Abstract

This paper explores the politics of evaluation as applied to Government – Third Sector collaborations. Evaluation theories tell us that evaluation is not a particularly attractive activity for most players, under most conditions. The central question considered is whether collaboration with third sector organizations makes evaluation more or less attractive for various players.

The nature of Government – Third Sector collaboration can be seen as running on a continuum from that of principal-agent relationship to that communion type partnership. Implications for evaluation are examined in each of the different collaboration modes. Exploration of the implications of Government – Third Sector collaboration for evaluation practice is progressive. It starts with general issues of evaluation in the third sector, continues with issues in evaluating general collaborative efforts and finally looks at what happens to evaluation in various modes of Government – Third Sector collaboration. The conceptual analysis is bolstered with empirical evidence from Israeli and international experience. This paper is particularly relevant to the growing importance of civil society in the delivery of public services. It directly addresses existing and potential roles of evaluation vis a vis government partnerships with third sector organizations. The analysis portrays significant political constraints to the evaluation of most types of Government – Third Sector collaborations.

The collaborative state entails changes in management and accountability relationships that affect the nature of ties amongst citizens, politicians, government officials, service providers and consumers. Over the past thirty to forty years evaluation has emerged as an important tool for enhancing the management and accountability of government programs. Yet political considerations have been shown to impede the efficacy of evaluation. This paper explores the effects of government – third sector collaboration on the politics of evaluation. Is collaboration with third sector organizations likely to make evaluation more or less attractive for various players? Do politics of evaluation arguments gain or lose strength when addressing collaborations between government and third sector? What are the consequences of collaboration for the potential of evaluation to enhance management and accountability relationships?

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with issues in evaluating general collaborative efforts and finally looks at what happens to evaluation when government collaborates with third sector organizations. The conceptual analysis is bolstered with empirical evidence from Israeli and international experience.

Evaluation theories tell us that evaluation is not a particularly attractive activity for most players, under most conditions. The politics of evaluation literature strongly suggests that public sector managers will not willingly assess the execution and outcomes of their programs. The politics of evaluation theory has been set down most notably in the 1970s and 1980s in Aaron Wildavsky’s classic ‘The Self-evaluating Organization’ (Wildavsky, 1972), in numerous publications by Carol H. Weiss (Weiss 1970, 1973, 1988) and in Dennis Palumbo’s book, The Politics of Program Evaluation (Palumbo, 1987). Recently, Eleanor Chelimsky has observed increasing political pressures aimed at preventing the conduct of an evaluation, moderating evaluation questions and even softening or deleting particular conclusions. (Chelimsky, 1995).

Briefly, the theory says: Administrators' interests in organizational stability, budget maximization and the promotion of a favorable image, contribute to a general desire to refrain from conducting evaluations which might show agency programs in a bad light. The ‘politics of evaluation’ literature further tells us that the preponderance of political appointments at senior agency levels and the resulting short tenure of top management officials diverts attention to short term opportunities for political gain and away from long term issues which might be addressed through program evaluation (Weiss, 1973; Bowsher, 1991).

Yet, program evaluation is a growing endeavor in many countries and in many supranational organizations - notably the World Bank and the European Community (Rist, 1990; Gray, Jenkins and Segsworth, 1993; Leeuw, Rist and Sonnichsen, 1994; Chelimsky 1995). This growth appears to contradict Wildavsky’s contention that there can be no such thing as a ‘self-evaluating organization’. However, much of this growth can be attributed to regulations that require government agencies and grant recipients to evaluate their programs. Schwartz (1998) notes further that much of the evaluation effort in Israel tends to be internally focused, technocratic, isolated from senior decision makers, from central executive agencies and from legislative oversight. These evaluations may indeed improve the functioning of government programs, but they generally ignore root questions about program impact.

It has been suggested that provision of public services through Third Sector organizations may be the best way to resolve what has been called the crisis of accountability in modern government. Several commentators note that a general perception of government being out of control has resulted in a crisis of accountability, potentially endangering the fabric of contemporary democratic government (Normanton, 1966; Smith, 1971; Crozier et al, 1975; Janowitz, 1976; Yates, 1982). Among the responses to this perceived crisis of accountability have been efforts to shrink the public sector, privatizing, and enlarging the Third Sector. There have also been efforts directed at mechanisms of accountability, such as performance reporting, program evaluation, improved legislative oversight, and strengthened state audit.
Problems associated with the politics of accountability mechanisms (i.e., oversight and evaluation) (Wildavsky, 1972; Rosen, 1986; Palumbo, 1987; Weiss, 1987; Jenkins and Gray, 1990) have led to suggestions in behalf of downward accountability, where local communities of service users would hold accountable community organizations (Day and Klein, 1987; Smith and Lipsky, 1993; Taylor, 1996).

