EVALUATING NON-GOVERNMENTAL ORGANISATIONS

An overview of The Global Journal’s Top 100 NGOs methodology in 2013

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INTRODUCTION: THE GLOBAL JOURNAL’S NGO RANKING IN CONTEXT

In the not so distant past, non-governmental organisations (NGOs) enjoyed a widespread positive reputation – in the public eye, in the media and within the scholarly community that sought to better understand and conceptualise these actors. With an historical legacy of impassioned activists ameliorating the status quo across a range of issues – from ending the slave trade to fighting for women’s rights, removing environmentally harmful CFC emissions from household appliances and prohibiting the use of landmines in conflict zones – it seemed, until the late 1990s, that NGOs could do no wrong. In the past decade, however, public discourse on NGOs has shifted, and scholars have begun to critically assess and scrutinise their organisational structures, credibility, legitimacy, accountability, impact and more.

The number of NGOs vying for donor funds has increased dramatically since the end of World War II, especially since the 1970s. When the United Nations (UN) was formed, in 1945, only 40 NGOs were accredited with ECOSOC consultative status. By the end of 2011, this number had increased to 3,536, in addition to the vast numbers of local and international NGOs operating without ECOSOC accreditation. Recognising that NGOs offer issue expertise, ties with local communities and the ability to operate independently, the UN’s 29 specialised agencies and local governing authorities have welcomed the role they play in program implementation. In addition, NGOs are increasingly called on during times of disaster and crisis.

The presence and activities of NGOs in Haiti following the devastating January 2010 earthquake stirred two related yet paradoxical commentaries within the media and scholarly communities that sum up a declining support. Initially, the media praised the financial contributions that flowed into the country, as well as the heroic efforts demonstrated by countless NGO personnel providing on-the-ground aid. Two years later, these vast numbers of NGOs were criticised by the media, by organisations like the International Council of Voluntary Agencies (ICVA), and more recently by the scholarly community, for failing to...
transform generous funds into improved conditions for the more than one million Haitians left homeless. On the one hand, there is increasing awareness of the vast sums of money channelled through an ever-growing number of NGOs to undertake tasks that were once the responsibility of the state and international organisations. On the other, NGOs face increasing pressure to demonstrate they can produce material improvements on the basis of this investment. Combined with reports of NGO malpractice, such factors have pushed NGOs to attempt to evaluate their work.

As funds and responsibilities are transferred to NGOs, so too, it seems, is the blame that states and international organisations traditionally faced for their inability to adequately ‘fix’ the world’s problems. And yet, while public discourse and scholarly works trend towards spotlighting negative NGO practice, little is being said about good NGO practice, or what good practice should even look like. As Gourevitch et al state, “most NGOs are, indeed, virtuous. They pursue laudable goals, attract dedicated individuals who labour hard for little remuneration, and – in general – do good work.”

This is the context in which The Global Journal first produced its ‘Top 100 NGOs’ ranking in January 2012, and in which it presented the second edition in January 2013. As will be discussed in the pages that follow, the task of evaluating the vast diversity of NGOs is enormous and riddled with challenges. Yet, as scholars of development studies, political science and public administration all agree – as well as members of the donor and practitioner communities – the benefits of evaluating NGO effectiveness far outweigh the challenges associated with the task. If the right methodological measures are put in place, challenges can be minimised and methods of evaluation and analysis will continue to improve and evolve over time. This paper presents an overview of the current state of research evaluating NGOs, before outlining the methodology developed and adopted by The Global Journal for its 2013 Top 100 NGOs list.

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10 See, for example, Steffek and Hahn’s (2010) discussion of the controversial measures taken by the humanitarian NGO ‘L’Arche de Zoe’ to adopt children in Chad in 2007, and Greenpeace’s misrepresentation of data relating to toxic residues in the North Atlantic in 1995, following the corporation Shell’s intention to sink one of its oil storage platforms there.

Defining an ‘NGO’: criteria for inclusion and exclusion

Defining the term ‘non-governmental organisation’ is no easy task. In the 1990s, scholars such as Gordenker and Weiss (1996), and Princten and Finger (1994) dedicated pages to grappling with the concept. Yet, as they and later scholars have shown time and again, it is not impossible to settle on a definition that underscores features common to all NGOs – essential for analysis, comparative study and ranking projects of the kind conducted by The Global Journal. Just as the term ‘business’ encapsulates a broad range of organisations with varying structures, missions, visions and areas of work, so too does the term NGO.

In the political science literature, scholars such as Wapner (1997) included all organisations of citizens outside the government as NGOs. Young (1997) elaborated on this definition stating that an NGO must meet three criteria: (i) it must be separated from intergovernmental organisations; (ii) it should define its subject of interest; and (iii) it should declare that it is not part of any government and is free to express an independent view. Some scholars, such as Steffek and Hahn, specifically focus on international NGOs – “registered and/or active in more than one state.”12 Providing insight into how ECOSOC defines NGOs, its NGO branch states:

“Consultative relationships may be established with international, regional, sub-regional and national non-governmental, non-profit public or voluntary organizations. To be eligible for consultative status, an NGO must have been in existence (offically registered with the appropriate government authorities as an NGO/non-profit) for at least two years, must have an established headquarters, a democratically adopted constitution, authority to speak for its members, a representative structure, appropriate mechanisms of accountability and democratic and transparent decision-making processes. The basic resources of the organization must be derived in the main part from contributions of the national affiliates or other components or from individual members. Organizations established by governments or intergovernmental agreements are not considered NGOs.”13

