

## A Study on Organizational Building of Cambodian Development-Oriented NGOs:

### A Focus on Determinants of Capacity-Building and Project Success

NGIN Chanrith \*

#### Abstract

Based on the analysis of empirical results of a questionnaire survey conducted with thirty Cambodian development-oriented NGOs engaging in diverse program activities, this paper identifies that success and effectiveness of grassroots projects of Cambodian development-oriented NGOs essentially relies on adequate financial resources and competent human resources, plus strong organizational leadership and networking with other NGOs. Moreover, organizations that concentrate on a small number of program areas and projects prove to be effective and capacitated. These findings indicate that Cambodian development-oriented NGOs place a heavy emphasis on financial and human resources, leadership and networking rather than on other components which also enumerate project success ( i.e. organizational structure, commitment of project staff, and other integral elements of external environment ) However, a review of the weakest determinants of project success and capacity indicates there are the least prioritized areas for improvement, mirroring the typical organizational limitations of Cambodian development-oriented NGOs: strong male domination, weak knowledge and application of gender and participation concepts and analysis, imprecise organizational philosophy, and leader-driven and hierarchical management.

The analysis additionally unveils that to increase grassroots project success, Cambodian development NGOs need to improve not only the budget base and human capacities but organizational structure ( i.e. an organizational vision, mission and strategies; gender allocation in staffing; and decision-making processes ) and beneficiary involvement as well. In this sense, it is emphasized that the most-needed-to-improve capacities for Cambodian development-oriented NGOs are in the area of eradicating these weak aspects of organizational characteristics.

The paper therefore concludes that Cambodian NGOs' capacity-building must be based on development of their organizations, in addition to two fundamental conditions for their capacity-building: financial and human resource improvements.

---

\* Doctoral Student, GSID, Nagoya University. This work is drawn upon the author's Master's thesis. The author gratefully acknowledges critical review of the earlier manuscript by prof. WAKABAYASHI Mitsuru and guiding comments by two anonymous referees.

## I. Introduction

The role of non-governmental organizations ( NGOs ) in lessening the grassroots poverty level has become increasingly important in development arena ( UNDP, 1997; Paul, 1999 ). This growing centrality of NGO involvement has seen the rising number of NGOs and amount of assistance channeled to or through them worldwide ( Paul, 1996; Simmons, 1998; World Bank, 2000 ) Meanwhile, as development issues become more globally concerned and complex, NGOs have been demanded to enhance their capabilities to scale up ‘sustainable development impact’ at the grassroots level ( Edwards & Hulme, 1996; ICFEB, 1998 ) They have been called for better organizational and program accountability so that the NGOs’ impact at the grassroots project level can be maximized and sustained. Therefore, the discipline of NGO capacity-building is of utmost significance, if NGOs are to play a more effective role to stop the process of global pauperization.

In the current development context of Cambodia, roles to be played by NGOs are no exception to the universal trend. As the development focus of the nation shifts from the fulfillment of immediate human needs to pursuing medium- and long-range objectives, international NGOs have re-directed their primary mission from providing emergency/relief assistance to implementing grassroots development programs commonly known as community development. In this changing environment, Cambodian NGOs are hence required to enhance their organizational capacities in order to be effective and relevant in working together with international organizations and NGOs and also with the national government for eradicating grassroots poverty in their country.

Consequently, international NGOs and donor agencies as well as the national government have recognized the importance of capacity-building of Cambodian NGOs and have been providing a variety of capacity-building assistance to them. As a report asserts, “Strengthening local NGOs will help to create an enabling environment for the development of constructive and feasible alternative socio-economic policies. This is seen as an essential step towards the alleviation of poverty and social integration. Therefore, the current emphasis on supporting local NGOs is to be encouraged” ( CCC, 1995, qtd in Kung, 1997 : 58 )

However, although local NGO capacity-building is currently active among the development community in Cambodia, there is no concrete model of organizational efficiency for Cambodian developmental NGOs designed to meet specific needs of the local community, since they have arrived so recently on the development scene. To fill the gap, this study attempts to identify prominent determinants of grassroots project success and main capacity-building needs of Cambodian development-oriented NGOs. To be specific, it aims at finding out: ( 1 ) what factors primarily make their grassroots projects successful; and ( 2 ) what are important areas of existing capacity which they need to improve in order to increase the level of project success.

To accomplish the afore-stipulated objectives, this paper commences by outlining a conceptual framework which incorporates eminent attributes of NGO effectiveness or grassroots project success. Then, the paper discusses empirical findings of a questionnaire survey designated based on the conceptual framework of NGO effectiveness, and conducted with thirty Cambodian development-focused NGOs randomly selected from a list of NGOs engaging in various program activities in Cambodia.

## II. Conceptual Framework

In business literature, indicators of success of the business organization are typically assessed against the profit it gains. But what makes NGOs become effective and efficient, as their work is not driven by the profit motive? It is widely accepted that the non-profit sector has not yet developed its own theoretical framework of management, because of the fact that they do not possess a 'bottom-line' against which to measure success; organizational standards of performance simply do not exist. Contrary to the corporate sector, NGOs often promote vague and non-quantifiable objectives such as improving human rights, protecting the environment, or advocating democracy. To be more specific, the primary objective of non-profit organizations is to change the quality aspects of the human life or transform societies, thus making assessment of effectiveness extremely difficult. As Fowler ( 1997 : 172 ) points out, "Establishing performance criteria for non-profits and then using them for comparative purposes is a conceptual and practical headache."

NGO capacity-building is tied up with indicators of organizational effectiveness or project success ( Eade, 1997 ) In other words, capacity of an NGO should be constructed against indicators the NGO lacks or is weak in. Since NGOs greatly vary within themselves and within different development contexts, as stated above there is no formal consensus on 'standardized' determinants of organizational effectiveness or project success, particularly of NGO development activities with grassroots people. Therefore, assessing the NGO capacity or project performance should be done based on the particular context of individual NGOs and their project activities ( Kanter, 1979; Drucker, 1993, qtd. in Fowler, 1997 : 172 )

The extensive literature review ( i.e. Kaplan, 1999; Fowler, 1997; Riddell et al., 1997; Steckel & Lehman, 1997; Riddell & Robinson, 1995; Anheier & Cunningham, 1994; Smillie & Helmich, 1993; Cyert, 1988 ) finds some relative consistency between main factors which determine NGO effectiveness or development project success. The main factors emphasized can be grouped into six broad categories: ( 1 ) *sufficient financial resources*, ( 2 ) *competent skills and capabilities of staff and management*, ( 3 ) *strong leadership of the organization*, ( 4 ) *commitment of project staff*, ( 5 ) *favorable external environment*, and ( 6 ) *appropriate organizational structure*. Each attribute is discussed in details as follows:

## A Study on Organizational Building of Cambodian Development-Oriented NGOs:

### 1. Sufficient Financial Resources

NGOs are distinct from governments and businesses in the way they raise funds for their work and for their own organizational viability because their work with poor people does not generate income or compensate for their operational costs. Therefore, to survive, an effective NGO must gather enough financial resources required to execute their development projects with grassroots people (Fowler, 1997 : 129) Without an appropriate level of financial resources, an NGO is, in an important sense, incapacitated (Kaplan, 1999 : 20) Shortage of funds is an impediment to further project success and impact (Riddell et al., 1997 : 42) To conclude, a successful NGO has a strong budget base.

### 2. Competent Skills and Capabilities of Staff and Management

There is a common agreement that skills and capabilities of staff and management are the core of an NGO for ensuring project success. Skills of the people in the organization executing the project relate significantly to project success (Riddell et al., 1997 : 38) It is self-evident that it is very difficult to implement a project without the necessary skills, and “by implication the more complex the intervention being attempted the greater is the need to ensure that staff are adequately qualified” (Riddell et al., 1997 : 38) Riddell et al. also disclose that when NGO development project failure occurs, this often associates with NGOs switching from emergency to development work without adequate skills or sufficient training. As well, this happens to generalist NGOs trying to carry out a number of projects without enough skills or training.

While competencies of NGO staff are necessary in doing development work, the ability of leaders/managers to recognize and utilize competent staff in an effective way cannot be excluded from the strong characteristics of successful NGOs (Fowler, 1997) Fowler (1997 : 74) iterates that, “Of all the factors which make up an organization, leadership and management are often considered to be the most important for effectiveness and viability.”

Most common skills and capabilities of staff and management existing in effective NGOs are found to be: *technical skills, human resources management, administration, strategic planning, financial planning and management, fundraising ability, project design and planning, project monitoring and evaluation, research capability, marketing skills, communication skills/language proficiency, and networking* (Fowler, 1997; Riddell et al., 1997; Steckel & Lehman, 1997; Anheier & Cunningham, 1994; Smillie & Helmich, 1993; Cyert 1988)

### 3. Strong Leadership of the Organization

A traditional Western management theory distinguishes ‘leadership’ from ‘management’. But according to Fowler (1997) effective NGOs suggest that good leaders have many management

qualities and vice versa. He also indicates that in an ideal situation the overlap between the two is complete.

Concerning the importance of leadership in successful NGO work, Fowler asserts that in addition to the availability of other resources, quality leadership is a critical factor which enables staff and volunteers to work effectively. Strong leadership 'empowers and motivates' staff to fully extend their commitment and potential ( Fowler, 1997 )

It is notable that in many developing countries, NGOs are known by their charismatic leaders, meaning by who is leading them rather than by their activities. In most NGOs, founders are leaders of the organizations. This is an aspect of NGO leadership which reflects the cruciality of 'individual' leaders seen in wider society. Hence, regarding such a type of organizational culture, successful work of an NGO ( particularly that of the South ) is largely influenced by its strong leadership.