A recent initiative in the U.K. - the Voluntary Sector Compact - seeks to implement these suggestions. Ross and Osborne (1999) delineate the rationale behind the program: ‘Local government - VCO (voluntary and community organizations) partnerships have been argued in a number of key policy documents (such as Home Office 1998) as essential to the creation and support of active communities where citizens participate vigorously in the democratic process and where policy is derived in a ‘bottom-up’ rather than a ‘top-down’ manner’.

One critic takes much of the air out of the argument that Third Sector organizations can provide meaningful downward accountability (Kramer, 1993:10): ‘Both the Right and Left, however, usually fail to distinguish between different forms of voluntarism: between volunteers as unpaid staff, and as peer self-help, and between mutual aid associations, neighborhood or community-based organizations, and service bureaucracies staffed by professionals. This confusion is part of the mystique of voluntarism, in which its virtues are exaggerated and contrasted with what are believed to be the inherent vices of government or the market.

An immediate implication of using the Third Sector as an alternative to top-down accountability mechanisms is that there ought to be less demand for program evaluation. Where local communities of citizens are actively involved in policy formulation and execution, by way of voluntary community organizations there might be less perceived need for formalized accountability oriented evaluation. Indeed, the literature suggests that without top-down requirements, effectiveness evaluation will not likely be done. Hans-Urlich Derlien, suggests, for example, that unless the conduct of evaluation studies becomes institutionalized, their occurrence and then certainly their use tends to be random (Derlien, 1990).

Before examining the implications for evaluation of different types of Government - Third Sector collaboration, it is necessary to give some idea of what we mean by ‘third sector’ and by ‘collaboration’ with the third sector.

**The Third Sector and Collaboration**

Terms used for Third Sector organizations include voluntary, not-for-profit, charitable, eleemosynary, quasi-governmental, non-governmental, tax-exempt, as well as Third Sector. The purported meaning of Third Sector is that the bodies are somewhere between the private and public sectors. The medley of terminology parallels the variety of organizational structure, as well as relations with clients, sources of funds, and mechanisms of supervision and control. Expectations, perhaps romanticized, are
that these bodies provide opportunity for self-help, creativity, effectiveness, and efficiency, as well as passing to some other body responsibilities that might otherwise fall upon already strained officials and financial resources of government (Salamon and Anheier, 1992).

Salamon, Anheier and Associates (1998) have wrestled with the problems of collecting data about the ill-defined third sector. Their measures show that third sector employment (not including volunteers) accounts for an average of 4.9% of total employment in 22 countries. Israel’s third sector employs 9.3% of all workers placing it fourth on the list following Holland (12.4%), Ireland (11.5%) and Belgium (10.5%). Following Israel are the United States (7.8%), Australia (7.2%) and Britain (6.2%). The definition of a “not-for-profit” is also problematic, especially as the concept is applied cross-nationally. According to data collected by Israel’s Central Bureau of Statistics, the value of not-for-profit services in Israel increased by 5.5 percent annually during the 1990-96 period, and amounted to about 10 percent of gross domestic product in 1996 (Central Bureau of Statistics, 1998).

Salamon (1995) attributes the increasing significance of third sector activity to several political, social and economic developments over the past two decades: the failure of the Welfare State in the West and the downfall of socialist regimes in Eastern Europe and in the Third World; the rise of new social forces, especially organized self-expression; recognition of the inadequacy of the neo-liberal free market in solving various economic and social problems.

In the framework of ‘new public management’ type reforms, which inter alia promote market or market-type environments for public service provision, third sector organizations compete alongside private sector enterprises and government agencies for contracts. A significant proportion of Third Sector activity involves some sort of collaboration with Government.

The nature of Government - Third Sector collaboration can be seen as running on a continuum ranging from that of principal-agent relationship to that of communion type partnership. Collaboration in the framework of ‘New Public Management’ takes the form of principal-agent relationship in which the Government maintains control of the policy making process and uses Third Sector organizations as service providers (Grutch, 1990). More recent initiatives, such as the ‘third way’ of the current Labour government in Britain, seek to develop communion type partnerships between Government and Third Sector organizations. The Voluntary Sector Compact launched by British Government in November 1998, “seeks to establish ‘undertakings’ for both government and the VCO sector which will provide the basis for real partnership in the formulation and implementation of public policy” (Ross & Osborne, 1999).

