Inlogos

Performance Assessment
2005-2012

Institute of Local Governance Studies

Baneshwor, Kathmandu

Performance Assessment

Final Report

Submitted to

Institute of Local Governance Studies (Inlogos)
Kathmandu

Submitted by

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Acronyms

ADB	Asian Development Bank
ADDCN	Association of District Development Committee, Nepal
CBO	Community-Based Organization
CFLG	Child Friendly Local Governance
FY	Fiscal Year
GIZ	German Development Cooperation
HUGOU	Human Rights and Good Governance
Inlogos	Institute of Local Governance Studies
LHGSP	Local Health Governance Strengthening Program
MH	Mahila Ko Haat
MoLD	Ministry of Local Development (now Ministry of Federal Affairs and Local Development)
MuAN	Municipal Association of Nepal
NAViN	National Association of Village Development Committees, Nepal
NCDC	Namsaling Community Development Centre
NCDF	Namsaling Community Development Fund
NGIPS	National Graduate Institute for Policy Studies
NGO	Non-Governmental Organization
NPR	Nepalese Rupees
NSET	National Society for Earthquake Technology
SWC	Social Welfare Council
SWOT	Strengths, Weaknesses, Opportunities, Threats
UNDP	United Nations Development Program
UNICEF	United Nations Children's Fund
VDC	Village Development Committee
WVIN	World Vision International, Nepal

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1. INTRODUCTION

1.1 Background

The Institute of Local Governance Studies (Inlogos) is a non-governmental, non-profit, and non-political organization operated by a team of highly qualified and experienced development professionals and local governance experts. Established in the beginning of 2005, it is registered with the District Administration Office, Kathmandu, and is affiliated with the Social Welfare Council (SWC) of Nepal. It aims to promote local democracy by bridging the gaps in rural, urban, and regional planning, and through research and training in the areas of decentralization, local governance, planning, and development. Inlogos mission is to promote local democracy through strengthening the local governance system. It believes that Nepal's sustainable development is possible only through a decentralized and participatory approach at all levels of governance. It has gained good experience in policy formulation from research and studies at the central and local level, good governance and service delivery system, assessment and formulation of Anti-Corruption and Good Governance Strategy, Child-Friendly Local Governance and local level planning, monitoring, and evaluation. Besides, Inlogos has had considerable exposure and competency in providing technical assistance for community-based development programs. Starting its function in 2005, Inlogos has completed 75 projects of different nature and scale so far. There are now three projects running at present. This report highlights on Inlogos' current status, its strengths, opportunities, weaknesses, and threats as also key suggestions for future improvement.

1.2 Objective

Assessment of Inlogos' institutional capacity and management performance.

1.3 Scope

Independent assessment of the management capacity of Inlogos and the capacity-gap in its management, functions, and service delivery.

The major areas covered are:

- Review of Inlogos status
- SWOT analysis
- Suggestions for improvement

1.4 Methodology

The following process was followed in carrying out assessment:

- Review of Inlogos publications
- Assessment of the Inlogos statute and minutes
- Interaction with Inlogos officials and staff
- Comments and suggestions received from Inlogos
- Development of the final report

2. SITUATION ANALYSIS

2.1 Mission and Values

Inlogos' mission is to promote local democracy by strengthening the local governance system. It believes that Nepal's sustainable development is possible only through a decentralized and participatory approach at all levels of governance.

2.2 Objectives

- Accelerating local development activities through capacity strengthening of the local bodies and partner organizations in planning, policy formulation, effective management of services, and implementation of development activities.

- Strengthening cooperation and coordination between local and central bodies and help to central bodies in fully devolving authority to local bodies.

- Assisting the central level sectoral agencies in the preparation of policies, strategies, work plans, and directives to support and accelerate local development through devolution process.

- Promoting multi-sector public-private partnership at the local level.

The following activities delineate the scope of Inlogos in fulfilling its objectives:

- Provide consultancy services to strengthen the local capacity of the municipal, district and village level organizations in planning, research, policy formulation, administration, management, finance, and sustainable development.

