



SPO

Strengthening
Participatory
Organization

اداره استحکام شرکتی ترقی



SPO A Brief History

SPO - A Brief History

Compiled by
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Bilal Naqeeb

Introduction

Why a Book about SPO?

Strengthening Participatory Organization (SPO) is one of the leading NGOs in Pakistan, a major voice in the development sector. Many people are familiar with SPO. Many have worked with it, many have benefited from its support. But for many others, SPO is an unknown entity. They do not know what it is: if they have heard it, they have only a vague idea of what it does. Or they are familiar with one aspect of its work, but unaware of the full scope of its interests and activities.

What is Strengthening Participatory Organization (SPO)? What does it do? Where does it work? How is it different from other NGOs in Pakistan? How did SPO start? How has it evolved over the past decade?

These are the questions that this book, produced to mark the first decade of SPO, seeks to answer. It tells the story of Strengthening Participatory Organization. It traces its development from a tiny NGO in 1994, to its current position as leading player in the development sector just ten years later. The history related in this book is one of achievements and progress, but also of weaknesses and challenges faced over the past decade. It is not a rose-tinted view, but a factual balanced account of an organization that has always welcomed constructive comments.

This book will, of course, interest all those who know and have worked with SPO. It will be of interest to donors, NGOs, civil society groups, government bodies, and everyone else in the development sector. But hopefully, it will also interest the general reader, the ordinary Pakistani citizen. For this book tells a story that has lessons and resonance far beyond SPO stakeholders, and far beyond Pakistan. The story of one organization's contribution to development in Pakistan is of interest to Pakistanis. The story of one organization's effort to promote sustainable development in a developing country is of universal interest.

The book has been written with the general reader in mind. Complete avoidance of the jargon of development would have been impossible, but every effort has been made to keep this to the minimum. While rich in

information, this is not a comprehensive encyclopedia of SPO from 1994 to the present day. The focus of this book is rather on telling a story: what SPO has done and how it has done it.

This book tells the story of SPO. It is a remarkable story: we hope you enjoy reading it.

A Decade of Work

Strengthening Participatory Organization began life way back in the 1990s as the Small Projects Office of a CIDA programme in Pakistan. In 1994, the Small Projects Office was transformed into an indigenous NGO: its mission to promote sustainable development in Pakistan through capacity building of community-based organizations. The decade since that inception has seen many more transformations and developments.

From its humble beginnings as a small and very new NGO in 1994, Strengthening Participatory Organization has grown to become one of the leading NGOs in Pakistan – in terms of its size and resources, the scope of its activities, its reach across the country, and the impact of its work.

The past decade has seen SPO refine its mission, and correspondingly its programme activities. SPO's core expertise – capacity building of community based organizations – has remained so, but has been improved with features like Participatory Development Coalitions, an expanded workshop curriculum, regional focal persons, and so on. Gender sensitization and female empowerment have also become core SPO areas, promoted through capacity building, female education and SPO's own implementation of gender equality.

Devolution reform at the turn of the century paved the way for SPO to engage with and build capacities of local government institutions. This is just one example of how SPO's programme work has evolved and expanded to meet needs: of the people of Pakistan, of donors, and so on. Its support for rehabilitation of flood-hit areas and for education reform are two other examples.

Over the course of ten years, SPO has become a major voice in the non-governmental sector in Pakistan. The organization has promoted and used that voice effectively. Always seeing itself as one of many development stakeholders with common goals and a vision that can best be achieved

through collaboration, SPO has actively sought to foster links with other NGOs, government and donors. Its ten-year history shows remarkable progress in this endeavour.

SPO's growing strength as a contributor to sustainable development in Pakistan stems – in considerable measure – from its growing strength as an organization. Reading through the ten years of SPO's history, one of the features that most stands out is its constant stress on improvement: on introspection and evaluation, on internal capacity building, on developing systems and processes to improve its functioning, on willingness to take – indeed, to actively seek – advice from others. This remarkable drive to do better – to never be complacent and rest on its laurels – is perhaps the key to explaining how SPO has got to where it is today.

Implicit and inherent in the striving for improvement, is the stress on quality. This is what stands out in SPO's programme activities: an obsession with doing things properly. Not aiming for immediate, short-term results, but doing the spadework: building capacities, fostering networks, raising awareness – for long-term, sustainable impacts. SPO's stress on quality is seen throughout the past decade, both in its programme work, and in its own operations and processes.

Overview of SPO

This book traces the development of SPO and gives full information about the organization, but it would still be useful for readers to have an overview at the outset. When considering any organization, especially in the development sector, three core questions come to mind: What is it trying to do? [What are its goals and objectives?] How is it set up to achieve those objectives? [What approach has it taken?] What is it doing? [What are its results, impact?]

What is SPO trying to do?

The organization's mission statement answers this question: 'To strengthen and support community organizations and public interest institutions of Pakistan for the benefits of poor and disadvantaged sections of society for sustainable development through a participatory approach.'

How is SPO set up to do this?

SPO is a national civil society organization. Its main centre is in Islamabad, but it has regional offices in Multan, Hyderabad, Peshawar and Quetta, and liaison offices in Karachi and Lahore. The major programme offices are in Turbat and D.I.Khan besides temporary project offices in smaller towns. The National Centre's role is to co-ordinate activities of all its regional centres and in addition to its corporate functions provides technical support and guidance on issues such as programme policies, strategies, funding and networking. The Regional Centres are directly responsible for implementing SPO's strategy in the field.

SPO is run by a number of different forums, with defined roles and responsibilities, working together. Between them these forums define the overall mission and direction of the organization, agree its approach and business plan, run SPO and implement its programs. These diverse forums are the General Body, Board of Directors, the SPO Senior Management Committee and the Advisory Council. In addition to these there are of course the SPO staff – currently numbering 120 full-time and 140 temporary project staff.

“The voluntary dimension: a notable feature of SPO”

SPO's governance lies in the hands of a 14-member Board of Directors (BoD), 13 elected members and the Chief Executive. Members of the Board – as well as the General Body - are carefully selected to include a wide range of citizens with relevant social development experience and to equally represent all provinces while maintaining a gender balance.

The commitment of the members of the General Body of SPO to the cause of development goes beyond a ceremonial form to become a practical and purposeful contribution in actual work situations. For example, in addition to participation in annual or in special meetings of the General Body, members actively participate in local and regional conferences as well as in meetings of the regional project approval committees. The Board of Directors of SPO meets once every 3 to 4 months and conducts a comprehensive review of SPO's work and its plans, often posing conceptual and critical questions without at the same time becoming intrusive or obstructive.

All such support is provided on a voluntary basis to combine with the full-time professional attributes of SPO staff to make for a truly special and highly effective combination.

The SPO Management Committee (SMC), comprising senior managers in the organization, oversees general management issues and develops SPO's detailed policies and procedures. These include the hiring and termination policy, gender policy, procurement policy, etc. Board and senior management have a clear understanding of their respective roles and responsibilities.

SPO is also guided by an Advisory Council that includes representatives of the BoD, contributing donors and government agencies. The Council provides a forum for the government and donors to voice their views on SPO's policies and direction. It serves to link SPO with the Government of Pakistan as well as with donors on matters of policy development and plans for social sector development.

Another SPO 'forum' are the Programme Management Review Meetings, held twice a year to decide on programme related issues and make recommendations for operational and policy level issues. All members of SPO's management as well as programme staff attend these meetings.

These are the official SPO forums, but the organization recognizes all its stakeholders as partners. The key stakeholders of SPO are partner communities, local development institutions including community-based organizations, women's groups, local government institutions, civil society networks, academia, donors and other support organizations. SPO engages all key stakeholders in the review of strategic direction.

Who pays for SPO?

SPO began life as a wholly donor-funded organization (CIDA). In the ten years since then it has attracted more donor funding, from a wider range of contributors. These include Action Aid, the European Union, the Royal Netherlands Embassy, Save the Children, DfID, the Asia Foundation, UNDP and USAID. But it has also been successful in generating its own resources. SPO is increasingly looking to increase its financial strength and reduce its dependence on donor funds. SPO's financial strength is already considerable – its annual budget in FY 2004-5 is Rs. 162 millions. SPO is actively pursuing expansion in its indigenous resource base. Recently, it obtained tax exemption for its local donors.

Donors of time, skills and resources are members of the General body and the Board of Directors of SPO. If the value of their time were to be estimated in

consonance with the high level of professional excellence and respect that each member enjoys in his or her respective field, the value would be very substantive. The high value of a non-cash contribution to SPO contrasts well with the fact that the cost of organizing meetings of the General Body and the Board of Directors does not exceed one per cent of the total cost of operating SPO as an organization.

What is SPO doing?

The main activities conducted by SPO are:

- Capacity Building of Development Institutions for Good Governance (CBOs, Women Organizations, Local Bodies);
- Social Sector Project Funding (CBOs, WDOs);
- Civil Society Networks Strengthening;
- Partnering others in social sector projects.

These activities are determined by SPO's mission statement, but also – more specifically – by the political, economic and social context in which SPO works. Capacity building of community organizations is the key to sustainable development and poverty alleviation. But SPO has responded to devolution reform and the introduction of the local government system by building capacities of local governments. The economic context that SPO has to address is one of poverty – urban and rural. Tied up with these issues are 'cultural issues' like discrimination against women. SPO actively works to address these 'cultural' problems.

The Development Planning and Management Program (DPM) could be described as the 'flagship' SPO capacity-building activity. Started in SPO's first year, the DPM program has been refined and expanded to meet the growing needs of community-based organizations. Hundreds of CBOs have benefited from the DPM training, and from its spin-offs like Participatory Development Coalitions, the grassroot civil society networks.

SPO started life as the Small Projects Office, dispensing funds from the Social Sector Fund. That role has continued over the past decade, both through dispersal from the Social Sector Fund and through SPO's own choti funding. The DPM training prepares CBOs to manage their own funds and projects.

SPO has always placed great importance on network strengthening. This applies to the CBOs that it trains, and to other NGOs, donors and the

government. SPO – as its name indicates – is strongly committed to including all stakeholders, and working with all partners and players in promoting sustainable development. The organization's efforts to date include promoting clusters of CBOs, interacting with other NGOs and government on the NGO Bill and devolution of power process, and holding provincial and national dialogues with other NGOs and government on 'Local Initiatives in Development'.

SPO's national reach, its experience with community-based organizations, its extensive skills in capacity development are some of the factors that make the organization an attractive partner for other donors working in the development sector. SPO has worked on numerous collaborative projects with donors and partners. The projects cover a range of social sector issues, including women's development, basic education and emergency relief.

SPO is very cognizant of the need to become a self-sufficient organization, not dependent on donor funding for its work. It sees its skills and experience as a marketable commodity that can be used to mobilize resources at the same time as promoting its core objective of sustainable development.

SPO's Place in the Development Sector

How is SPO different from other NGOs in Pakistan? What marks it out? Why is SPO considered a leading voice in the development sector?

In 2004, a survey of donors was carried out to identify the strengths and weaknesses of SPO. The answers given by staff in the Japan Embassy, Save the Children UK, Canada Fund, Khushhali Bank and Asia Foundation give a good insight into its strengths:

"SPO's outreach is its major strength. SPO's regional representation makes it a true voice of Pakistani civil society. It has brought a lot of marginalized communities into the development arena and the people mobilized by SPO are real people"

"... acknowledged is SPO's contribution in formation and mobilization of women groups. SPO's district and sub-district groups are considered a major strength by other actors in civil society"

“...SPO has a clear advantage over other organizations as it has a niche. When you go to the field, people talk about SPO. It has reached out to the places where other NGOs and donors have not reached. SPO has the ability to make real partnerships due to its rootedness, when you look at some other NGOs, the relationship is more on client-patron pattern.’

Working with people and communities right at the grassroots level, working with women, promoting networks, building capacities – promoting development where it is most needed: these are the strengths of SPO. When viewed holistically – in terms of the scope of its work and reach, its approach, its impact, its institutional strength – it really is hard to think of a comparable NGO in Pakistan. SPO has made a niche in the development sector that truly belongs to SPO.

Outline of the Book

This book tells a chronological story: each chapter details one year in the life of SPO. The first chapter describes the origins of SPO and how it came about. The next ten chapters describe each of the ten years that SPO has been working.

There are two core themes running through the book: SPO’s development on the programme side, and its own institutional and organizational development. The former focuses on SPO’s contribution to development in Pakistan: the kinds of areas in which SPO has worked, the activities it has undertaken, how these have changed over time, the impact of these, and so on.

The latter - SPO’s own development - follows its expansion and strengthening as an organization. It traces the role played by SPO’s forums, notably the Board of Directors, the SPO Management Committee and the Advisory Council. It shows how SPO has adapted to meet the challenges it faced, and to match and address the needs of its programme activities.