Scholars have tended to study NGOs in two separate categories, based on their key roles – advocacy NGOs, and/or operational NGOs. Advocacy – the act of pleading for, supporting or recommending a particular cause or policy outcome – has most frequently been examined by political scientists through studies examining lobby groups and their influence in national policy processes, and by international relations scholars examining the formation, strategies, tactics and influence of various non-state actors in international policy processes. The operational role played by NGOs – delivering programs in areas like education, health and economic development – has most frequently been examined through the lens of development studies, public policy and management, in addition to political science. The two roles are not mutually exclusive, such that one organisation may simultaneously play an operational and advocacy role. Médecins Sans Frontières (MSF), for example, provides humanitarian medical aid in crisis zones around the world, while at the same time working

13 See the UN Department of Economic and Social Affairs “NGO Branch” website http://csonet.org/index.php?menu=17 (accessed 23 December 2012).
to influence policy processes through initiatives like the Access to Essential Medicines campaign.\textsuperscript{14}

For the purposes of its 2013 ranking, The Global Journal defined NGOs as: “operational or advocacy-focused non-profit organisations, active at the local, national or international level.” This definition emphasises the non-profit status of NGOs and excludes businesses from the analysis despite the prominent advocacy work they can and do undertake. While businesses are excluded, scholars and organisations like the World Health Organisation, have debated\textsuperscript{15} whether business interest NGOs (BINGOs), which are themselves non-profit but whose members or the actors whose interests they represent are for-profit, should be categorised separately from public-interest NGOs (PINGOs).\textsuperscript{16} Many of the “associations” and “federations” registered in Part C of ECOSOC’s roster of NGOs in consultative status with the UN – “organizations placed on the Roster by virtue of their consultative status with other United Nations bodies or the specialized agencies” – fall into this category.\textsuperscript{17} Particularly concerned with evaluating not-for-profit organisations, The Global Journal has chosen to exclude business interest NGOs from its analysis, in addition to businesses.

Non-governmental organisations, by virtue of their name, operate independently of governmental authorities. As Vedder (2007) explains:

“Typically, NGOs are not part of a government or a local, national, or international governmental authority. Although NGOs are not governmental bodies, they can sometimes be initiated by governmental organisations or financed by governments. Also, some NGOs perform certain tasks for the government.”\textsuperscript{18}

This definition delineates public-private partnerships (PPPs) from NGOs, as PPPs are comprised of at least one public institution (whether intergovernmental, regional, or national), and frequently (though not essentially) a business organisation and/or a civil society or non-profit organisation. But just as business interest NGOs are included in ECOSOC’s list of accredited NGOs, ECOSOC is beginning to grant NGO consultative status to organisations that represent the interests of PPPs, such as the GAVI Fund.\textsuperscript{19} While The Global Journal has not included PPPs in its analysis,\textsuperscript{20} it has included funds that work with PPPs, such as the Global Alliance for Improved Nutrition (GAIN). This again contributes to the debate about which entities count as NGOs and which do not. Considering the continued move by UN agencies and governments towards engagement in PPPs, The Global Journal may want to consider including these organisations in future rankings.

\textsuperscript{15} This debate has been particularly important for UN specialised agencies, such as the World Health Organisation, where business interest NGOs representing pharmaceutical or tobacco companies have frequently participated in policy processes, and whose interests are at times in direct contrast with public interest NGOs.
\textsuperscript{16} See, for example, Smith (1997) who differentiates between public-interest NGOs (PINGOs); business and industry NGOs (BINGOs); and environment, human rights, development or expert NGOs.
\textsuperscript{17} For example the Arab Federation for Food Industries, the European Chemical Industry Council, the International Fertilizer Industry, the International Federation of Pharmaceutical Manufacturers and Associations, among many others.
\textsuperscript{18} Vedder (2007) pg. 3
\textsuperscript{19} For example, GAVI Alliance, a public-private partnership, is not on the ECOSOC roster, but the affiliated organisation, the GAVI Fund, is in consultative status with ECOSOC.
\textsuperscript{20} For example, organisations like the Global Public Private Partnership for Handwashing with Soap\textsuperscript{20} that have a clear health and development objective, have not been included in the analysis. Global Public Private Partnership for Handwashing with Soap website http://www.globalhandwashing.org/ (accessed 23 December 2012).
For the purposes of the Top 100 NGOs ranking, *The Global Journal* does consider policy-oriented research institutions to be NGOs if they are non-profit, operate independently, are not wholly-funded research arms of a single government or educational institution and engage in an active advocacy program. These institutions, such as the Small Arms Survey, frequently play an advocacy role – informing policy processes by way of advising state delegates and international agencies. Similarly, organisations that focus exclusively on grant-making were not included in the evaluation, while organisations that combined grant-making with program implementation activities, such as the Open Society Foundations, were included.

The UN’s NGO branch highlights the diverse roles NGOs frequently play in international governance arrangements, stating:

“NGO work related to the UN comprises a number of activities including information dissemination, awareness raising, development education, policy advocacy, joint operational projects, and providing technical expertise and collaborating with UN agencies, programmes and funds... in formal and informal ways at the national level and at the UN.”

The NGOs listed in *The Global Journal*’s Top 100 NGOs ranking reflect this diversity, including humanitarian organisations, advocacy networks, civil society organisations and development NGOs, amongst others. The list also includes organisations working across a range of issue domains – from human rights to the environment, intellectual property, finance, trade, health and more. The challenge in ranking such a diverse range of organisations is to find criteria common to all upon which an analysis can be based. Before outlining *The Global Journal*’s methodology, the following section presents a review of the current state of research evaluating NGOs.