Government - Third Sector relations in Israel run the gamut of the collaboration continuum. Principal-agent type relations characterize a growing tendency to contract-out much service provision to third sector as well as private sector organizations. A subset of principal-agent relations is the highly developed system of grants. If in contracting arrangements, the government maintains control of policymaking and relinquishes its role as service deliverer, in grants arrangements the government often
relinquishes even much of its policymaking role and has much less control over service delivery.

Partnership arrangements are not new to Israel. Voluntary organisations played a central role providing services prior to Israel’s independence. Gidron (1992) calls this the ‘collaborative-partnership’ era and Kramer (1981) - ‘the close partnership’ era. For various reasons the new state opted to leave large areas of services in the hands of these organizations, including: most health care; pre-schooling; much of secondary education; ultra-orthodox education; universities; settlement activities; and many welfare services for the aged, the handicapped and the chronically ill. Government offices collaborated with these organizations, in varying degrees, in both policy formulation and program execution. Over the years, the government has engaged in numerous additional collaborative arrangements in areas such as: nature education, culture and road safety.

In Israel, collaborative arrangements of the communion type vary in the degree of formalized collaboration - shared governance, and written agreements on governance and financing (Auditor General of Canada 1999). For example, formalized collaborative arrangements guide policymaking, governance and funding of universities. In many other cases collaboration is rather implicit and indirect as when voluntary organizations such as the Histadrut Sick Fund were controlled by the political party that dominated government. (Gidron, 1992, 1997).

**Evaluation in the Third Sector**

Several characteristics of third sector organizations suggest substantial obstacles to the conduct of evaluation. Not all third sector organizations display all of these characteristics. Overall, however, one or more of these characteristics will apply to most third sector organizations.

Many third sector organizations are shoestring operations, operating on minimal - hand-to-mouth - budgets with little or no resources for such ‘staff’ work as performance assessment, evaluation and research. Much third sector activity is with human service provision (Salamon, Anheier & Associates, 1998). Such organizations tend to ‘repel’ evaluation for at least two well-documented reasons: their performance is difficult to evaluate; and their staff tend to be of the ‘giving’ type, rather than the analytical-economic type (Schwartz, 1998).

Altruism has traditionally been a defining characteristic of the third sector. Donors tend to support Third Sector organizations because of the worthiness of the cause that they serve and because of the voluntary nature of their work. They often see no need for performance measures and feel uncomfortable about holding committed staff and volunteers to account. In other words, the prestige of being a donor to a valued cause gets in the way of looking closely at the activities being supported. Brett (1993), in exploring altruism as a motivating factor argues that it should reduce, although not eliminate, the need for surveillance of voluntary agencies. Lipsky and Smith (1989-90: 642-3) contend that the perceived worthy missions of voluntary agencies limits the exercise of both external and internal accountability mechanisms:
The mission orientation at times tends to be matched by disregard for organizational control mechanisms. Historically, accountability systems in nonprofit organizations have been crude or nonexistent. Performance indicators were lacking. Executive directors were in relatively weak positions to monitor their organizations’ financial status; administrative functions tended to be underfunded. Trustees tended to be intrusive, but not excessively worried about organizational efficiency.

An Israeli study of accountability in the third sector lends support to these claims. Interviews with representatives of Diaspora based foundations and the organizations that they fund revealed several issues concerned with the politics of accountability. Donors like to feel good about their contributions. They want to believe that their money is being used by good people for good purposes. Often they decide to support an organization because of its reputation, because of the persuasiveness of people who represent the organization, or because of impressive brochures. Donors provide continuing funds based on unaudited reports which rely on anecdotal evidence of program success. Some foundations which have started conducting evaluations of program operation find that reality is quite different than image. Yet, one foundation representative noted that speaking truth to blinded donors does not always change their funding decisions (Schwartz and Sharkansky, 2000).

If foundations have trouble using evaluation, recipients of their funds may have even better reason to forego the pleasure. One recipient of funds from a large overseas foundation complained bitterly of her experience with evaluation. Naively, she initiated formative evaluations of four funded programs. When the evaluation results showed serious deficiencies in program design and accomplishments she justified her desire to ‘moderate’ the report saying that she needed to compete for funds with many other program providers, none of whom had evaluated their programs. It would be unfair, for her to lose funds just because she had initiated an evaluation which in the end made her programs look bad to foundation representatives.