#### 4. Commitment of Project Staff

It is generally believed that at the heart of successful development work lies the commitment/motivation of project staff. In addition to quality and competence of staff and management, motivation/commitment of project implementers is of vital importance for project success ( Riddell & Robinson, 1995; Riddell et al., 1997 )

#### 5. Favorable External Environment

The main external factors which contribute to project success are: *relationships with government and donor agencies involved, networking with other NGOs, beneficiary participation in different stages of project cycle, and understanding of the operating context.* Since NGOs are located in an aid chain, they are challenged to manage relationships in two primary directions- with primary beneficiaries and with funders- and in many secondary directions with other development agents, such as with other NGOs and governments. To be an effective development actor, an NGO cannot operate in isolation to and without cooperation with those stakeholders and agencies. It means an effective NGO has 'constructive' relationships with them ( Fowler, 1997 ) Experiences indicate that if an NGO is able to make well-linked relationships with relevant government officials, other NGOs or other donors working sometimes with the same beneficiaries or working within the same locality; the links can enhance overall and long-term project performance and impact ( Riddell et al., 1997 ) Riddell et al. ( 1997 : 42 ) additionally argue that relative or absolute isolation of NGOs is pinpointed as a significant cause of project weaknesses, because "mutual ignorance by both NGOs and donors about development work of others means potential gains and synergies are constantly missed and overlooked."

Participation of beneficiaries in many different aspects of project cycle ( i.e. planning,

## A Study on Organizational Building of Cambodian Development-Oriented NGOs:

implementation, and evaluation) is also among the key to the NGO development project success (Riddell & Robinson, 1995) Beneficiary participation greatly helps NGOs to direct their development projects to meet actual needs of the locals; and development projects that respond to clearly articulated local needs are far more likely to be successful and sustainable ( Riddell et al., 1997 )

Understanding of the context in which an NGO operates is essentially important for project success as well. Kaplan ( 1999 ) asserts that an NGO which does not possess a competent working comprehension of its operating context is incapacitated or ineffective, regardless of how many other skills and competencies it may have, because without such grasp the NGO's development activities can be irrelevant to the actual needs of community it desires to improve. Moreover, without the right location in that environment the organization cannot make proper decisions in relation to itself and cannot keep pace conceptually with both organizational and contextual developments and challenges confronting it ( Kaplan, 1999 : 17 ) The work of Riddell et al. ( 1997 : 37 ) also confirms this, stating that the extent to which a project is coherent and relevant within the local context particularly determines the project outcome. They indicate that lack of a strategic perspective or insufficient attention to thinking strategically and realistically about development opportunities in the area where an NGO works is a weak reason for project failures. In other words, "Projects that do not build on processes of economic and social activities and change that are already underway in the project areas, nor on priority concerns of the target people, stand less chance of making much of an impact, far less a sustained impact" ( Riddell et al., 1997 : 38 )

### 6. Appropriate Organizational Structure

Finally, many NGO researchers contend that a capacitated or effective NGO has a suitable organizational structure which supports and facilitates the process of its activities ( Kaplan, 1999; Fowler, 1997; Riddell et al., 1997; Steckel & Lehman, 1997 ) Among the main characteristics of a supportive and facilitative organizational design, precise and concrete organizational vision, mission and strategy stand out. An effective NGO has clear and consistent vision, mission and strategy ( Fowler, 1997 : 45 ) It means an effective organization understands precisely what tasks to do, why, and how the tasks relate to each other. It ensures that its vision, mission and strategy are relevant to its operational planning and development activities. Inconsistency between an NGO's vision, what it says it wants to be and what it does, is a common source of ineffectiveness. If such inconsistency happens, an NGO's "actions do not combine and support each other in optimal ways, there is a loss of focus, and energies become dissipated" ( Fowler, 1997 : 45 ). Furthermore, with clarity of organizational vision, mission and strategy, an NGO is able to adapt its development methods and approaches in accordance with the coherence between goals set out by its vision and real development objectives of the community ( Kaplan, 1999 : 16 ) The above finding is consistent with

that of Riddell et al. ( 1997 : 40 ) They agree that, “NGOs which have a clear view of their purpose and how it is achieved tend to perform better than those which do not.” NGOs which clearly focus on what they do and have a concrete mission statement produce successful project performance. Therefore, to be effective, an NGO must ensure the coherence between its vision and its concrete development activities.

Other crucial organizational characteristics which facilitate effectiveness of NGO work include: *clear allocation of roles and functions among staff and management, clear lines of communications and accountability within the NGO, transparent and functional decision-making procedures of the management, and appropriate gender allocation of staff and management* ( Kaplan, 1999; Fowler, 1997 )

### III. Methodology

#### 1. Analytical Method

Major questions of the questionnaire ( see the Annex ) were formed based on main determinants and capacity areas of project success drawn from the literature review. Fifteen determinants and twenty-five capacity areas were identified. To address the research questions, the respondent NGO leaders/managers were asked to do ratings in each of the major questions and results of the ratings were analyzed accordingly:

- ( 1 ) To find out the main determinants of grassroots project success, the respondents assessed the levels of influence for the fifteen determinants based on their past successful experiences.
- ( 2 ) To identify the main capacity-building needs, first the respondents evaluated the strength of their organizational capacity against the same fifteen determinants. Then, they rated the levels of provision of the twenty-five capacity areas by international NGOs. Next, they listed three of the capacity areas which they considered most important for their successful grassroots projects. Finally, they reported the priority levels for improvement among the capacity areas.

#### 2. Analytical Treatment of Data

The raw data gained from the questionnaire survey was processed and analyzed both manually and by employing data files set in the statistical analysis package of SPSS ( Statistical Package for Social Sciences ) Survey results were then computed to present frequencies, percentages, means and standard deviations. Moreover, bivariate Pearson correlation analyses were applied to discuss associations among key variables involving the strength levels, the influence levels, the provision levels, and the priority levels. Chi-square analyses testing independence between ‘organisational and program characteristics’ and ‘capacity strength’ were also performed.

#### IV. Empirical Findings and Discussions

##### 1. Main Determinants of Grassroots Project Success: The Most and Least Dominant Factors

Using a five-point scale, ranging from “very little” (=1) through “average” (=3) to “very strong” (=5), the respondents assessed the levels of influence for the fifteen determinants based on their past successful experiences<sup>1)</sup>. Of 100 questionnaires distributed, 30 NGOs responded. Table 1 reports the level of influence of each determinant in terms of a mean and a standard deviation.

Table 1: Levels of Influence Evaluated by Cambodian Development-Oriented NGOs on Main Determinants of Grassroots Project Success ( n = 30 )

Determinant	Level of Influence	
	Mean	SD
1 Sufficient financial resources	4.53	.89
2 Relationships with government agencies involved	3.16	1.55
3 Relationships with donor agencies concerned	3.30	1.62
4 Networking with other NGOs, including international NGOs	3.73	1.52
5 Community participation in project planning, implementation & evaluation	2.50	1.63
6 Understanding of the operating context	3.10	1.70
7 Precise & concrete organizational vision, mission & strategy	2.43	1.61
8 Clear allocation of roles & functions among staff & management	3.00	1.64
9 Clear lines of communications & accountability within the NGO	3.06	1.50
10 Transparent & functional decision-making procedures of the management	2.53	1.63
11 Appropriate gender allocation of staff & management	2.10	1.49
12 Competent skills & capabilities of staff	4.26	1.25
13 Commitment of project staff	3.66	1.42
14 Competent skills & capabilities of management	4.20	1.29
15 Strong leadership of the organization	3.83	1.64
<b>Overall Mean</b>	<b>3.29</b>	<b>1.49</b>

Note: Values indicate average scores of influence measured by the 5-point scale.

As displayed in Table 1, sufficient financial resources ( mean = 4.53, SD = .89 ) competent skills and capabilities of staff ( mean = 4.26, SD = 1.25 ) and management ( mean = 4.20, SD = 1.29 ) strong leadership of the organization ( mean = 3.83, SD = 1.64 ) and networking with other local and international NGOs ( mean = 3.73, SD = 1.52 ) were rated as the most dominant determinants of grassroots project success. Those variables received ratings close to “4”, indicating that levels of influence were “rather strong”.

In contrast, the least dominant determinants were recognized in the following areas: appropriate gender allocation of staff and management ( mean = 2.10, SD = 1.49 ) precise and concrete organizational vision, mission and strategy ( mean = 2.43, SD = 1.61 ) community participation in project planning, implementation and evaluation ( mean = 2.50, SD = 1.63 ) and transparent and



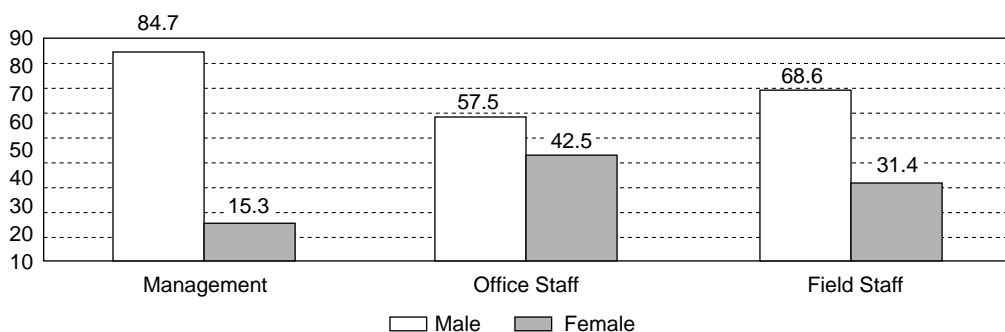
functional decision-making procedures of the management ( mean = 2.53, SD = 1.63 ) These variables were found to have scores between “3” ( neutral ) and “2” ( rather weak ) indicating weaker levels of influence on the project success.