**Current state of research evaluating NGOs**

During the 1970s, 1980s and 1990s, NGOs played an increasingly prominent role in international governance arrangements – both lobbying and advocating for change in national and international policy processes, as well as through the provision of humanitarian assistance in crisis zones around the world. As governing authorities, international organisations and private donor funds increasingly engaged NGOs to implement field operations – what Hulme and Edwards termed a socialisation into the development “industry” – intensifying pressure has been placed on NGOs to demonstrate the impact and effectiveness of their work. In response to increasing donor and public demands in the 1990s, both NGOs themselves, in addition to external donor-commissioned consultants, have increasingly evaluated NGO performance against such criteria as achievement of objectives, efficiency, effectiveness and sustainability. Similarly, scholars in fields like development studies, economics, public policy and management are now fine-tuning qualitative and quantitative methods to demonstrate the impact and effectiveness of

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22 For an overview on the increasingly prominent role played by civil society in international governance see Mingst (2009).
24 Riddell *et al* (1997)
operational NGOs.\textsuperscript{25} Around the same time, political scientists began to examine the role, impact and influence of non-state actors in international governance arrangements.\textsuperscript{26} Across disciplines, the literature during this period took for granted that NGOs contributed positively to society and political decision-making.\textsuperscript{27} More recently, as scholars question the moral and social value of NGOs, attention is turning to examine the legitimacy, accountability, representation and credibility of NGOs. The current state of research for each of these approaches is presented below.

**Evaluating the impact and effectiveness of operational NGOs**

It is not easy to find concrete definitions of – let alone explicit formulations of – criteria against which NGO impact and effectiveness are assessed. Through a review of 31 articles published across English-language academic journals between 1996-2008, Kareithi and Lund (2012) have shown that NGO performance is most frequently assessed against the following criteria: accountability, reporting, resource mobilisation, operational management and monitoring and evaluation of specific programs.\textsuperscript{28} In addition, comparisons are frequently made between NGO impact assessments and external evaluations. The studies in question employed both qualitative methods of evaluation – such as interviews, focus group discussions and workshops – and quantitative methods – such as the completion of questionnaire surveys. Sample sizes varied greatly, with some studies assessing performance in the context of single cases and others conducting country level surveys of NGOs.\textsuperscript{29} The unit of analysis was almost always specific NGO programs, projects or interventions. Organisations as a whole were rarely evaluated, prompting Kareithi and Lund to emphasise the need for studies to focus on this in the future:

“As the primary mission of development NGOs is focused on development goals desired by their targeted beneficiaries and their communities, the performance of NGOs should be assessed by their effectiveness as organisations to assist beneficiaries achieve mutually identified social goals. Traditionally, the evaluation results of NGO interventions have been utilised as a proxy for the overall performance of the organisation. There is now a call for NGO performance measurement, beyond project assessment, to focus on the overall functioning of the organisation.”\textsuperscript{30}

In the 1990s, Riddell et al (1997) compiled evidence from 60 separate reports of 240 NGO projects carried out in 26 developing countries that showed NGOs frequently assess impact and effectiveness against criteria such as: the achievement of objectives, impact in terms of program reach, alleviation of poverty and the degree of participation, sustainability (financial and institutional), cost-effectiveness, innovation and flexibility, replicability and scalability, gender impact, environmental impact and impact in terms of advancing democracy, pluralism and civil society.\textsuperscript{31} Great variation and inconsistencies were found in the criteria and methods of evaluation in these studies. Sustainability, for instance, was

\textsuperscript{25} Najam (1998)
\textsuperscript{26} See, for examples, Klotz (1995), and for studies examining the role NGOs play in agenda-setting: Anderson (2000); Ditmore & Wijers (2003); Joachim and Locher (2009); the role NGOs play in norm diffusion (Keck and Sikkink 1998); strategies and framing tactics employed to influence policy processes at national: Baumgartner et al (2009); Mahoney (2008); and international levels: Jonsson & Tallberg (2010).
\textsuperscript{27} Vedder (2007)
\textsuperscript{28} Kareithi & Lund (2012) p. 4
\textsuperscript{29} Kareithi & Lund (2012)
\textsuperscript{30} Kareithi & Lund (2012) pg.1
\textsuperscript{31} See Riddell et. al (1997) pg. x
found to mean different things to different NGOs, with many studies focusing on the financial sustainability of individual projects, while others examined NGO institutional sustainability and still others were interested in environmental sustainability. Where innovation today frequently refers to business approaches and new forms of project design and delivery, previous studies understood it to refer to how closely an NGO interacted with its beneficiaries over an extended period of time.

The task of measuring NGO performance is fraught with difficulty, leaving many NGOs at a loss as to how to best assess their activities. While monitoring and evaluation tools have proliferated – including logical framework approaches, results-based management, outcome mapping, participatory studies and randomised control trials – linear frameworks have often tended to measure performance rather than impact, or focused on macroeconomic or population-level indicators ill-suited to tracking activities aimed at building capacity or engendering attitudinal change in a social or community context. Davies (2001) outlines the core challenges, including the tendency of NGOs to set overly ambitious objectives, meaning outcomes rarely meet initial high expectations even if concrete impact has been achieved. Alternatively, NGOs often set overly vague objectives against which it is difficult to measure/gauge the degree of goal attainment. Further challenges arise due to the complexity caused by the scale of certain projects, the diversity of activities undertaken within projects that must be factored into an evaluation, insufficient monitoring tools and frameworks for evaluation and a lack of information relating to what standard good practice looks like. In addition, Riddell et al point out that many NGO evaluation studies fail to provide detailed information on precisely how the criteria for evaluation are assessed, with missing data relating to programs leading many NGOs to make “qualitative judgements” that are not based on a systematic evaluation of outcomes, but rather project visits, project documentation, discussions with the implementing agency and – sometimes – discussions with beneficiaries.