Some empirical evidence of the limited extent of evaluation efforts by donors comes from a 1996 study of 170 donor organizations in Britain (Ashford and Clark 1996). This study found that 28% of donor organizations collect no information at all once grants were given and another 30% never or rarely conduct evaluation of information collected. Even those donors who do evaluate tend to focus their evaluations on ensuring that grants are used for requisite purposes, finding out about work funded and identifying wasted resources; little impact evaluation was found.

Similarly, Plantz, Greenway and Hendricks (1997) note that in the U.S., the nonprofit sector has been measuring certain aspects of performance for 25 years or more. During that period, the scope of performance measurement has expanded to address such issues as: financial accountability, program products or outputs, adherence to standards of quality in service delivery and client satisfaction. By 1990, the nonprofit sector was commonly measuring all of these aspects of performance except client satisfaction (Taylor and Sumariwalla, 1993) and these measures yielded critical information about the services that nonprofits were providing. Increasingly, however, there has been recognition that, while such measures show how much effort has been
generated for how many individuals, they reveal nothing about whether this effort has made any difference – whether anyone is better off as a result of the service.

**Evaluation of Collaborative Efforts**

Toulemonde et al (1998: 172) delineate some key issues facing evaluation of collaborative efforts. They note that obstacles to evaluation stem foremost from the fact that in collaborative efforts, program objectives are based on fragile compromises between partners with different political, social and economic aims. As a result it is difficult for evaluators to find clear and simple evaluation criteria in official documents and to get partners to clarify their objectives.

In collaborative arrangements, it is generally a non-governmental agency that actually provides services. Ira Sharkansky (1979) has suggested that accountability of agencies at the margins (contractors and special authorities) tends to be weak. Where the actual service deliverer is an agency at the margins of the state and/or not controlled by the government, it may not be clear who ought to be responsible for evaluation and oversight, and such activity may "fall between the chairs". The relative autonomy granted to agencies at the margins reduces legislative access to evaluative information necessary for oversight. Where such agencies are partially controlled by non-government entities, the legislature may leave oversight responsibility in their hands or in the hands of the program's Board of Directors.

A number of empirical studies support Sharkansky’s contention, suggesting that evaluation of collaborations with agencies at the margins will be less prevalent than evaluation of programs provided directly by government agencies. Michael Reagan (1975) demonstrated that grant-in-aid programs - funded by the Federal Government and provided by States or Local Authorities - were less subject to accountability than direct provision programs. Friedberg (1985) found that the incidence of state audit is lower in government corporations and in Local Authorities than in Government Ministries. And Schwartz (1998) assessed the incidence of evaluation for 39 direct provision and 24 indirect provision programs in four social service agencies. The mean incidence of evaluation was 2.4 for direct provision programs and 1.2 for indirect provision programs, conforming with the expectation that programs delivered collaboratively with agencies at the margins exhibit a lower incidence of evaluation.

Where funding and provision are separated there is a chance that it may not be clear who is responsible for the program. The local service provider, may assume that the program funder has assessed the effectiveness of the program - otherwise why would he provide funding? The funder of the program may feel that it is the responsibility of the service provider to evaluate the services that he is providing. Research on third sector accountability has suggested that collaborative efforts are often characterized by multiple providers of funds or organizations with formal responsibilities for oversight (Taylor, 1996). As a result, each provider may rely on the other to perform oversight, with the result that little oversight occurs. A survey of foundation funded organizations working in the field of promoting religious pluralism and Jewish identity revealed that they have numerous sources of funds. One organization listed nine
sources for its $200,000 budget. In these cases each source provides a relative small proportion of the overall organization budget, and thereby has little incentive to concern itself with evaluation (Schwartz and Sharkansky, 2000).

Evaluation of Collaboration with the Third Sector

Evaluation of Government-third sector collaborations faces the obstacles encountered by evaluation of third sector activity, evaluation of collaborative efforts in general and some ‘value-added’ (or value-subtracted) obstacles when these two are combined. Important in this exploration are the reasons behind establishing the collaboration. Two modes of reasons might be distinguished: positive and negative. The positive includes civil society arguments and the negative avoidance of regulations governing government work. The obstacles to evaluation in the latter are obvious. Often collaborative arrangements are set up particularly to avoid regulations governing government work. Collaboration provides opportunities for misuse, abuse and cronyism - who has an interest in evaluating? The obstacles in the case of positive reasons for collaboration concern the altruism argument as will be shown in the example of SPNI. This shows that speaking truth to power is difficult when it comes to perceived ‘do good’ organizations.

a) Contracting

Ostensibly contracting arrangements provide ample opportunity for evaluation based on performance measures specified in contracts. Moreover, competition amongst service providers is thought to ensure efficient and effective performance of contractors. Those who don’t meet performance objectives stand to lose their contracts.