Each chapter ends with a list of ‘SPO Achievements’ – both on the programme side, and in terms of SPO’s own development. These are also detailed in two summary chapters: one giving SPO’s achievements after five years, the second its achievements after ten years. These chapters serve to place the work done by SPO in each year within a ‘big picture’ context.

SPO Today

1	Full Legal Name	Strengthening Participatory Organization (SPO)
2	Address Tel. No. Fax No. Email Website	H. No. 9, St. 89, G-6/3, Islamabad - Pakistan 0092-51-227-2978, 282-0983, 282-0426 0092-51-227-3725 Email. info@spopk.org www.spopk.org
3	Offices	Registered Office: National Centre, Islamabad Regional Centres: Hyderabad, Multan, Peshawar and Quetta Programme Offices: Turbat and D.I.Khan, Lahore, Karachi Temporary Project Offices in Nine Cities
4	Contact Person	Harris Khalique, Chief Executive
5	Date of Establishment	15 January 1994
6	Legal Status	Non-Government Not for Profit Company set up under a license from CLA under section 42 of the Companies Ordinance 1984
7	Nature of Organization	National Capacity Building Organization
8	Main Areas of Activities	<ul style="list-style-type: none"> • Capacity Building of Development Institutions for Good Governance (CBOs, Women Organizations, Local Bodies) • Social Sector Project Funding (CBOs, WDOs) • Civil Society Networks Strengthening • Basic Education
9	Number of Staff	120 regular staff, 200 temporary project staff, 40 Interns
10	Annual Overall budget	Rs. 245 m (approx.)
11	Major current and previous Funding Partners	<ul style="list-style-type: none"> • Action Aid • Canadian International Development Agency (CIDA) • Department for International Development, UK (DFID) • Devolution Trust for Community Empowerment (DTCE) • Embassy of Japan • European Union (EU) • Plan International • Royal Netherlands Embassy (RNE) • Save the Children – UK (SC-UK) • Save the Children – US (SC-US) • The Asia Foundation • United Nations Development Programme (UNDP)
12	Key Institutional Memberships	Provincial and National Networks of NGOs under Pakistan NGO Forum, IUCN-World Conservation Union, Civicus

Tables and boxes have been used throughout the book to give detailed information for those who would like it, whilst not detracting from the core story that will interest the general reader. Each chapter also features case studies that highlight the ‘on ground’ ‘personal’ impact of SPO’s work: stories like the Participatory Development Coalition that helped secure justice for innocent villagers, and the housewife who gained a voice and respect through the financial empowerment she secured from *choti* funding.

Chronological history, information tables, explanatory boxes, personal case studies, achievements – all these together make up the story of SPO.

1985–1994

The Journey Begins

SPO did not start off as ‘Strengthening Participatory Organization’. Its original role was limited and temporary: to function as the Small Projects Technical Support Office (SPTSO)—later known as the ‘Small Projects Office’—for the Social Sector Funds (SSF) Project of the Canadian International Development Agency (CIDA).

But in the eight years that followed, the Small Projects Office acquired a life and niche of its own. By the end of this period, it had transformed into an independent organization working for a different and deeper mandate than the one with which it had begun.

This chapter recounts SPO’s eight-year growth to maturity and transformation from a small, project support office to a prominent contributor to participatory development in Pakistan.

The Social Sector Funds Project

The Social Sector Funds Project was initiated in Pakistan through a Memorandum of Understanding (MoU) between the Governments of Pakistan and Canada in December 1985. The MoU provided for the establishment of a ‘Small Projects Technical Support Office’ (SPTSO) to administer funds to NGOs and community self-help groups and to provide them with technical support services. This Office was to be financed for the first three years out of \$4.5m CIDA contribution. For the next two years, it was to be supported by a contribution from \$15m fund dedicated to Annual Development Plan (government) projects.

The initial experience of CIDA determined that it was not enough to simply extend the duration of the Project, which had faced take-off delays as well. SPO had to be regenerated with a vision of what it might become.

Enter Cowater International

On May 1, 1991, CIDA contracted Cowater International as the Canadian Executing Agency (CEA). Cowater's specialization in institutional development and community infrastructure projects and its established presence in Pakistan particularly recommended it for this position. In addition, the organization was generally familiar with the SSF Project, having provided technical assistance to SPO in establishing its financial system.

Cowater's entry as CEA coincided with a change in SPO's leadership. For the three months during which SPO's new Director, Mr. Ralph McKim, was selected and oriented, Dr. Michael McGarry, a Cowater Principal, discharged the responsibilities of this position.

Strategic Shifts

Cowater International presented a status report and initial work plan for 1991–93, which was approved by CIDA. This document also looked at issues and possibilities related to the long-term future of SPO.

Importantly, the work plan was based on a revised Logical Framework Analysis (LFA). The associated Work Breakdown Structure (WBS) cut out two major activities of SPO's previous WBS i.e. the development of SSF infrastructure and support of SSF use for government's Annual Development Plan (ADP) projects. In their place, Cowater added two other activity areas: strengthening of NGOs' development capacity and long-term sustainability of SPO.

The first of these new activities marked a strategic shift in SPO's intervention approach. The organization confronted the fact that most of its partner organizations lacked the capacity to systematically plan and effectively implement development initiatives, and, as such, were unable to make effective use of the financial resources provided to them. If the desired impacts of the SSF Project were to be achieved, the route to them would have to change. SPO decided to make capacity building its core intervention area. Thenceforth, it would fund its partners only after preparing them to manage their projects for optimal benefits.

The second new activity in the WBS, which concerned the long-term design of SPO, was also a dramatic shift in institutional direction. From project-specific funds dispensation and technical support, SPO was now positioning itself for a permanent and autonomous role in the country.

Programme after 1991

As SPO shifted its strategy towards capacity building, its programme and structure underwent major modifications. Key changes after 1991 included:

- Reduced emphasis on small project funding

- Increased emphasis on the organizational capacity building of CBOs

- Reduction in the expectations of larger, intermediary NGOs

- Direct contact with CBOs and use of a cluster approach to increase their local networking

- A modified approach to serving as resource and information base for NGOs

- Establishment of an information system that would facilitate process monitoring at all levels, provide insights in the CBO capacity building process and results, and enable accountability

- Decentralization of SPO so that the Regional Centres are strengthened and program and administrative responsibility are incrementally shifted from the National Centre

- The introduction of specialized capacity building programmes (such as the Village Education Program) to promote local initiatives in female basic education.

The Development Planning and Management (DPM) Programme

The most important initiative introduced by SPO, at this stage was Development Planning and Management (DPM) programme, intended to build the capacity of CBOs to plan, implement, manage, and monitor projects that responded to the development needs of their communities, and that were carried out in a manner that involved the equitable participation of all stakeholders. [Box 2]

Box 2: Topics of DPM Workshops**DPM 1 (Two-day Workshop)**

- Meaning of participatory development and community participation in development projects
- Role of rural organizations in development projects
- Determination of priorities and objectives
- Identification of local resources

DPM 2 (Three-day Workshop)

- Resource management
- Planning for achievement of objectives
- Procedure of plan implementation

DPM 3 (Two-day Workshop)

- Project formulation/presentation of formulated projects
- Assessment and analysis of practical work
- Future course of action

The DPM programme was to consist of three workshops conducted over a period of 18 months, with intervals in between during which participants could apply the knowledge they had gained and record their experiences for the next workshop. It was to be conducted in 'clusters': each cluster comprising of six to eight geographically close rural organizations. Two or three members from each organization in the cluster would attend all three DPM workshops.

After the approval of DPM modules and procedures, 12 SPO staff members and 8 Regional Resource Persons from local NGOs were trained, in order to develop a mechanism for ongoing support. [See Table 1 for workshop details]

Table 1: Dates, Locations, Number of CBOs and Participants of the first DPM-1 workshop series

No.	Date	Venue	Cluster	CBOs	Participants
1	22–23 Dec 1992	Peshawar	Mardan (Takht Bhai)	8	20
2	26–27 Dec 1992	Kohat	Kohat	7	16
3	1–2 Jan 1993	Lahore	Gujranwala	7	17
4	4–5 Jan 1993	Multan	DG Khan	8	15
5	15–16 Jan 1993	Karachi	Karachi E/Sanghar)	8	22
6	18–19 Jan 1993	Bela	Lasbela	6	14
7	22–23 Jan 1993	Larkana	Larkana/Mehar	8	19
8	27–28 Jan 1993	Loralai	Zhob	6	16
Total				58	139

Institutional Strengthening

First SPO Management Committee

In 1993, the SPO Director set up the first SPO Management Committee (SMC) to oversee general management issues and develop SPO's policies and procedures. Principally, the SMC comprised senior managers in the organization, chaired by the SPO Director.

Establishment of a Decentralized Structure

SPO set up four Regional Centres, one for each province, at Lahore, Peshawar, Quetta and Hyderabad. These were in addition to a National Centre in Islamabad and a sub-centre for female education in Turbat, Makran.

The foundations of decentralized operations were laid from the start. In each region, Regional Directors and two Programme Coordinators led the SPO Programme. The aim was that the National Centre would gradually change its role to strategic planning, coordination, management, and administrative functions.

Public Information System

SPO initiated efforts to develop a public information system dedicated to spreading awareness about development issues to the general public. It established a Development Resource Centre (DRC) at the National Centre, containing books, manuals, and other reference materials. SPO added databases on CDS/ISIS to the DRC. The database contained information about more than 8,733 Pakistani NGOs. The *Human Resource Database* offered information on 104 resource persons. The *Support Organizations Database* had information about 50 support agencies; and the *Resource Material Database* contained 721 resource materials on Education, Communication, Agriculture, Health, Women, Children, etc.

A bid for continuation

Alongside the programme and organization strengthening activities, Cowater expedited efforts to finalize SPO's long-term design. Input from CIDA led to, in effect, a joint proposal that was approved by CIDA for circulation to the Government of Pakistan on 22 June 1993. The proposal outlined SPO's mission, strategies, niche, accountability, sustainability, governance and transition plan. Specifically it sought the government's approval for the following decisions:

- “That SPO continues beyond 1993 and that it become a registered non-governmental organization fully managed by Pakistani personnel by June 1993.”
- “That the present governing structure of a Joint Committee, consisting of Economic Affairs Division (EAD) and CIDA be replaced by an independent Board of Directors (BoDs); EAD's and CIDA's views would continue to be channelled through a new Advisory Committee.”
- Setting up an Advisory Committee “...to assist the SPO BoDs obtain information and analysis of GoP and donor policies and plans for social

sector development. The Advisory Committee will help the Board of Directors assess the appropriateness of its policies and the effectiveness of their implementation.”

Initially, the Advisory Committee would have the same members as the current Joint Committee, with a provision to include representatives of other active donors of SPO as they came on Board of Directors.

In November 2002, EAD approved the long-term design proposal and extended the SSF Project until January 1994, giving SPO the impetus it needed to continue and complete its development into an indigenous organization.

Countdown to Rebirth

In January 1993, SPO initiated four activities critical to realizing its long-term design: the formation of a group of individuals to conceptualise and implement the transition from, and transformation of, the Small Projects Office to Strengthening Participatory Organisation as an authentically representative body in context with the grassroots. This was also initiated to interview a large number of candidates for the post of Associate Director; selection of a Board of Directors; and registration.

Associate Director's Recruitment

SPO's Associate Director was to become its Executive Director after the organization obtained registration. To find the best candidate for this pivotal position, Dr. McGarry, invited a number of prominent people to join him on the interview panel:

Ms. Ferida Sher – Development Consultant and mid-term evaluator of SPO;
Mr. Javed Jabbar – Former Senator, Communication Entrepreneur, and founder of a rural NGO (Baanhn Beli);
Dr. Hafiz Pasha – Economist, Academic, Consultant to CIDA and Advisor to the Prime Minister.

The panel unanimously recommended Dr. Suleman Shaikh, who joined SPO in the first week of April 1993.

SPO's first BoD

Though selection of SPO's Board of Directors (BoD) was the prerogative of SPO's Joint Committee, SPO programme and senior administrative staff were also invited to contribute their suggestions. Nominations were short-listed with the aim of selecting a balanced Board of Directors in terms of regional, gender, and sectoral representation.

In early April 1993, the SPO Director wrote to the final 12 candidates, inviting them to consider Board of Directors membership. All the candidates accepted the offer to help lead the organization, and readily cooperated in its registration activities. The 12 nominees became the founding Board of Directors of SPO.

Registration

Efforts for registration commenced on 3 January 1993, and included preparation of SPO's draft Memorandum and Articles of Association (using its original Memorandum of Understanding); the 1989 Plan of Operation; 1992-93 Work Plan and Budget; long-term design proposal; and promotional brochure. After negotiating a range of legal and administrative requirements, SPO obtained its registration certificate in January 1994.

