase that includes non-governmental organizations (NGOs), community-based organizations (CBOs) and other kinds of not-for-profit organizations working for societal improvement and helping the vulnerable.

Three decades ago, many donors would readily consider giving CSOs corpus grants or long-term grants of 7-10 years' duration. Today many CSR donors are giving 1-year grants, while 3-year grants are usual across different kinds of donors. Longer duration grants are exceptions, with only a few philanthropic foundations committed to these.

This shortening of the time horizon from the long- to short-term is fundamentally at odds with the work of CSOs, which is broadly of two kinds. First, to build and run institutions that serve a community in some way; for example, orphanages or shelters for the homeless, institutions that support women's collectives, and (commonly seen) health centres and schools for those in poverty. Second, interventions to improve something in communities; for example, livelihoods of small farmers, environmental sustainability, access to entitlements such as ration cards or livelihood from forests, and the functioning of rural panchayats. Short-term funding from donors is at odds with both kinds of work.

This would be obvious in the case of institutional kind of work. Institutions will continue to run and do their work to support communities. They won't stop. In fact, we won't want them to stop till there's a need to. So, they need continual financial support—as long as the community needs the help provided—over a span that is usually so long that for all practical purposes, it is in perpetuity.

The intervention kind of work usually takes 5 years, and often 7, to make any notable difference even at the modest scale of few villages or urban communities. Why is that so? For many reasons, including the time taken to mobilize a CSO team with adequate

capacity, gain the trust of communities, develop a shared understanding of the specifics and complexity of the issue to be taken up, enable the first few changes, tackle inevitable resistance, spread those changes, sustain them through cycles of disillusionment and failure, and more. Changes in human behaviour and communities are very slow processes that are neither predictable nor bereft of unintended consequences and complications. From our observation of hundreds of such projects, 5 years is the shortest time frame to make any real difference with well managed interventions.

Even in the intervention kind of work, unless institutional support for changes in the community are retained, over time the improvements can be washed away or diluted by other forces at work. Change that is permanent or sustainable without consistent support is a myth that has emerged mostly from wishful donors. But this is a matter for another column in this series. For the purpose of this one, it is sufficient to note that short-term grant commitments from donors to CSOs are at odds with the fundamental nature of their work. This has many harmful implications.

At its core, it leads to significant uncertainty. The work requires committed funding for 5 years or more, but the CSO often has it only for 3. This uncertainty affects the work directly, since it has an impact on the stability of the teams on the ground, the approach and design of the work, the activities undertaken, and so on the quality of work. The leadership of the organization scrambles to raise funds instead of focusing on real work; often more than half the leadership's time is spent on fund raising. Imagine that for an orphanage, shelter for the homeless or anything of that sort—what a misuse of the leadership's time.

Even more insidiously, these shorter time frames push CSOs to often focus on what they can 'show' in that period to the donor, rather than what is actually required. Cumulatively this kind of short-termism has been weakening CSOs and pushing their work towards the superficial and shallow.

All donors need and demand to see the progress of work and its quality, and then extend funds on that basis. This is entirely justified and understandable. But the same can be achieved by committing long-term funds, for say 7 years, with the completely reasonable expectation that such financial support is contingent on satisfactory progress. In practice, this may not be difficult for many donors because they usually renew their grants after the initial funding period.

Such a shift by a large number of donors will have a deep impact on the CSO ecosystem—on the quality of work, because it will then be designed and executed with realistic time-frames, enabling work that is truly required, and also on the quality of organizations, making them stronger and helping them develop greater capacity. This change requires only a change in perspective, but often that is the hardest thing to do. My next column will have something on that.

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