It is noteworthy that the identified least dominant determinants reflect the weak organizational characteristics of Cambodian NGOs as iterated in secondary data. The less influence on project success regarding gender allocation of staff and management asserted by Cambodian NGO leaders/managers crystallizes the fact that most local NGOs are strongly male-dominated and that the gender concept and analysis are largely absent in their work ( Steeman, 1995 ) Results from the survey clearly show that female staff are especially short at management and field levels. As illustrated in Figure 1, out of the total number of management and field personnel reported by leaders, only 15.3% and 31.4% respectively of them were found to be women.

The perceived less importance of organizational vision, mission and strategy implies the lack of the clear concept of organizational philosophy amongst many local NGOs ( Vistarini, 1995; CIDSE, 1996; Negstadt, 1996; Zarafonetis, 1996, qtd. in Burnip, 1997 ) Limited knowledge and application of community-based/participatory development among Cambodian NGOs ( Steeman, 1995; CIDSE, 1996; May, 1996; Monychenda, 1996, qtd. in Burnip, 1997 ) provides a reason why beneficiary involvement in project stages was identified to be less dominant for the project success.

Finally, the report of ‘less critical’ decision-making procedures by leaders explains the characteristic of leader-driven and hierarchical organizational structure of average Cambodian NGOs ( May, 1996; Monychenda, 1996, qtd. in Burnip, 1997; van der Drift, 1993 )

Figure 1: The Ratio of Male and Female Personnel ( in percentage ) at Management, Office and Field Levels of Cambodian Development-Oriented NGOs ( n = 30 )



## 2. Main Capacity-Building Needs

In order to identify the main capacity-building needs of Cambodian development-oriented NGOs, a multivariate analytical methodology was employed. First, strengths and weaknesses of their

## A Study on Organizational Building of Cambodian Development-Oriented NGOs:

organizational capacity were discussed. Then, an analysis looked at main areas of capacity-building which have been provided to the present Cambodian NGOs by international NGOs. Next, capacity areas deemed most important for the grassroots project success by Cambodian NGOs were examined. Following these examinations, the analysis concerned the priority areas of capacity that they considered needed for improvement. In addition, analyses of correlations based on the Cambodian NGOs' responses among key variables involving capacity strength, influence of determinants on project success, provision of capacity areas, and priority of capacity areas for improvement were also attempted. Finally, chi-square analyses were performed to test independence (or association) between 'organizational and program characteristics' and 'capacity strength'. In the analyses of correlations, an attempt was made for matching capacity areas with the determinants. However, because there is no 'standard' correspondence between capacity areas and determinants, the key determinants were selected and then tested against the capacity areas which were considered 'most correspondent' to them.

### 2.1. Strengths and Weaknesses of Organizational Capacity

In this assessment, the respondents self-evaluated the strength of their organizational capacity against the same fifteen determinants by rating each variable in terms of a continuum: "very weak" (=1), "somewhat weak" (=2), "average" (=3), "somewhat strong" (=4) and "very strong" (=5)

Table 2: Levels of Strength for Main Determinants of Grassroots Project Success of Cambodian Development-Oriented NGOs (n = 30)

Determinant	Level of Strength	
	Mean	SD
1 Sufficient financial resources	2.00	1.14
2 Relationships with government agencies involved	2.70	1.36
3 Relationships with donor agencies concerned	2.76	1.40
4 Networking with other NGOs, including international NGOs	3.93	1.22
5 Community participation in project planning, implementation & evaluation	2.53	1.45
6 Understanding of the operating context	4.03	1.15
7 Precise & concrete organizational vision, mission & strategy	2.90	1.44
8 Clear allocation of roles & functions among staff & management	2.90	1.53
9 Clear lines of communications & accountability within the NGO	3.16	1.55
10 Transparent & functional decision-making procedures of the management	3.03	1.44
11 Appropriate gender allocation of staff & management	2.86	1.50
12 Competent skills & capabilities of staff	2.03	1.12
13 Commitment of project staff	4.10	1.18
14 Competent skills & capabilities of management	2.16	1.41
15 Strong leadership of the organization	4.26	1.11
<b>Overall Mean</b>	<b>2.72</b>	<b>1.33</b>

Note: Values indicate average scores of strength measured by the 5-point scale.

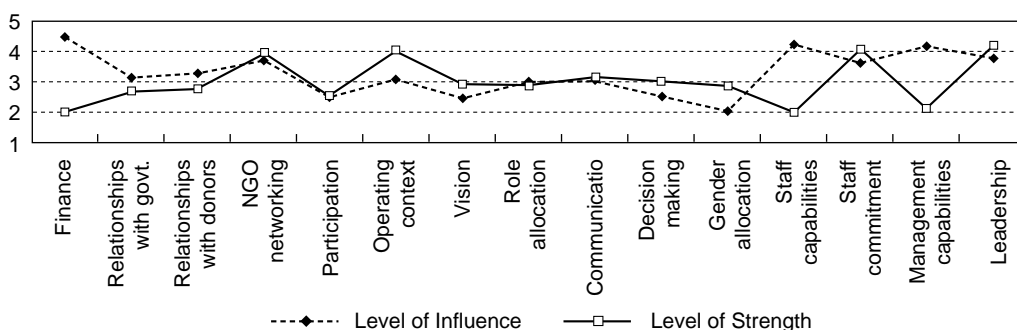
Table 2 exhibits the results of the rating for each determinant. As shown, the strong capacity areas include: strong leadership of the organization ( mean = 4.26, SD = 1.11 ) commitment of project staff ( mean = 4.10, SD = 1.18 ) understanding of the operating context ( mean = 4.03, SD = 1.15 ) and networking with other NGOs, including international NGOs ( mean = 3.93, SD = 1.22 )

Weaknesses, on the other hand, are evident in the areas of sufficient financial resources ( mean = 2.00, SD = 1.14 ) competent skills and capabilities of staff ( mean = 2.03, SD = 1.12 ) and management ( mean = 2.16, SD = 1.41 ) and community participation in project planning, implementation and evaluation ( mean = 2.53, SD = 1.45 )

## 2.2. Divergence between Levels of Influence and Levels of Strength for Main Determinants of Project Success

This analysis tried to identify areas where the strength was most lacking for the organizational effectiveness, although they were rated as most influential as determinants of grassroots project success of Cambodian development-oriented NGOs. Figure 2 graphically shows that the variables of greatest divergence between the strength and the influence comprise: 1. sufficient financial resources ( 50.6%<sup>23</sup>) 12. competent skills and capabilities of staff ( 44.6% ) and 14. competent skills and capabilities of management ( 40.8% ) These divergences of levels indicate that Cambodian NGOs are considerably weak in three of the five areas identified as strongly influencing their grassroots project success.

Figure 2: Divergence between Levels of Influence and Levels of Strength for Main Determinants of Grassroots Project Success of Cambodian Development-Oriented NGOs ( n= 30 )



The organizational weakness of Cambodian NGOs is further revealed by the discrepancy between the overall mean of influence levels ( i.e. mean = 3.29, SD = 1.49; see Table 1 ) and that of strength levels ( i.e. mean = 2.72, SD = 1.33; see Table 2 ) across the fifteen determinants of grassroots project success. This difference in overall means points that Cambodian development NGOs are not strong enough to achieve organizational objectives.

### 2.3. Main Areas of Capacity-Building Support Provided by International NGOs to Cambodian Development-Oriented NGOs

Following analysis tried to find out skills and capabilities that have been provided to Cambodian development NGO staff and management by international NGOs. The respondents rated the level of provision for each of the twenty-five capacity areas. The rating used a similar five-point scale for assessing the level of provision: “very little” (=1) “little” (=2) “average” (=3) “much” (=4) and “very much” (=5)

According to Table 3, provisions of technical skills ( mean = 4.30, SD = 1.26 ) project monitoring and evaluation ( mean = 4.16, SD = 1.26 ) project design and planning ( mean = 4.00, SD = 1.48 ) community organizing ( mean = 4.00, SD = 1.31 ) leadership ( mean = 3.70, SD = 1.53 ) communication skills ( mean = 3.50, SD = 1.59 ) and English language ( mean = 3.46, SD = 1.45 ) were identified as very much.

On the other hand, fundraising ( mean = 2.33, SD = 1.53 ) local resource mobilization ( mean = 2.33, SD = 1.37 ) strategic planning ( mean = 2.53, SD = 1.38 ) organizational development ( mean = 2.66, SD = 1.45 ) and networking/alliance-building ( mean = 2.70, SD = 1.49 ) were rated as least provided by international NGOs.

Table 3: Main Areas of Capacity-Building Support Provided to Cambodian Development-Oriented NGOs by International NGOs ( n = 30 )

Capacity Area		Level of Provision		Capacity Area		Level of Provision	
		Mean	SD			Mean	SD
1	Technical skills	4.30	1.26	14	Project design & planning	4.00	1.48
2	Strategic planning	2.53	1.38	15	Organizational development	2.66	1.45
3	Administration	2.76	1.40	16	Financial planning & management	3.03	1.49
4	English language	3.46	1.45	17	Public policy/Project research	3.03	1.44
5	Computer skills	3.23	1.52	18	Local resource mobilization	2.33	1.37
6	Gender awareness	3.10	1.56	19	Human resources management	3.10	1.56
7	Coordination skills	2.90	1.44	20	Budgeting & accounting	3.03	1.44
8	Marketing skills	3.00	1.50	21	Project monitoring & evaluation	4.16	1.26
9	Negotiation skills	3.16	1.55	22	Community organizing	4.00	1.31
10	Partnership	3.03	1.44	23	Communication skills	3.50	1.59
11	Fundraising	2.33	1.53	24	Lobbying & advocacy	2.76	1.40
12	Leadership	3.70	1.53	25	Networking/Alliance-building	2.70	1.49
13	Proposal writing	3.23	1.52	<b>Overall Mean</b>		3.17	1.45

Note: Values indicate average scores of provision measured by the 5-point scale.