The Dawn of SPO

SPO formally came into being as a national capacity building organization on January 15, 1994. The Corporate Law Authority, Islamabad under the Companies Act of 1984, registered it under guarantee as a non-profit company. Its mission was "To strengthen rural CBOs to assist poorer and disadvantaged sections of the communities to achieve their own goals by using a participatory approach to sustainable development."

First Board of Director's Meeting

SPO's Board of Directors met for the first time on 26 January 1994. Its 12 members included; Mr. Tariq Banuri (Chairperson), Mrs. Rashida Akhlaque, (Vice Chairperson), Ms. Shahla Zia (Islamabad), Ms. Ferida Sher (Lahore), Dr. Waseem Azhar (Lahore), Mr. Vincent David (Lahore), Ms. Zarnigar A. Tayyab (Peshawar), Ms. Farhat Khan (Peshawar), Ms. Quratul Ain Bakhtiari (Quetta), Mr. Haji Saifullah Paracha (Quetta), Mr. Javed Jabbar (Karachi) and Mr. Haji Jalal Khan (Turbat).

According to the terms of reference for the Board of Directors, it was decided that the responsibility to provide direction and financial control of SPO activities lies with SPO Board of Directors and the Chief Executive, by virtue of the authority vested in him, by the Board of Directors of Directors.

It was also agreed that the Board of Directors, in consultation with SPO staff, including the Chief Executive, the Operations Manager, the Financial Manager, the Deputy Director and the Programme Support Director would establish policy as it relates to all aspects of SPO administration and project delivery.

The Chief Executive would provide work plans and budgets for approval by the Board of Directors of Directors. The Board of Directors of Directors approves personnel decisions, in principle. In practice, the Board of Directors was expected to delegate to the Chief Executive the responsibility for developing personnel policies, recruitment and staff appointment.

It was the responsibility of the Board of Directors to undertake long term planning in consultation with the Advisory Committee, the Chief Executive, and his associates. Strategic and long-term planning was considered a critical and integral feature of the SPO programme, relying heavily on the on going gathering and processing of the Learning Information System, which provides feedback on the effectiveness of the SPO Programme.

The Board of Directors would approve Project Proposals submitted by partner organizations and finalized by the regional management. As well as being briefed about their Terms of Reference, a number of fundamental decisions were taken at this historic meeting:

- Dr. Suleman Shaikh was formally appointed as Chief Executive of SPO and Mr. M. Ghani Khan Marwat as the Company Secretary.
- M/S Azam Choudhary Law Associates were appointed as SPOs legal advisors while M/S Taseer Hadi Khalid and Company were appointed as auditors.
- In place of the previous Joint Committee, a four-member *Project Approval Committee* (PAC) was constituted to award Social Sector Fund (SSF) grants for small projects.

- An *Advisory Committee* was constituted comprising representatives of donors and the Government of Pakistan, and the SPO Board of Directors Chairperson.
- A *Planning Committee* was constituted to assist SPO in seeking financial assistance from donors Initial members Ms. Shahla Zia, Dr. Tariq Banuri and Ms. Ferida Sher could co-opt other members whenever necessary.

Rules of Business for SPO membership were discussed in the meeting where it was decided that the fee for SPO membership should be PKR 100 and that membership should be by invitation by a member of the BoD.

Achievements by 1994

By January 1994, SPO made significant progress on a number of fronts. Key accomplishments included:

Capacity Building

Capacity building had become established as SPO's core intervention. The Development Planning and Management (DPM) Programme had been developed and trained field staff had conducted DPM workshops for 139 representatives of 58 CBOs.

Social Sector Fund

The organization implemented and managed 99 community-based development projects in different sectors.

Institutional Strengthening

SPO's greatest achievement was its transition from the 'Small Projects Office' to 'Strengthening Participatory Organization'. But also important was the establishment of a decentralized structure comprising four Regional Centres (one in each province), a National Centre in Islamabad and a sub-centre for female education in Turbat.

Public Information System

SPO initiated efforts to develop a public information system dedicated to spreading awareness about development issues to the general public. Key among these was the establishment of a Development Resource Centre (DRC) at the National Centre.

1994-1995

New Partnerships

In its first year as an indigenous organization, SPO found a number of partners to support its mission. As it built its linkages with other NGOs in the country, the organization quickly found itself becoming a platform and coordinator for their collaborations. As the DPM programme unfolded, its relevance and impact became clearer, fuelling the organization's commitment to capacity building. At the same time, its close interaction with communities compelled SPO to find ways to address development issues that did not fall within the ambit of the DPM programme, but which, owing to their urgency and importance, could not be ignored by a responsible institution working for the betterment of a primarily rural society. Thus, SPO became involved in two projects focusing on female literacy in Makran and Nowshera, and another project for the reclamation of agricultural land in Sindh.

Alongside its programme activities, SPO worked consistently to build its own institutional capacity, improving its monitoring arrangements, training its team, and refining its governance and management.

Defining Moments: An Agreement with CIDA

On 1 April 1994, SPO signed a formal contribution agreement with CIDA. The agreement was significant because it clarified the objectives of SPO, the purposes of the SPO programme, and the organization's three 'outputs' against which its performance was to be monitored.

SPO's objectives were defined as follows:

"The Organization has recently evolved into an institution whose principal mandate is to increase capacity of existing village organizations to become effective local development agencies in poverty alleviation. The organization's particular emphasis is to help these organizations transform from a welfare orientation, which reinforces dependency, into a participatory process, which promotes self-help and sustainable development."

The three main purposes of the SPO Programme were:

- Raising the participation of the rural poor in community development processes;
- Motivating and strengthening CBOs and other support agents to engage their community members in addressing their development needs;
- Building SPO into a self-sustaining organization.

The three output areas against which the CIDA-funded component of the SPO Programme was to be monitored, evaluated, and reported were:

1. CBOs Strengthened - defined as capacity building carried out for clusters of partner organizations (CBOs) by means of consultation, training, project preparation, funding and monitoring in each of Pakistan's four provinces. By the end of the fifth year of SPO's operations, there were to be 242 organizations that had received CIDA-funded inputs through SPO's capacity building cycle. [See Box 5.]

2. Learning Information System (LIS) - SPO's information system for monitoring, evaluation and learning, this was to enable SPO to assess its performance accurately and learn from its experiences. LIS included institutionalization of a process of monitoring and applying lessons; adaptation and experimentation; and applied research and data dissemination.

3. SPO's organizational strengthening – this output envisaged the growth of SPO as a viable Pakistani NGO through development of effective systems for managing, administering and sustaining the organization at the national and regional levels. Tangible targets were set for each of these output areas.

New Partners and Future of Funding

- From the outset, SPO initiated efforts with a number of donors (especially the European Union) to diversify its funding base, an aim that was also envisaged in its agreement with its principle donor, CIDA.
- Based on its own considerations and SPO's initial discussions with donors, CIDA developed a 'timeline' for its support for SPO:

In the first fiscal year (FY-1), CIDA agreed to support all Regional Centres, as well as a special SPO initiative, the Village Education Project in Balochistan. By the end of FY-1, EU funding for the Sindh and NWFP Regional Centres would be online.

By FY-3, other donors would provide funding for the Balochistan Regional Centre and the VEP programme. From FY1 to FY-5, CIDA would fund the Punjab Regional Centre. From FY-1 to FY-3, CIDA would provide full funding for SPO's National Centre's programme support, overall management, and institutional strengthening efforts. In FY-4, donors other than CIDA would provide 25 percent of funding for the National Centre. In FY-5, donors other than CIDA would provide 50 percent of proposed funding for the National Centre.

The following table summarizes the funding anticipated by SPO during its first five years, based on the CIDA funding timeline and its own cost projections.

Programme	Contributions to SPO Budget					
	FY-1 1994-95	FY-2 1995-96	FY-3 1996-97	FY-4 1997-98	FY-5 1998-99	Total
NC	12,593,345	13,500,360	15,229,902	17,189,325	19,410,156	77,923,088
Punjab	4,065,312	4,624,310	5,182,903	5,806,379	6,511,016	26,467,743
Balochistan	4,062,488	4,306,469	4,819,586	5,390,984	6,035,974	24,618,325
VEP	4,343,135	4,113,626	4,601,455	5,144,193	5,756,598	23,392,416
Sindh	4,093,721	4,338,339	4,885,356	5,431,152	6,081,102	24,799,670
NWFP	4,062,488	4,269,071	4,776,962	5,342,391	5,980,558	24,431,470
Total	32,934,545	35,152,175	39,466,164	44,304,424	49,775,404	201,632,712

Anticipated Funding (1994-99)

Total Programme Cost	PKR 201,632,712
CIDA	PKR 104,592,000
European Union	PKR 47,880,000
Donors to be identified	PKR 49,160,712

In addition, small projects fund contributions:

European Union	PKR 12,600,000
Balance EAD/CIDA	PKR 20,700,000
Total SSF	PKR 33,300,000

Progress Under the DPM Programme

By 1994 SPO had tested its keynote Development Planning and Management Programme with 13 initial clusters in all four provinces. In 1994–95, SPO formed seven new clusters of DPM participants, details of which are presented in the following table.

New DPM Clusters Formed in 1994–95

Region	Cluster (No. of CBOs in Cluster)
NWFP	Abbottabad (14), Swabi (24)
Balochistan	Kalat (6), Muslim Bagh (7)
Punjab	Wazirabad (9)
Sindh	Ghotki (8), Shikarpur (10)

By June 1995, SPO had trained 414 representatives of about 150 CBOs situated in all four provinces of Pakistan.

1994–95 also marked the year when the first group of DPM graduates emerged, comprising the 13 clusters formed during the testing phase. The following table provides the locations of these clusters, and the numbers of the participating CBOs and individuals.

The First DPM Graduates

Region (No. of CBOs)			
Balochistan (10)	NWFP (11)	Punjab (15)	Sindh (35)
Lasbela cluster (4)	Kohat (5)	Gujranwala (9)	Karachi East/ Sanghar (9)
Kalat cluster (1)	Takht Bhai (6)	D.G. Khan (8)	Larkana/Mehar (8)
Zhob Cluster (2)			Ghotki (8)
Muslim Bagh (3)			Shikarpur (10)
35 participants	31 participants	36 participants	98 participants

Learning Information System Foundations Laid

SPO initiated work on its Learning Information System (LIS) right away. LIS was envisaged as a computerized system for monitoring, information processing and analysis, and information generation, to be used in developing and improving the DPM Programme.

To begin system's development, SPO appointed a Programme Specialist-LIS, who started designing the basic data collection formats. By the end of SPO's first year, majority of the formats had been developed, while the rest were under way. In addition, the following tasks were prioritised in order to achieve a fully operational LIS:

- a. Information Collection:** The data sent in from field offices to SPO Regional and National Centres would be entered into the computer in the relevant fields.
- b. Information Processing:** The first set of data fed into the system about each CBO or initiative would constitute the baseline. There would be a tool to enable comparison of subsequent entries with this baseline to assess actual accomplishments, as well as needs and expectations.
- c. Information Analysis and Output Generation:** Retrieval of the stored information would be possible in a number of output formats designed to help monitor progress and make strategic decisions.

Special Programmes

During 1994, SPO initiated three special projects to respond to community needs that did not lie within the purview of its mainstream programme, but which demanded the organization's attention owing to their gravity and urgency. Two of these projects, the Village Education Programme (VEP) in Makran (Balochistan) and the Integrated Basic Education Project (IBEP) in Nowshera (NWFP), aimed at removing gender inequities in education. The third project was the Salinity Control and Reclamation Project (SCARP), which were broadly related to SPO's aims in that it addressed critical infrastructure concerns in rural Sindh.

Village Education Programme (VEP)

The Village Education Programme was initiated by SPO in Makran in 1994, in response to the deplorable state of female literacy in the area. Its objective was to motivate and mobilize women in Turbat to promote female literacy.

The first stage in the programme was the organization of Women Education Committees to lead female local literacy efforts. This entailed the capacity building of women with workshops. At some of these, in areas where female literacy was only 1 percent, creative communication methods had to be used, such as the use of symbols. Women learned about CBO management, the status of women, and establishing and running non-formal literacy centers. Subsequently, the partner organizations established literacy centres that eventually offered functional literacy courses as well as accelerated non-formal primary education.

VEP also helped local communities form village groups called Anjuman Zanana Taleem (AZTs) to provide a village level platform to oversee female education. Non-formal literacy programmes were used as the entry point for AZTs to become involved in their communities' overall development.

During 1994–95, One hundred women completed a basic education course in VEP. Basic Education Process was started in Baleecha cluster through Anjuman Zanana Taleem's (AZTs) of Baleecha, Raeesabad, Mirabad, Asiabad and Nazarabad. Five teachers' training centres were established and a workshop on teacher training was held. The Embassy of Japan agreed to support the construction of Female Education Centre in Turbat. The process and the construction of the building were initiated.