Certain scholars claim that focusing exclusively on NGO impact evaluations may detract donor funds away from innovative and experimental projects, in favour of traditional programs demonstrating ‘proven’ impact. Other challenges include the fact that many smaller NGOs do not have the capacity or tools to evaluate and monitor the impact and effectiveness of their programs in comparison to their larger counterparts. This gives larger NGOs an unfair advantage when pitching for donor funding increasingly predicated on the existence of such evaluation processes. Finally, concerns about the fact that many NGO projects are not intended to improve the material living standards of beneficiaries, but are instead intended to enhance the capacity of local implementing actors, highlight the insufficiency of only evaluating impact.

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33 Riddell et al 1997
35 Davies (2000)
36 Riddell et al (1997)
Evaluating advocacy NGO influence in policy processes

The aim of advocacy is to plead for, recommend or support a cause so as to influence an outcome (usually a policy outcome). Political scientists are primarily interested in measuring the influence of NGOs and lobby groups in policy processes and the conditions under which NGOs influence policy outcomes. Scholars lament the methodological challenges associated with measuring or identifying advocacy influence, as it is often difficult to isolate one causative factor from other possible causal factors in processes of change. These challenges have led many scholars to focus instead on analysing the organisational structures of advocacy NGOs, the strategies, tactics and framing techniques they adopt, the political opportunity structures (that is, the formal access points in policy processes) open to advocacy organisation input/involvement, and levels of participation of advocacy organisations in policy processes.\(^{40}\)

Recognising the importance of being able to measure NGO influence on policy processes, scholars have fine-tuned three broad methods of evaluation: (i) process-tracing of NGO actions, interactions and events in policy formation processes, which permits only small sample, detailed case studies; (ii) perceived influence based on an assessment of influence made by the very actors being observed, which permits larger sample studies with information obtained through surveys; and (iii) observation of goal attainment based on an evaluation of the degree to which policy outcomes matched the stated desires/objectives of advocacy organisations. Dur (2008) provides a thorough review of the strengths and weaknesses of each method of measuring influence. On the most part, scholars evaluate advocacy organisations using qualitative analysis of detailed case studies, permitting only small sample studies that focus on specific issues or policy processes, rather than evaluating organisations. The few large sample case studies that exist do focus on evaluating NGOs or lobby groups as the unit of analysis.\(^{41}\)

Evaluating the legitimacy, accountability, representation and credibility of NGOs

As governing authorities increasingly turn to NGOs to implement programs, and as NGOs grow increasingly involved in policy processes, scholars have begun to question who NGOs should be held accountable to, their legitimacy, whose interests they represent and how credible they are. Scholars such as Neumann and Sending claim that NGOs have become another means through which states exercise power in international society.\(^{42}\) Slim (2002) has questioned NGO authority through an assessment of their legitimacy and accountability, while Steffek and Hahn (2010) have provided an overview of scholarly works that evaluate the legitimacy, accountability and representation of NGOs. Scholars such as Jordan and van Tuijl (2006) have also examined whom NGOs represent, so that clearer ideas about accountability can be devised. Through a cross-sectoral international analysis of NGO programs, they compile studies that assess the legal accountability, certification processes, and donor-based accountability regimes of various NGO programs.\(^{43}\) Gourevitch et al’s compilation of empirical case studies seeks to address the doubt raised as to the virtue of NGOs, assessing the credibility and truth of NGO statements. They argue: “credibility is no guarantee of success. NGOs that lack credibility with key audiences, however, are almost

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39 See, for example, Joachim & Locher (2009)
40 Mahoney (2007)
41 See, for example, Jonsson & Tallberg (2010) who have recently conducted a study on the perceived influence of NGOs on International Organisations.
42 Neumann & Sending (2010)
43 Jordan & van Tuijl (2006)
certain to fail in their quest to bring about social change. If their claims are not perceived as trustworthy, their statements and efforts will be disregarded.\textsuperscript{44}

These studies are generally book compilations of detailed case studies, such as Hyde’s assessment of NGO monitoring of elections; \textsuperscript{45} and Golub’s assessment of “NGO Accountability and the Philippine Council for NGO Certification: Evolving Roles and Issues.”\textsuperscript{46}

**Situating The Global Journal’s evaluation of NGOs**

To date, no efforts have been made by scholars to evaluate NGOs for the purposes of producing a ranking of organisations. While efforts have been made to create an index of the country-environments in which civil society organisations operate,\textsuperscript{47} and the UN lists NGOs in consultative status to ECOSOC under various categories, no one prior to The Global Journal’s 2012 ranking of NGOs has published a comparative analysis of NGOs at the international level, assembled according to specific criteria. For the 2013 edition, The Global Journal has evaluated NGOs based on information largely provided by the organisations themselves, analysed according to a set of specifically-designed criteria and sub-criteria. Each NGO was requested to complete two surveys (The Global Journal’s online form and a more detailed questionnaire), in order to provide a self-assessment of its work/performance in the context of questions intended to tease out information linked to three main criteria – impact, innovation and sustainability.\textsuperscript{48} These criteria will be discussed in detail in the next section.

