

# CSO Market Research

ENDLINE STUDY

CSO DePo: CSO  
Development Program



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Armenia

CRRC-Armenia  
November 2019

# Methodology

11 FGs with CSOs and 1 FG with representatives of international organizations, 1 CSO-business discussion in

March-April, 2019

3 FGs were conducted with regional CSOs in Dilijan, Jermuk, and Abovyan. 9 FGs were conducted in Yerevan

87 representatives of 85 CSOs participated in 11 FGs

One FG had 7 participants on average

6 in-depth interviews were conducted with representatives of state bodies, 2 responded in written form





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# RELATIONS BETWEEN CSOs AND STATE BODIES

According to some observations, relations between CSOs and state bodies remained **the same after the 2018** political events.

According to some observations, relations between CSOs and state bodies **have improved** after the 2018 political events.

According to some observations, relations between CSOs and state bodies **have become more problematic** after the 2018 political events.

According to some observations, relations between CSOs and state bodies may improve if CSOs are proactive and transparent.

## PROBLEMS IN CSO-STATE RELATIONS

- State bodies are closed to discussion of and follow-up on innovative ideas
- State bodies are bureaucratic (slow, communication and decision-making issues, excess in formalities, lack of motivation)
- State bodies have distrust towards CSOs

*"...We started working recently with schools in the framework of the same Upshift project and it is very hard to enter the schools. 'Enter' in a sense that you go and inform that there is also non-formal education: teachers, administration are very closed to such things".*

(FG participant from a regional CSO)

Researcher's Note: Schools are seen as state bodies here

*"For the same project, I can go and say that the project is funded by the EU, they will tell,- 'goodbye, our professionals will do the same thing better than you'. But when I go as a representative of Shirak bishopric social-educational program and do the same thing, e.g. read a book for children for 100<sup>th</sup> anniversary of Hovhannes Tumanyan, no matter what I do, they will meet me in a due course. Hence, no matter what I do, important is who I represent. If I go as a representative of the church, starting with school administration ending with the cleaner will be happy to meet me, see me to the classroom, ask who of the teachers I would like to work with, etc."*

(FG participant from a regional CSO)

- State bodies refuse to work towards solutions of sensitive public issues
- Decision-makers in state bodies change frequently

*“One of the most important things is that when you participate in public discussions, you never get feedback on this. They ask, you participate. I can give the example of the law on volunteerism, in 2009 we have participated in all of the discussions on the topic, we provided recommendations, but you never know what then happens with these recommendations or with your input, what is taken into account – you do not receive any feedback. This is a very important issue, one has to know what was the impact of the participation”.*

(Participant of a FG with CSO board members)

Researcher’s note: state bodies have to follow-up on public discussions, CSO representatives have to know how is their input utilized.

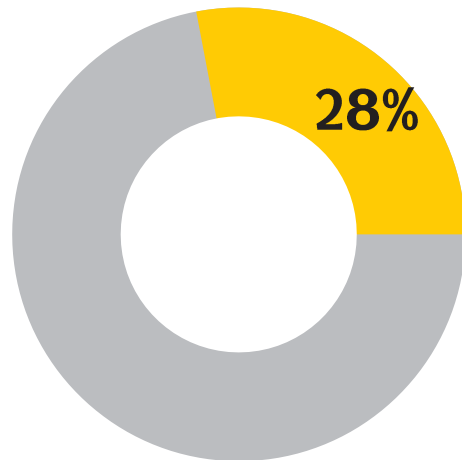
*“ Each new minister brings new working style with him/her. There is a minister who is for organic work, another one likes conventional way of working, there are those who speak English and those who do not, for some working with international organizations is fine, while others do not work well with these organizations. All this has an impact on the way we work... we are now negotiating as we are proposing a very big project to apply to the EU. The projects worth several tens of millions is very hard to develop, the budget is complex, it takes months and if with EU, then it may take years. Suchlike projects have to be coordinated with the Ministry and the issue is that when a minister changes or deputy-ministers change, you have to always start anew. What I am trying to say is that a ministry needs to be stable having a main course of action”.*

(Participant of a FG with International Organizations)

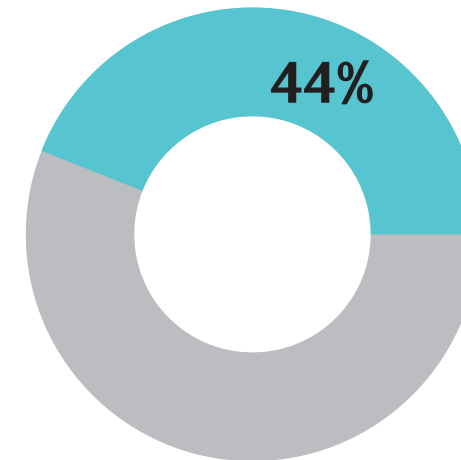
# CSO Representatives in State Bodies

March 2019

At least 28% of ministers and deputy-ministers in RA Government are previous CSO representatives



At least 44% of RA Members of Parliament are previous CSO representatives



Observations are based on document analysis.

Researcher's note: "Representative of CSO" is broadly defined as any affiliation with the field (e.g. membership, activism, position holder etc.).

# CSO Representatives in state bodies

According to the majority of observations, after the 2018 political events there was a flow of CSO representatives to state bodies, however the CSO field **has not been emptied**.

According to some observations, the CSO field has however **been emptied**.

According to the majority of the participants, the flow from CSO field to state bodies **is a positive** process for the CSO field.

According to some of the observations, the flow of CSO representatives to state bodies **is problematic** for the CSO field.

According to the majority of observations, flow of CSO representatives to state bodies **is positive** for the state apparatus.

According to some observations, the flow of CSO representatives to state bodies **is problematic** for the latter.



# Provision of Services by CSOs

According to the overwhelming majority of observations, provision of services by CSOs to state bodies is possible.

Some CSOs consider provision of services to state bodies as problematic given the threat the CSOs may lose their autonomy.



## THE AIM OF THIS SECTION OF THE RESEARCH IS:

# 1



To examine the general attitude of representatives of state bodies towards the prospect of deepening the state-CSO cooperation,

# 2



To reveal services that state bodies would be willing to receive from CSOs on a paid/non-paid basis

### The following steps were taken

# 1

6 in-depth interviews with high level officials from ministries

The interviewer has presented the officials with a list of services, composed on the basis of a survey by CRRC-Armenia among 112 CSOs in the spring of 2019.

The list is inclusive of all services that surveyed CSOs are ready to provide to state bodies on a paid/non-paid basis.

# 2

2 written interviews with representatives of ministries through online correspondence

The interviewer requested to mark in front of those services in the list that the department would be interested in receiving.

The list of services that representatives of state bodies have found necessary for their departments is presented below.

## CSO-STATE BODIES RELATIONS ACCORDING TO REPRESENTATIVES OF STATE BODIES

Cooperation with NGOs has been described by ministry representatives in the following general terms: open, active, sufficient, continuous, on a high level.

All ministry representatives find it necessary to deepen cooperation with NGOs, in some cases they emphasize the need for deepening cooperation in this phase of the country's development.

Two ministry representatives voiced the importance of institutionalization of the state-CSO cooperation.

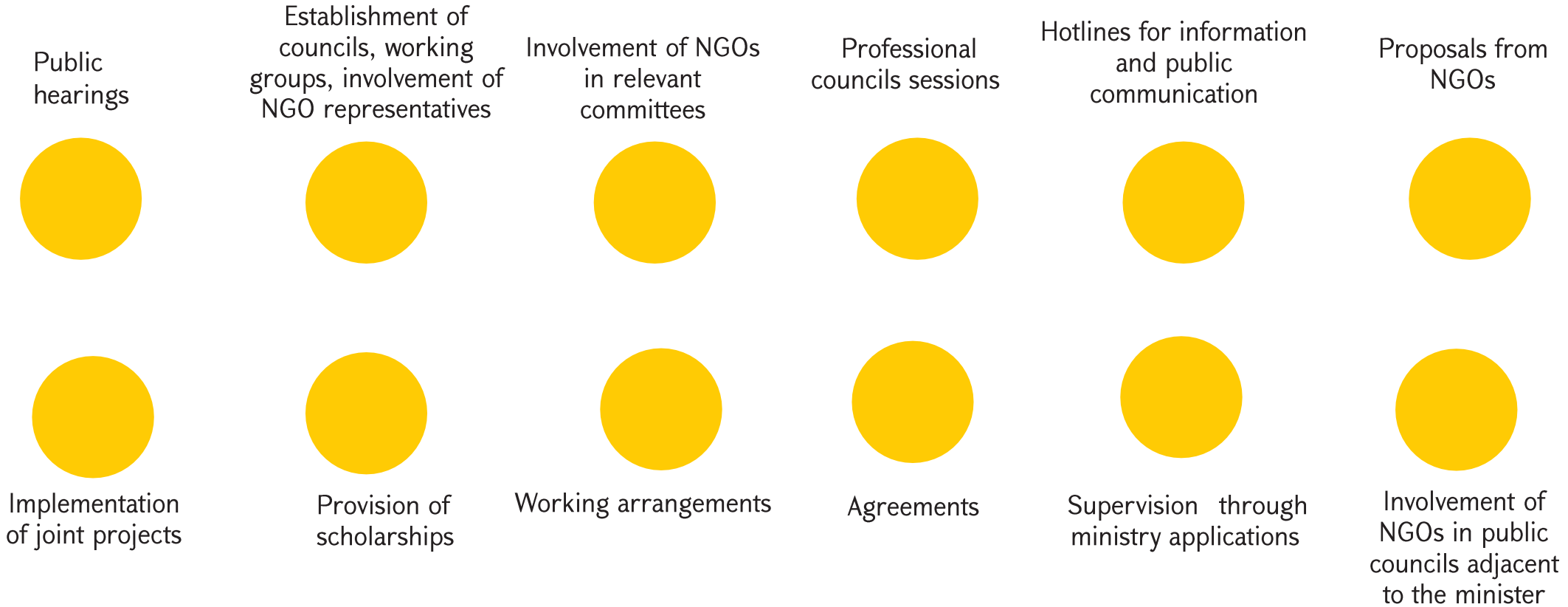
Some of the officials participating in the research exclude the possibility of using CSO services on a paid basis because of a tight budget.