Yet, several studies note significant obstacles to evaluation in contracting arrangements - obstacles that are particularly salient to contracting with third sector organizations. Kettl (1993: 171) notes, for example, that, “most social service contracts tend to be negotiated, not put up for bids. It is difficult to design performance contracts for evaluating the work of social service contractors because their goals tend to be hard to define and results hard to measure. Contracts tend therefore to focus on input or process measures.

Government agencies often seem unwilling to invest in evaluating the performance of contractors (Lipsky and Smith, 1989-90; Sharkansky, 1979) for a number of political reasons. Contracts may be given to providers with close family or political ties with agency heads. Political agency heads are more interested in quick program start-ups than in monitoring the performance of existing contracts. And government agencies sometimes face contractors who hold a monopoly in providing certain services. Smith and Lipsky (1993), for example, illustrate how the monopoly of the ‘High Street Boys Club’ restricts the flexibility of public officials to critically assess performance or cut funds, “the need to retain a capacity to treat certain classes of clients creates an
incentive to continue contracting with important providers . . . When they consider cutting funds for the Boys Club, public officials also must confront the political pressures, particularly from powerful community supporters. . .”

Perhaps as a result of these political considerations, government capacity to evaluate the performance of contractors is quite limited. Kettl (1993: 174) reports that because there are few staff member or other resources devoted to monitoring social service contracting in American state and local governments, “oversight is virtually nonexistent”. Smith and Lipsky (1993: 200) summarize the situations as follows:

Even if the public agency could know what it wanted, it would be defeated in monitoring the providers. While government contracting for services has vastly increased in volume, the program auditing capacity of the public sector has not kept up. Contractors typically file reams of reports which, except for basic fiscal information, are ignored. There is little independent auditing of the accuracy of program numbers submitted, and hardly any capacity to assess the effectiveness of contractors’ programs. Thus the public sector may not know what it is purchasing even when it can define what it wants.

A 1997 General Accounting Office (GAO) report on performance monitoring found that key impediments to successful performance monitoring include: resistance by contractors to spending money on data collection; deliberate misreporting; and difficulties in ascertaining the quality, completeness and comparability of data.

The following example, from the Israeli experience, demonstrates some of the obstacles to evaluation in contracting arrangements with third sector organizations. The Ministry of Labour and Social Affairs contracts with a third sector organization to provide ambulatory services for treating alcoholics. A 1994 State Comptroller’s Report found that: the contract did not specify what is included in the treatment; the Ministry did not carry out professional inspection and evaluation of the quality of treatment; detoxification was not medically supervised. Furthermore, the contractor did not collect data on dropout rates from the treatment program, on hospitalization rates or on recidivism. In the absence of such data, notes the Comptroller, the Ministry is unable to evaluate the effectiveness of treatment. (State Comptroller, 1994). This not atypical example of government – third sector contracting illustrates how basic trust in well-respected third sector contractors combined with an undeveloped government capacity for monitoring makes evaluation a difficult if not impossible task.

b) Grants

Grants arrangements are a subset of principal-agent type collaboration in which the principal is at an even greater evaluation disadvantage than in contracting. Principal-agent theory contends that the extent of a principal’s stake in an organization will determine the extent to which the principal will invest in surveillance of the agent. In a number of grants arrangements, government agencies generally have a relatively small stake in the activities of any given grantee for two reasons. The government agency gives a large number of relatively small grants to a large number of grantees.
government grant constitutes a relatively small proportion of the income of each grantee. Under these circumstance, the willingness to invest in evaluation will be small.

Additional characteristics of many grants arrangements further decrease the likelihood of evaluation. Needy organizations lack basic resources for conducting evaluations. Do-good grantees are perceived as not being in need of evaluation. And some organizations receive grants, not because of their capacity for effective performance, but to support family or political cronies.

Israeli government attempts at instituting effective monitoring and evaluation of grants have met with limited success. The Knesset enacted directives in 1992 for the orderly provision of government grants to Third Sector organizations. The directives require that government ministries: set objective criteria for making grants; establish grants committees responsible for equitable distributions; and oversee grantees to ensure that they fulfil grant conditions and use the grant for the intended purpose (State Comptroller, 1998: 256). Despite these directives, State Comptroller and newspaper reports are rife with descriptions of how grantees abuse funds. Common practices include: hiring family members and political cronies and paying them high salaries; withdrawing large sums from the bank and making cash payments that can’t be traced; obtaining funding from two or more government agencies for the same activity; and lying about numbers of participants and activities.