The process of obtaining information on an organisation by completion of a survey is far simpler than assessments of detailed case studies, process-tracing and assessing degrees of goal/preference attainment used in other methods. This approach is employed frequently by political scientists due to the relative simplicity of obtaining large numbers of completed surveys – making the method more conducive to large sample, comparative studies. The main difficulties, as discussed by Dur, relate to designing a questionnaire that adequately captures the required information for analysis, encouraging the maximum number of respondents to complete the survey, and establishing specific criteria and sub-criteria on which to base the analysis of information provided by the respondents.\textsuperscript{49} In addition, organisations may provide biased self-estimations and assessments of impact/influence of specific projects that are not truly representative of the organisation’s overall impact or influence.\textsuperscript{50}

*The Global Journal*, which sought to evaluate advocacy and operational NGOs alongside one another, faced the challenge of finding criteria for evaluation common to both types of NGOs. By clearly articulating what each criterion is based upon and developing a more focused overall scope of analysis, *The Global Journal* sought to better address this challenge in 2013. Like any study, there are limitations and room for alterations to the methodology. The following section provides an outline of the evaluation method adopted.

\textsuperscript{44} Gourevitch et al (2012); pgs. 3, 193
\textsuperscript{46} In Jordan & van Tuijl (2006).
\textsuperscript{47} See Finn Heinrich (2004)
\textsuperscript{49} Again, see Dur (2008) for a detailed discussion on the strengths and weaknesses of various methods.
\textsuperscript{50} Polsby (1960) in Dur (2008).
PART TWO: THE GLOBAL JOURNAL’S METHOD FOR EVALUATING AND RANKING NGOs

The Global Journal’s 2013 ranking presents a list of NGOs that have been evaluated and ranked according to three main criteria – impact, innovation and sustainability. This section outlines the methodology developed and implemented by The Global Journal, including an overview of the project aims and objectives, the NGO definition used, the unit of analysis adopted, the method and process of evaluation, the criteria for evaluation, how the ranking index was calculated and the acknowledged limitations of the study.

Aims and objectives

By ranking NGOs, The Global Journal seeks to:

• showcase the diversity and scale of organisations encompassed by the ‘NGO’ label;
• evaluate NGOs comparatively, not limited by geography or activity, and according to specific criteria;
• stimulate constructive debate around questions of impact, innovation and sustainability linked to the activities of NGOs; and
• present a range of good NGO practice so that sector-wide trends can be observed year on year, as annual rankings are undertaken over time.

Definition of NGOs adopted

For the purposes of the 2013 edition of the Top 100 NGOs ranking, The Global Journal defined NGOs as: “operational or advocacy-focused non-profit organisations, active at the local, national or international level.”

As discussed earlier in this paper, The Global Journal is particularly concerned with evaluating non-profit organisations, and as such chose not to include business interest NGOs in the analysis. The reason for this is that while business interest NGOs are themselves non-profit organisations, they represent the interests of for-profit organisations that fall beyond the aims and objectives of the project. The Global Journal has also not included PPPs in its analysis, which are often comprised of part government, part for-profit and part non-profit organisations.51 While new kinds of vehicles combining operational, advocacy, research, fundraising and grant-making activities increasingly exist in a grey area representing definitional challenges, The Global Journal has sought as far as possible to use the official registration of specific organisations for tax purposes, together with a case-by-case review to ensure each NGO met the criteria for inclusion specified earlier in the paper.

51 For example, organisations like the Global Public Private Partnership for Handwashing with Soap that have a clear health and development objective, have not been included in the analysis. Global Public Private Partnership for Handwashing with Soap website http://www.globalhandwashing.org/ (accessed 23 December 2012).
Assessing NGOs as the unit of analysis

The Global Journal focuses on NGOs as the unit of analysis to be evaluated and ranked, rather than the program or intervention-based approach most commonly followed in the development studies literature and within donor and practitioner communities. Choosing to proceed on this basis not only reflects the broad scope of The Global Journal’s objectives in undertaking an international ranking of NGOs across sectors (as opposed to seeking to improve specific interventions and testing prospects for scalability), but – as noted earlier – also comes at a time when scholars have begun to call for a widening of evaluation studies to the organisational level. At the same time, while still uncommon in much of the development sector, assessing the organisation is not new for political scientists. One of the accepted methods used to assess lobby group/NGO advocacy influence in policy processes is to survey the group in question so as to ascertain how much influence it attributes to itself in policy processes – at the national level, and more recently at the international level.

Both approaches come with inherent advantages and disadvantages. Where the evaluation of specific programs permits measurement/observation of the extent to which immediate program objectives are obtained within a specified project time period, the level of detailed analysis generally required reduces drastically the number of projects that can be reviewed (making for small sample studies). Assessing the organisation, on the other hand, permits analysis of the full scope of an organisation’s work. As Dur points out, however, a group or organisation, when asked to provide an assessment of its influence or impact across many issues or projects, may unknowingly provide answers shaped by specific prominent examples. An organisation may be obviously successful in relation to one issue, and simultaneously unsuccessful in relation to another, which is difficult to capture in a survey assessing its overall work.