## 2.4. Capacity Areas Considered Most Important for Successful Grassroots Projects by Cambodian Development-Oriented NGOs

In another question, the respondents listed three of the above capacity areas which they consider most important for their successful grassroots projects. The levels of frequencies shown in Table 4 indicate that technical skills ( 18 out of total 90: 20.0% ), local resource mobilization ( 17.7% ), networking/alliance-building ( 16.6% ) fundraising ( 14.4% ) and leadership ( 11.1% ) were deemed most significant; while very few organizations placed importance on gender awareness ( 1.1% ) community organizing ( 1.1% ) lobbying and advocacy ( 2.2% ) and public policy/project research ( 2.2% )

Table 4: Capacity Areas Considered Most Important for Successful Grassroots Projects by Cambodian Development-Oriented NGOs ( n = 30 )

Capacity Area	Frequency	% of Total Responses ( =90 )
Technical skills	18	20.0
Local resource mobilization	16	17.7
Networking/Alliance-building	15	16.6
Fundraising	13	14.4
Leadership	10	11.1
Strategic planning	7	7.7
Project design & planning	5	5.5
Public policy/Project research	2	2.2
Lobbying & advocacy	2	2.2
Community organizing	1	1.1
Gender awareness	1	1.1
<b>Total</b>	<b>90</b>	<b>100%</b>

## 2.5. Main Areas of Capacity Prioritized to Improve by Cambodian Development-Oriented NGOs

The final question for the respondents was to report priority areas of capacity in terms of the degree of priority for improvement in order for increasing the grassroots project success. In this question, rating was made for each capacity area by using a 5-point scale: 1 = very low, 2 = low, 3 = average, 4 = high, and 5 = very high in terms of level of priority for improvement.

The rating results shown in Table 5 highlight the most prioritized improvement areas to be: technical skills ( mean = 4.66, SD = .75 ), fundraising ( mean = 4.46, SD = .97 ), local resource mobilization ( mean = 4.40, SD = 1.07 ), financial planning and management ( mean = 4.16, SD = 1.26 ) project design and planning ( mean = 4.10, SD = 1.32 ) and project monitoring and evaluation ( mean = 3.66, SD = 1.58 )

Whereas, the lowest prioritized areas consist of: strategic planning ( mean = 1.90, SD = 1.49 ) community organizing ( mean = 2.13, SD = 1.59 ) public policy/project research ( mean = 2.23, SD =

1.67 ) and gender awareness ( mean = 2.23, SD = 1.52 )

Table 5: Main Areas of Capacity Prioritized to Improve by Cambodian Development-Oriented NGOs ( n = 30 )

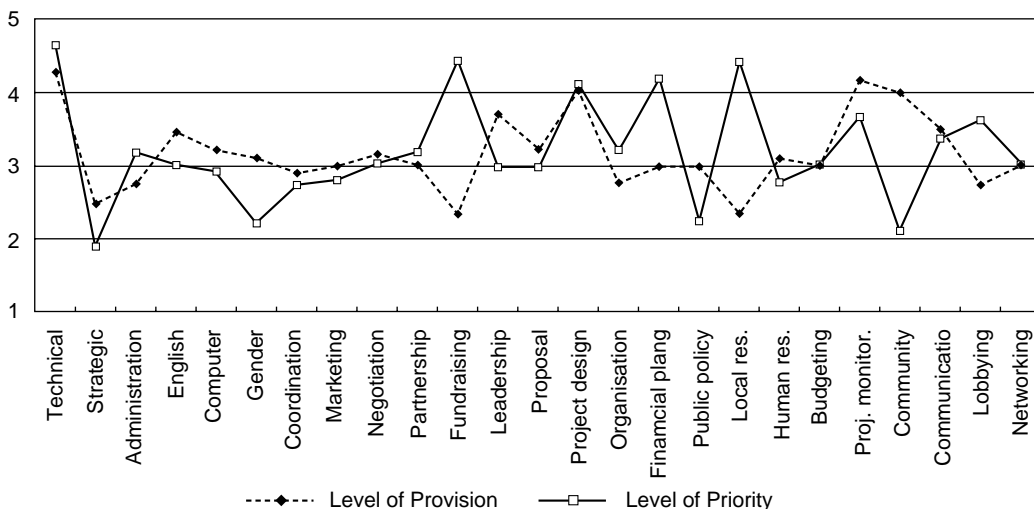
Capacity Area		Level of Priority		Capacity Area		Level of Priority	
		Mean	SD			Mean	SD
1	Technical skills	4.66	.75	14	Project design & planning	4.10	1.32
2	Strategic planning	1.90	1.49	15	Organizational development	3.23	1.52
3	Administration	3.20	1.37	16	Financial planning & management	4.16	1.26
4	English language	3.00	1.74	17	Public policy/Project research	2.23	1.67
5	Computer skills	2.93	1.65	18	Local resource mobilization	4.40	1.07
6	Gender awareness	2.23	1.52	19	Human resources management	2.76	1.40
7	Coordination skills	2.73	1.59	20	Budgeting & accounting	3.03	1.49
8	Marketing skills	2.80	1.54	21	Project monitoring & evaluation	3.66	1.58
9	Negotiation skills	3.03	1.44	22	Community organizing	2.13	1.59
10	Partnership	3.16	1.55	23	Communication skills	3.36	1.54
11	Fundraising	4.46	.97	24	Lobbying & advocacy	3.60	1.24
12	Leadership	2.96	1.92	25	Networking/Alliance-building	3.03	1.44
13	Proposal writing	2.96	1.40	<b>Overall Mean</b>		<b>3.98</b>	<b>1.44</b>

Note: Values indicate average scores of priority measured by the 5-point scale.

## 2.6. Divergence between Capacity Areas Provided by International NGOs and Capacity Areas Prioritized to Improve by Cambodian Development-Oriented NGOs

An analysis was attempted to find out the levels of divergence between capacity areas most

Figure 3: Divergence between Capacity Areas Provided by International NGOs and Prioritized to Improve by Cambodian Development-Oriented NGOs ( n = 30 )



prioritized to improve by Cambodian development NGOs, but least provided by international NGOs. As Figure 3 exhibits, the highest levels of divergence are seen in the areas of fundraising ( 42.6% ) local resource mobilization ( 41.4% ) and financial planning and management ( 22.6% ) This data reveals that international NGOs failed to provide capacity-building in three of the six areas evaluated as most priorities for improvement by Cambodian NGOs. On the contrary, Figure 3 displays the relatively high levels of divergence between capacities most provided but least prioritized to be in the areas of: community organizing ( 37.4% ) and gender awareness ( 17.4% ) This divergence additionally supports the contention that provision of capacity-building services to Cambodian NGOs by international NGOs does not tend to be demand-driven.

Moreover, the disparity between the overall means across 25 priority levels ( i.e. mean = 3.98, SD = 1.44 ) and provision levels ( i.e. mean = 3.17, SD = 1.45 ) ( see Tables 4 and 5 ) suggests an inadequacy of capacity-building assistance given by international NGOs to Cambodian organizations.

## 2.7. Inter-Correlations among Capacity Strength, Influence on Project Success, Provision of Capacity Areas and Priority of Capacity Areas

A correlation analysis was run by introducing overall mean scores of *Level of Strength*, *Level of Influence*, *Level of Provision* and *Level of Priority* for analysing the patterns of association among these variables.

Table 6: Correlation Coefficients among Capacity Strength, Influence of Determinants on Project Success, Provision of Capacity Areas and Priority of Capacity Areas ( n=30 )

Variable	Mean	SD	1	2	3	4
1. Capacity Strength	2.75	.34	-			
2. Influence of Determinants	3.30	.31	-.35*	-		
3. Provision by International NGOs	3.19	.23	.21	-.19**	-	
4. Prioritisation by Cambodian NGOs	3.96	.37	-.49**	.28	-.43*	-

Note: \*: p<.05; \*\*: p<.01

Table 6 presents means, standard deviations and correlation coefficients among the four *Level* variables. Four inter-correlations were found statistically significant at either p<.05 or p<.01. The *Level of Strength* was negatively correlated with the *Level of Influence* ( p<.05 ) and the *Level of Priority* ( p<.01 ) This finding indicates that weaker the capacity, greater the determining factors, and higher becomes the priority for the project success; depicting the overall weakness of organisational capacity of Cambodian development-oriented NGOs as confirmed in the preceding discussion. Put in other words, this points out a high *Level of Influence* of determinants of project success and a high *Level of Priority* of capacity areas that are very much needed to nurture the Cambodian NGOs'

## A Study on Organizational Building of Cambodian Development-Oriented NGOs:

strength. Another negative relationship was found between the *Level of Influence* and the *Level of Provision* ( $p < .01$ ) indicating that stronger the influence, lower the level of provision of capacity areas necessary to ensure project success. Finally, the *Level of Provision* was negatively associated with the *Level of Priority* ( $p < .05$ ) exhibiting that higher the *Level of Priority* was expressed to improve capacity, lower the *Level of Provision* of the capacity areas by international NGOs.