Another part of officials find that ministries have grant programs which take place on a competitive basis. There are similar precedents in some ministries, and the representatives of these ministries are expecting a continuation of cooperation.

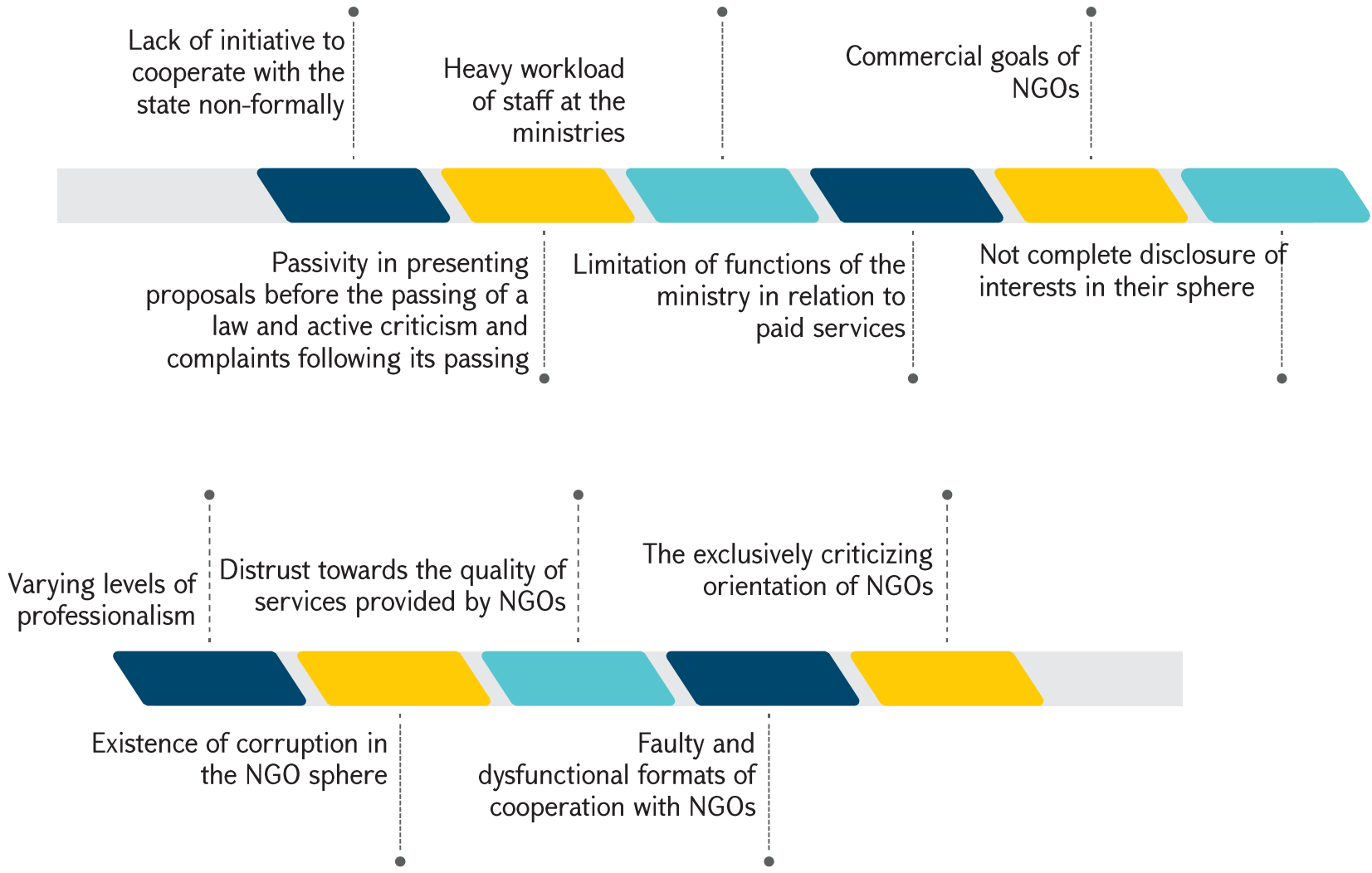
Representatives of some ministries that expressed readiness to use paid services provided by NGOs have some skepticism towards the quality of these services.

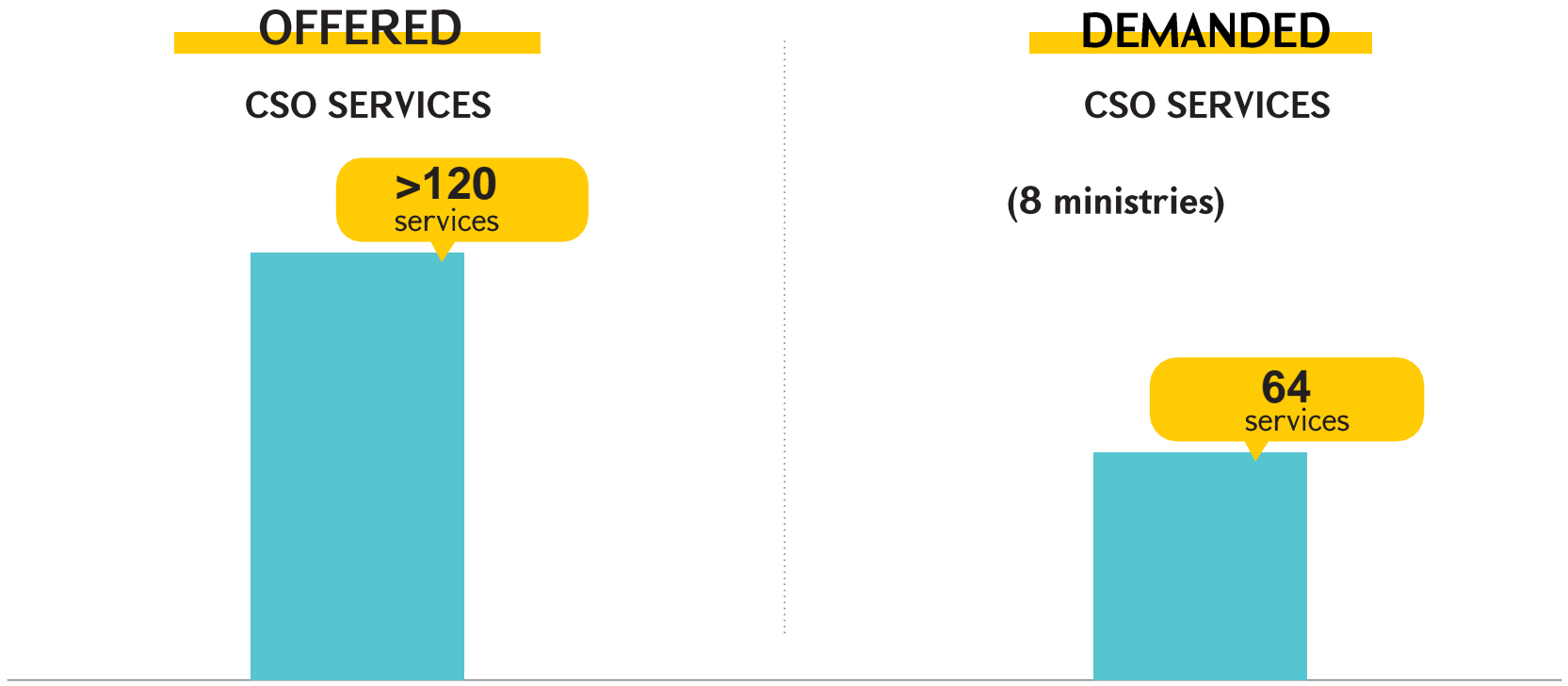
For example, the representative from the Ministry of Labor and Social Affairs gives preference to NGOs when searching for certain services through funding programs, because, according to the respondent, NGOs are more flexible than state non-commercial organizations.