- Design and undertake training, workshops, and seminars on decentralization and local governance.

- Develop operational manuals and teaching materials related to local bodies.

- Design and conduct studies and research on local development, decentralization, and local governance.

- Recognize/reward individuals and/or institutions and local bodies with outstanding contribution in the promotion of local governance system.

- Promote exchange of knowledge, best practices, and skills among the key partners by networking with local governments at national and international levels.

- Help local bodies in good governance by involving the civil society, developing partnership with NGOs, CBOs, and private sector organizations; and through the involvement of third party technical auditing and public auditing

- Develop standards, manuals, and directives about the specifications, designs, cost estimation, and procurement of public works in local languages compatible to the local needs and working conditions.

- Advocate and promote local governance system.

2.3 Functions and Approaches

Inlogos functions at three levels: policy and guidance by the executive officials, day to day operation by the management team, and project execution by experts and resource persons by outsourcing the pool of human resource to carry out the projects entrusted to Inlogos through direct awards and competitive proposals.

2.4 Organization and Management

2.4.1 General Meeting

Annually

2.4.2 Formation of Executive Committee

Selected through general election every three years at the Annual General Meeting.

2.4.3 Recruitment Policies

2.4.4 Inlogos Capacity

Inlogos has developed physical facilities to stimulate the organizational management capacities and has a well educated, experienced, and skilled team of experts and staffs.

a) Organization

Altogether, there are 33 life members of Inlogos who are well qualified and experienced in decentralization, governance, planning, and local development. It has also three Institutional members, namely: (i) Namsaling Community Development Centre (NCDC); (ii) Mahila Ko Haat (MH); and (iii) Namsaling Community Development Fund (NCDF). There are also seven non-member but allied institutions from the Far East of the country to Far West. Inlogos has, moreover, three international advisors who are experts in governance, fiscal decentralization, and community development. Inlogos has also a roaster of professional experts.

b) Research and Studies

Inlogos has so far carried out a number of research/action research and studies on local governance, service delivery and the anti-corruption theme apart from a national level study on VDC governance and utilization of VDC block grant, supported by the Ministry of Local Development (MoLD) and the United Nations Development Programme (UNDP). An action research project on "Anti-Corruption and Municipal Governance" in three selected municipalities in Nepal, supported by MoLD and Danida/HUGOU

and baseline assessment on Local Health Governance Strengthening Program (LHGSP) supported by GIZ have also been completed. Besides, it has completed national research study on the effectiveness of nursing services in Nepal, in addition to some other works.

c) Policy Formulation

Inlogos provided technical support in formulating national and sub-national policies to accelerate the development activities through capacity strengthening, management guidance, and development of system and procedures. The policies have been endorsed by the concerned government agencies and many of them are in a stage of execution. Among them are: The Child-Friendly Local Governance (CFLG) National Strategy, CFLG Operational Guideline and Training Manual, Devolution Package on Local Health Governance and Implementation Guideline, Designing Sector Conditional Grant and Implementation Guideline, and National Disaster Risk Management Strategy (in association with NSET and supported by UNDP).

d) Planning, Monitoring, and Service Delivery

Inlogos has been providing technical assistance in participatory planning and monitoring process. Highly experienced and technically sound professionals of Inlogos and its' partner organizations are facilitating the process at different level of programs implementation. Project review and evaluation is another sector of Inlogos contribution.

e) Institutional Linkages and Collaboration

Inlogos has built a strong relationship with a number of government and non-government institutions and owns a good institutional network with local bodies (Village Development Committees, Municipalities, District Development Committees) along with their associations: National Association of Village Development Committee, Nepal (NAViN), Municipal Association of Nepal (MuAN), and Association of District Development Committee, Nepal (ADDCN). It collaborates with district, national, and

international agencies including the Transparency International, and has close institutional relationship with them. It has partnered in a number of projects of Multi and Bi-lateral institutions including UNDP, UNICEF, GIZ, UNCDF, IFAD, Danida/HUGOU, ADB, DFID, WVIN, NGIPS Tokyo, Japan, and the Queensland University of Technology, Australia. Inlogos has partner NGOs in various parts of the country from east to west and from north to south, with specialization in Local Governance, Gender and Social Inclusion, and in other areas of local development.