It should be emphasized that the survey results and the correlation analysis both illustrate a “scarcity syndrome” in organisational capacity of Cambodian development-centered NGOs. First, the findings show that the high influence level of determinants of project success is consistently associated with the low strength level of organisational capacity. In other words, the highly influential factors are exactly what Cambodian NGOs reported to need most. Second, the provision level of capacity areas is inversely related to the influence level of determinants. Third, the inadequate provision of capacity areas results in the high priority level of capacity for the NGO improvement. Ultimately, the high priority level of capacity areas for improvement indicates the weak organisational capacity.

### 2.8. Analyses of Inter-Correlations at the Item Level

First, key items were identified with respect to the following four factors: capacity strength, influence of determinants on project success, provision of capacity areas, and priority of capacity areas for improvement. These items consisted of those for “financial resources”, “relationships with government”, “relationships with donors”, “networking with other NGOs”, “community participation”, “organisational vision”, “gender allocation”, “skills and capabilities”, and “leadership”. Then, item level correlation coefficients were computed for each area across the four factors.

#### 2.8.1. Correlations among Indexes for ‘Financial Resources’

First, an analysis involved correlations among variables for ‘financial resources’. Items concerning ‘financial resources’ were chosen from four sections: *Levels of Strength and Influence* and *Levels of Provision and Priority*. These items included ‘fundraising, local resource mobilisation, financial planning and management, and budgeting and accounting’. Then, average scores of these items were computed in four sections and correlation coefficients were calculated among the four indexes. According to Table 7, Levels of Strength and Influence were found significantly and negatively correlated ( $r = -.67, p < .01$ ) in the finance area. This finding reflects the weak budget base of Cambodian development NGOs, because financial resources were strongly attributed to their project success, but Cambodian NGOs lacked strength in this area. Likewise, *Level of Strength* was significantly and negatively correlated with *Level of Priority* ( $r = -.56, p < .01$ ) revealing that Cambodian development NGOs put a high priority to improve the financial capacity areas, but they



remain weak in this area for the success of their projects. The significantly negative associations between *Level of Influence* and *Level of Provision* ( $r = -.61, p < .05$ ) and between *Levels of Provision* and *Priority* ( $r = -.33, p < .05$ ) further supported the findings on Cambodian NGOs' problems.

Table 7: Correlations among Indexes for 'Financial Resources' Involving Capacity Strength, Influence of Determinant, Provision of Capacity, and Priority of Capacity (  $n=30$  )

Item	Mean	SD	1	2	3	4
1. Sufficient financial resources ( Strength )	2.00	1.14	-			
2. Sufficient financial resources ( Influence )	4.53	.89	-.67**	-		
3. FLFB ( Provision )	2.68	.85	.38	-.61*	-	
4. FLFB ( Priority )	3.93	.67	-.56**	-.24	-.33*	-

Note: FLFB: Fundraising + Local resource mobilisation + Financial planning and management + Budgeting and accounting; \*:  $p < .05$ ; \*\*:  $p < .01$

### 2.8.2. Correlations among Indexes for 'Relationships with Government'

Next analysis was conducted to identify correlations among indexes for 'relationships with government agencies'. Items relevant to this index consisted of 'public policy/project research and lobbying and advocacy'. *Levels of Strength* and *Influence* and *Levels of Provision* and *Priority* were analysed regarding their intercorrelations involving indexes for 'relationships with the government'. Table 8 illustrates a significantly negative relationship exists between the *Level of Strength* and the *Level of Priority* ( $r = -.32, p < .05$ ) This mirrors that Cambodian development NGOs seem to place high priority on relationship items, although their capacities in this area are weak. In other words, the weaker the relationship capacity, the higher becomes the priority.

Table 8: Correlations among Indexes for 'Relationships with Government' Involving Capacity Strength, Influence of Determinant, Provision of Capacity, and Priority of Capacity (  $n=30$  )

Item	Mean	SD	1	2	3	4
1. Relationships with government agencies involved ( Strength )	2.70	1.36	-			
2. Relationships with government agencies involved ( Influence )	3.16	1.55	.18	-		
3. PL ( Provision )	2.90	1.04	-.09	-.07	-	
4. PL ( Priority )	2.61	.96	-.32*	-.16	.30	-

Note: PL: Public policy/Project research + Lobbying and advocacy ; \*:  $p < .05$

### 2.8.3. Correlations among Indexes for 'Relationships with Donors'

Another correlation analysis was conducted to find associations among indexes concerning 'relationships with donor agencies' involving *Levels of Strength* and *Influence* and *Levels of Provision* and *Priority*. Items relevant to this analysis consisted of 'coordination skills, negotiation skills,

A Study on Organizational Building of Cambodian Development-Oriented NGOs:

communication skills and English language skills'. Table 9 reports that there was no statistically significant correlation among all indexes.

Table 9: Correlations among Indexes for 'Relationships with Donors' Involving Capacity Strength, Influence of Determinant, Provision of Capacity, and Priority of Capacity ( n=30 )

Item	Mean	SD	1	2	3	4
1. Relationships with donor agencies concerned ( Strength )	2.76	1.40	-			
2. Relationships with donor agencies concerned ( Influence )	3.03	1.62	.21	-		
3. CNCE ( Provision )	3.25	.70	-.12	-.02	-	
4. CNCE ( Priority )	3.05	.93	.05	-.01	.10	-

Note: CNCE: Coordination skills + Negotiation skills + Communication skills + English language

All variables were not significantly correlated.

#### 2.8.4. Correlations among Indexes for 'Networking with Other NGOs'

This analysis tested correlations among indexes for 'networking with other NGOs' involving *Levels of Strength* and *Influence* and *Levels of Provision* and *Priority*. Items belonging to this index comprised 'partnership and networking/alliance-building'. As shown in Table 10, the *Level of Strength* was negatively related to the *Level of Priority* (  $r = -.37, p < .05$  ) presenting a high degree of capacity and a low degree of priority for improvement in the area.

Table 10: Correlations among Indexes for 'Networking with Other NGOs' Involving Capacity Strength, Influence of Determinant, Provision of Capacity, and Priority of Capacity ( n=30 )

Item	Mean	SD	1	2	3	4
1. Networking with other organisations ( Strength )	3.93	1.22	-			
2. Networking with other organisations ( Influence )	3.73	1.52	-.12	-		
3. Partnership and Networking/Alliance-building ( Provision )	2.86	.87	-.09	-.11	-	
4. Partnership and Networking/Alliance-building ( Priority )	3.10	1.04	-.37*	-.05	-.14	-

Note: \*:  $p < .05$

#### 2.8.5. Correlations among Indexes for 'Community Participation'

This analysis aimed at evaluating correlations among indexes for 'community participation' involving *Levels of Strength* and *Influence* and *Levels of Provision* and *Priority*. The relevant item for this analysis is only one: 'community organising'. Table 11 shows a significantly negative association existed between the *Level of Strength* and the *Level of Priority* (  $r = -.24, p < .05$  ) indicating a relatively low priority placed on the item.

Table 11: Correlations among Indexes for ‘Community Participation’ Involving Capacity Strength, Influence of Determinant, Provision of Capacity, and Priority of Capacity ( n=30 )

Item	Mean	SD	1	2	3	4
1. Community participation ( Strength )	2.53	1.45	-			
2. Community participation ( Influence )	2.50	1.63	.14	-		
3. Community organising ( Provision )	4.00	1.31	.05	-.27	-	
4. Community organising ( Priority )	2.13	1.59	-.24*	.06	.01	-

Note: \*: p<.05

#### 2.8.6. Correlations among Indexes for ‘Organizational Vision, Mission and Strategy’

This analysis was intended to find correlations among indexes for ‘organisational vision, mission and strategy’ involving *Levels of Strength* and *Influence* and *Levels of Provision* and *Priority*. Items covering this index included ‘strategic planning and organizational development’. As Table 12 exhibits, the *Level of Strength* was negatively associated with the *Level of Priority* (  $r = -.39$ ,  $p < .01$  ), highlighting a decreasing degree of priority for improvement, when the strength increases in this area.

Table 12: Correlations among Indexes for ‘Organizational Vision, Mission and Strategy’ Involving Capacity Strength, Influence of Determinant, Provision of Capacity, and Priority of Capacity ( n=30 )

Item	Mean	SD	1	2	3	4
1. Precise & concrete organizational vision, mission & strategy( Strength )	2.90	1.44	-			
2. Precise & concrete organizational vision, mission & strategy( Influence )	2.43	1.61	.18	-		
3. Strategic planning & Organizational development ( Provision )	2.24	1.08	.28	.17	-	
4. Strategic planning & Organizational development ( Priority )	2.05	1.04	-.39**	-.10	-.04	-

Note: \*\*: p<.01

#### 2.8.7. Correlations among Indexes for ‘Gender Allocation of Staff and Management’

The results of correlation coefficients reported in Table 13 show that the *Level of Strength* was negatively associated with both the *Level of Influence* (  $r = -.33$ ,  $p < .01$  ) and the *Level of Priority* (  $r =$

Table 13: Correlations among Indexes for ‘Gender Allocation of Staff and Management’ Involving Capacity Strength, Influence of Determinant, Provision of Capacity, and Priority of Capacity ( n=30 )

Item	Mean	SD	1	2	3	4
1. Appropriate gender allocation of staff & management ( Strength )	2.86	1.50	-			
2. Appropriate gender allocation of staff & management ( Influence )	2.10	1.49	-.33**	-		
3. Gender awareness ( Provision )	3.10	1.56	.15	.26	-	
4. Gender awareness ( Priority )	2.23	1.52	-.51*	-.17	-.11	-

Note: \*: p<.05; \*\*: p<.01

A Study on Organizational Building of Cambodian Development-Oriented NGOs:

-51,  $p < .05$  ) pointing to a tendency that the high level of strength as a determinant becomes associated with the less influence on project success and the less priority for improvement placed on the index of ‘gender awareness’.