Method and process of evaluation for ranking the NGOs

As explained in the previous section of this paper, each NGO was requested by The Global Journal to complete two surveys (an online form and a more detailed questionnaire), in order to provide figures relating to specific financial, staffing and program metrics, as well as a self-assessment of work/performance in the context of questions designed to tease out information on the three criteria for evaluation established by The Global Journal – impact, innovation and sustainability. The Global Journal then evaluated the answers provided by each NGO, including information contained in accompanying documents requested as part of the online form – such as reported financial statements and annual reports – in addition to organisational and program information already available publicly through other channels.

The process of distributing, collecting and analysing surveys completed by NGOs so they could be included in the analysis involved three phases of activity: (i) a call for nominations;

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52 See Kareithi & Lund (2012) pg.1.
53 For examples see Mahoney (2008), Baumgartner et al (2009)
54 See, for example, Jonsson & Tallberg (2010)
55 For a discussion of the strengths and weaknesses of analyzing the organisation as opposed to specific programmes / projects see Dur (2008) Pgs. 53 – 54.
(ii) surveying the nominated NGOs; and (iii) evaluating and ranking the NGOs based on completed surveys and accompanying information provided with these documents.

Phase 1: Call for nominations (October – December 2012)

The Global Journal opened its ranking process with an official call for nominations in October 2012. Information about the ranking and the nomination steps involved was posted to The Global Journal’s website so that NGOs around the world could access it and potentially enter the evaluation process. The call for nominations was also promoted through a widely-circulated international press release, via The Global Journal’s weekly newsletter, through advertising banners on partner websites and in a series of direct emails distributed to an NGO contact database compiled over the course of the preceding year that comprised close to 450 NGOs.

In order to be eligible to enter, NGOs were required to nominate themselves. Nomination forms could be completed and submitted on The Global Journal’s website, or otherwise sent via mail to The Global Journal’s Geneva postal address.

Phase 2: Surveying the nominated NGOs (October – December 2012)

Once an NGO had been nominated, staff of The Global Journal immediately sent the organisation in question the more detailed questionnaire in the form of an editable PDF document. Staff liaised with nominated NGOs so as to encourage maximum completion of the surveys and submission to The Global Journal. As part of the initial online form, NGOs were requested to attach accompanying documents providing more detailed information, such as recent annual reports and financial statements.

Phase 3: Evaluating and ranking the NGOs (December 2012)

Once the online form and questionnaire had been completed, the staff of The Global Journal began the process of evaluating each NGO based on the information provided by them in the surveys and according to the three criteria outlined. Only NGOs that provided all necessary, requested information outlined in the online form and questionnaire were eligible to proceed to the ultimate phase of evaluation.58

The final ranking was determined on the basis of aggregated evaluation ‘scores,’ calculated in line with a weighted formula explained in further detail in the next section.

Criteria for evaluation – impact, innovation and sustainability

As already noted, for the 2013 ranking The Global Journal evaluated NGOs according to three main criteria: (i) impact, (ii) innovation and (iii) sustainability. This represented a streamlining of the approach adopted for the inaugural list, which considered a broader range of criteria, including effectiveness, efficiency and transparency/accountability. The three criteria were further divided into sub-criteria so that NGOs could be evaluated and

58 A total of 118 NGOs entered the final phase of evaluation.
given a score on an ordinal scale devised for each. These sub-criteria rankings were later added together to produce an overall score out of 20 in each criterion. Two staff from The Global Journal independently evaluated each NGO according to the criteria, with their evaluations later compared to enable crosschecking and ensure consistency throughout the process, before being averaged together to produce one score. Each criterion and sub-criterion is discussed below, followed by a description of how the overall ranking index score was calculated.

Impact

While ‘raw’ impact – cost effective reach to maximum number of beneficiaries – is often considered important in the competitive world of fundraising and donor relations, The Global Journal sought to additionally recognise the valuable contribution smaller, or more localised NGOs often make to address specific issues or populations. As such, The Global Journal settled on a tripartite approach to evaluating impact that aimed to balance a focus on measurable cross-sector metrics (which were seen to favour large, short-term focused, ‘service-delivery’ NGOs), a degree of within-sector comparison (to acknowledge different notions of ‘impact’ in different sectors and ensure sectoral coherence) and a judgement of the activities of each NGO against its declared objectives (limiting biases linked to the size, model or programmatic ambition of different organizations). Each NGO was evaluated and scored on an ordinal scale as is indicated in brackets below.

Sub-criterion 1 (1-4): ‘Raw’ NGO impact in terms of cost effectiveness

For this sub-criterion, each NGO was given a score from 1-4, where 1 indicated the least number of beneficiaries reached with highest number of staff and operating budget, and 4 indicated highest number of beneficiaries reached with lowest number of staff and operating budget. This was done based on information provided by the NGOs in the online form, which included information on the number of direct beneficiaries, staff size and the 2011-12 operating budget.

Sub-criterion 2 (1-8): Impact in comparison to counterpart organisations

This sub-criterion was assessed based on how an NGO’s raw impact (sub-criterion 1) compared with the impact of other NGOs being evaluated by The Global Journal working on the same issue domain (for example human rights, the environment or peacebuilding). Again, using the information provided in the online form (and after each organization was sorted into one of 12 thematic categories), NGOs were given a score from 1-8 based on where they sat against sectoral counterparts, with 1 indicating the lowest cross-sectoral position in terms of impact, and 8 indicating the highest cross-sectoral position.