In 1997 a ministerial committee issued directives requiring the grants committees of the ministries to hire accountants to check the financial affairs of grantees and internal auditors to conduct operational audits of the use of grants to achieve objectives. The results of this directive are not yet apparent. One study of the decisions taken by these committees suggests a flaw in their structure. ‘The clerks who serve on grants committees report to the minister and rely on him for their advancement. Their ability to protest the favoring of an association depends on their willingness to endanger their standing in the ministry’ (DeHartog, 1998).

Evaluative information that demonstrates ineffective operations often reveals the need for additional funding. In a country where many pubic services suffer from chronic under-funding this may act to decrease the propensity to evaluate. In 1984, for example, the Ministry of Education stopped conducting national achievement tests because it was unable to fund improvements needed in underachieving schools (Razel, 1996). Ralph Kramer, (1993) finds that similar rationale may be behind the lack of evaluative information about grants in Israel: “Some of the dilemmas in securing accountability were epitomized for me in the reply of an official to my question as to why the government seemed to require so little information from the VNPOs it funded: ‘If we knew more, we’d have to pay more.’”

c) Communion

Communion involves joint arrangements regulated by shared values and interests. Communion entails mutual dependence and prevents flexibility and the advantages of market mechanisms (Smith and Lipsky, 1993). Gone are the government agency’s ability to easily terminate contracts with inefficient or ineffective providers. Gone too
is the independent voice of the third sector agency as a watchdog over government activity. In their place, government and third sector partners painstakingly develop program objectives and modes of operation which reflect careful compromises between the interests of the parties (Toulemonde et al, 1993). Both partners have vested interests in portraying the program as a success. Neither side has an interest in evaluation which is liable to rock the carefully balanced boat. This rings particularly true when individuals reap personal benefits from the collaborative effort. Where government collaborates with high prestige third sector organizations, there is even less incentive to evaluate.

Some examples from the Israeli experience demonstrate some of these issues:

A communion type relationship between the Ministry of Education and a not-for-profit teachers college shows how personal benefits are likely to inhibit meaningful evaluation. The Ministry of Education’s Technological Education Department and the Holon Center for Technological Education have a long-standing collaborative arrangement for determination and implementation of policy. Practically all endeavors in technological education are carried out by way of the Holon Center. The State Comptroller (1995), criticized this arrangement on three points: 1) the absence of a bidding process meant the loss of opportunity to maximize price and quality of service; 2) the dependence of the Ministry on the Holon Center prevented the Ministry from conducting effective surveillance of the work. The Comptroller observed, for example, that the director of the Ministry’s Technological Education Division sat on the Board of Directors of the Holon Center. In this capacity he faced a conflict of interests between his duty to advance the needs of the Center and his duty to protect Ministry interests. 3) Senior officials in the Ministry benefited personally from the collaborative arrangement in that they received perks from the Holon Center including: secretarial assistance, office space and office equipment.

Government representation on boards of directors is an accountability mechanism common in Israeli collaborative efforts. Active participation by government representatives on boards of directors of collaborating Third Sector organizations provides ample opportunities for: joint decisions regarding policy directions, oversight of implementation and assuring fiscal and program accountability. At the same time, government directors risk conflicts between their duties to look after the best interests of both the government and the Third Sector organization. Because government appointed directors often gain personal advantage in the form of prestige and perks, there is a good chance that they will prefer organization interests over government interests. In an attempt to avoid such situations, the Ministry of Finance issued a directive restricting government representatives from membership on boards of directors to cases in which the government controlled at least 50% of the seats. The next example shows that there is a certain ‘catch-22’ in this situation.

In communion type collaborations with some Third Sector organizations of high prestige, there may be an assumption that formal accountability is unnecessary. The Society for the Protection of Nature in Israel (SPNI) has done a good job of selling itself to the Israeli public and the government. It is by far the largest nature organization in the country. It runs 23 field schools and 14 community learning
centers, provides nature hikes for pupils and adults, and operates several other programs of nature education and conservation. Policy and financial decisions concerning nature education and nature hikes are made collaboratively in joint Ministry - Society forums. An annual grant from the Ministry of Education, primarily for nature education directed at school groups, amounts to about 25 percent of the Society’s budget. In 1997, The State Comptroller conducted an evaluation audit of SPNI educational nature activities. The Comptroller reported that SPNI work was largely ineffective and inefficient. Moreover, the Comptroller criticized the ministry for exercising little oversight over the use of its funds. In response, ministry officials explained that the society was a well respected organization with support from powerful figures. In other words, the ministry shied away from any type of evaluation of SPNI activities for fear of upsetting prominent public figures who would rush to defend this do-good organization from ill-intentioned Ministry officials. They also noted that cessation of Ministry representation on the Board of Directors - in accordance with the above mentioned Ministry of Finance directive - made oversight more difficult (State Comptroller, 1997).