2.8.8. Correlations among Indexes for ‘Skills and Capabilities of Staff’

As illustrated in Table 14, the *Level of Strength* had negative correlations with the *Level of Influence* ( $r = -.45, p < .01$ ) and the *Level of Priority* ( $r = -.45, p < .01$ ) These correlations indicate although the index strongly determines the project success, the levels of its influence and priority tend to remain low. Moreover, the *Levels of Provision* and *Priority* of this index (including items: technical skills, project design and planning, and project monitoring and evaluation) were positively related to each other ( $r = .22, p < .01$ ) meaning that even though these skills have been provided by international NGOs, they still have much to improve the priority from point of view.

Table 14: Correlations among Indexes for ‘Skills and Capabilities of Staff’ Involving Capacity Strength, Influence of Determinant, Provision of Capacity, and Priority of Capacity (  $n=30$  )

Item	Mean	SD	1	2	3	4
1. Competent skills and capabilities of staff ( Strength )	2.03	1.12	-			
2. Competent skills and capabilities of staff ( Influence )	4.26	1.25	-.29**	-		
3. TPP ( Provision )	4.15	.67	.17	.24	-	
4. TPP ( Priority )	3.63	.90	-.45**	-.28	.22**	-

Note: TPP: Technical skills + Project design & planning + Project monitoring & evaluation; \*\*:  $p < .01$

2.8.9. Correlations among Indexes for ‘Skills and Capabilities of Management’

Again, a negative relationship was found between the *Levels of Strength* and *Influence* for this index ( $r = -.63, p < .05$ ; see Table 15 ) showing a big gap between the two *Levels*, i.e. strong influence on the project success, but weak capacity.

Table 15: Correlations among Indexes for ‘Skills and Capabilities of Management’ Involving Capacity Strength, Influence of Determinant, Provision of Capacity, and Priority of Capacity (  $n=30$  )

Item	Mean	SD	1	2	3	4
1. Competent skills and capabilities of management ( Strength )	2.16	1.41	-			
2. Competent skills and capabilities of management ( Influence )	4.20	1.29	-.63*	-		
3. AHPMC ( Provision )	3.11	.66	-.20	-.22	-	
4. AHPMC ( Priority )	3.17	.74	-.28	.03	.09	-

Note: AHPMC: Administration + Human resources management + Proposal writing + Marketing skills + Computer skills; \*:  $p < .05$

Table 16: Correlations among Indexes for ‘Organizational Leadership’ Involving Capacity Strength, Influence of Determinant, Provision of Capacity, and Priority of Capacity ( n=30 )

Item	Mean	SD	1	2	3	4
1. Strong leadership of the organization ( Strength )	4.26	1.11	-			
2. Strong leadership of the organization ( Influence )	3.83	1.64	.02	-		
3. Leadership ( Provision )	3.70	1.53	-.11	.19	-	
4. Leadership ( Priority )	2.96	1.92	-.39*	-.07	-.16	-

Note: \*: p<.05

#### 2.8.10. Correlations among Indexes for ‘Organizational Leadership’

The *Level of Strength* was found negatively related to the *Level of Priority* (  $r = -.39$ ,  $p < .05$  ) indicative of the high level of capacity to be associated with the low level of priority for improvement in the area ( see Table 16 ) Other correlations were statistically insignificant.

#### 2.9. Examining Relationships between “Capacity Strength” and “Organizational and Program Characteristics” of Cambodian Development-Oriented NGOs

Chi-square tests of independence were performed to examine the nature of relationships between capacity strength and organizational and program characteristics of Cambodian NGOs. The organizational and program characteristics included variables: “number of staff”, “budget level”, “number of main program areas” and “number of projects” of the NGOs for the present study.

Contingency patterns shown in Table 17 as results of  $\chi^2$  analyses indicate the degrees of association between the “organizational and program characteristics” and “capacity strength”. For this analysis, the sample was classified into two categories on capacity: ( i ) a low capacity group ( i.e. including 12 organizations with means ranging from 2.20 to 2.93 ) and ( ii ) a high capacity group ( i.e.

Table 17: Results of Chi-Square Analyses Testing Independence between the NGO Capacity Strength and Number of Staff, Budget Level, Number of Main Program Areas and Number of Projects ( n = 30 )

		Low Capacity	High Capacity	Value of Test Statistic
Number of Staff	Small: 1-25	6	10	$\chi^2 = .04$
	Large: > 25	6	8	
Budget Level	Low: 0-50,000\$	10	5	$\chi^2 = 8.89^*$
	High: >50,000\$	2	13	
Number of Main Program Areas	Small: 1-3	5	15	$\chi^2 = 5.63^*$
	Large: >3	7	3	
Number of Projects	Small: 1-3	3	14	$\chi^2 = 8.17^*$
	Large: >3	9	4	

Note: \*: p<.05 ( df = 1, critical value  $\chi^2_{.05} = 3.84$  )

## A Study on Organizational Building of Cambodian Development-Oriented NGOs:

including 18 organizations with means ranging from 3.00 to 3.66 ) Also, the organizational and program characteristics were categorized into two to be cross-tabulated with the capacity groups as Table 17 illustrates.

It was found that the “number of staff” was statistically independent of (or nonassociated with) organizational capacity, while the “budget level”, “number of main program areas” and “number of projects” all appeared to associate with the NGO capacity. This implies that capacity of Cambodian development-oriented NGOs is not reliant on the number of people employed, but rather on budget level ( the higher, the better for capacity:  $\chi^2 = 8.89, p < .05$  ) number of main program areas ( the smaller, the better:  $\chi^2 = 5.63, p < .05$  ) and number of projects implemented ( the smaller, the better:  $\chi^2 = 8.17, p < .05$  ) More specifically, capacitated organizations tend to have a high budget level ( i.e. >50,000\$ ) and concentrate on a small number of program areas and projects ( i.e. <3 program areas/projects ) The determination of financial resources in capacity revealed here coincides with the earlier finding, which illustrates that the adequate fund is one of the most dominant indicators of project success.

### 2.10. Needs for Capacity-Building of Cambodian Development-Oriented NGOs

According to the survey outcome, the success of grassroots projects of Cambodian development-oriented NGOs are heavily dependent on sufficient financial resources, competent skills and capabilities of staff and management, strong leadership of the organization and networking with other local and international NGOs. This result is in most consistence with the capacity areas considered most important for successful grassroots projects by the surveyed NGOs- i.e. technical skills, local resource mobilization, fundraising, networking/alliance-building, and leadership. Furthermore, the chi-square independence tests proved that effective or capacitated organisations not only have a strong budget base, but also implement a small number of projects in few program areas.

Results of the correlation analyses indicated that capacity strength of Cambodian development-oriented NGOs has significant correlations with organisational leadership and networking with other organisations. In addition, commitment of project staff and understanding of the operating context were also rated strong in their organisational capacity.

Notwithstanding, the survey results illustrate that organisational capacity of Cambodian development-oriented NGOs is overallly weak. This is confirmed by the analysis of correlations between the strength level of capacity, the influence level of determinants of project success, the provision level of capacity areas and the priority level of capacity areas needed for improvement. Specifically, the strength indexes were consistently associated negatively with influence and/or priority indexes in the areas of financial resources, skills and capabilities of staff and management, and community participation in project planning, implementation and evaluation. These results indicated that the more influential and/or prioritized areas tend to be weak for Cambodian development-

oriented NGOs. Matching these weak areas with the most dominant determinants of grassroots project success, the result precisely shows that Cambodian development-oriented NGOs badly need to improve their budget base, and prominent skills and capabilities of their staff and management in order to enhance the level of project success. Particularly, the significantly negative correlations between the strength and influence levels involving the corresponding indexes ( i.e. 'financial resources', 'skills and capabilities of staff', and 'skills and capabilities of management' ) back up this result.

To be more specific, reviewing the highest priority areas of capacity needed to improve, Cambodian development NGOs are required to strengthen: technical skills, fundraising, local resource mobilization, financial planning and management, project design and planning, and project monitoring and evaluation. The significantly negative correlations between the strength and priority levels involving the corresponding indexes ( i.e. 'financial resources' and 'skills and capabilities of staff' ) further justified this requirement. However, it was found that the provision in the three most needed areas, namely fundraising, local resource mobilization and financial planning and management, by international capacity-builders was found remaining at low levels. The gap is also indicated by the significantly negative associations between the provision and priority levels of these capacity contents. This implies more extensive support efforts from international NGOs to local development organizations are required for upgrading skills and capabilities of the latter for raising fund, mobilizing local resources, and effectively planning and managing budget in order to ensure their financial viability. Plus, the significantly positive correlations between the provision and priority levels of 'technical skills, project design and planning, and project monitoring and evaluation' proved that although Cambodian development NGOs have been trained in these capacity areas, they still have much to improve in these areas.

Additionally, the survey results and correlation analyses of the variables of 'organizational vision, mission and strategy', 'gender allocation of staff and management', 'community participation' and 'relationships with government agencies' revealed that Cambodian organisations placed less importance and priority on: strategic planning, gender awareness, community organizing, public policy/project research, and lobbying and advocacy. The less priority put on strategic planning, gender awareness and community organizing again mirrored the typical weaknesses or limitations of Cambodian NGOs - i.e. the lack of precise organizational philosophy, and limited comprehension and application of gender and participation concepts. Moreover, the less attention on policy/field research and lobbying/advocating could hamper their positions and capabilities to influence government and donor development policies toward positive changes.