Sub-criterion 3 (1-8): Degree to which an NGO achieves its mission/theory of change

This sub-criterion was assessed based on a review of the information provided by NGOs in the questionnaire and additional documentation. An NGO’s self-professed organizational objective and understanding of how its programmatic activities would achieve the impact it desired (the theory of change) were identified, and the degree to which these had been met was assessed based on a review of annual reports and other project/program documentation providing information on the scope of organizational activities, program outputs, beneficiaries reached, milestones reached, extent to which program and project
objectives were reached, and more. Each NGO was evaluated and given a score from 1-8 where 1 indicated the lowest level of achievement of mission/theory of change and 8 indicated full achievement of mission/theory of change.

Each sub-criterion score was added together to produce an overall score for impact out of 20.

Innovation

The Global Journal assessed NGO innovation according to: (i) creativity in programming (assessing individual programs); (ii) new approaches to old problems (assessing the overall programmatic activities of an NGO in addressing the challenge at the heart of its mission); and (iii) organizational structure and delivery (assessing an NGO’s operating model). NGOs were evaluated based on the information they provided in the questionnaire and in the context of ‘standard practice’ in their category of specialisation (that is, assessed comparatively according to the NGO’s sector). They were given a score on an ordinal scale from 1-20, where 1 was found to be least innovative in the particular area of specialisation, and 20 was found to be highly innovative across all three aspects of innovation. In this instance, each of the sub-criterion were not given individual scores but were evaluated cumulatively. At the same time, greatest emphasis was placed on (i) creativity in programming, and especially (ii) new approaches to old problems, to determine an NGO’s final score.

NGO scores for innovation were guided by the following scale:

**Clear leader in its area of specialisation** (19-20): highly innovative with leadership/first mover organisational model, program design and implementation traits.

**Above average, but not a leader** (17-18): highly innovative organisational model, program design and implementation, but not first mover/leadership traits.

**Average in its area of specialisation** (13-16): some innovation evident in organisational model, program design or implementation.

**Below average, room to improve** (9-12): limited innovation evident, with room for re-working organisational model, program design and implementation.

**Poor and lacking initiative** (5-8): poor innovation and lacking evident initiative to improve organisational model, program design and implementation.

**Among the worst seen** (1-4): no innovation evident and no evident effort to improve organisational model, program design and implementation.

Sustainability

The Global Journal identified four aspects of sustainability that were intended to evaluate both the financial sustainability of an NGO and its ability to adjust its programs over time to remain relevant to the evolving needs of its target beneficiaries. Again, each NGO was evaluated based on a combination of information provided in the online form and
questionnaire, in addition to reported financial statements provided as supplementary material. For sustainability, the four sub-criteria were scored individually from 1-5 and then aggregated to produce an overall sustainability score out of 20.

**Sub-criterion 1: Predictability and consistency of funding (1-5)**

This sub-criterion was assessed based on a review of financial statements for the preceding three years (where available), focusing on the degree of volatility in terms of donor income and income-generating activities from year-to-year. On a scale of 1-5, 1 indicated low predictability and consistency of funding and 5 indicated high predictability and consistency of funding.

**Sub-criterion 2: Funding mix (1-5)**

This criterion was assessed based on a review of financial statements for the preceding three years (where available), focusing on the spread and diversity of funding sources (including number of major national or institutional donors, portion attributable to mass public fundraising campaigns, existence of independent income-generating activities). On a scale of 1-5, 1 indicated a highly limited funding mix, and 5 indicated high diversity in the funding mix.

**Sub-criterion 3: Financial and strategic management (1-5)**

This criterion was assessed based on a review of financial statements for the preceding three years (where available), focusing on the degree of volatility in terms of operational and administrative expenditures from year-to-year (in the context of corresponding income levels). On a scale of 1-5, 1 indicated high volatility in terms of operational and administrative expenditures from year-to-year and 5 indicated low volatility of the same.

**Sub-criterion 4: Capacity for internal learning and development (1-5)**

This criterion was assessed based on a review of answers provided by each NGO in the questionnaire outlining specific processes in place for internal learning and development (for instance, monitoring and evaluation of programs in the context of a broader strategic framework, periodic organisational reviews, staff training, etc). On a scale of 1-5, 1 indicated little to no evident processes in place for internal learning and development and 5 indicated highly sophisticated processes and measures in place for internal learning and development.

**Final ranking index score**

The final ranking index score was calculated based on averaging the two independent evaluation scores against each criteria for each NGO, and then weighting and aggregating the three main criteria scores (out of 20) as follows: impact (35%), innovation (35%) and sustainability (30%) so that each NGO received a final ranking score out of 100.

The decision to weight impact and innovation more heavily reflected *The Global Journal’s* aim – based on the objectives of the Top 100 NGOs ranking outlined earlier – to highlight innovations within the non-profit world and not limit the ability of smaller, newer NGOs to feature in the list.
Limitations and recommendations

The Global Journal has made a serious effort to develop and implement a sound method for evaluating NGOs for the purposes of its 2013 ranking. Like any evaluation or ranking exercise, there are some limitations to the method and study, which can be addressed in future evaluations. This section outlines some of these limitations and provides preliminary suggestions for how they could be improved in future editions of the Top 100 NGOs ranking.

The criteria for evaluation

While The Global Journal has laid the foundations for evaluating NGOs according to specific criteria, it is necessary to further clarify how an NGO is scored on the extensive scales devised for each criterion. The criteria and sub-criteria could be more succinct so that there are fewer possible scores for each, with clear explanations of the categorisation of each criterion. Assessing an NGO on an ordinal scale of 1-20, for example, presents the challenge of differentiating between 20 possible scores against criteria that require some level of qualitative judgement. A smaller scale for scoring would enable less scope for subjective inconsistencies. This would improve the quality of future evaluations and would enable independent reviewers to potentially replicate the results when using the same criteria for evaluation.