# COOPERATION WITH CSOs TAKES PLACE THROUGH THE FOLLOWING MECHANISMS ACCORDING TO REPRESENTATIVES OF STATE BODIES



# OBSTACLES FOR COOPERATING WITH CSOs ACCORDING TO REPRESENTATIVES OF STATE BODIES

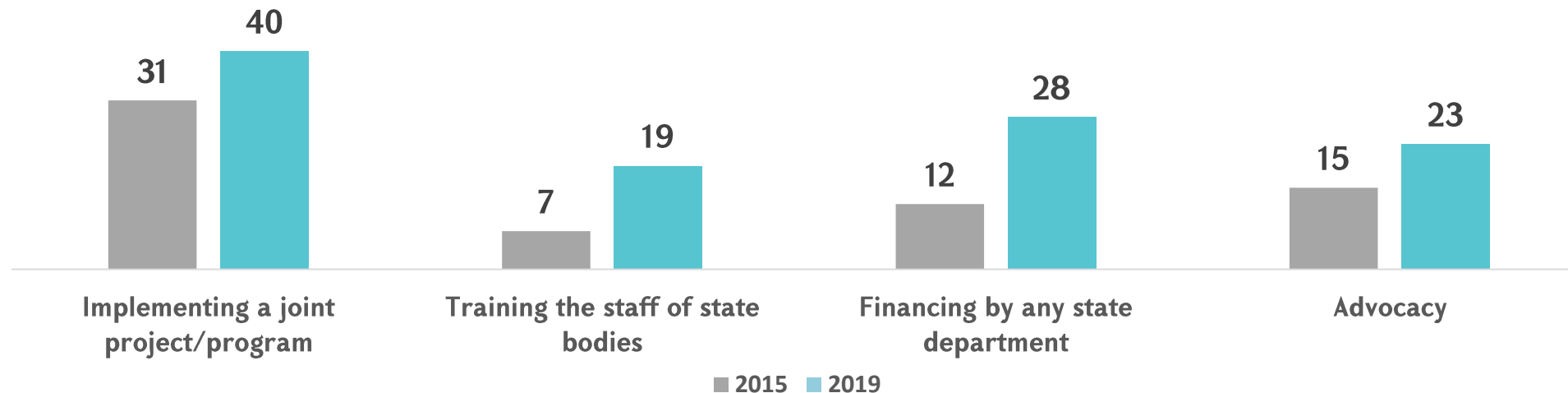




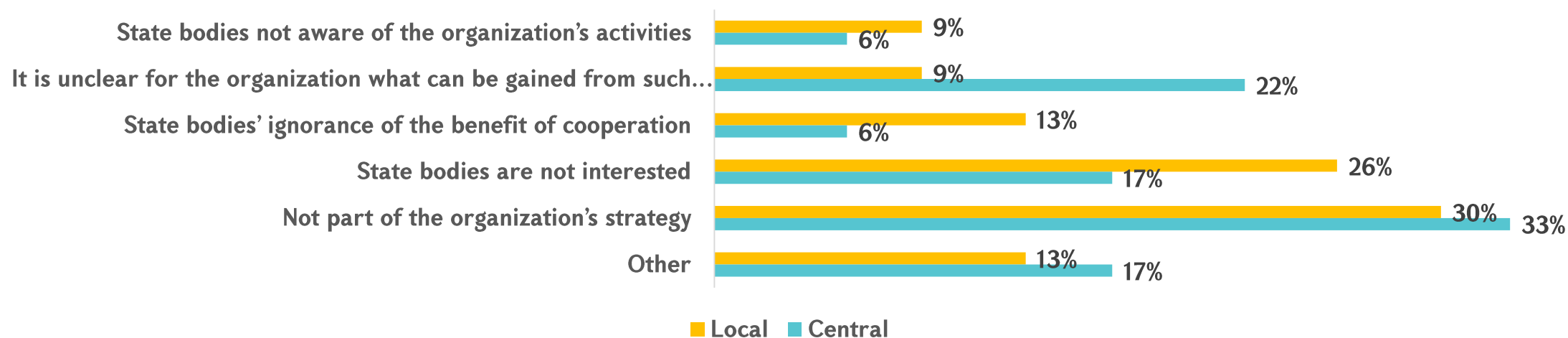
### EXAMPLE

Service	Ministry interested in the service	Additional notes
Evaluation and monitoring of state body activities	<ul style="list-style-type: none"> <li>• Environment</li> <li>• Economics</li> <li>• Finances</li> <li>• Health</li> </ul>	<p>“Let them provide the service pro bono, and if they provide a good quality and there is a need for financial assistance, the state will assist. The analysis of budgetary applications is in question”. (Ministry of Finance)</p>

## THE NATURE OF COOPERATION WITH ARMENIAN GOVERNMENT AUTHORITIES, N of observations



## THE REASONS FOR NOT COOPERATING WITH THE ARMENIAN GOVERNMENT AUTHORITIES



# CSO-BUSINESS RELATIONS

The topic of CSO-business cooperation was covered during 10 focus groups. One third of all focus group discussion participants expressed their opinions regarding this subjects.

The overwhelming majority of CSO representatives that voices opinions about CSO-business relations are convinced that CSO-business cooperation is **possible.**

Several participants of focus group discussions have **reservations** about CSO-business cooperation.

The state can promote CSO-business cooperation through the creation of **information platforms and tax mechanisms.**

Generally, CSOs that have such a disposition have had a positive experience of cooperating with the business sector.





## CSO-BUSINESS COOPERATION IS POSSIBLE

- The majority of participants that find CSO-business cooperation possible imagine that cooperation in the format of businesses funding CSOs, for example in the form of implementing corporate social responsibility (CSR) projects, becoming donors, or simply financing of an event.



*“...The CSR sphere has started developing in Armenia only recently, but in my opinion there are many organizations, especially in the IT sector...which are trying to support various [civil society] organizations”.*

(Participant of a FG with NGOs that have social entrepreneurships.)

*“...Starting from professional support and ending with provision of financial support in the frames of their social responsibility, any kind of assistance is acceptable and welcomed...”.*

(Participant of a FG with NGOs that have self-funded initiatives.)

*“...There are some business companies that consistently assist in any issue – be that financing the expansion of the library, or support in terms of gifts and encouragement prizes... It is positive that there are people who are not pursuing other interests besides advertising themselves and are willing to...demonstrate support”.*

(Participant of a FG with civic initiatives.)



## CSO-BUSINESS COOPERATION IS POSSIBLE

- According to CSO representatives, the business sector can make use of services provided by CSOs, such as awareness raising and specialized trainings (on a paid/non-paid basis)
- CSO stakeholders can complete internships in business companies
- CSOs can receive counseling from the specialists in the business sphere (both paid and unpaid)
- Business representatives can become CSO association members to voice issues and defend the interests of businesses



“I can see cooperation both with state structures and with the business sphere, for example through awareness raising trainings, so that they think more openly, they start thinking less discriminatorily towards all members of the society...”

(Participant of a FG with CSOs defending minority issues)

*“We think that businessmen need to have a big investment in the labor market... they comprise a part of that market and it is necessary that they have their investment, without only having demands... We could facilitate internships with them...”*

(Participant of a FG with international organizations)

*“If there are businesses that... are specialized in a sector, we as volunteers will not attempt to undertake the job... Instead, we prefer giving them money, so that an expert can do it well, rather than us attempting to figure it out...”*

(Participant of a FG with CSOs that have self-funding initiatives)



## PREVIOUS EXPERIENCE OF COOPERATION WITH BUSINESS IS POSITIVE

- Cooperation was in the form of receiving funding from a business/benefactor
- In some cases, the funder was a businessman-benefactor from the Armenian diaspora
- Cooperation has been in the format of a non-financial (in-kind) support from the business

*“Two years ago there was a youth issues council adjacent to the major of Yerevan, they took care of the venue renting fee. The private sector helped us with the rest of the expenses... We were able to organize a very big event with the help of the private sector.”*

(Participant of a FG with CSO board members)

*“We have had several donors who were American-Armenian businessmen, who financed several small projects.”*

(Participant of a FG with CSOs associated with Armenia-diaspora)

*“We organized beauty pageants for girls with disabilities and we received the gifts from the private sector...”*

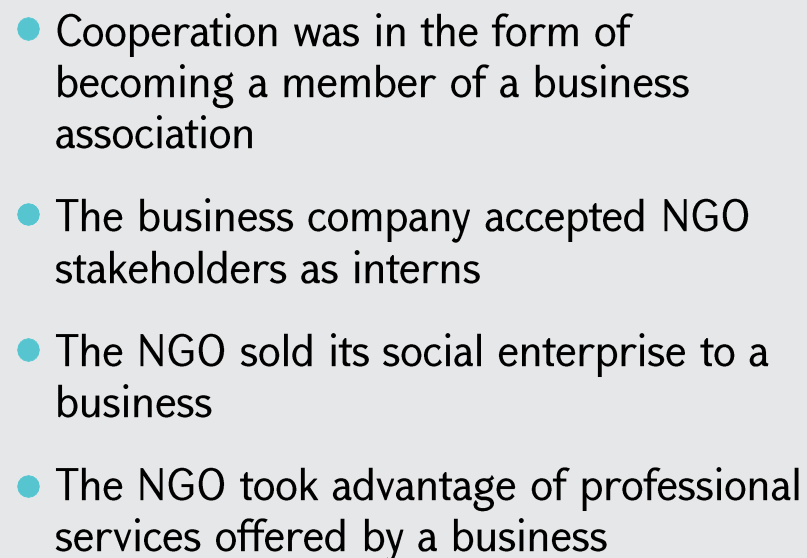
(Participant of a FG with CSO board members)

*“...We also approach other relevant organizations, asking them to help us with different stuff, be it tools for construction or stone... We take different things for half the price, they support the event, ...and the only thing left for us to do is to deliver these things to the right place and to properly carry out the work.”*

(Participant of a FG with the creative, production, and trade unions)



**PREVIOUS EXPERIENCE OF  
COOPERATION WITH  
BUSINESS  
IS POSITIVE**

- 
- Cooperation was in the form of becoming a member of a business association
  - The business company accepted NGO stakeholders as interns
  - The NGO sold its social enterprise to a business
  - The NGO took advantage of professional services offered by a business



*“...Because we want people to better understand social enterprise in our sphere and to engage in it, we also see as our target those businesses, [who] maybe are social enterprises, but who don't know about it... we should involve them, explain, that is how we cooperate... they can become members of our organization...”*

(Participant of a FG with associations, coalitions, and federations)