In this programme, SPO's Coordinators helped the AZTs to;

- Assess the need, opportunities and difficulties of upgrading female education through a non-formal process;
- Look at alternatives, i.e., different approaches to female development through education which have been successful elsewhere;
- Identify/provide resources, including technical as well as financial resources;
- Plan and manage a community-based non-formal education programme;
- Draw on resources available from the community, government and/or other agencies to ensure sustainability; and
- Transform themselves into mainstream, broad-based female development organizations.

Integrated Basic Education Programme

To promote non-formal female education in the rural areas, the United Nations Children's Education Fund (UNICEF) launched this programme in November 1994. It was aimed to promote female education in the rural areas by increasing village awareness about the need to increase female education for sustainable development. The programme intended to mobilize the local community to actively promote basic female education, and to form groups that could be trained and structured into Village Education Committees (VECs), responsible for monitoring female education provision in the village. The latter measure would help bring about the attitude changes required to sustain female education initiatives after the programme ended. The programme also aimed to identify non-functional schools in its target areas and assist in making them functional again.

In 1994 SPO began implementing the IBEP programme in Nowshera, NWFP, working in close cooperation with UNICEF and local representatives of the NWFP Education Department. A field team was provided training in Participatory Rural Appraisal, to help it mobilize community participation on the sensitive issue of female education in Nowshera. In addition, a one-day training on health and hygiene issues was conducted for women of Balakot.

Salinity Control and Reclamation Project (SCARP)

Under the aegis of SCARP, the World Bank extended funds to the Government of Sindh for the installation and maintenance of 30 tube wells in the district of Moro-Sakrand, Sindh. The tube wells were intended to reduce the problem of waterlogging and salinity, which had gravely impacted the area's agricultural productivity.

SPO was engaged to encourage community involvement in this project by forming and training Farmers' Associations responsible for the installation and maintenance of the tube wells. In 1994, SPO conducted a training workshop for SCARP project staff and identified CBOs in Sakrand District, Nawabshah, for training.

Settling into Civil Society

In its first year as an indigenous organization, SPO reached out to a host of NGOs to forge institutional linkages within civil society. Far from being at the

periphery of NGO collaborations as a relatively new organization, SPO soon found itself playing a galvanizing role at the hub of joint actions. In facilitating civil society collaborations, the organization was probably helped by its own pervasive culture of participatory processes; its energy and enthusiasm as a new organization; and its combination of direct contact with communities and a national reach and perspective.

During 1994–95, SPO led an NGO coalition to increase awareness about the controversial NGO Bill, and chalked out ways to safeguard the interests of NGOs in Pakistan. SPO office served as secretariat for the campaign against the Bill, and was responsible for gathering information about the Bill and distributing it to NGOs everywhere. Representatives from organizations all over the country came to regular meetings at the National Centre, where a sound rapport developed among them and useful amendments to the draft Bill were agreed upon.

The NGO Bill and the campaign against it had highlighted the need for platforms for the protection of NGO rights. Thus, in the wake of the campaign, a number of regional NGO networks were formed. SPO played a major role in the formation and subsequent operation of these groups, which included Balochistan NGOs Federation (BNGOF), Sarhad NGO Ittehad (SNI), Punjab NGOs Coordination Council (PNCC) and Sindh NGOs Federation (SNGOF).

To introduce itself to others, SPO also published its first profile—a brochure entitled “An Approach to Participatory Development”, which focused on SPO’s programme, documenting its earlier achievements as a project, the process of its transformation into a local NGO, and its new philosophy.

Governance and Management

1994–95 was a busy year for various administrative and management bodies that had been set up at SPO to look after the organization’s institutional development. In addition, SPO devoted itself to developing the skills and knowledge of its own team.

Board of Directors

SPO’s Board of Directors met six times during 1994–95. Two key decisions were made to increase the number of Directors from 12 to 14, in order to provide equal representation to Balochistan on the Board. And the

constitution of Regional Projects Approval Committees (RPACs) to expedite the process of project approval for support from the Social Sector Fund were constituted. Each RPAC included the Board members of the region, and the director of the regional SPO office.

During the year, the founding Board of Directors invited 22 new members on to the General Body (GB), thereby increasing its strength from 12 to 34. The first elections for a new BOD were held on December 17, 1994. Those elected for a term of three years became SPO's second BOD.

The names of the members of the first elected Board of Directors for the period December 1994 to December 1997 included:

Mr. Javed Jabbar (<i>Chair person</i>)	Ms Farhat Khan (<i>Vice Chairperson</i>)
Ms. Ferida Sher	Mr. Omar Asghar Khan
Prof. Dr. Karamat Ali	Dr. Tufail Mohammad
Ms. Baela Jamil	Syed Abid Rizvi
Ms. Sadiqa Salahuddin	Dr. Qurat-ul-Ain Bakhtiari
Mr. Noor Ahmed Nizamani	Mr. Mohammad Amin
Dr. Tasleem Akhtar	

In keeping with the SPO Articles of Association, the new Board met immediately after the Annual General Meeting (AGM). Mr Javed Jabbar was elected as Chairperson while Ms. Farhat Khan and Dr. Suleman Shaikh were reappointed as Vice Chairperson and Chief Executive respectively.

SPO Management Committee

Five meetings of the SPO Management Committee (SMC) were held. Apart from routine quarterly progress reviews and donors' updates, the SMC approved the SPO organogram and decided that an SPO newsletter would be published every six months to keep CBOs and other NGOs informed about the activities of the organization.

Programme Review Meeting (PRM)

In 1993, SPO's Project Review Committee was dissolved as the project transformed into an organization. In the Committee's last meeting, it was decided that it would be replaced with a biannual "Programme Review Meeting" (PRM), where programme coordinators and other programme staff outside the ambit of the SMC could join the senior management to discuss and resolve issues affecting SPO. During the year, two PRMs were held, which discussed:

- Staff issues, e.g. job descriptions, interpersonal relations,
- SPO Programme strategies, emphasizing the point that capacity building had become the cornerstone of these.
- SPO's evolving internal monitoring system and concept of Learning Information System

The forum also clarified the roles and responsibilities of the National Centre, as against the Regional Centres. It was proposed that the National Centre should look after issues relating to financial Control and accountability, standardized monitoring system, programme coordination, development of system/bylaws/updating, cCoordination of Board of Directors, Information dissemination, Staff development and overall management/Direction

Advisory Council

On 6 February 1995, first meeting of the Advisory Council was held at the National Centre. It was co-chaired by Mr. Farhat Hussain (Joint Secretary, Economic Affairs Division (EAD) and Ms. Margaret Paterson (Counsellor – Development of the Canadian High Commission).

Developing the Team

Key staff development activities during the year included a four-day orientation workshop on gender development conducted by Ms. Ferida Sher, an SPO Director, and a one-day workshop on conflict resolution, conducted by Dr. Tariq Banuri, who was the Chairperson of the Board in June 1994. Both events were conducted for all programme staff.

Finance

During the year, SPO was transformed from a bilateral project into a national-level NGO. The organization carried out its first audit as NGO this year. Its balance sheet footing was PKR 43 million, whereas owned assets had a net worth of PKR 7.8 million (at cost) with operating expenses of PKR. 25.67 million. In this year, the government of Pakistan transferred PKR 20.7 million from assignment account to SPO account as per agreement with the government of Canada.

To finance construction of a women training center in Turbat, SPO negotiated with the government of Japan this year. Furthermore, SPO began partnerships with Swiss NGO Programme Office (SNPO), Kalam Integrated Development project in NWFP and Salinity Control and Reclamation Project (SCARP) in Sindh.

Administrative Decisions

Ever since its birth, foundations of decentralized operations at SPO were laid down with four regional centres, one in each province, at Lahore, Peshawar, Quetta and Hyderabad. In addition, a National Center in Islamabad was also established to gradually change its role to strategic planning, coordination, management, and administrative functions. Later, a sub-center for female education in Turbat, Mekran was set up.

Dr. Muhammad Suleman Shaikh was the first Chief Executive of SPO. Regional Directors (RDs), with support from two Programme Coordinators, led the regional programmes. Two major organizational shifts that took place at the National Centre this year were; firstly, due to the departure of the Programme Support Director in October 1994 and the post and the unit was reorganized and; two new positions of Programme Specialists Technical Support and Programme Specialist LIS were introduced.

The second shift was due to the departure of the Operations Director. This post was left vacant until COWATER Management Audit was completed and results shared with the Chief Executive and the Board of Directors (BOD). The role of the Operations Director as Company Secretary was reassigned to the Deputy Chief Executive during the BOD meeting.

SPO continued to give emphasis to staff development, during the reporting period. A training policy was drafted and individual needs of the staff identified through assessment. In-house staff development initiatives included two workshops, training and an orientation programme while external initiatives included six trainings, six workshops, five conferences and three seminars. The staff had numerous opportunities for trainings directly by SPO or through nominations to courses arranged by other agencies.

During the reporting period, SPO's new organogram and three policy documents were finalized. Policies developed and approved by the SMC include:

- i) Crèche facility at SPO
- ii) Hiring of consultants
- iii) Financial policy and procedures

In addition to this, existing policies were reviewed and updated according to operational needs of the organization.

Achievements

- Defining SPO's objectives and purpose, as well as clear outputs to be achieved
- Widening of the funding base
- Expansion of the DPM Program, and the first DPM graduates
- Introduction of a Learning Information System
- Village Education Programme for female literacy in Balochistan
- Integrated Basic Education Programme for female education in NWFP
- Support to the Salinity Control and Reclamation Project
- Extensive collaboration with Civil Society Organizations
- SPO's institutional strengthening and capacity building of staff

1995-1996

Learning from Experience

With a year of programming behind it, SPO was in a position to take stock of its preliminary operations and their impact. The year from 1 July 1995 to 30 June 1996 was a time of introspection and learning for the organization. Programme and management audits were conducted, corporate values defined, and further strategic planning carried out.

Fine-tuning the Capacity Building Programme

With its capacity building operations in full swing and preliminary impacts emerging, SPO could start assessing its performance in this area. Since the Learning Information System was in development and could not yet yield a full picture of SPO's performance, a separate audit was carried out by the Deputy Chief Executive and Projects Support Coordinator.

The major objective of this exercise was to gauge how well SPO was doing. It was intended to examine SPO's capacity building process in detail, identify strengths and weaknesses in the process, and identify and explain any deviations or changes that had taken place in the programme.

The audit report made a number of recommendations, mostly relating to SPO operational functioning. The audit suggested that SPO should;

- Plan strategically and develop consensus guidelines for how the Programme Coordinators (PCs) should plan their workload and whether geographical demarcation in their activities was to be discarded. [This had already happened in Sindh, where PCs no longer worked separately in the northern and southern parts of the province, but were both working in the north, in some cases in the same districts.]

- After selecting a district, if SPO was unable to undertake surveys that provided a full picture of the status of the districts, then it should do away with them and concentrate on inputs and impacts of SPO's interaction.
- PCs should effectively document key information, rationales, observations, and decisions pertaining to their work – with supportive supervision provided by the Regional Directors (RDs). Documentation should be as brief as possible but clearly convey the observations that led to the decisions taken.
- PCs and RDs should define and accept their relative roles and responsibilities and work within that framework to ensure maximum effectiveness (e.g. for a proposal, communication or training to a CBO).
- If SPO's primary responsibility was to CBOs, greater efforts should be made to keep promises made to them, especially in terms of planned visits. Conflicting priorities of SPO, which impinged on commitments made to CBOs, should be carefully examined for justification.
- Partnership Plans with CBOs should be tuned, scheduled, costed and made measurable, with a clear demarcation of responsibilities between CBOs and SPO. Such plans required detailed information about the capacity needs they had to address.
- Each DPM workshop should be followed up by at least one information collection visit to each CBO. Collective reviews were valuable and should continue to be conducted as well.
- New and separate procedures should be developed for women groups.
- SPO should decide, either internally or in consultation with DPM-Graduate CBOs, which elements of DPM had to be shared with all, and which skills and tools were best provided only to workshop participants - with CBOs and other members simply being briefed about them.

A New Focus on Women

By 1995–96, it had become clear that the benefits of SPO's DPM programme were accruing mostly for men in rural communities. Since most CBOs did not include any female membership, women remained marginalized from the development planning and management in their communities. SPO had tried to address gender inequities through two special programmes for female

education promotion—the Village Education Programme and the Integrated Basic Education Programme - but these initiatives need scaling up in terms of geographical and programme scope to have a pervasive impact.

In order to help rural women address their own concerns and play a role in their communities' development, SPO had to mainstream them into its DPM programme – something that would not only build their capacity to take charge, but also serve as the gateway for subsequent financial support from SPO and other donors.