By simplifying the ordinal scale – as has been done to a certain extent for impact and sustainability – more confident scores can be given. The methodology for innovation in particular can be improved, as although it is not methodologically incorrect, the complexity of a single scale of 1-20 means that more qualitative judgements must be made and there is more room for error than would be allowed with a simpler ordinal scale of 1-5. For example, it is much more difficult to explain the difference between a NGO given a 17 and an NGO given an 18 on an ordinal scale of 1-20 than it is to explain the difference between an NGO given a 2 and an NGO given a 3 on an ordinal scale of 1-5. For this reason, it would be better to break the scoring process up into sub-criteria (as has been done to a certain extent for impact and sustainability), to ensure the measurement scales are not too large, and that each possible score on the measurement scales are clearly defined.

While The Global Journal staff members discussed and were briefed on the criteria for evaluating the nominated NGOs, there is currently no documented codebook clearly articulating the criteria for evaluation that facilitates systematic and consistent analysis by all staff members and across the evaluation period. Documenting detailed information on what each criteria and sub-criteria entail, including details on what a low score for each criterion looks like, and what a high score for each criterion looks like, not only facilitates consistent and more rapid ‘coding’ of NGOs in the evaluation process, but it would also permit an external actor to assess any of the NGOs in the ranking using the same criteria, and potentially replicate the results. Some studies even test the criteria for evaluation before commencing the evaluation process so as to ensure it is sound.

The indicators for each criteria and sub criteria can still be developed based on an initial analysis of a small number of NGOs – a process in political science called grounded theory – so the criteria are truly relevant and applicable to the NGOs being evaluated. This usually requires some time-consuming fine-tuning in the early stages of the evaluation, and re-coding/evaluating the first NGOs evaluated, but it enables the evaluation process to be sped up as it unfolds.
The universe of NGOs evaluated and ranked

The task of individually evaluating NGOs according to a set of criteria is time and resource intensive, and *The Global Journal* staff have done a commendable job of evaluating a diverse range of NGOs according to the criteria developed. Without the resources of a sophisticated research team, it is simply not possible to evaluate all NGOs in operation around the world. In addition, NGOs are required to self-nominate in order to be eligible to enter the evaluation process, as is the case of many awards evaluation processes, such as many business awards. As such, evaluation of NGOs is reliant on NGOs first being aware of the evaluation process so that they can enter, and second, being willing to enter the process and invest the time required to complete the online form and more detailed questionnaire. The ranking also fails to capture NGOs who chose not to enter the evaluation process because their work, which may rank high on impact, innovation and sustainability, relies on low publicity. For example, publicity of an NGO’s activities may jeopardise the access they have to needy populations in politically-sensitive areas.

As a result, the list presented by *The Global Journal* in 2013 does not claim to represent objectively the ‘best’ 100 NGOs worldwide, but rather the top 100 NGOs of all NGOs that entered the ranking process and in the context of *The Global Journal’s* chosen criteria and weighting. As the ranking is expected to become more widely known year on year, it is envisaged that more and more NGOs will enter the evaluation process and thereby increase the sample of NGOs evaluated.

Promotion of the ranking so as to encourage greater NGO participation

The number of NGOs evaluated could potentially be expanded by increasing both the nomination period, and the opportunities NGOs have of hearing about the nomination process. The current promotion strategies for sourcing nominations to be eligible for the analysis could be broadened so that the sample of NGOs is more geographically and sectorally representative. This will ensure a wider range of NGOs are made aware of the evaluation process and therefore have the opportunity to complete a nomination form and participate. Likewise, extending the nomination period to at least six months will increase the possibility of NGOs hearing about the nomination process, and ensuring they have sufficient time to complete the online form and more detailed questionnaire. While the Top 100 NGOs list does include NGOs beyond the Geneva/New York/Washington DC hub, there remain gaps of representation.

Obviously, the higher the number of NGOs that enter the evaluation process, the greater the evaluation task set for staff of *The Global Journal*. As the criteria and sub-criteria for evaluation are further fine-tuned and documented, however, this process can become more streamlined and efficient.

Criteria for inclusion and exclusion from the evaluation and ranking

The criteria for inclusion and exclusion of types of organisations, such as PPPs and research institutions, should be made explicit at the outset of the nomination process and maintained consistently throughout the evaluation process. Consideration could be given to potential inclusion of additional types of organisations in future rankings, such as PPPs.
**CONCLUSION**

At a time when NGOs face increasing questions regarding their legitimacy, credibility, accountability and representation, *The Global Journal* has evaluated and ranked NGOs according to a specific set of criteria, to highlight what is working well across a range of sectors and geographic areas. As illustrated in the review of current research evaluating NGOs, measuring and identifying influence/impact is not an easy task. Yet, in the wake of increasing amounts of donor funding being channelled into NGO projects and programs and continued engagement of NGOs by governing authorities and international organisations, the need for comparative evaluations of NGOs is clear. The importance of being able to evaluate and compare NGOs far outweighs the challenges in the path of such a task. Recognising this, *The Global Journal* has fine-tuned its methodology in presenting its second Top 100 NGOs ranking in January 2013. While there remain areas for further clarification and improvement, *The Global Journal* has made a serious effort to continue to develop and implement a considered and consistent approach.
REFERENCE LIST


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