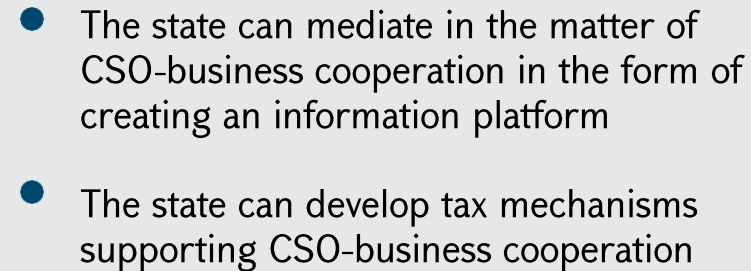
*“...For example, we organize some sort of an internship. Our children, stakeholders can pass an internship with them, and it is a quiet successful practice, and we are getting ready to do it again.”*


(Participant of a FG with international organizations)





## PROPOSALS FOR PROMOTING CSO-BUSINESS COOPERATION

- 
- The state can mediate in the matter of CSO-business cooperation in the form of creating an information platform
  - The state can develop tax mechanisms supporting CSO-business cooperation



*“For example, the state sees that one NGO is providing a service in one sector and it is in need of funding, and there is somebody that has finances and is willing to engage in social responsibility activities. Look, these two should not be searching for each other in this way, forcibly... But if the state creates a system, where, you enter as an employer, you’re looking for an employee, in that way you enter and try to find a partner to cooperate with, that will be great. And it [the state] will become a guarantor...”*

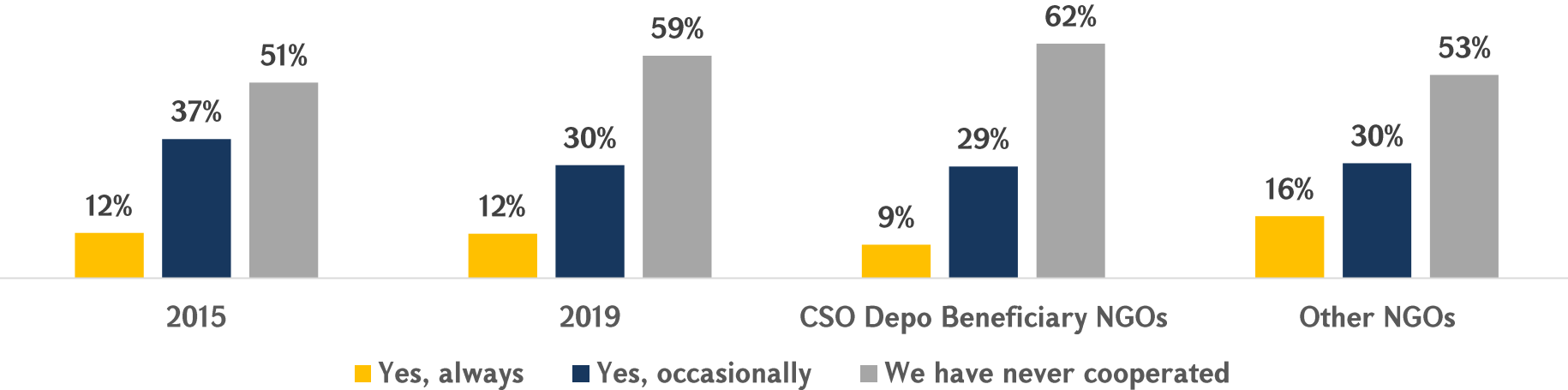
(Participant of a FG with associations, coalitions and federations)

*“Comparing NGOs that have large profits with few resources to businessmen that have large profits with few resources... these are different people, with different mentalities. Simply, ...there are very good tools in the tax field to use them and bring the two sides to a dialogue.”*

(Participant of a FG with CSO and business representatives)



# DO YOU COOPERATE WITH BUSINESSES TO IMPLEMENT PROJECTS?



## COOPERATION SECTOR





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# HUMAN RESOURCES



### EXAMPLE:

Fundraisers, SE marketologists, accountants, lawyers, agriculture specialists (agronomists, wine-makers, specialists in cheese production)

- Absence of narrow specialists
- Overload
- Brain drain of human resources



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“In a small team you come with a contract, but you become anything from a printer cartridge changer to a sweeper. There is nothing bad in that, but still...”  
(Participant of a FG with associations, coalitions, and federations)

“We have training sessions, we develop the youth, build capacity, and suddenly, they slip out of our hands...”  
(Participant of a FG with CSO directors)

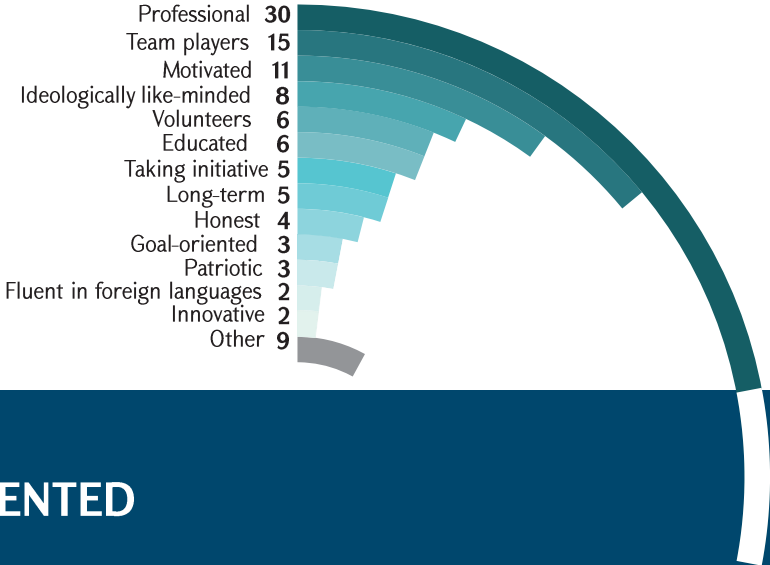
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# CHARACTERISTICS OF THE IDEAL CSO STAFF

AS SEEN BY CSO REPRESENTATIVES (109 notes)



EDUCATED

GOAL-ORIENTED

VOLUNTEERS

LIKE-MINDED (ideologically)

**PROFESSIONAL**

INNOVATIVE

FLUENT IN FOREIGN LANGAUGES

**TEAM PLAYERS**

**MOTIVATED**

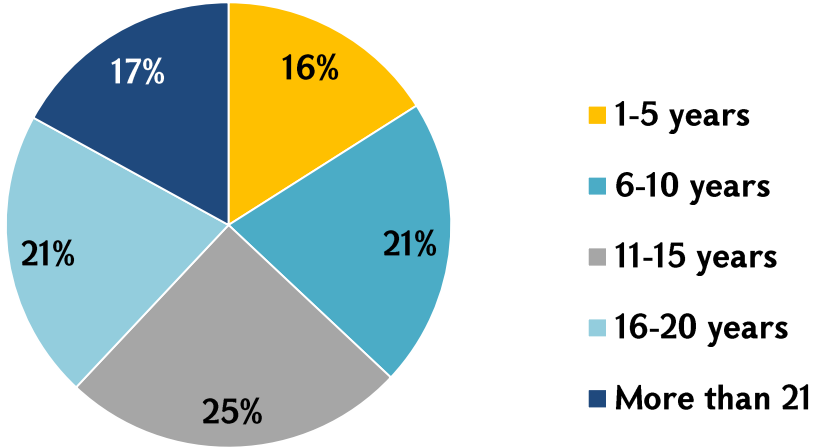
HONEST

PATRIOTIC

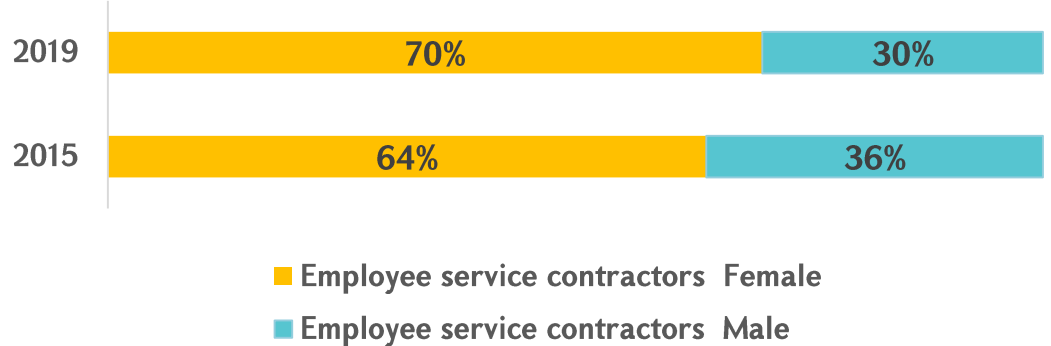
TAKING INITIATIVE

LONG-TERM

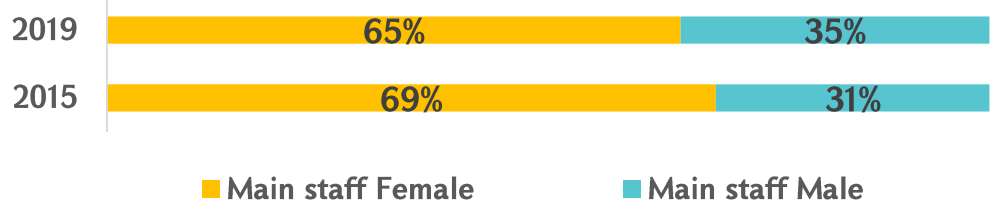
### HOW MANY YEARS HAS THE ORGANIZATION ACTUALLY BEEN OPERATING?