The first step was to mobilize and form women organizations. For this, SPO's approach varied in the four provinces in response to the local cultural circumstances and sensitivities. For instance, in NWFP, a programme was implemented in collaboration with The Asia Foundation (TAF). Initial surveys were conducted and 13 potential women groups identified in Takht Bhai and Swabi. A detailed programme to build the capacity of these groups was planned jointly by SPO and TAF.

In Balochistan, SPO field staff to mobilize women for group formation carried out Door-to-door visits. This led to two groups, each comprising of 30 local women, being formed in Muslim Bagh. The groups were oriented on the role of women in development and their transformation into CBOs was initiated. In Punjab, four women groups were formed in Kotla Gamu, Kot Addu, Daja and Muzaffargarh. These groups had been included in SPO clusters in the areas. Eight women groups were mobilized and sensitised in Ghotki District of Sindh province. This cluster later became the first formal women's cluster to complete DPM training. By the end of the year, 27 women groups had been mobilized.

Decentralization of Social Sector Fund

Formation of Regional Project Approval Committees (RPACs) brought project approval and management of the implementation process even closer to CBOs. During the year, these RPACs conducted sessions in Quetta, Lahore and Hyderabad and approved eight projects for support from the Social Sector Fund.

'Partners in Development'

SPO undertook a special short-term assignment for the British High Commission in which it coordinated and produced a regular publication of the Commission, *'Partners in Development'*.

Building SPO

SPO maintained a steady focus on building itself into a viable and professional institution. During its second year, the organization's corporate values were identified through a workshop; a strategic plan was developed, internal and external communications were improved, and the various SPO decision-making forums performed actively.

Corporate Values identified

Through a workshop, SPO staff determined the following corporate values of the organization.

- Participation in programme development within SPO and between it and its partner organizations
- Sovereignty and equality of partner organizations
- Mutual trust, honesty, professionalism and transparency in the organization
- Accountability, ethnic impartiality and effective participation in the process
- Creativity and innovation in efforts; and
- Accessibility to one's basic rights and discharge of obligations.

A Strategic Plan

Equipped with experience, an initial audit of SPO's capacity building plan and the funding plan that was developed previous year, a strategic planning exercise was initiated to make key decisions regarding programme and funding options for the future. Facilitated by Cowater International, the exercise involved all key SPO stakeholders. It led to a Strategic Plan, which was approved by the Board in June 1996, with the following key points:

- SPO's goals and purpose should be maintained. Capacity building of CBOs should remain the principal focus and mainstay of SPO's endeavours. But increased effort and resources should be channelled into technical assistance, networking, linkages, and advocacy.
- With a substantial number of CBOs having DPM training, project funding should be increased – accompanied by careful project selection, implementation, monitoring, and technical support.
- Female group formation should be prioritised in all regions.

- Special programmes such as VEP and IBEP should be continued and others added, but only when funds had been identified for them, and ensuring that they were not in conflict with SPO's objectives and programmes.
- Micro funding (choti funding) should be introduced on a pilot basis and initially only in one region. It should be an integral part of DPM training to strengthen CBOs in project and resource management, and as a first step towards project funding.
- To maximize efficient use of resources, SPO should concentrate geographically in carefully selected districts, clusters and CBOs. SPO should withdraw support from "graduate" CBOs but include them in long-term monitoring and networking.
- Decentralization should continue and be extended beyond regional offices to field operations
- In view of the decline in international funding and the need to establish financial sustainability, SPO's marketing should be allotted increased priority and resources. A small marketing unit should be created for this at the National Centre and work should start on cultivating Pakistan's private sector as a corporate funding base for SPO.

Cost Efficiency

Around this time SPO also arranged an external audit of its management arrangements. A two-member team commissioned by Cowater International undertook the audit in August 1995. A major recommendation of the team was to abolish five positions, four of which pertained to administration. By implementing this recommendation, SPO reduced the National Centre's salary budget by 30%.

General Governance and Management

Following committees and forums of SPO were active throughout the year.

Board of Directors:

In 1995-96, the Board decided to constitute Regional Project Approval Committees (RPAC) in all four regions. Comprising 3 BoD members as well

as SPO's Chief Executive, each Committee was to meet as soon as a minimum of two proposals were ready for approval.

SPO Management Committee

In order to improve management efficiency, a workshop on developing Annual Work Plans on the basis of Results-based Management (RBM) was conducted for the SPO Management Committee

Programme Review Meetings

Two were held during the year. The forum decided to observe 1996 as the Year for the Eradication of Poverty.

Advisory Council

A meeting held at the National Centre on 23 June 1996 focused on the funding bottleneck that SPO was facing at the time:

- According to SPO's agreement with CIDA, funding for 1996–97 was only available for the National Centre and SPO Punjab.
- The Sindh and NWFP funding was expected from the EU that year, but was still not in the offing.
- Funding for the Balochistan and VEP programmes was being negotiated with the Royal Netherlands Embassy and might be available by January 1997.
- Meanwhile, the Operational Budget was to include the funds committed by CIDA, as well as the money saved from staff reductions and other cuts on the COLA and allowances of staff.

It was decided that CIDA would follow up with its headquarters to make an internal adjustment to cover the Sindh and NWFP Programmes. Meanwhile, EAD would inquire about the funding status at the EU Mission in Islamabad. Amendments to the Articles of Association were proposed to ensure broader powers of the Advisory Council. New members were to be inducted after approval of the amendment by the CLA and subsequently by SPO's Annual General Meeting.

Improved Internal Communications

From the start, the National Centre had been kept fully equipped with communication hardware and software. A local area network (LAN) allowed all users to share data and devices. In order to facilitate the decentralization of the SPO programme to the regions, the SPONet section first extended email access to each user at the National Centre, and then to the regional centres.

Between October and December 1995, all regions were successfully equipped and trained in using e-mail.

Reaching Out

Throughout the year, SPO remained a regular and active participant in national and international events for dialogue and advocacy for an enabling environment for NGOs in the country. As part of this effort SPO made a major contribution to the NGO Bill dialogue.

SPO was unable to publish its annual report due to production delays. However, in December 1995, the organization's very first newsletter was produced in-house and disseminated to partner organizations. It was to serve as a valuable communication channel in subsequent years.

Finance

During this year, SPO entered into a partnership with UNICEF regarding non-formal education programme in Noshera, NWFP during the year. To protect equipments and machinery, this year an internal insurance reserve fund was developed for PKR 1.2 million. In addition, an endowment fund was created with PKR 20 million. SPO's balance sheet footing was PKR 42.8 million whereas company's owned assets were PKR 8.36 million (at cost) with an operating expense of PKR 32.06 million.

Administrative Decisions

The management at SPO decided to introduce the post of Associate Programme Coordinator in order to provide career path for the Programme Coordinator (PC) position. The staff appointed at the assistant program coordinator's post had to complete one-year of service before they become eligible to be considered for the PC post.

During the reporting period, the in-house staff development initiatives included 8 workshops, 1 field visit, in-country initiatives included 33 training workshops and 1 experience sharing visit for staff while initiatives abroad include 4 trainings workshops.

During the reporting period following new formats or proformas were introduced:

- New time sheet proforma was introduced to provide a better description of staff time utilization.

- The performance evaluation proforma was changed to make it more objective. MSI (Meritorious Services Increments) was replaced with MSC (Meritorious Services Certificate).
- Contents of employment contract for project staff were finalized.

The senior management committee (SMC) members after making certain amendments approved the Training Policy proposed by the Programme Specialist-TS. Accommodation rates for the Senior Management were reduced by 15% for their in-country travels and per diem allowances reduced by 20%. Career path for the Programme Coordinators (PCs) was developed. It was decided that the PC should be inducted as Associate Programme Coordinator (APC). After completion of one year he/she shall get full fledged position.

Achievements

- Audit of the Capacity Building Programme, leading to recommendations for improvement;
- Greater focus on women in capacity building, leading to the mobilization of 27 women's groups across the country;
- Identification of corporate values, including participation, equality and accountability;
- Development of a Strategic Plan, which continued to prioritize support for CBOs, but with greater stress on women. On the operational side, this promoted further decentralization;
- Active participation by SPO forums such as the Board of Directors, and the Programme Review Meeting;
- Improved internal communication, and continued outreach to NGO partners and government.

1996-1997

A Broader Horizon

Two years of direct contact with communities in all provinces of Pakistan gave SPO deepening insights into the obstacles facing them in development. Constantly judging itself and looking for more effective ways to achieve the impact it sought, SPO expanded its programme in fiscal year 1996–97. A three-pronged strategy was adopted to address the key development hurdles that had been observed:

- Continuing dependency on SPO of CBOs trained in Development Planning and Management;
- Sidelining of women from SPO's interventions and benefits;
- Lack of coordination between partner organizations and external development stakeholders, such as government bodies.

Five-Year Business Plan

SPO arranged a two-day workshop for all its staff and management on 7–8 January 1997 to develop a Business Plan for the five-year period from then until 2001–02. Three programme approaches that had been identified by the senior management and their respective future scenarios were explored in the workshop. An attempt was made to determine the funding requirement and the output associated with each.

The outlook for special programmes and SPO's experience with obtaining funds from donors was also discussed:

I. Cost-effective Outreach Scenario

- Aimed at doubling SPO's program capacity without adding any regular staff to the regional offices.
- Over the next five years, each Programme Coordinator (PCs) would be able to handle three clusters, each comprising of 5–8 CBOs, and in time, the PC's capacity and output would double.
- However, the associated costs would only increase by less than 25 percent over the next five years.

- This would be achieved by increasing reliance on Local Resource Persons (LRPs) instead of hiring more PCs. LRPs are the focal points of the SPO program in a cluster who have, over time, attained a sound familiarity with the SPO philosophy and program. They are trained on-the-job by the PCs to help different CBOs in a cluster as the natural extension workers of the SPO. Under this scenario, PCs would be supported by LRPs at the cluster level. The LRPs would be given some incentives, including training, and would act as local field staff. Over time, trained LRPs could become a valuable human resource when SPO wished to expand into other locations.

II. Regional Expansion Scenario

- Aimed at expanding the SPO program in each region to other districts to cater to the growing capacity building demands of CBOs – an aim reinforced by donors’ interest in certain underdeveloped areas of the provinces.
- Given additional staffing and logistics, SPO could easily sustain a 15 percent annual growth in the number of partner CBOs without compromising on quality and efficiency.
- Under this scenario, SPO would double its outreach capacity while the output, in terms of partner CBOs, would increase by 70 percent. As against this, the incremental cost would be about 40 percent over the next five years.

III. Extension to a New Region Scenario

SPO’s uniqueness as being the foremost and most widely outreached organization sometimes posed challenging for it. Demands were constantly made on SPO to extend to other areas of the country. The respond to these challenges, SPO planned expansion to a New Region Scenario aimed to initiate CBOs’ capacity building by SPO in such areas, especially those where other NGOs had not been able to start their programs either.

Azad Jammu and Kashmir was envisaged as the next region for SPO to expand into. It was decided that the expansion would be implemented with special dedicated funding and would therefore not pose a risk of financial over-extension. There would be a start-up phase with special budgets; but thereafter, budgeting would be performed in the same manner as for other SPO regions.

Outlook for Special Programs

Special Programs (SPs) went beyond normal programming to concentrate on a new geographic area or specific development sector. Examples were VEP and IBEP, of which the former had graduated to becoming a Regional Programme. Donors interested in the respective new geographic area or sector specifically funded SPs. They were not undertaken unless funded and, therefore, in themselves, posed no risk of financial over-extension for SPO.

SPO envisaged several SPs for which potential donors had been identified. These include Micro Credit, Malakand, South Punjab, and Faisalabad Rural Development and NGO Umbrella. Each special program initiated would have its own staff and resources, depending on the size and complexity of the program.

Marketing SPO to Donors

Many donors were increasingly expressing interest in SPO as a nationwide capacity building NGO. This had resulted in the funding of special programs by UNICEF and the Asia Foundation.

SPO had also made a concerted effort to acquire broad-based support from several donors as fiscal year 1997–98 approached. There were three distinct types of funding: funding for overall SPO development; funding for specific regions; and funding for special programs.

Many donors were expressing interest and some appeared close to making commitments. But SPO was facing considerable difficulty in gaining final donor commitments. For example, discussions and proposal development for EU and Dutch funding had been in progress for several years. Protracted negotiations also resulted in constantly changing plans and targets as well as uncertain futures for staff.

There were also difficulties in trying to match the programmes of five regions and a National Centre with a large number of donors, each with unique interests, requirements and funding patterns.

On the bright side, these difficulties were not specific to SPO but common to nearly all NGOs in Pakistan, and, although protracted negotiations created difficulties, the interest of a large number of donors was welcome as multiple options provided a degree of independence to SPO in identifying support.

