



How to recognise an effective NGO

“Charities” and non-governmental organisations (NGOs) are manifestations of active citizenship: ordinary people working together to bring about social change.

As expressions of ‘people power’, NGOs come in all shapes and sizes and choose to act in different ways, reflecting the interests of their supporters and their core values.

Different NGO Roles



NGOs operate at their best when they channel the energy and drive of their supporters and staff towards professional ways of working and effective, high-impact programmes that improve the lives of poor people. The most effective NGOs are those that work to their strengths, and that are able to mobilise the skills of the people they serve. For NGOs, impact is linked to their responsiveness to people’s needs, and clout comes not from size, but from the strength of their bonds with all those affected by, or interested in, their work.



“Value for money” in development means ensuring that an NGO’s financial resources are used in a way that achieves real and lasting results for the people who need them.

Attributes of effective NGOs

Anyone wishing to support an NGO - whether as a donor or as policy maker - needs to be able to determine which NGOs most need and deserve support.

Dóchas suggests that the following questions can help in gauging an NGO’s effectiveness:

★ Can the organisation clearly communicate what it is and what it does?

NGOs should be able to clearly explain their vision, mission and programmes. If not, they may be unclear in designing and delivering those programmes.

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★ Can the organisation tell you the progress it has made (or is making) toward its goal?

Good organisations have clear indicators to measure progress toward the achievement of agreed goals. Such NGOs would welcome the opportunity to share their strategies and successes with you.

★ Do the organisation's programmes make sense to you?

Any organisation should be able to explain the rationale for its programmes, and the means by which it will work, in the short-term and longer-term, towards positive change.

★ Does the organisation apply professional standards to its work?

The most effective NGOs have strong internal systems, and apply professional standards and codes of conduct to their work, such as the Dóchas Code on Corporate Governance or the Fundraising Code.

★ How does the organisation coordinate its work with others, and how does it ensure that the beneficiaries have a say in its decision-making?

The ultimate judges of an organisation's effectiveness are the people who are the intended beneficiaries. It is important to ask how an NGO knows those people's real needs and how they relate to other NGOs or government programmes in the countries they operate in.

★ Does the organisation court media attention through sensationalism?

Telling the truth and defending the dignity of people are important in portraying the realities - positive and negative - in developing countries. Many NGOs have chosen to address this through becoming a signatory to the Dóchas Code of Conduct on Images and Messages.

'Overhead Ratios' - How *not* to judge an NGO

Overhead ratios (the amount of revenue that NGOs spend on administration) do not represent a measure of a 'good NGO' because:

- ★ Overhead ratios do not reflect the **quality of the services** provided - low overheads can indicate an over-reliance on good intentions;
- ★ High overhead costs may in fact indicate high quality work - Good NGO work requires **robust monitoring and expert research**, all of which can lead to higher overheads;
- ★ High impact organisations often have high salary costs, as they employ appropriately **trained staff**, ensuring that the right type of people are doing the right type of work;
- ★ Low overhead costs are no indicator for **appropriateness** of approach, or of long term impact;
- ★ Overhead ratios can be massaged in the absence of **clear criteria** of what type of costs should be labelled 'overheads'.