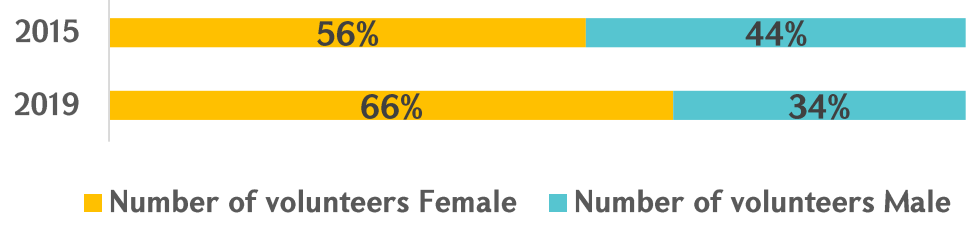
### EMPLOYEE SERVICE CONTRACTORS



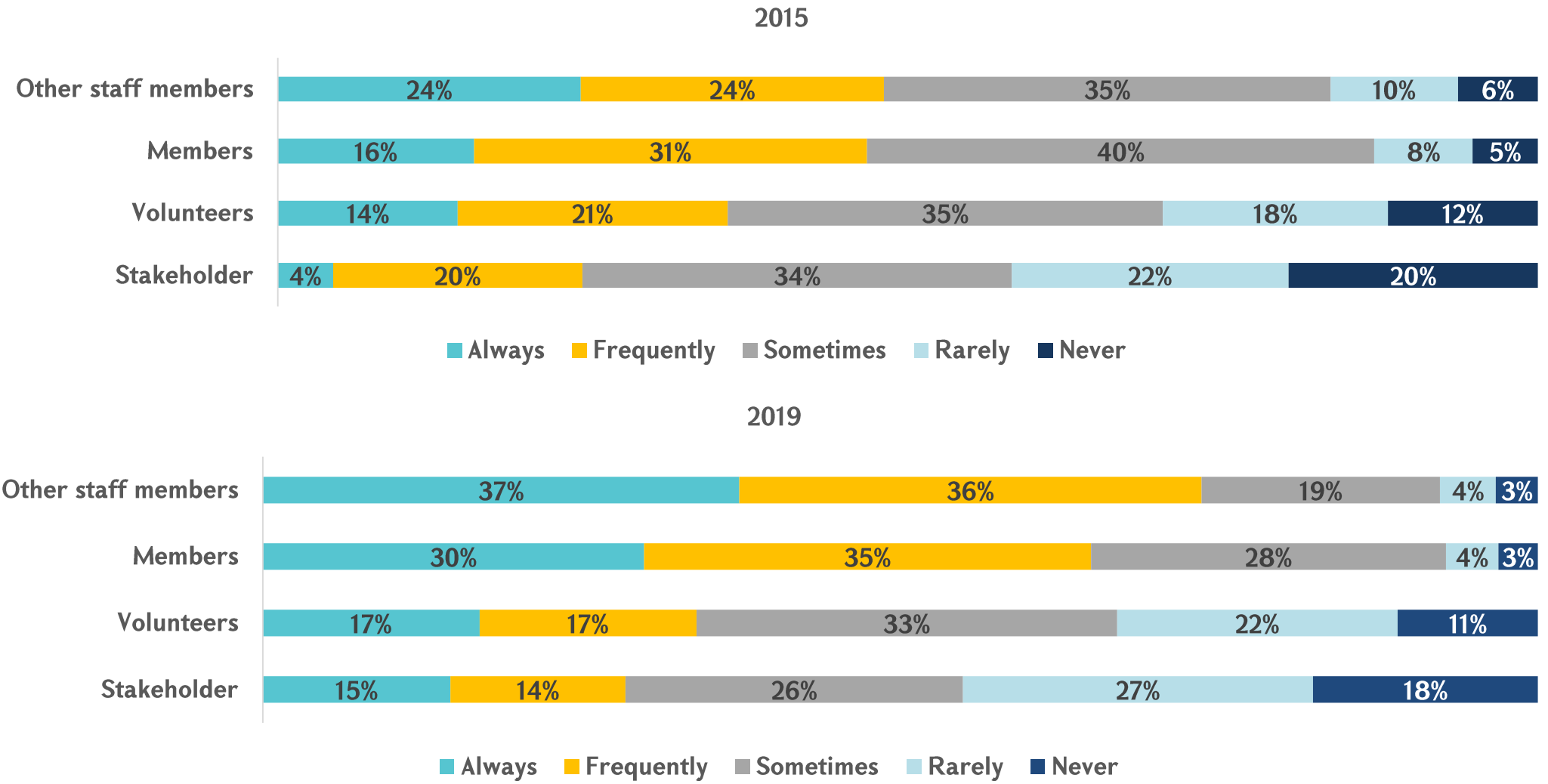
### MAIN STAFF



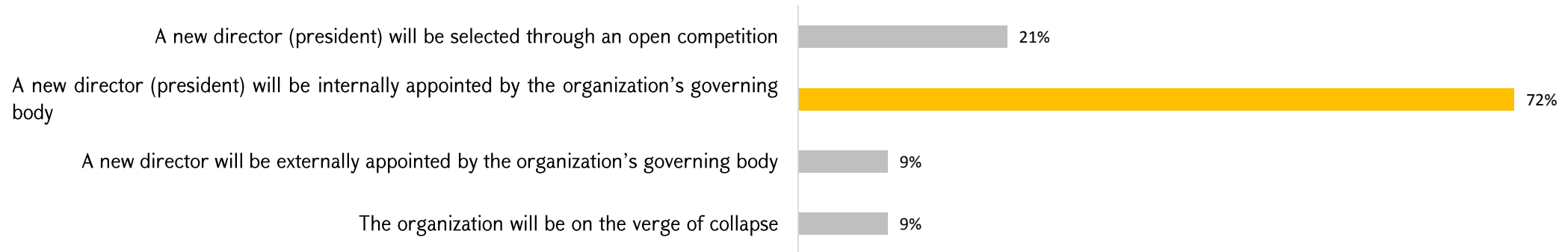
### VOLUNTEERS



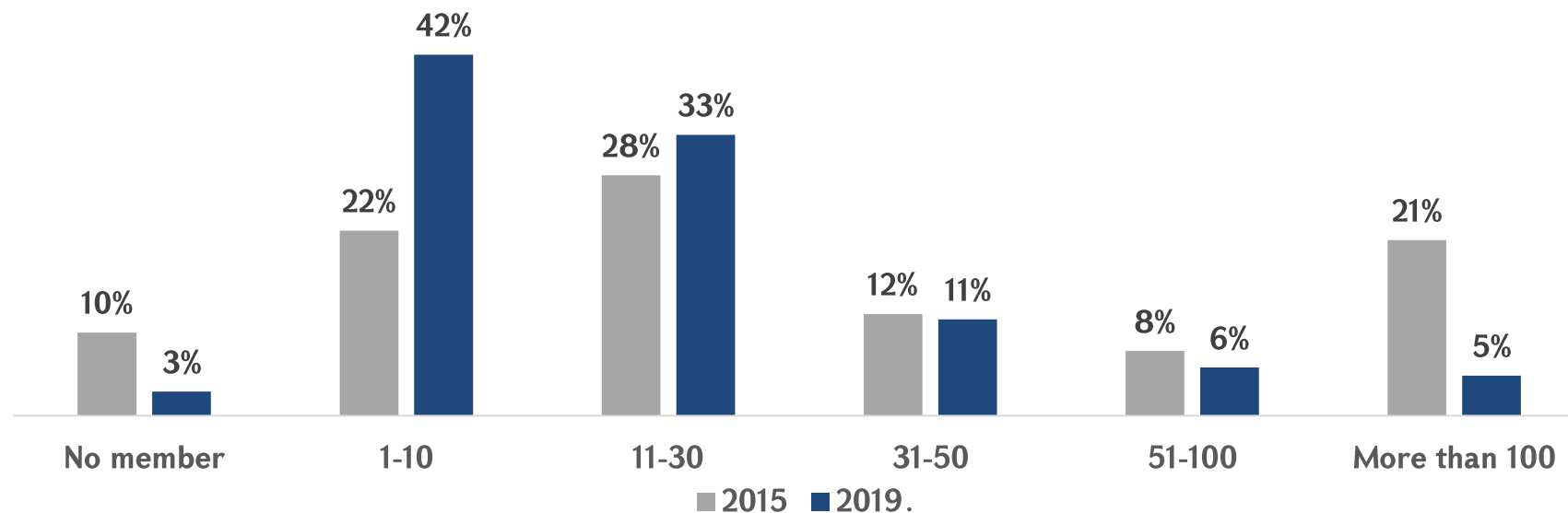
# HOW FREQUENTLY ARE THE FOLLOWING PERSONS OR GROUPS INVOLVED IN MAKING DECISIONS ON MATTERS OF ORGANIZATIONAL PROGRAMMING? 2015 AND 2019



## IF THE ORGANIZATION'S CURRENT EXECUTIVE DIRECTOR (OR PRESIDENT) LEAVES HIS/HER POSITION, WHAT WOULD HAPPEN WITH THE ORGANIZATION?