The final example shows how communion-type collaboration can affect the nature of evaluation. Project Renewal is a collaborative program that has involved overseas donors, Israeli local authorities, Israeli central government officials, and the quasi-governmental Jewish Agency in a large-scale urban renewal effort. The project was accompanied by a series of evaluations commissioned by a committee with representatives of the various partners. The resulting evaluation reports proved to be ‘too polite’, ‘poor olive oil’, went ‘too far to please’ (Dery, 1990). Dery further notes that: “In private (personal interviews with four key Renewal officials) the criticism was a bit harsher. The committee, they all agreed only produced the kind of reports that were useful for fund raising and political rhetoric. The Committee was ‘too cautious’, ‘very diplomatic’; ‘any politician could quote its findings to show how really great the project is’. Lazin (1994) lends further support to Dery’s suggestion that evaluation of this collaborative project was less than objective – revealing that two of the major evaluation studies were conducted by people and organizations who were dependent on Project Renewal for salaries and contracts.

It seems that the fragile relationships amongst the collaborating parties led them to avoid evaluation that might rock the boat too much. All of the collaboration partners were more interested in continuing the relationship than in delving into difficult issues which more cutting evaluation reports would undoubtedly have raised. They preferred to use evaluation findings to support the public image of the collaborative activity rather for (well needed) program improvement. While this type of political evaluation is common in non-collaborative programs as well, it seems that collaboration increases its likelihood.

Discussion

Collaboration with the third sector is presented by some as a way to promote healthy democratic culture. Supporters of this ‘third way’ envision local communities of citizens participating actively in third sector organizations that collaborate closely with
government bodies in setting policy and in delivering public programs. Imbued with the spirits of charity, volunteerism and communitarianism, these third sector organizations command a high degree of respect and trust from their government partners and from the wider citizen body. This scenario might be seen as largely precluding the need for formal accountability focused program evaluation as programs are subject to ongoing downward accountability to active citizen-volunteers.

This vision of government – third sector collaboration appears to be more a dream for the future than a portrayal of current reality. The literature paints a rather different picture of the nature of the third sector and its relationship with government. International data show that the much of the third sector is made up professional bureaucratized organizations dominated by hired staff (Salamon, 1999). These organizations rely increasingly on government funding and compete with for-profits for government contracts. Promotion of healthy democratic culture may be one of the reasons that government collaborates with third sector organizations, but there are a number of rather less lofty reasons that include helping political cronies, supporting family members and furthering political goals. Historical accounts of government – third sector relations show as that government collaboration with third sector organizations is largely practical stemming from the need for supplementary or complimentary provision of services that governments have been unable or unwilling to provide directly.

The place of evaluation in collaborations for the less lofty reasons is clearly non-existent. When the main purpose of the collaboration is to promote parochial interests, neither the government representatives who initiate or facilitate the collaboration nor the third-sector beneficiaries will be interested in evaluation. Attempts to impose external evaluation on these types of collaborations have been obfuscated due to political gaming – as demonstrated by the failure to implement Israeli government decisions in this direction.

It would seem that there would be a much more promising role for evaluation regarding collaborations in which third sector organizations provide services in a complimentary or supplementary fashion. Here, government partners ought to have a real interest in evaluating the effectiveness of programs that they support through grants or contracts. Government administrators may be even more prone to initiate evaluations of programs delivered by third parties than programs delivered directly by their own departments. The political problematic of self-evaluation in which an administrator does not wish to expose shortcomings to external review is potentially lessened. An administrator who orders evaluation of programs operated by third sector collaborators might be seen to be doing a good job of surveillance and monitoring. And he has little to lose from the possibility that the third sector provider might be replaced due to unflattering evaluation results.

Yet my analysis reveals a number of obstacles that detract from this optimistic view of the potential role of evaluation in collaboration stemming from the need for complimentary or supplementary service provision. These include issues related to: technical problems of measurement; surveillance capacity; multiple providers of
funds; political sensitivities; dependence relations; and the high prestige of many third sector organizations.