It can be therefore concluded that Cambodian development-oriented NGOs should go beyond strengthening financial resources, and skills and capabilities of staff and management people, if they

#### A Study on Organizational Building of Cambodian Development-Oriented NGOs:

are to increase development impact at the grassroots level. Other critical determinants for organizational efficiency, such as precise and concrete organizational vision, mission and strategy; appropriate gender allocation of staff and management; transparent and functional decision-making procedures of the management; and beneficiary involvement in all project management stages, should be included in the priority list for improvement. Concretely, Cambodian development NGOs are especially required to improve capacities in the areas of 'fundraising, local resource mobilization, financial planning and management, technical skills, project design and planning, project monitoring and evaluation, strategic planning, gender awareness, community organizing, public policy/project research, and lobbying and advocacy'.

#### V. Concluding Remarks

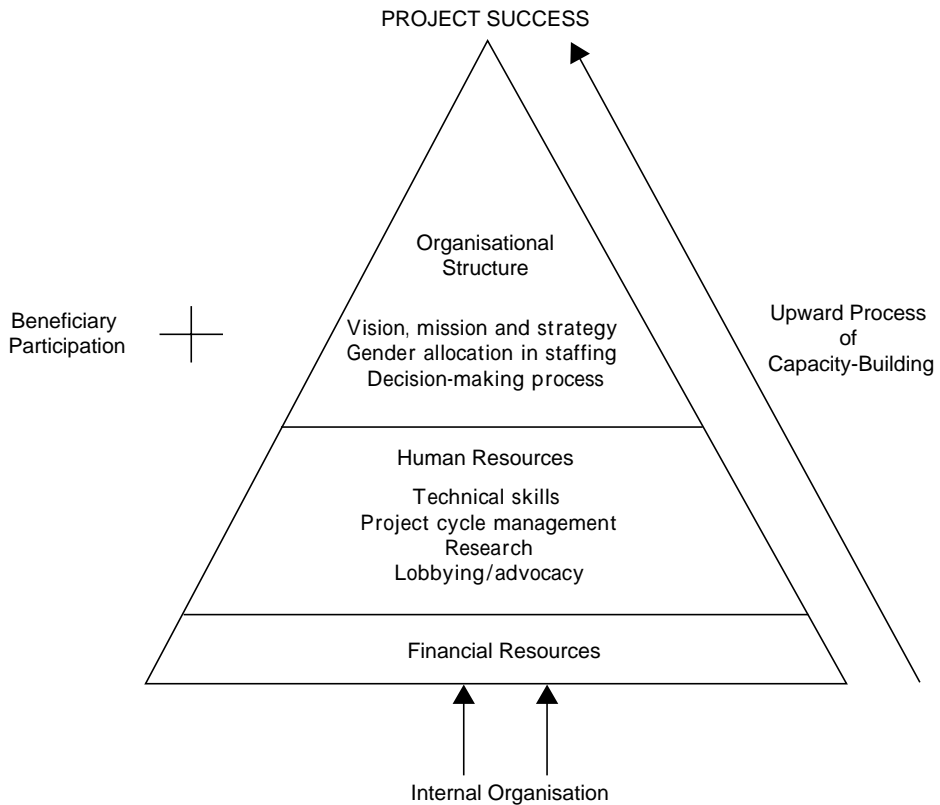
Based on the empirical findings derived from the present study, the below conclusions can be made following the diagram displayed in Figure 4 for facilitating capacity-building processes of Cambodian development-oriented NGOs.

The success or effectiveness of grassroots projects of Cambodian development-oriented NGOs is essentially influenced by adequate monetary resources and competent human capital, plus strong organizational leadership and networking with other NGOs. Moreover, organisations that concentrate on a small number of program areas and projects proved to be effective. This finding indicates that Cambodian development-oriented NGOs place a heavy emphasis on financial and human resources, leadership and networking rather than on other components which also enumerated the project success, i.e. organizational structure, commitment of project staff, and other integral elements of external environment. However, the analysis of the least dominant determinants of project success pointed to the fact that Cambodian development-oriented NGOs have their typical organizational limitations, namely strong male domination, weak knowledge and application of gender and participation concepts, imprecise organizational philosophy, and a leader-driven and hierarchical management style. Another observation can be made that small and manageable focus on program sectors and projects can be attributable to the project success.

As exhibited in Figure 4, the findings additionally unveil that to increase success potentials, Cambodian development NGOs need to improve not only the budget and human capacity bases, but also aspects of organizational structure involving organizational vision, mission and strategy, gender allocation in staffing, and decision-making process; and beneficiary involvement. In conclusion, the most needed capacity areas for improving Cambodian development-oriented NGOs are prevalingly coincided with the needs for eradicating their negative organizational characteristics. In other words, the urgent issues are how to secure a resource base and utilise it efficiently, to improve technical skills and capacity components in the project cycle, to extend research capacity, to strengthen



Figure 4: Path of Capacity-Building for Cambodian Development NGOs



lobbying/advocacy capability, to focus and plan strategically, to reduce gender bias and hierarchical management in the organizational culture, and to elicit more beneficiary participation in all stages of programming.

### Limitations of the Study

The chief scope of this study covered the dominant determinants of grassroots project success of Cambodian development-oriented NGOs and their prominent capacity-building needs for improving the level of success from their own standpoint. Due to the absence of consensus on indicators of project success, the study applied fifteen determinants consistently identifiable from the contemporary literature. Having done so, the study may have missed to examine other possible attributes which could have significant impact on project success of the organizations surveyed. Moreover, the methodology employed (i.e. the questionnaire survey) provided subjective data as the respondents in question self-reported about their organizations. This kind of study on 'organizational building' should be better done by utilizing a 'POA' (participate, observe and analyze) method so as to comprehend the inner workings of such organizations and their external environment in the field. The findings of

A Study on Organizational Building of Cambodian Development-Oriented NGOs:

the current study must be ergo interpreted within its both 'factor' coverage and 'methodological' context.

Annex: The Questionnaire

SURVEY ON CAPACITY-BUILDING OF CAMBODIAN DEVELOPMENT NGOs

A. Personal Information

1. NGO name: .....
2. Position title of respondent: .....
3. Number of years in position: .....
4. Sex:                                      Male                                      Female
5. Area of specialty ( Tick all applicable )
- |                  |                    |                     |
|------------------|--------------------|---------------------|
| General affairs  | Personnel/Training | Finance/Fundraising |
| Project planning | General management | Research/Evaluation |
| Others: .....    |                    |                     |

B. General Organizational and Program Information

1. Main program areas ( Tick all applicable )
- |               |             |                   |                 |
|---------------|-------------|-------------------|-----------------|
| Education     | Healthcare  | Environment       | Child welfare   |
| Micro-credit  | Agriculture | Income generation | Women's support |
| Others: ..... |             |                   |                 |
2. Number of current projects: .....
3. Main operational areas:
- |             |             |              |
|-------------|-------------|--------------|
| Urban areas | Rural areas | Remote areas |
|-------------|-------------|--------------|
4. Year of NGO founding: 19 .....
5. NGO background:
- |                        |                     |                          |
|------------------------|---------------------|--------------------------|
| Government-sponsored   | Religious           | Citizens/social movement |
| Corporate philanthropy | Localized int'l NGO | Others: .....            |
6. Numbers of staff and management:
- |                            |              |                |
|----------------------------|--------------|----------------|
| Management: Total: .....   | Male: .....% | Female: .....% |
| Office staff: Total: ..... | Male: .....% | Female: .....% |
| Field staff: Total: .....  | Male: .....% | Female: .....% |
7. Budget level per year ( US\$ )
- |              |               |               |                |               |
|--------------|---------------|---------------|----------------|---------------|
| Below 10,000 | 10,000-30,000 | 30,000-50,000 | 50,000-100,000 | Above 100,000 |
|--------------|---------------|---------------|----------------|---------------|

A Study on Organizational Building of Cambodian Development-Oriented NGOs:

8. What are your sources of funding? Check all applicable sources and give their percentages to the total budget.

Individuals (           %)	Congregations (           %)	Endowment (           %)	Government (           %)
UN agencies (           %)	Int'l organizations (           %)	Int'l NGOs (           %)	Other (           %)

C. Definition of Grassroots Project Success

Please *define* “project success at the grassroots level” based on your past successful projects.

.....

.....

.....

.....

.....

.....

D. Assessment of Main Factors Influencing Grassroots Project Success

Based on your past successful projects, to what extent did the following factors influence project success at the grassroots level? Please circle an appropriate number for each factor.

( 1 ) Very little      ( 2 ) Little      ( 3 ) Average      ( 4 ) Strong      ( 5 ) Very strong

- |   |           |
|---|-----------|
| 1. Sufficient financial resources   | 1 2 3 4 5 |
| 2. Relationships with government agencies involved                          | 1 2 3 4 5 |
| 3. Relationships with donor agencies concerned                              | 1 2 3 4 5 |
| 4. Networking with other NGOs, including international NGOs                 | 1 2 3 4 5 |
| 5. Community participation in project planning, implementation & evaluation | 1 2 3 4 5 |
| 6. Understanding of the operating context                                   | 1 2 3 4 5 |
| 7. Precise & concrete organizational vision, mission & strategy             | 1 2 3 4 5 |
| 8. Clear allocation of roles & functions among staff & management           | 1 2 3 4 5 |
| 9. Clear lines of communications & accountability within the NGO            | 1 2 3 4 5 |
| 10. Transparent & functional decision-making procedures of the management   | 1 2 3 4 5 |
| 11. Appropriate gender allocation of staff & management                     | 1 2 3 4 5 |
| 12. Competent skills & capabilities of staff                                | 1 2 3 4 5 |
| 13. Commitment of project staff   | 1 2 3 4 5 |
| 14. Competent skills & capabilities of management                           | 1 2 3 4 5 |

15. Strong leadership of the organization 1 2 3 4 5

E. Self-Assessment of Capacity Strength

Please evaluate the strength of your NGO capacity against the factors below by circling an appropriate number for each factor.