## HOW MANY MEMBERS (not staff) DOES THE ORGANIZATION HAVE?






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# FINANCES




Lack of finances  
to apply for  
funding




Lack of finances  
for engaging  
qualified  
professionals



Overburden of  
staff



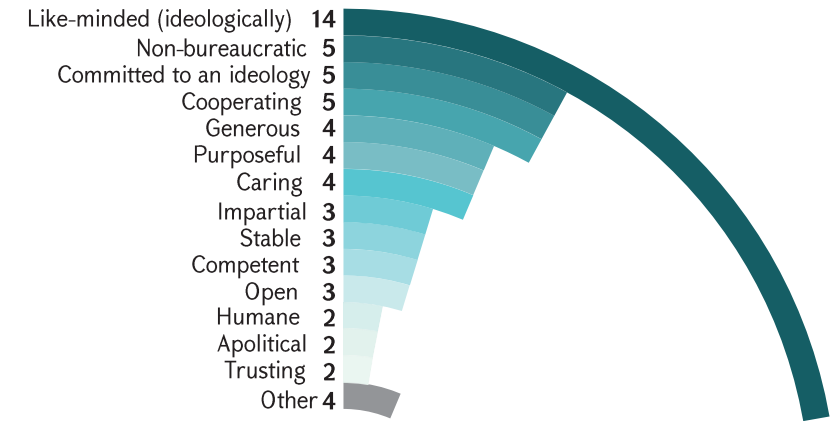
Organizations  
having small  
budgets are not  
trusted with big  
budget projects



Failed projects  
due to  
discontinued  
funding

# CHARACTERISTICS OF AN IDEAL CSO DONOR

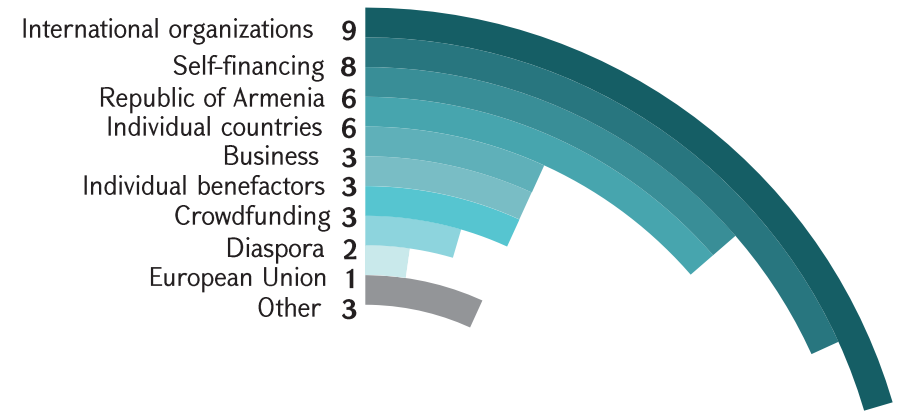
AS SEEN BY CSO REPRESENTATIVES (63 NOTES)



# THE IDEAL CSO DONOR

## AS SEEN BY CSO REPRESENTATIVES (44 NOTES)

Researcher's note. FG participants do not consider "Stakeholders" as ideal donors.



**INDIVIDUAL COUNTRIES**

(e.g. USAID and GIZ)

**SELF-FINANCING**

DIASPORA

**INDIVIDUAL BENEFACTORS**

**INTERNATIONAL**

**BUSINESS**

**ORGANIZATIONS**

EUROPEAN UNION

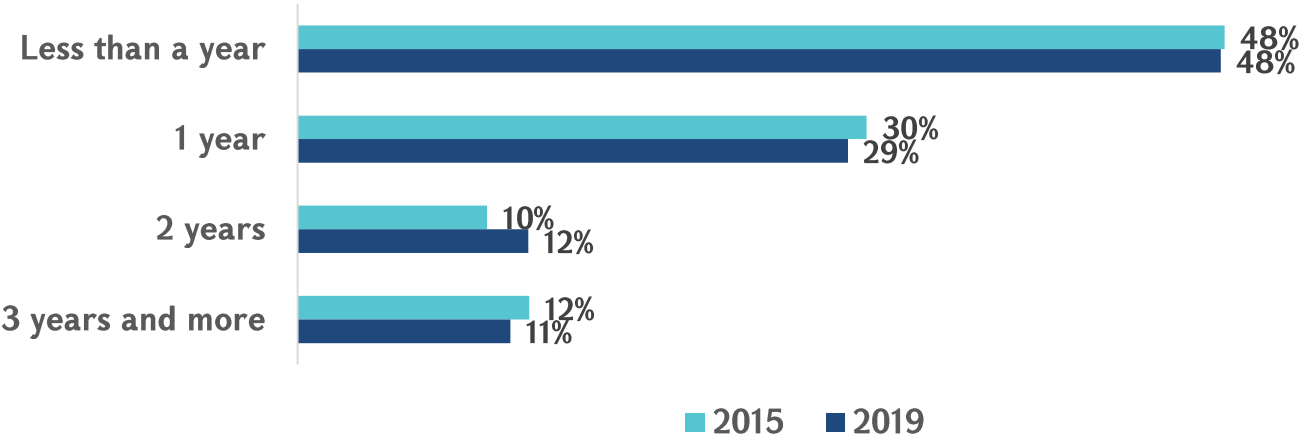
(e.g. UN and WB)

**REPUBLIC OF ARMENIA**

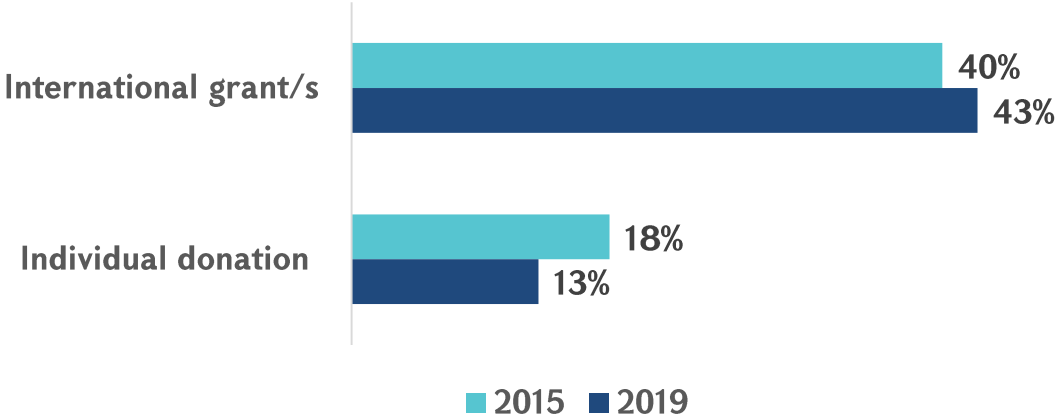
**CROWDFUNDING**



# FOR WHAT PERIOD OF TIME DOES YOUR ORGANIZATION HAVE FINANCIAL RESOURCES (OR CLEAR PROSPECTS OF FUNDING) TO OPERATE

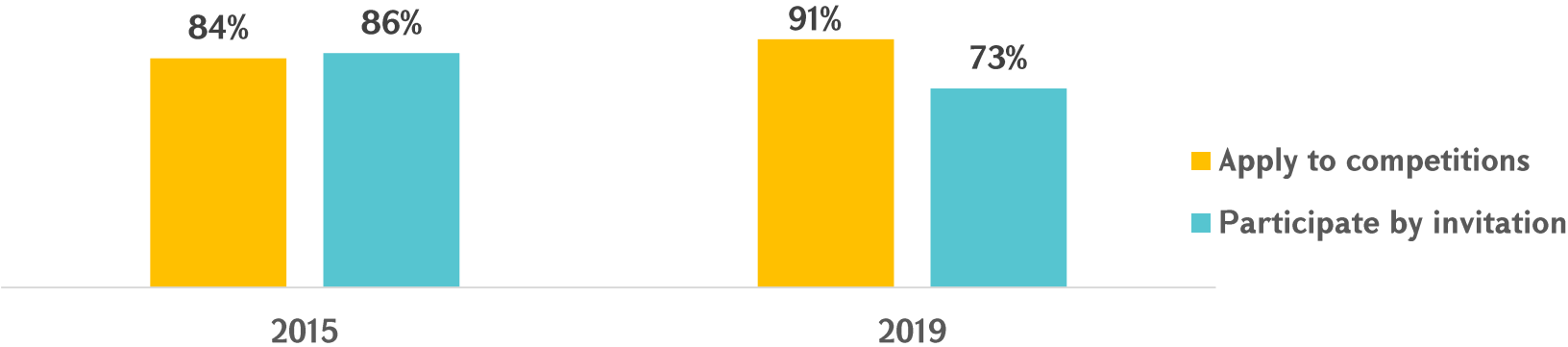


## SOURCES OF FUNDING, %

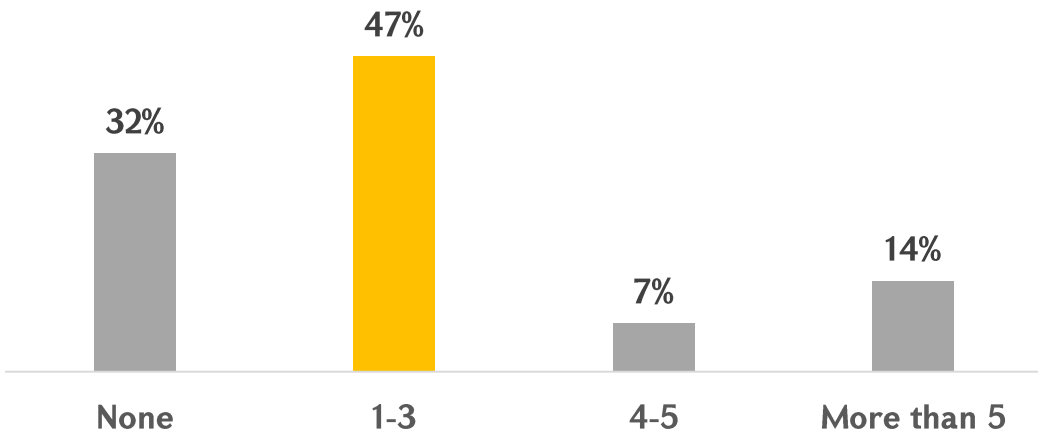


Researcher's note:  
There is a need for CSOs to realize the importance of diversifying their funding sources