f) Physical Facility

- Rented Office : 2 flats with a meeting hall
- Computers : 5
- Printers : 2
- Fax : 1
- Laptop computers : 5
- LCD projector : 1
- Photocopier : 1
- Scanner : 1
- Furniture : adequate quantity
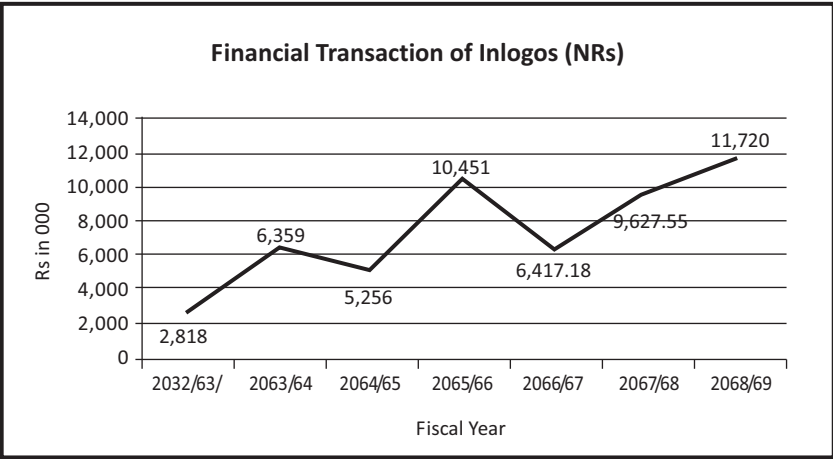- Camera : 1

g) Communication

- Telephone : 2 lines
- Email : Inlogos.org@gmail.com; Inlogos@wlink.com.np
- Web site : www/Inlogos.Org
- Vehicles : Rented as and when needed

2.5 Fiscal Management

The Fiscal and Administrative bylaw of Inlogos is in place to address the matters related to personnel management and project operation system. The bylaw guides Inlogos on the key management issues. The Inlogos Director, Chairperson, and the Executive Committee

look after the issues and mechanisms of project works. The bylaw describes the benefits accruable to the staff and professionals. Inlogos has a Fiscal and Administrative Management Sub-Committee headed by the Vice-Chairperson, with the Treasurer and Director as members. The Sub-Committee makes fiscal and administrative level policy decisions as and when needed. As a professional institution on local democracy and decentralized governance, Inlogos has set up examples of institutional governance and its implications in project outputs and results.

The volume of Inlogos budget depends on the number and size of the projects that it is awarded through the competitive bidding process which has been increasing. But, this cannot be taken as a measure of its success since it has been running on a minimum recurrent budget. The figure from the financial transaction in the initial year (Fiscal Year 2062/63) was NRs 2,818,025 that reached NRs 11,720,193 (highest to date) during the last fiscal year 2068/69. Fiscal transaction in FY 2064/65 and 2066/67 was low compared to the previous years. But, this cannot be taken as its performance measure or consumption capacity of the institution, can better be assessed by evaluating the quality of services provided.

Financial Transaction of Inlogos (NRs)

3. MANAGEMENT ASSESSMENT

To identify the factors favorable and unfavorable in achieving the objectives SWOT analysis was done. SWOT analysis gives a general review of the situation in assessing the scope for further development of the organization.