Marketing was an essential and time-consuming responsibility for the senior management. With some 12 donors near commitment or expressing interest, and six more making initial contact, marketing required administrative support. SPO was developing an informal database on donors and utilizing its second tier of management to develop an aggressive marketing strategy and program.

Conclusions

Having considered the various options, future scenarios and challenges facing SPO, it was agreed that SPO would develop its programme at a level between the Cost-Effective Outreach and Regional Expansion scenarios in all regions for at least the first two years of the five year plan, and in NWFP at a considerably higher level. Funding commitments would be needed to ensure smooth operation over the next two years, without which major readjustments would be required. Transforming the interest being expressed by many donors into early commitment would require strengthening of the marketing effort.

Programme Enhancement to Enable Development

By 1996 SPO was increasingly concerned about three hurdles in its development work:

1. The dependence of partner organizations (CBOs) on SPO for institutional counsel even after they had completed DPM training;
2. The fact that impacts of the DPM Programme did not directly reach women;
3. Field experiences, which clearly showed that SPO's partner organizations could not realize their full potential for effecting community development because they lacked working ties with external stakeholders, such as government bodies and donor organizations.
4. To address these three problems, SPO made a strategic decision to extend its programme with Strengthening of a 'self-sustenance' mechanism for partner organizations that had completed DPM training; A Women's Emancipation Programme; and Strengthening of development stakeholders' dialogue and collaboration.

It was hoped that these additional measures would help create the enabling environment needed for SPO's partner organizations to function in an effective and sustainable manner.

Self-Sustenance for Partner Organizations

SPO's original plan had been to withdraw its involvement with communities after they had been imparted DPM training so that it could extend its services to other communities. In practice, this was not possible because partner organizations continued to rely on SPO. A solution had to be found where SPO could be released to support new communities without denying partner organizations the continued institutional support they needed.

After much debate, SPO finalized its strategy. Once partner organizations had graduated, they would be organized into "Coordination Councils", which would act as the umbrella platforms to assist their members. The specific role of these councils would be to replicate DPM training with CBOs that had not been trained by SPO, Disseminate information among their members, Update member organizations on current development issues, and Strategize joint interventions for environmental protection, gender equity, human rights, and the legal rights of the marginalized poor.

Where necessary, the Councils could approach SPO for technical support. In this manner, the independence and eventual empowerment of capacitated partner organizations would be assured.

In order to strengthen these platforms, SPO decided to provide the Councils training in networking, information sharing, advocacy, micro-credit management for poverty alleviation, and collaboration with the Government in its Social Action Programme. Training was also provided to Local Resource Persons.

CBO Coordination Councils Formed by SPO

Region	Coordination Council (CC)	Number of CBOs	Number of Local Resource Persons
Balochistan	Coordination Council, Bela Coordination Council, Kalat	08 06	01 01
NWFP	Tehsil Coordination Council, Takht Bhai NGO Coordination Council, D.I.Khan Samaji Behbood Rabita Council, Swabi Coordination Council, Nowshera	17 19 65 21	01 01 02 02
Punjab	CBO Network, Muzaffargarh CBO Network, Kot Addu DPM Graduates, C.C. Mandi Bahauddin Wazirabad Cluster Coordination Council	10 07 10 09	01 01 02 01
Sindh	Rural Development Organizations Coordination Council, Ghotki	56 09	02 01

Women's Emancipation Programme (WEP)

During the previous year, SPO had already begun mobilizing women's groups across the country. In 1996–97, the organization consolidated these efforts, defined a strategy for mobilizing and mainstreaming women in its capacity building cycle, and began implementing it as the 'Women's Emancipation Programme' (WEP).

WEP Entailed Seven Steps

Step 1 Meeting (Male) CBOs for Consent	Informal/Formal meetings held with existing (male-oriented) CBOs to obtain their consent and support for mobilizing and training women. Concept of WEP explained to the CBO members. Continued consultations with CBOs creates positive and receptive attitude: timetable for gathering and meeting women mutually set.
Step 2 Orientation Meeting	Orientation meeting of women held to: <ul style="list-style-type: none">- Introduce SPO and WEP;- Assess need for a female organization;- Identify 'sparks' in community.
Step 3 Motivational Meetings	Series of motivational meetings held. Also used to carry out social mapping of the village and collect baseline data.
Step 4 Mobilization	Mobilization for an organization.
Step 5 Female Group Formation	Formal membership in the organization sought from women. Formal structure of the organization is laid down, including a general body and an executive committee. Office bearers elected and regular meetings held. Group trained and encouraged to write meeting minutes, start savings and maintain saving pass-books. Record keeping explained. Protocols for registration of group as a voluntary organization completed.
Step 6 Cluster formation	Female organizations in adjacent areas, able to meet regularly without much difficulty, grouped into cluster.
Step 7 Mainstreaming:	Capacity building cycle for cluster implemented in same manner as for mainstream (i.e. male) CBOs.

Promoting Stakeholder Synergy

Local Initiatives in Development

SPO's experience of working closely with donor agencies and CBOs, as well as its involvement in the NGO Bill and subsequent dealings with government, made it aware of the lack of interaction between these three key development stakeholders. Crucially, it made SPO aware of the problems arising because of that lack of interaction:

Development initiatives of CBOs need support from the start. They might occasionally receive the *resources* they needed for development (such as funds), and some ad hoc *outputs* could accrue (e.g. basic infrastructure and facilities). But without a free flow of information between CBOs, government departments, and donors, and without recognition of their respective roles in development, a collective and planned drive and an enabling environment to play their roles, a sustainable development *process* could not be expected.

SPO's very first step in catalysing stakeholder interaction was the planning and implementation of a series of public dialogues on the theme of "Local Initiatives in Development". The concept of the dialogue was developed in 1996. Its main objectives were to:

- Provide a forum of the three partners in the development process (CBOs, the Government, and donors) to initiate dialogue for the creation of a sustainable development process;
- Share information on initiatives already undertaken by CBOs and their community members to address their development needs; and
- Facilitate networking between CBOs, Government departments

The first national dialogue was held on 10 November 1996 in Islamabad. Mr. Omar Asghar Khan, a founder member of SPO, outlined the main points of discussion.

SPO's Chairperson, Mr. Javed Jabbar, played a key role in ensuring that these events were meaningful, effective, and made optimal use of participation of governors, chief ministers and other federal ministers.

The LID Conference for Punjab was hosted in Lahore on 12–13 May 1997. Punjab Governor Shahid Hamid inaugurated the event, while the concluding session was presided over by Sardar Zulfikar Ali Khosa, Senior Minister of the

Government of Punjab. Other dialogues arranged under this important initiative took place the following year [See Chapter Five].

The Learning Information System

1996–97 saw the commissioning of the Learning Information System (LIS) as a vital tool for monitoring and evaluation of SPO's activities.

Development of the LIS software, perhaps the most important challenge in realizing LIS, was completed with technical support from Cowater International. The resulting system managed information in two phases:

Phase I - managed information from monthly activity reports submitted by regional offices. The system was comprehensive enough to cover all SPO's activities, yet flexible enough to be modified in line with future shifts in the organization's programme. It was highly user-friendly, being menu-driven and including shortcut keys for advanced users.

Phase II – processed data: the reporting formats and procedures required for updating and data processing were finalized and included a special questionnaire of 102 questions, intended to measure the impact of the DPM programme at the CBO and community level against 11 Capacity Building Indicators (CBIs). The 11 CBIs were: Leadership, Community Participation, CBO Membership, Environmental Awareness, Monitoring, Evaluation, Outreach, Women's Empowerment, Management Skills, Vision, and Accountability. Upon the request of CIDA's monitoring agency, support was also given to the monitoring and information system sections of the Aga Khan Rural Support Programme (AKRSP) and the Social Action Programme (SAP).

Special Programmes

School Sudhar Programme

New special initiatives by SPO included the School Sudhar Programme in Ghotki, Sindh, and a field survey to support an evaluation of the Government's Social Action Programme.

The School Sudhar Programme, funded by British Gas International, was the third special SPO programme geared to promote education. In this venture, SPO Sindh conducted a detailed survey of the needs of girls' schools in Ubauro, district Ghotki, and coordinated the repairs and the provision of furniture and other equipment at 22 girls' schools (1 high, 2 middle and 19 primary).

Evaluation of Social Action Programme (SAP)

SPO was commissioned by SPDC to conduct a survey of social sectors in 244 communities across Pakistan in March and April 1997, as part of an evaluation of the Government's Social Action Programme. The main conclusion of SPO's report was that the conditions observed were generally worse than expected although some advances had been made during the last three years of SAP. However, these advances were not commensurate with the disbursements made in the SAP sectors and had not resulted in major improvements in the quality of service provision. SPO's findings were used in SPDC's research report on "Review of the Social Action Programme – August 1997".

SPO Strengthening

Through 1996-97, SPO continued to make the governance and management decisions needed to strengthen itself as an institution and to implement its programme more efficiently. In addition to the routine operations of the various governance and management groups, a financial monitoring mission was hosted and a formal system for staff performance appraisal initiated.

Financial Monitoring Mission

In March 1997, Cowater International conducted a Financial Monitoring Mission. The mission had two purposes:

To review SPO's financial system, including financial policies and procedures, internal controls, ability to meet multi-donor requirements, and reporting; and
To provide advice on the overall structure of the accounting system, the computerized accounting system, and the computerized accounting software to increase its effectiveness for SPO staff.

The Mission's review was undertaken at the national and Lahore regional office, and included a Financial Management Workshop. The Mission acknowledged that SPO did strive for transparency in its financial systems and controls - demonstrated by the open and candid manner in which financial information was shared by SPO staff. SPO's financial systems, policies, and

procedures were declared sound, but some minor areas for improvement were identified.

Governance and Management

Board of Directors

The BoD met four times during the fiscal year. The number of elected Directors of the Board was increased from 12 to 13, with the inclusion of Mr. Mohammad Amin from Turbat. Major events where the Board, in particular the Chairperson, played pivotal roles were:

First national conference on Local Initiatives in Development (10 November 1996, Islamabad);

Public launching ceremony of SPO's first published annual report; Finalization of SPO's 5-Year Business Plan (First quarter of 1997); and First provincial Local Initiatives in Development conference, (arranged by SPO Punjab in Lahore on 12-13 May 1997).

Other key activities of the BoD during 1996-97 were:

Approval of a long-term SPO Strategic Planning Document, developed with the help of Cowater International and with inputs from CBO partners, SPO staff and the SPO Board;

- a) Establishment of an Endowment Fund for SPO, with initial seed money of 10 million rupees from SSF funds.
- b) Establishment of criteria for inviting new members to SPO's Advisory Council. {Used later that month to expand the Advisory Council with three new donors — The Asia Foundation, The European Union and the Royal Netherlands Embassy}.
- c) Setting up of a sub-committee to review and revise SPO salary structures and permissible expenditure levels for the SPO Board.
- d) Selection of six new nominees for the General Body to replace those members who had relinquished their membership due to pressure of other commitments.
- e) Provision of highly valuable inputs in the form of a SWOT analysis of SPO.

SPO Management Committee

During the year, three meetings of the SMC were held. In order to improve the management of the Social Sector Fund, the SMC decided that:

SSF funds for approved and conditionally approved projects would be transferred to regions for further disbursement to concerned CBOs. In the case of projects where certain conditions had been imposed, the regional management would be responsible for ensuring they were met before making disbursements.

Project Start-up Forms would be on Stamp Paper and duly endorsed by the Notary Public. A lawyer could be asked to help in designing this form.

Funds of projects cancelled or closed would not be kept as a liability. Concerned CBOs would be given three notices and then project funding would be cancelled and reallocated.

Other important decisions by the SMC in 1996-97 included; holding a workshop with its meeting in April 1997 to facilitate a common understanding on the new Performance Evaluation Performa; Approval to employ interns at SPO; the Chief Executive was requested to prepare a proposal so that funding could be sought from donors.

Programme Review Meetings

During the year, two PRMs were held. It was decided that the guidelines or TORs for PRMs would be to:

- Share experiences,
Identify problems in programme implementation, analyse and suggest solutions,
Evaluate new trends,
Suggest innovations,
Discuss new opportunities arising in the field,
Discuss threats and ways to face them, and
Discuss successes/failures and lessons learnt during the programme interventions.

Keeping in view these TORs, the PRMs recommended:

- a) A report on the activities of the National Centre should also be presented to the PRM.
- b) VEP should be diversified to include other development interventions, such as income generation, micro-credit for micro enterprises, and infrastructure building: literacy/primary education should be considered as an entry point.

- c) The concept and structure of Coordination Councils should be formally discussed with stakeholders and the Councils should be organized accordingly.

Advisory Council

The third meeting of the Advisory Council was held at the National Centre on 13 March 1997. The members decided that SPO's chairperson would chair this forum in future.