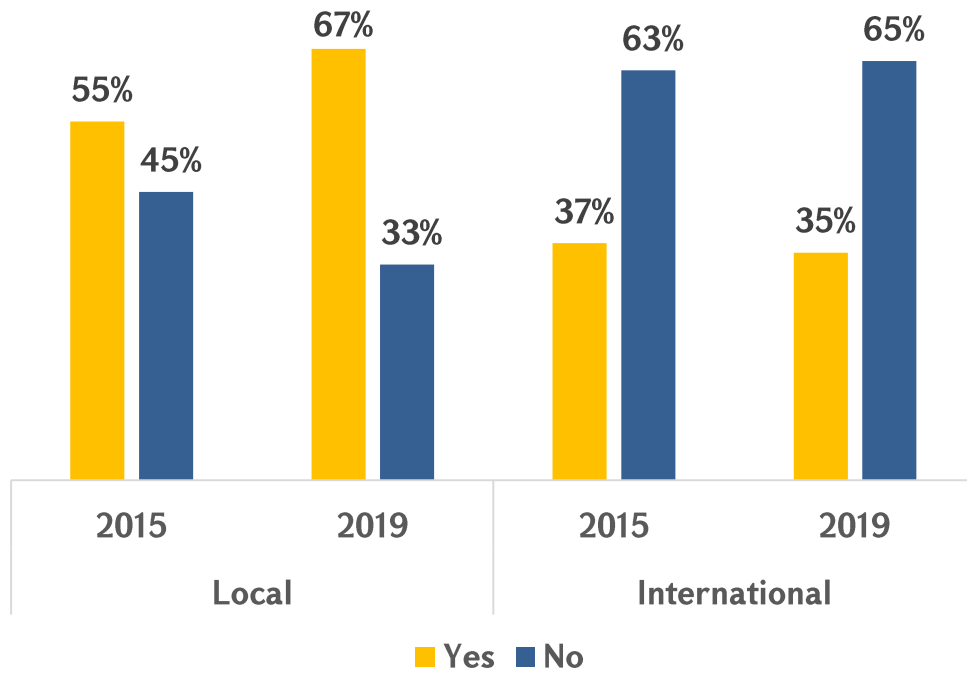
### DO YOU APPLY TO PARTICIPATE IN PROGRAMS, OR DO YOU PARTICIPATE IN PROGRAMS ONLY BY INVITATION?



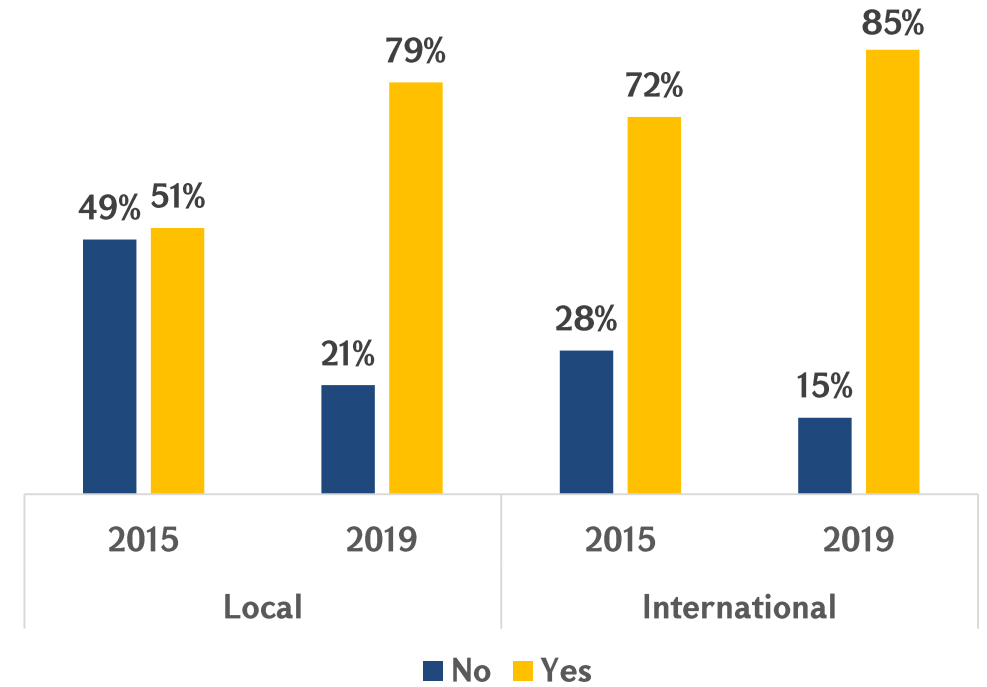
### HOW MANY DONOR-FUNDED PROJECTS HAS YOUR ORGANIZATION IMPLEMENTED LAST YEAR?



### DOES YOUR ORGANIZATION HAVE MEMBERSHIP IN A COALITION, NETWORK, OR GROUP?



### WOULD YOU LIKE TO JOIN ANY COALITION, NETWORK, OR GROUP?





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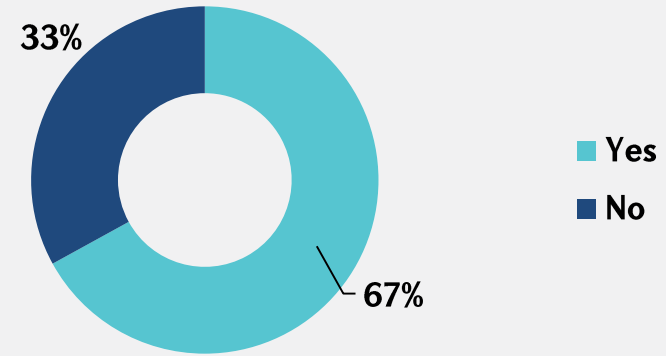
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# CSO DePo

## New Opportunities

## Have you heard about CSO DePo?



Almost half of the FG participants have participated in at least one CSO capacity development program


“CSO DePo” and “STRONG CSOs” are the programs most frequently mentioned by FG participants

Majority of CSO representatives who participated in CSO capacity development programs report positive experience of participation


FG participants learned about CSO DePo from various sources (e.g. the Internet and colleagues)