( 1 ) Very weak ( 2 ) Somewhat weak ( 3 ) Average ( 4 ) Somewhat strong ( 5 ) Very strong

- |   |           |
|---|-----------|
| 1. Sufficient financial resources   | 1 2 3 4 5 |
| 2. Relationships with government agencies involved                          | 1 2 3 4 5 |
| 3. Relationships with donor agencies concerned                              | 1 2 3 4 5 |
| 4. Networking with other NGOs, including international NGOs                 | 1 2 3 4 5 |
| 5. Community participation in project planning, implementation & evaluation | 1 2 3 4 5 |
| 6. Understanding of the operating context                                   | 1 2 3 4 5 |
| 7. Precise & concrete organizational vision, mission & strategy             | 1 2 3 4 5 |
| 8. Clear allocation of roles & functions among staff & management           | 1 2 3 4 5 |
| 9. Clear lines of communications & accountability within the NGO            | 1 2 3 4 5 |
| 10. Transparent & functional decision-making procedures of the management   | 1 2 3 4 5 |
| 11. Appropriate gender allocation of staff & management                     | 1 2 3 4 5 |
| 12. Competent skills & capabilities of staff                                | 1 2 3 4 5 |
| 13. Commitment of project staff   | 1 2 3 4 5 |
| 14. Competent skills & capabilities of management                           | 1 2 3 4 5 |
| 15. Strong leadership of the organization                                   | 1 2 3 4 5 |

F. Main Areas of Capacity-Building Provided by International NGOs

1. How much have your NGO staff and management been provided with the following areas of capacity-building by international NGOs? Circle an appropriate number for each area.

( 1 ) Very little ( 2 ) Little ( 3 ) Average ( 4 ) Much ( 5 ) Very much

- |                        |           |                                     |           |
|------------------------|-----------|-------------------------------------|-----------|
| 1. Technical skills    | 1 2 3 4 5 | 14. Project design & planning       | 1 2 3 4 5 |
| 2. Strategic planning  | 1 2 3 4 5 | 15. Organizational development      | 1 2 3 4 5 |
| 3. Administration      | 1 2 3 4 5 | 16. Financial planning & management | 1 2 3 4 5 |
| 4. English language    | 1 2 3 4 5 | 17. Public policy/Project research  | 1 2 3 4 5 |
| 5. Computer skills     | 1 2 3 4 5 | 18. Local resource mobilization     | 1 2 3 4 5 |
| 6. Gender awareness    | 1 2 3 4 5 | 19. Human resources management      | 1 2 3 4 5 |
| 7. Coordination skills | 1 2 3 4 5 | 20. Budgeting & accounting          | 1 2 3 4 5 |

A Study on Organizational Building of Cambodian Development-Oriented NGOs:

- |                       |           |                                     |           |
|-----------------------|-----------|-------------------------------------|-----------|
| 8. Marketing skills   | 1 2 3 4 5 | 21. Project monitoring & evaluation | 1 2 3 4 5 |
| 9. Negotiation skills | 1 2 3 4 5 | 22. Community organizing            | 1 2 3 4 5 |
| 10. Partnership       | 1 2 3 4 5 | 23. Communication skills            | 1 2 3 4 5 |
| 11. Fundraising       | 1 2 3 4 5 | 24. Lobbying & advocacy             | 1 2 3 4 5 |
| 12. Leadership        | 1 2 3 4 5 | 25. Networking/Alliance-building    | 1 2 3 4 5 |
| 13. Proposal writing  | 1 2 3 4 5 |                                     |           |

2. Please list three of the above areas that you consider most important to your successful grassroots projects, by giving the area numbers below.

(1)..... (2)..... (3).....

3. To what extent are the following areas of capacity prioritized for your organization to improve in order to enhance the level of project success? Please circle an appropriate number for each area.

(1) Very low      (2) Low      (3) Average      (4) High      (5) Very high

- |                        |           |                                     |           |
|------------------------|-----------|-------------------------------------|-----------|
| 1. Technical skills    | 1 2 3 4 5 | 14. Project design & planning       | 1 2 3 4 5 |
| 2. Strategic planning  | 1 2 3 4 5 | 15. Organizational development      | 1 2 3 4 5 |
| 3. Administration      | 1 2 3 4 5 | 16. Financial planning & management | 1 2 3 4 5 |
| 4. English language    | 1 2 3 4 5 | 17. Public policy/Project research  | 1 2 3 4 5 |
| 5. Computer skills     | 1 2 3 4 5 | 18. Local resource mobilization     | 1 2 3 4 5 |
| 6. Gender awareness    | 1 2 3 4 5 | 19. Human resources management      | 1 2 3 4 5 |
| 7. Coordination skills | 1 2 3 4 5 | 20. Budgeting & accounting          | 1 2 3 4 5 |
| 8. Marketing skills    | 1 2 3 4 5 | 21. Project monitoring & evaluation | 1 2 3 4 5 |
| 9. Negotiation skills  | 1 2 3 4 5 | 22. Community organizing            | 1 2 3 4 5 |
| 10. Partnership        | 1 2 3 4 5 | 23. Communication skills            | 1 2 3 4 5 |
| 11. Fundraising        | 1 2 3 4 5 | 24. Lobbying & advocacy             | 1 2 3 4 5 |
| 12. Leadership         | 1 2 3 4 5 | 25. Networking/Alliance-building    | 1 2 3 4 5 |
| 13. Proposal writing   | 1 2 3 4 5 |                                     |           |

G.Final Comments

Do you have any *ideas* to increase the level of your grassroots project success?

.....

.....

.....

.....

.....

.....

.....

Thank you for your invaluable time in completing this questionnaire.

## A Study on Organizational Building of Cambodian Development-Oriented NGOs:

### Endnotes

<sup>1)</sup> 'Project success' was variably defined by the respondents ( see Question C of the Questionnaire in the Annex ) but mainly ranging from "complete achievement of pre-designated project goals and objectives", "satisfactorily meeting actual needs of the intended constituency", to "increasing self-sufficiency or independence of the beneficiaries".

<sup>2)</sup> That is mean of influence = 4.53 ( or 90.6% of response range of 5 ) - mean of strength = 2.00 ( or 40% of response range of 5 ) = 2.53 ( or 50.6% ) Same calculations were done for other levels of divergence.

### REFERENCES

- Anheier, H. & Cunningham, K. ( 1994 ) Internationalization of the nonprofit sector. *Handbook of nonprofit leadership and management*. San Francisco: Jossey and Bass Publishers.
- Burnip, D. ( 1997 ) *Developing Cambodian NGOs through partnerships*. Vermont: Program in International Management/School for International Training.
- Cyert, R. ( 1988 ) The place of nonprofit programs in higher education. In O'Neill, M. & Young, D. ( eds. ) *Educating managers of nonprofit organizations*. New York: Praeger Publishers.
- Eade, D. ( 1997 ) *Capacity-building: An approach to people-centered development*. Oxford: Oxfam UK & Ireland.
- Edwards, M. & Hulme, D. ( 1996 ) *Beyond the magic bullet: NGO performance and accountability*. West Hartford: Kumarian Press.
- Fowler, A. ( 1997 ) *Striking a balance: A guide to enhancing the effectiveness of non-governmental organizations in international development*. London: Earthscan Publications Ltd.
- Gretebeck, L.J. ( 2000 ) An assessment of Japanese NGO organizational capacity. *Forum of International Development Studies* ( 15 : 1-26 )
- International Conference on Future Capacity-Building of Southern NGOs ( ICFCB ) ( 1998 ) [www.ifcb-ngo/ifcb-fora/ifcb-global/brussels1.html](http://www.ifcb-ngo/ifcb-fora/ifcb-global/brussels1.html)
- Kaplan, A. ( 1999 ) The development of capacity. Cape Town: CDRA. <http://www.cdra.org.za>
- Kung, M. ( 1997 ) Coordination between governmental organizations and NGOs in the field of rural development in Cambodia. A Masters' thesis. Thailand: Khon Ken University.
- Paul, J.A. ( 1996 ) *NGOs, civil society and global policy making*. New York: Global Policy Forum.
- Paul, J.A. ( 1999 ) *NGOs and the United Nations*. New York: Global Policy Forum.
- Riddell, R. & Robinson, M. ( 1995 ) *Non-governmental organizations and rural poverty alleviation*. Oxford: Clarendon Press.
- Riddell, R. et al. ( 1997 ) Searching for impact and methods: NGO evaluation synthesis study. A report prepared for the OECD/DAC Expert Group on Evaluation. <http://www.valt.helsinki.fi/ids>
- Simmons, P.J. ( 1998 ) *Learning to live with NGOs*. New York: Global Policy Forum.



- Smillie, I. & Helmich, H. ( 1993 ) *Non-governmental organizations and government: Stakeholders for development?* Paris: OECD.
- Steckel, R. & Lehman, J. ( 1997 ) *America's best nonprofits*. San Francisco: Jossey and Bass Publishers.
- Steeman, A. ( 1995 ) *Cambodian NGOs. A mission report*. The Hague: NOVIB.
- UNDP ( 1997 ) *UNDP and governance: Experiences and lessons learned*.  
<http://magnet.undp.org/docs/gov/Lessons1.htm>
- van der Drift, M. ( 1993 ) *Impression on the NGO movement in Cambodia*. Phnom Penh: SAWA.
- World Bank ( 2000 ) *World development report 2000/2001*. Washington D.C: The World Bank.