3.1 SWOT Analysis

3.1.1 Strengths

1) Continued committed participation of people with experience in the areas of work of the organization

2) Support by those who have long experience in local governance and decentralization

3) Accessibility to national and foreign government organizations and non-governmental organizations associated to local governance

4) Commitment to transparency in operation and management system; timely audit of books of account and production of annual progress report

5) Confidence of the clientele gained through delivery of service to their satisfaction

6) Commendable institutional profile having accomplished 75 consulting services sponsored by about 35 clients as local, national, and international level in a period of seven years

7) Good demand in the areas of work of the institution (strengthening local governance)

8) Clearly articulated mission understood by the Executive Committee and Management Team

3.1.2 Threats

1) Unhealthy competition from the growing number of institutions dealing with training and consultancies

2) Particularly in the public sector organizations it is normally said that service providers are selected keeping in mind

something other than what formally can be delivered. If this is so, institution of this kind might face a situation alien to them.

3) The current situation of political instability and transition to unclear destination naturally reduces the scope of business; and this is true more in the case of local governance.

4) Outsourcing is getting costlier, might face difficulty in finding competent people available easily.

5) Networking among the likeminded institutions (international, national, local) is inadequate.

3.1.3 Opportunities

1) Political endorsement of the federal structure of governance system which relies more on the strength of local government underscores the capacity building of local bodies.

3.1.4 Weaknesses

1) Absence of its own core facilities to undertake assignment and thus dependence on outsourcing

2) Though there exist a good team spirit among the promoters, personality of the "Chairman" is more visible, which is not always good to institutionalize the operation sustainably.

3.2 Governance

The Executive Committee has eight members with diverse experience in areas of governance, some of them with in-depth knowledge of decentralization and local governance. The chair of the Executive Committee has a very rich experience in decentralization and local governance with profound knowledge of the subject matter.

The Committee meets regularly at certain intervals to review the program-related activities, progress made and the new initiatives to be taken. Minutes of the meetings are well recorded and views expressed by the members are also documented. Most of the functions at the

operation level are covered by the management and staff and the Committee takes up only policy issues. The relationship with the key stakeholders is very cordial.

3.3 Management Practice

Members of the staff are aware of the management system. The authorities, responsibilities, and duties have been defined at all levels. The administrative and other working procedures have been formalized. The review of program activities and follow-up actions are done regularly.

3.4 Human Resource

Most of the assignments is done by outsourcing. The core staff recruited on a regular basis in an informal way without issuing public notice of vacancy is competent in the fields of work. Team work is done in an organized way. Internal staff meeting takes place occasionally when and if the Director feels the need.

4. SUGGESTIONS

1) Need to focus on clientele organizations with basic thrust in the areas of professional work of the institution.

2) Attempts should be made to have a long-term contract with certain clientele organizations in the areas where their support continues in a longtime framework for instance, capacity building of the local bodies may be a good example of long-term support from the clientele organizations.

3) Promoters, who are rich in experience in the areas of work of this organization, "blend" both principles and practices, but perhaps the time has come for the promoters to share their experience with young, energetic professionals. It may now be better to create a group of young professionals and promoters to focus their roles in sharing experiences, off-loading responsibilities, and giving them a professional guardianship.

4) Given the vision and mission of this institution, it seems worth to set up a Fund for research work and reward those who have done

a remarkable job to uphold local governance through research, training, and by other means. The promoters may establish such "Fund" in their own name or they may sponsor it.

5) Promoters involved substantially at the operation level are usually matured, but their contact with the potential clientele organizations is getting rare, and it may be increasingly difficult in the days ahead to find people in the ministries and departments because generation gap still in view of the person that can play in consulting business, time may be ripe now to bring in fresh retirees from government services interested in this kind of job.

6) It may be better to think of a sort of succession plan to ensure continuity of the institution, at least some guiding framework as a policy document to addresses continuity of the institution.

7) A mechanism may be designed to develop functional linkage with the local bodies as the real beneficiaries. For example, Inlogos can seek support for local bodies on their behalf and be a part in delivering the support. This can keep it linked with the local bodies.

8) A pilot project funded by Inlogos could add value in creating an environment for other partners to work with Inlogos.