Less than one-fourth of FG participants are aware of the CSO DePo Portal

They have positive experience of using the portal

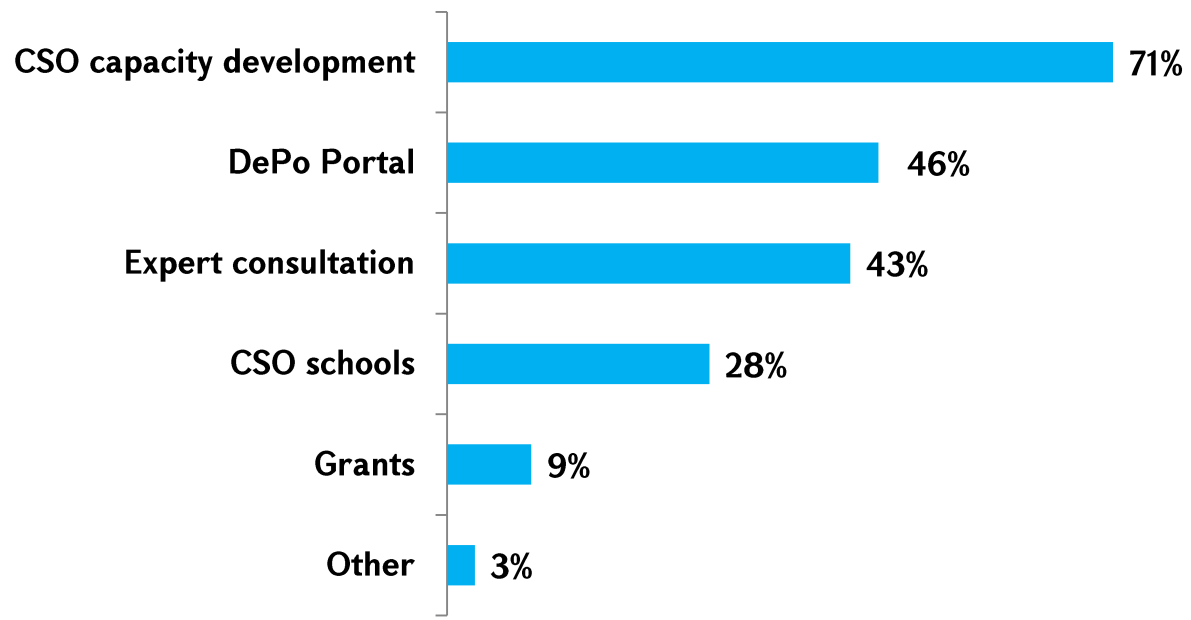


Other CSO capacity development projects attended by FG participants

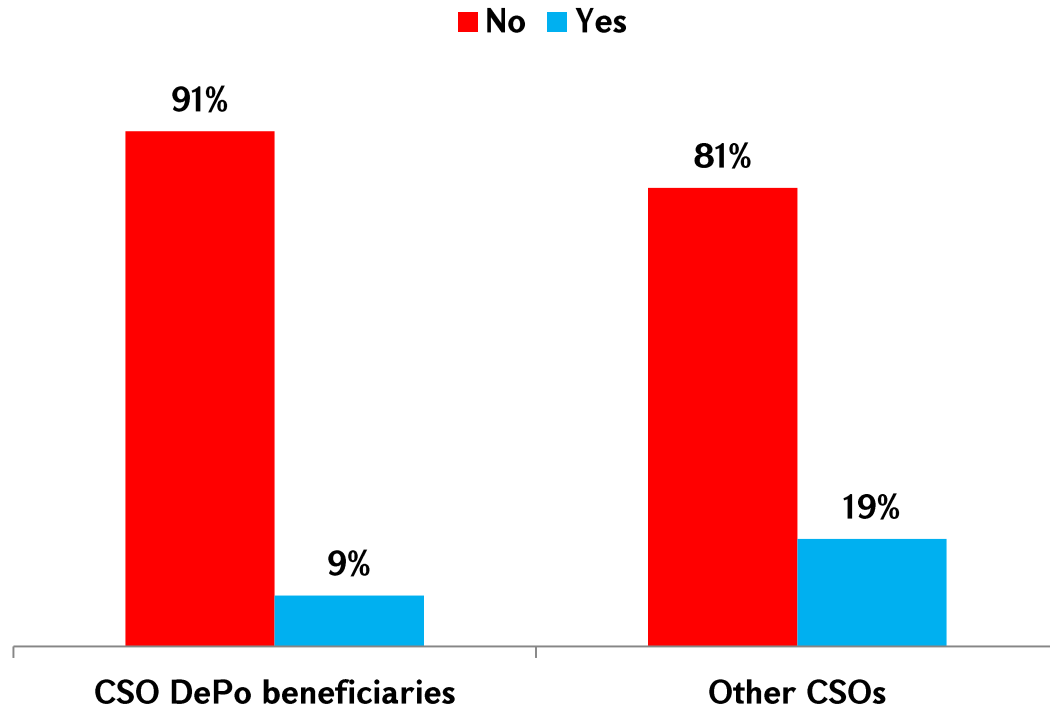


- “European Union” (4 references in 2 FGs)
- “BRIDGE FOR CSOs” (4 references in 2 FGs)
- “GIZ” (3 references in 2 FGs)
- “The American University of Armenia” (1 reference)
- “NGO Centre” (1 reference)
- “Hrant Dink Foundation” (1 reference)
- “FAST” (1 reference)
- “Democracy Today NGO” (1 reference)
- “Open Society Foundation” (1 reference)
- “Armenian Caritas NGO” (1 reference)
- “Oxfam” (1 reference)
- “World Vision” (1 reference)
- “Kotanjyan Foundation” (1 reference)
- “Commitment to Constructive Dialogue” (1 reference)

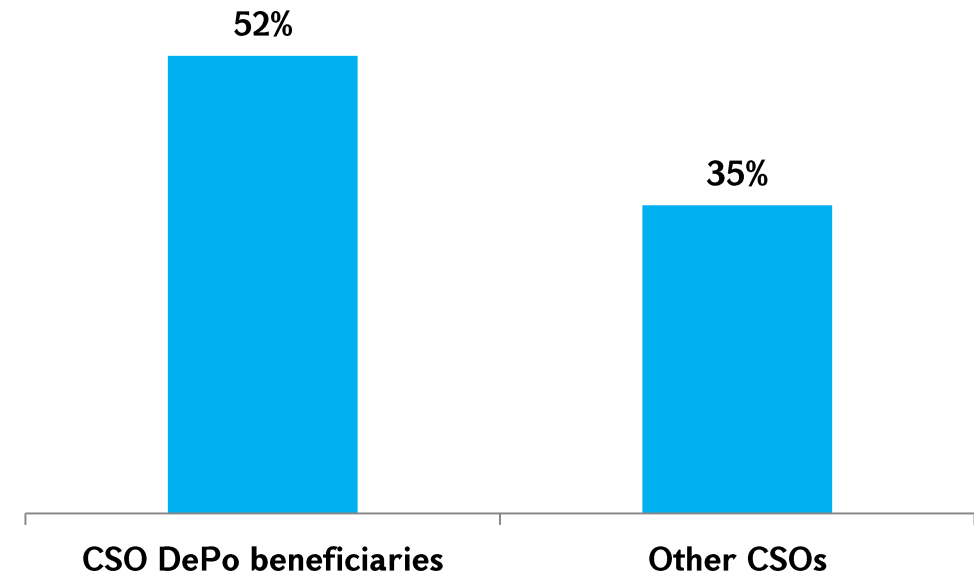
# WHICH ONE OF THE FOLLOWING DO YOU MOSTLY ASSOCIATE WITH CSO DEPO? 2019



ARE THERE EMPLOYEES IN THE ORGANIZATION WHO HAVE KINSHIP WITH EACH OTHER? 2019

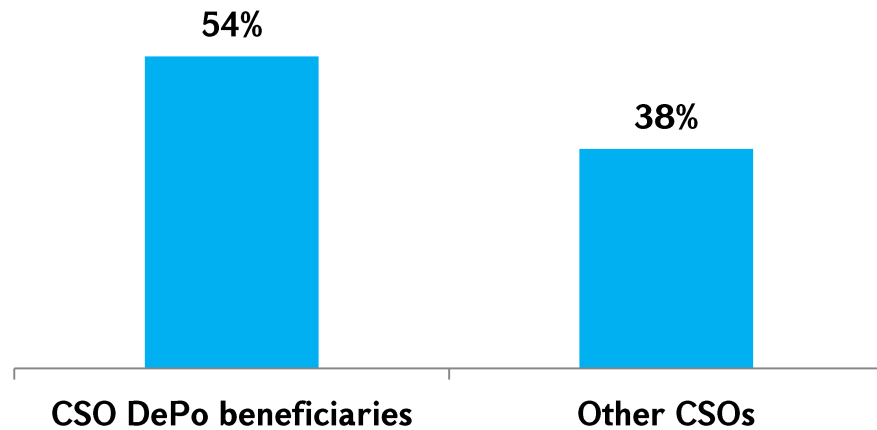


DOES YOUR ORGANIZATION HAVE A CLEARLY WRITTEN CONFLICT INTEREST POLICY? "YES" ANSWERS, 2019

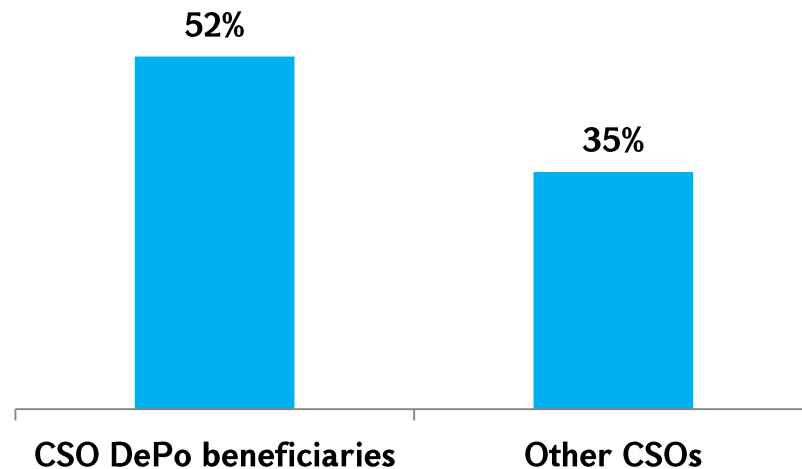




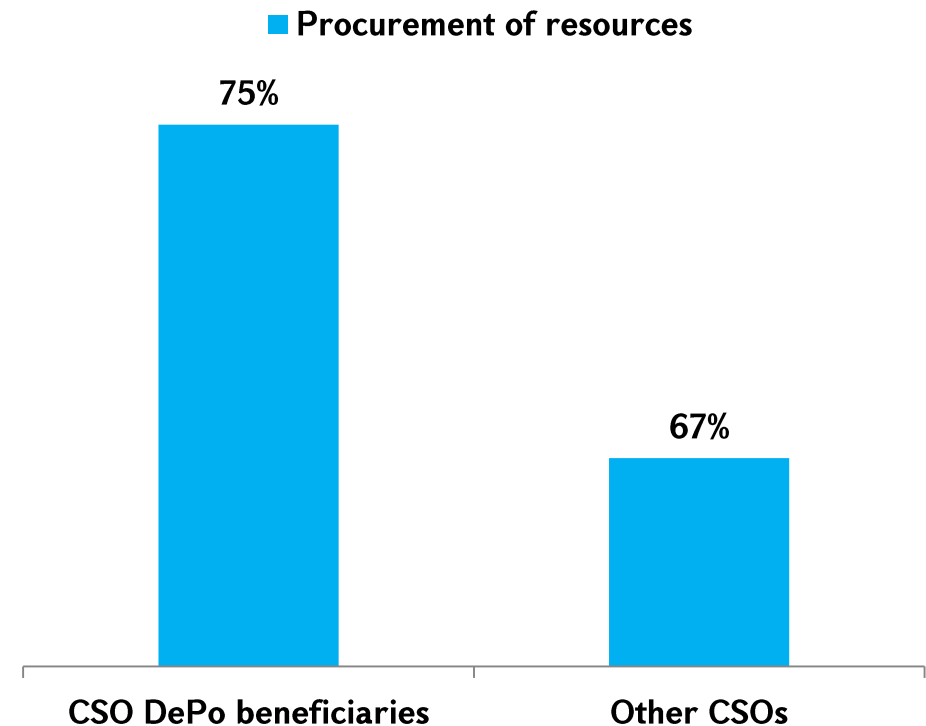
DOES YOUR ORGANIZATION HAVE A STRATEGY FOR PROCUREMENT RESOURCES? "YES" ANSWERS, 2019



HAS YOUR ORGANIZATION UNDERGONE ANY CAPACITY EVALUATION? "YES" ANSWERS, 2019



HAS YOUR ORGANIZATION RECEIVED EXTERNAL CONSULTING ON THE FOLLOWING ISSUES? "YES" ANSWERS, 2019



# THANK YOU!



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