Developing the Team

Financial Management Workshop

A workshop was conducted at the National Centre on 18-19 March 1997, facilitated by Cowater and SPO's Manager Finance & Administration. The Regional Directors and Section Head, Finance and Administration of all regions attended.

Performance Evaluation and Award Distribution

Seen at SPO as a participatory process, appraisal was to be carried out annually, at the end of a probationary period, or as part of an interim report for the Chief Executive.

The primary use of the Performance Appraisal System was to help improve mutual understanding within the SPO team: the immediate supervisor of the appraiser should be aware of the evaluation of the appraisee. In 1996–97, staff performance indicators for appraisals were identified and a formal rating system developed for transparent and consistent appraisals.

Performance Appraisal System at SPO

Performance Indicators

i) Time Management:

1. Completion of tasks/targets within mutually agreed time frame.
2. Skills in task prioritization.
3. Ability/Capacity to carry out parallel jobs/activities.
4. Ability to allocate time according to task requirement.
5. New learning and application of innovations for time management.

ii) Deadlines:

1. Tasks achieved within specified time.
2. Ability/Skill to set realistic deadlines.
3. Mobilization of additional and creative resources in meeting deadlines.

iii) Punctuality:

1. Present before, by or after an event.
2. Wilful absenteeism.
3. Unnecessary delays or disruption in the start of an event/activity.

iv) Inter Personal Relationship:

1. Having teamwork spirit (team feels comfortable to work with appraisee).
2. Colleagues have trust in him/her.
3. Does not engage in politics within and outside the organization.
4. Having habit to own others.
5. Avoidance of backbiting.
6. Ability to accept constructive criticism.
7. Communication.
8. Conflict resolution.

v) Adherence to Corporate Values of SPO:

1. Observes SPO's values.
2. Owns SPO's values.
3. Implements SPO values in his/her work.

vi) Commitment:

1. Achieves the objectives of work.
2. Positive feelings for the organization.
3. Involvement in/with work.
4. Can sacrifice for the organization.
5. Exhibits consistency in his/her work.

vii) Initiative:

1. Number of new ideas/actions/skills in a specified time.

viii) Resourcefulness:

1. Number of activities/actions/ constraints managed within given resources, in a specified time period.

ix) Decisiveness:

1. Number of timely specific decisions taken within given resources to strengthen the SPO Programme.

2. Timely decision in critical situations.
3. Assertiveness.
4. Mobilization/identification of resources.

x) Supervisory Skills:

1. Effective utilization of resources.
2. Target achievements.
3. Supportiveness.

Rating System

Score	Category	SPO Response
76% & above	Outstanding	Meritorious Service Increment (which includes two-step increment and Meritorious Service Certificate)
65–75%	Commendable	Certificate of appreciation with normal one-step increment
50–64%	Satisfactory	Normal one-step increment
35–49%	Marginal	Warning, normal increment withheld for at least 3 months
34% & below	Unsatisfactory	Disciplinary action up to termination

Reaching Out

SPO published its *Annual Report 1995–96* and launched it at the Annual General Meeting. The organization also continued to produce its quarterly newsletter, one from each of the four SPO regional programmes.

Finance

CIDA started to phase-out from SPO's regional offices in Peshawar and Hyderabad and SPO started financing these offices from unrestricted funds this year. During the year, SPO's balance sheet footing was PKR. 41.7 million and company owned assets stood at PKR. 8.55 million (at cost) with operating expenses of PKR. 32.46 million.

Administrative Decisions

The management, taking into consideration the increase in responsibilities, decided to promote the staff working at the post of the Regional Office Administrators in Grade 5 w.e.f. July 01, 1996 with new title of Section Head, Finance & Administration (SH F&A). One new position of Finance Assistant (FA) for the Regional Centres and the Job Descriptions of SH F&A, FA and OA (revised) were approved. Appointment of FAs will be subject to availability of funds.

The SPO Management Committee (SMC) members approved the concept of Interns at SPO. It was also decided that SPO should have its own Web Page and an Internet account at NC. During the reporting period, the in-house staff development initiatives included 3 workshops and in-country initiatives included 3 training workshops.

Achievements

- Development of a 5-Year Business Plan
- Formation of Coordination Councils to wean CBOs off dependence on SPO
- Establishment of a Women's Emancipation Programme to promote formation of women's groups for development
- Local Initiatives in Development dialogues to promote interaction between CBOs, government and donors for sustainable development
- Realization of the Learning Information System, and its use for SPO data collation and processing
- Two more special programmes: School Sudhar Programme improving girls schools in Ghotki, Sindh; and support for an evaluation of SAP
- Active participation by SPO Forums.

1997-1998

Mettle Test

The year from July 1997 to 30 June 1998 challenged SPO on almost every front. The core programme was being expanded and refined for closer monitoring; a number of special programmes were launched; and the dialogues SPO had started the previous year under the 'Local Initiatives in Development' series matured to national level dialogues in which the President of Pakistan himself participated. While these and other momentous developments were taking place on the programme front, SPO was grappling with sensitive institutional matters, such as resource constraints due to delays in donor support and elections for the Board of Directors.

SPO's success in managing these demands effectively not only strengthened its own faith in its capacity, but also the confidence of a number of new partners, including local NGOs and CBOs, the Pakistan Government, World Bank, and the Department for International Development (DfID), UK. As the organization became widely recognized throughout the country, it consolidated the strategic deliberations of the previous four years and identified the broad parameters of the programme it would carry into the coming millennium.

A Clearer Future

In the three years since its 'rebirth', SPO had undertaken a number of strategic visioning exercises to define its role and services. By its fourth year, the organization finally had the experience and nationwide exposure to recognize the areas where its contribution was most needed and most effective, and the objectives on which it needed to focus for its own survival and continuing role in national development. Following a comprehensive consultation exercise with all stakeholders, SPO identified its pursuits for the next millennium as the following themes:

- Scaling up current capacity building programme
- Establishing a Women Emancipation Programme
- Strengthening 'Participatory Development Coalitions'
- Establishing a Credit Programme
- Expanding to new regions

Strengthening SPO as an institution; and
Ensuring the institutional sustainability of SPO

‘Choti’ Funding Begins

In the previous two years, SPO had considered the idea of giving ‘choti’ (micro) funding to CBOs in the course of their DPM training, to provide them hands on and guided experience of project implementation. In 1997–98, this idea was incorporated in the DPM programme design and implementation – not as a mandatory element, but as something to be offered by the concerned SPO region taking into account the CBO’s current capacity and potential.

A simple application form was developed for partner organizations to request Choti-Funding, and the following terms and conditions finalized.

The maximum amount of funding would be PKR 10,000. This funding would be charged to the Social Sector Fund. Micro funding would be provided at the planning workshop of the DPM. The funding would be provided for pilot projects (e.g., project feasibility studies and small credit projects) in view of the needs of the CBOs to enhance their skills. Each partner organization would design, develop and present the project and its budget primarily by itself and the funded project would be completed before the third DPM workshop.

Promoting Stakeholder Synergy

SPO’s efforts to promote dialogue and cooperation between the three major development actors — CBOs, government agencies, and donors — resulted in a number of significant events during 1997–98.

Local Initiatives in Development

In 1997–98, SPO arranged the three remaining provincial CBO-government dialogues in the LID series. These events drew a large number of CBO-NGO activists, government officials, donor agency representatives, and political workers. Members of the SPO General Body and the Board of Directors also attended.

The recommendations of the provincial conferences focussed on issues of mutual and local cooperation between CBOs, NGOs, and the Government; Social Action Programme (SAP), basic education, basic health, women’s development, environment, agriculture and livestock, and unemployment.

After completion of the provincial dialogues, a concluding, national-level dialogue on “Local Initiatives in Development – Learning and Growing” was held at the National Library Auditorium, Islamabad on 29 November 1997. The President of Pakistan, Sardar Farooq Ahmed Khan Laghari, inaugurated a high-profile event in which six ministries, responsible for *Local Government, Education, Health, Environment, and Social Welfare and Planning* were represented. A number of civil society activists and representatives of 24 CBOs participated in the sessions to understand the government’s development policies and programmes.

The technical session of the conference was presided over by Mr. Masood Ahmed Qazilbash, the Chief Coordinator of the Social Action Programme in the Planning Division of Government of Pakistan. During the session, government officials presented policy papers on community participation in development through CBOs and NGOs. The capabilities of rural CBOs represented were highly appreciated by the government functionaries and other participants.

CBO-World Bank Dialogue

In an effort to encourage direct interaction between CBOs and major donors, SPO organized a CBO-World Bank Dialogue on 27–28 November 1997 in Islamabad. The objective was to provide an opportunity for the staff of World Bank Mission in Pakistan to share with representatives of rural CBOs and practitioners of participatory development, the development initiatives being supported and financed by the World Bank and to learn from their experience at the grass-root level.

The Country Representative of World Bank, Mr. Sadiq Ahmed, inaugurated the dialogue. Presentations were given about different World Bank programmes in the country, specifically the Social Action Programme (Participatory Development Programme), National Drainage Programme, On-farm Water Management Programme, and Poverty Alleviation Programme by World Bank representatives, including Ms. Seema Baloch, Ms. Tahseen Syed, Mr. Abid Hussain, Mr. Usman Qamar and Dr. Zia-ul-Jalali.

Mr. Sadiq Ahmed informed that the World Bank defines community participation in terms of; stakeholders’ involvement and cooperation for effective development, involvement in decision-making of the people who play a role in development and ownership of the work by stakeholders.

The CBO perspective on community participation was presented by Ms. Shakar Jan, a member of SPO partner organization 'Anujuman Zanana Taleem' in Phulnai, Ketch, and by Ms. Riasat Begum from IBEP Nowshera. Representatives from several CBO's gave the community perspective on issues pertaining to specific World Bank programmes.

Monitoring and Reporting Intensifies

Programme 'Contact Cycle' Defined

SPO had started out with the DPM programme as its core activity. As the organization's involvement with grassroots communities deepened, DPM training led to 'offshoot activities', which quickly grew into distinct programme areas. The two main 'branches' were the Women's Emancipation Programme and Participatory Development Coalitions strengthening, but there were also smaller scale innovations, such as Choti-Funding. Moreover, the Social Sector Fund had become linked with the DPM programme because it supported the projects of DPM training graduates.

On the one hand, programme activities were growing more complex and more integrated, and on the other, the Learning Information System, now operational, was exerting pressure on SPO to define its activities and indicators clearly so that the organization's performance could be tracked transparently.

In 1997–98, the convergence of these two factors led to the development of a structured Contact Cycle for SPO's programming. The Cycle defined 39 activities grouped under ten major sections:

1. Area survey for CBOs' selection
2. Identification, assessment and selection of CBOs
3. Cluster formation, initial assessment against capacity building indicators, and PP
4. Capacity building through DPMs
5. Post-DPM assessment against capacity building indicators
6. Formation of PDCs
7. Facilitation of linkage building and networking of partner organizations
8. Project activities (involvement through funding)
 1. Female groups formations
 2. Special trainings (related to financial management, gender and development, the environment, and micro credit).

The Contact Cycle was reviewed and updated at a Programme Review Meeting held in July 1998 to build a common understanding among programme staff.

Progress with Learning Information System

The Learning Information System continued to be fine-tuned, with data simultaneously collected for processing in the completed components of the system. During the year, LIS became fully capable of recording and producing reports for Phase I (*Activity Tracking and Month/Quarter End Reports*). With its help, baseline data on the activities of 254 CBOs (from 1991 to June 1997) was collected and updated.

A consultant from Cowater International visited all the regions to verify the information provided by the regional centres. This exercise helped to ensure data accuracy. The format for monthly reporting was revised and explained to the regional offices. In the new format, the name of each CBO against each activity was recorded. Coding of each CBO/Cluster was also developed and provided to the regions. For Phase II (*Capacity Building Indicator Data Collection on Three Stages*), the input format (questionnaire) for data collection was translated in Urdu, finalized in consultation with regional centres and provided to field staff.

The tool for reporting information was also revised in this year. After detailed discussions with the regional staff at a Programme Review Meeting in December 1997, a comprehensive "CBI Assessment Form" was developed which provided information on the main indicators, measuring each on a scale of Level 1 to 10. The previous questionnaire, containing 102 questions, was to be used for guidelines to extract data. A common understanding was also developed for assessment.

It was decided that baseline data for Phase II would be collected by Local Resource Persons rather than SPO staff. Data collection from the regional centres commenced for subsequent verification and report generation. Punjab's complete data was entered in the system during the year.

Finally, the LIS software, which had been developed in MS Access, was re-designed in MS FoxPro for better performance with the existing equipment. Extra efforts were made to make it user-friendlier so that it could be used by regional centres in future. A single user interface was provided for all phases.

