

# Summary paper to

# The impact of decentralised service delivery on beneficiaries in the non-profit sector; an INGO subsidiary perspective.

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## Context

International non-governmental organisations (INGOs) are increasingly finding themselves under criticism for their interaction with their Southern counterparts (i.e. field offices based in the developing world); from lacking legitimacy, having structures of top-down rather than bottom-up and dependence rather than autonomy. INGOs are now adopting and considering a more decentralised approach in devolving power and responsibility to their local offices, in order to create more sustainable impacts through empowerment of local NGOs. However, very little is known about its impact on service outcomes whereas previous literature discusses what decentralisation is for an INGO and how it is structured. This paper aims to provide an analysis of the impact that decentralisation has on the delivery and performance of an INGOs core services to its beneficiaries. Proximity is a key idea reoccurring throughout this paper and the importance of having a regional office, in terms of timely decision making, providing support to national local NGOs

## Aims

This study centres around three main research questions:

1) Is regionalisation a strategy that INGOs can use to improve service delivery to their beneficiaries?

2) To what extent does a regionalisation approach improve the performance of an INGO subsidiary compared to its previously centralised approach?

3) What has been the impact of regionalisation for an INGO subsidiary with particular emphasis on service delivery to its beneficiaries as a key indicator?

## Findings

- Findings suggest that although decentralisation led to improved performance, this was
  not so conclusive for impact on service delivery. There is increased funding
  opportunities and a speeding up of funding process such as access, decision making
  and administrative performance. By having a regional office team in the area with local
  experts meant that the country offices were able to more quickly and easily access
  support and decision makers to enable them to get on with the implementation of
  delivering services to their beneficiaries.
- Analysis of documents and confirmation from a number of interviews stressed that the cost of the regional office was expected to be higher initially. But it seems like there was not enough analysis as to how much investment it would require initially and for how long before it (HQ) expects to see that cost saving from moving operations closer to field. But it seems like there was not enough analysis as to how long before it (HQ) expects to see that cost saving from moving operations closer to field. But it seems like there was not enough analysis as to how much investment it would require initially and for how long before it (HQ) expects to see that cost saving from moving operations closer to field.

- Issues were raised in regard to the delegation of some functions whereby they merely added 'another management layer'; decentralisation approaches that decentralise tasks without any substantive authority just 'adds a layer of bureaucracy' without significant gains.
- It also raises the issue of how regionalisation can contribute to improved performance in some areas particularly where support is easily and readily available, and having a regionalised office can contribute to positive impact on service delivery due to the proximity to all its stakeholders and the added value of a representative presence in the region.
- Although this study was not as conclusive with regards to impact, it found that aspects of 'improved livelihoods', such as more effective micro-finance services and livestock projects, were also evident as expressed by the beneficiaries interviewed.
- The findings presented are based on short term results whereas a long-term approach needs to be considered for outcomes and impact to be realised. The research does provide both insight into people's own experiences and a platform for much needed systematic enquiry.
- There is a clear need for decision makers and stakeholders to communicate directly rather than through paper review. There also needs to be clear support financially and capacity-wise from HQ to commit to regionalisation and for there to be a balance of power in which the regional office becomes the technology hub supporting country offices where the HQ takes on the high levels functions of finance and HR.
- Regionalisation is context specific, although it has worked in the East Africa office it cannot be a consensus for other regions. Each region needs to be studied specifically and independently.

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