Technical problems of measurement are not unique to Government – third sector collaboration. Difficulties in defining appropriate measures of success and obtaining reliable data are particularly salient to human service programs that account for the largest part of government – third sector collaboration. Measurement problems plague both evaluation and performance monitoring activities. A GAO review of American attempts at implementing performance reporting found, for example, that agencies had greatest difficulty with identification of appropriate outcome measures (GAO, 1997). The short time frames of many collaborative efforts exacerbate measurement problems. Grants are generally made on a yearly basis and contracts rarely span more than three years. Short duration grants and contracts restrict opportunities to observe outcomes and may render in-depth evaluation unjustifiable in terms of cost and potential benefit.

Governments appear to be unwilling or unable to devote adequate resources to surveillance capacity of collaborative efforts. Devoting the kind of resources necessary for comprehensive surveillance defeats one purpose of collaboration – saving. The problem of surveillance – and hence evaluation – is particularly acute when a single government unit distributes funds to a large number of collaborators. Government administrators may also feel that they can trust these non-profit distributing agents. Government grants and contracts administrators may not have the expertise necessary to manage evaluations.

Third sector organizations often rely on multiple providers of funds. They may receive funding from charitable foundations, from several different government bodies and from local authorities. In such cases, the incentive of each ‘principal’ to promote evaluative activity decreases. There may also be assumptions that ‘the other guy’ is already doing it.

Whereas the organizational sensitivities of self-evaluation may decrease, collaboration comes with its own set of political sensitivities. As in any activity that involves two or more people, government – third sector collaboration is built on delicate compromises. Evaluation findings can threaten the very fabric of compromise by pointing at deficiencies in the work of one or another of the partners. Government administrators will be particularly reluctant to initiate evaluation in cases where they are dependent on third sector collaborators for service provision as for example when there are no reasonable alternative providers. The high prestige and public standing of some third sector organizations may also inhibit evaluation. Government officials may themselves hold a great deal of respect for such organizations. And they may be unwilling or unable to subject their political masters to evaluations that portray popular organizations in a bad light.

What happens to evaluation when government collaborates with the third sector? The picture presented here is not so pretty. Collaboration may decrease internal organizational politics of evaluation, but introduces a number of additional avenues for political influences on evaluation. My conceptual development, supported by
examples, suggests that collaboration with third sector organizations will decrease the propensity to conduct evaluation studies and increase the chance that evaluations conducted will be laden with political considerations. This is a preliminary suggestive finding that invites empirical investigation.

What is to be done?

The politics of evaluating government – third sector collaboration is not something that can be cured by some sort of treatment. It is a reality to be reckoned with, not unlike the politics of evaluation of non-collaborative government programs. Awareness of the special politics surrounding government – third sector collaboration is a first step to finding appropriate evaluation functions and methodologies. One path taken in a number of countries regarding direct government programs is top-down requirements to periodically evaluate. While the results of such directives have been mixed in terms of the quality of evaluation, there is no doubt that they have helped put evaluation on the table. As governments rely more on collaborations with third sector organizations, they would do well to encourage greater central government, legislative and state audit attention to monitoring, evaluation and auditing. Left to themselves, individual government units have little incentive to engage in evaluation of collaborative programs.

There is a need to improve the surveillance capacity of government units involved in collaboration with third sector organizations. This might focus more on qualitative improvement rather than trying to hire enough staff so as to always being able to look over the shoulder of third sector providers. Specifically, there may be a need for training administrators of grants and contracts in evaluation management. They need to learn when and how to request and use different kinds of evaluative information about collaborative programs. For example, they must learn when to use performance monitoring as opposed to in-depth program evaluation and when to focus evaluative activity on process, output or outcome measures. These choices will be influenced by several variables including: state of knowledge about particular program interventions; expected duration of the collaborative arrangement; developmental stage of the program; and funding available for the evaluation function.

Evaluation management should also take into account the political sensitivities of government – third sector collaboration in choosing evaluation approaches. Participatory approaches may prove useful in situations of delicate compromises amongst partners. Participatory evaluators tuned in to such sensitive issues are most likely to produce evaluations that will strengthen programs without breaking down partnerships. Where there are serious doubts about whether particular collaborative programs are appropriate at all, evaluation managers should not hesitate to invite other types of evaluations.

There is a role for evaluation in government – third sector collaborations – a role becoming more important as governments increasingly rely on third sector organizations. Evaluation in general is a politically precarious exercise. Sensitivities peculiar to collaborations with third sector organizations heighten these risks.
sharpening the need for skilled evaluation management and for greater attention on the part of central executive agencies, legislatures and supreme audit institutions.

References