Special Programmes

Being There – Relief for Flood-hit Makran

On 3 March 1998, a devastating flood hit the Makran Division of Balochistan province, wreaking havoc in the villages along the Kech, Nihang and Dasht rivers. A number of houses, *karezes* (underground irrigation channels), open surface wells, irrigation and water supply schemes, roads and bridges were washed away or severely damaged. Some 33 people lost their lives. Hundreds of heads of livestock were killed and thousands of acres of farmland damaged. The people of Makran had never experienced such a terrible flood.

Through its work, particularly the Village Education Programme, SPO had become an established organization in the area. The misery inflicted by the flood compelled the organization to think and step beyond the parameters of its programme: for the first—and not the last—time, SPO took on the responsibility of providing relief to the crisis-ridden communities.

In collaboration with Health and Nutrition Development Society (HANDS), SGA, and Baanhn Beli, and with the financial support of Action Aid and other donors, 23 medical camps were set up in different affected villages and 2,209 patients were provided medical assistance and medicines. Food and other necessary items were distributed to 1,153 families.

Looking to the future and rehabilitation, SPO's Village Education Programme team prepared a proposal for a Seed Project to help affected people in four villages of the Dasht area — Hassadi, Bisholi, Tolagi and Pirani Lumb. The project was submitted to Oxfam, which approved it.

Female Education Support: An End and a Beginning

The year marked the official close of the UNICEF-supported Integrated Basic Education Programme (IBEP), under which SPO had been promoting female education in Nowshera. The Directorate of Primary Education in NWFP adopted 16 schools that had been rehabilitated by IBEP as regular primary schools. Another 13 such schools were adopted by PAI's World, an NGO created by the corporate sector.

As IBEP was closed, SPO initiated its model in the form of 'Ammal' Project' in district Dera Ismail (D.I.) Khan. (*Ammal* is a Pushto word that means active participation). The project began on 1 April 1998 with financial assistance from the Department for International Development (DFID), UK. Its stated mission was to involve mothers actively in the process of organizing

sustainable, good quality education for their daughters in their own village. Specifically, it aimed to improve enrolment in and quality of primary education with emphasis on increasing access for girls and increase the proportion of education services for girls delivered by community based schools in district D.I. Khan.

The project was to be conducted in two phases. Phase I was to last for one year, starting 1 April 1998. It was to target 10–15 schools, where a minimum of 400 students had to be on the active roll (at least 80 % of them girls), by 31 March 1999. In Phase II, extending from 1 April 1999 to 31 March 2001, this support was to be extended to 25 to 30 more schools.

The project partners were to include DfID, SPO, provincial Primary Education Department and Frontier Education Foundation. At the outset, a 5-day workshop was held to make a strategy for the implementation of the project, remove weakness of the project by sharing experiences, make a strategy for linkage with the line department, set criteria for the community based schools, clarify roles and responsibilities of DFID, SPO and Education Department and develop a strategy for general survey.

The project office was established at D.I. Khan and a core group was formed, comprising DfID, Frontier Education Foundation and primary education department to advise SPO on implementation.

By June 1998, SPO had conducted a general survey of district D.I. Khan, and the relevant project staff had undergone exposure visits and various training exercises to prepare them to implement Ammal. These included orientation visit by Ammal's Programme Coordinator and Field Officers to the non-formal literacy/education centres in VEP (Mekran) and Sindh. A strategic planning workshop was also held in Peshawar to design the project with the help of DfID.

SPO staff participated in REFLECT training in Abbottabad by Action Aid, Training for Master Trainers (TOMT) at Islamabad, two days workshop on education organized by DfID at Peshawar, DPM-II training in Peshawar and 5 days implementation workshop by DfID at D. I. Khan.

School Sudhar Programme Extended

During the previous year, SPO had completed Phase I of the School Sudhar Programme, supported by British Gas International, in Ubau ro, district Ghotki in Sindh province. In view of the programme's success, British Gas

approved Phase II in 1997–98, in which SPO was commissioned to conduct the physical rehabilitation of eight boys' schools in Ubauro. These included four high schools with 4,482 students, three middle schools with 645 students, and one primary school with 45 students. The effort provided a safer, more effective and more comfortable educational environment for 5,170 students in all.

British Gas then gave permission to proceed for Phase III, and SPO proceeded to upgrade equipment, furniture and buildings at 33 primary schools in Ubauro.

The funds provided by British Gas for the School Sudhar Programme amounted to PKR 0.76 million. The partnership between British Gas and SPO not only demonstrated the potential for corporate-civil society collaboration, but also showed that NGOs could assist in areas that were the primary responsibility of the state.

Sindh Education Foundation

An SEF project funded by DFID for conducting survey in five districts was awarded to SPO-Sindh. This 6-month project was initiated on 2 February 1998.

GEF-UNDP Project Proposal

A GEF-UNDP workshop was held on 24-25 September 1997. An Urdu version of the workshop report was shared later, while the Urdu version of the GEF poster was launched at the National LID Conference on 29 November 1997.

Building SPO

Vote of Confidence: BOD Re-Elected

The tenure of the first elected Board of SPO ended in November 1997. The Annual General Meeting (AGM) held in December, therefore, had added importance as the venue for election of the new Board. With three exceptions, all incumbent Board members expressed desire to continue in their role and offered themselves for re-election.

The AGM, which coincided with the final national Local Initiatives in Development conference, was attended by 18 members while another four members voted through proxies. Ten members were re-elected and three new

ones were chosen, including one from a partner CBO. The resulting Board - balanced in terms of gender and provincial representation, and with a grassroots representative - clearly showed that SPO's governance structure had matured and was fully capable of spearheading a leading NGO working for participatory development.

The Board members who started a fresh three-year term from December 1997 included:

Mr. Javed Jabbar
Mr. Mohammad Riaz Gondal
Syed Abid Rizvi
Dr. Tufail Mohammad
Mr. Mohammad Amin
Ms. Sadiqa Salahuddin
Ms. Zarnigar Tayyib

Ms. Farhat Khan
Dr. Qurat-ul-Ain Bakhtiari
Ms. Tahira Abdullah
Ms. Ferida Sher
Dr. Karamat Ali
Mr. Noor Ahmed Nizamani

In keeping with SPO's Articles of Association, the new Board met immediately after the AGM. Mr Javed Jabbar was elected Chairperson for a second term, Ms. Ferida Sher Vice Chairperson, and Dr. Suleman Shaikh was reappointed Chief Executive. SPO also acknowledged the contribution of three outgoing members of the Board; Ms. Baela Jamil, Dr. Tasleem Akhtar and Mr. Omar Asghar Khan.

Changes in the General Body

A number of General Body members had been finding it difficult to give SPO the time they felt was demanded by their role. In order to enable other experts, who could devote more time, to join the General Body these members voluntarily stepped down. Those resigned during the year included Dr. Tariq Banuri, Dr. Wasim Azhar, Mr. Saifullah Khan Paracha, Ms. Nilufer Abadan, Ms. Anita Ghulam Ali, Ms. Aban Marker Kabraji and Ms. Usha Barkat.

Six new members joined the General Body including Professor Mian Ijaz ul Hassan, Ms. Zeenat Yaqoub Yousafzai, Dr. Husna Memon, Professor Ms. Tanveer Junejo, Mr. Izat Aziz Kurd and Dr. Isa Daudpota (the latter resigned after a brief period).

Governance and Management

Board of Directors

During the year, SPO's Board met five times to discuss and deliberate on matters of governance, future direction, new proposals and policy issues. In April 1998, a meeting in Peshawar was preceded by a memorial reference for Ms. Zarnigar Tayyib, a member of the SPO Board of Directors from NWFP, who died tragically after an illness. The members of SPO Board and General Body and the entire SPO staff acknowledged the commendable contribution made to SPO and development in Pakistan by Ms. Zarnigar Tayyib.

The final meeting of the BoD coincided with a one-day Board-senior staff dialogue, facilitated by Mr. Abdul Hayy of Cowater. The Board recognized the value of such a dialogue and agreed to repeat it at least once a year.

Board members were informed of financial constraints under which SPO was having to operate, caused largely by persistent delays in EU funds coming online and the RNE's continued delay in processing SPO's proposal for its Balochistan programmes. Dual annual work plans and budgets had been developed, reflecting this uncertainty. The Board therefore approved two options, allowing SPO flexibility of programming in accordance with resource availability.

Notwithstanding the above constraints, Cowater suggested that the level of progress against CIDA specific targets should be investigated. In this regard, it offered its services to the Board and, as the cost of such a review would be borne from CIDA's technical assistance budget at Cowater, the Board agreed: Cowater was requested to conduct a detailed Management Review.

SPO Management Committee

During the year, four meetings of the SPO Management Committee were held. The SMC members decided that participants of in-house trainings should be awarded certificates, with the format to be developed by the Programme Coordinator-Human Resource by the next SMC, taking inputs from staff at the National and Regional Centres.

Programme Review Meeting

One PRM was held in 1997-97, which mainly focussed on progress sharing by the regions.

Advisory Council

The fourth Advisory Council was held at the National Centre on 8 January 1998. Mr. Javed Jabbar stated that the BoD preferred implementation of the Social Action Programme (SAP) through partner CBOs. SPO should work with larger agencies in a collaboration in which SPO could cater for capacity building.

Mr. Mark McKenna said that SPO could develop a package on project design and capacity building for implementation and monitoring. Thereafter it could act as guarantor to the World Bank on behalf of partner CBOs. In this way SPO would have a restricted role in implementation.

Mr. Victor Carvell pointed out that there were new initiatives of the Government of Pakistan/World Bank concerning Poverty Alleviation and Participatory Development Programme (PDP). SPO had the technical skills in proposal development but needed to decide where to go.

Developing the Team

During the year, SPO supported a number of staff development events: Sponsored by the Department for International Development, the Deputy Chief Executive attended an eight-week training course in “Micro-enterprise Management & Finance Training” at Reading University, UK.

Sponsored by CIDA, the Programme Coordinator for the Learning Information System attended a two-day workshop on “Information Technologies and Social Development” organized by UNRISD in Geneva. DPM programme staff attended a three-day training of master trainers’ workshop facilitated by Mr. Ross Kidd, a CIDA Training Specialist.

Finance

By year’s end, CIDA’s agreement with SPO was going to expire for the first phase as it started phasing-out from SPO’s regional offices in Quetta and Turbat. SPO began financing from unrestricted fund to these regional offices in addition to Peshawar and Hyderabad. In the reporting period, financial planning was decentralized at the regional level. Partnerships were initiated with organizations like The Asia Foundation (TAF), British Gas, Action Aid, and Department for International Development (DFID) and Sindh Education Foundation (SEF) to increase the programme and funding-base.

Balance sheet footing during the year was PKR 41.8 million and company's owned assets were PKR. 12.31 million (at cost) with operating expenses of PKR. 37.00 million.

Administrative Decisions

After detailed discussions, SMC members decided that there will be two positions at SPO, one is of Programme Coordinator (Designate) and other will be of Associate Programme Coordinator. Each region as mentioned in the Business Plan will have one male PC & one female PC with focus on the core Programme of SPO and two Associate Programme Coordinators (female only) with primary focus on WEP.

During the reporting year 11 internal trainings, 14 on-job trainings, 15 external trainings and experience sharing workshop at PRM for 28 staff members was held. The SMC Members reviewed first draft of the Consultancy Policy.

Achievements

During the year, SPO made the following accomplishments.

- Choti-Funding was included of in the DPM cycle.
- Dialogues on Local Initiatives in Development and CBO-World Bank were successfully completed.
- Performance monitoring improved through Program Contact Cycle, with 39 activities grouped under 10 subject -heads.
- Learning Information System was improved.
- Relief was provided to flood-hit villages in Makran.
- Follow-up was done to the Integrated Basic Education Program by the Ammal Project to promote education (especially of girls) in Dera Ismail Khan.
- School Sudhar Program in Ubauro, Ghotki was extended.
- A new Board of Directors was elected and changes were brought in the General Body.
- Regular SPO Forum meetings and capacity building of SPO staff continued during the year.

1998-1999

The Show Goes On

The period from 1 July 1998 to 30 June 1999 was the third year in a row in which SPO waited for the release of promised funds from donors, leading to resource constraints that were felt severely in some areas. The organization also underwent major upheavals: bidding farewell to its first Chief Executive, relocating the Punjab office from Lahore to Multan, and implementing recommended changes in its staff and management structure. Even the mission of the organization was modified to enable it to work with a wider pool of stakeholders. SPO also hosted relatively more external monitoring exercises.

This combination of resource constraints and major organizational changes constituted a fairly rigorous test of SPO's institutional maturity. The fact that the organization's work went on according to plan, that it achieved most of its ambitious targets, initiated new collaborative ventures with new partners, and received very positive feedback from its monitors proved that both its vision and its systems were robust. It also affirmed a strength that SPO had recognized internally for some time: the commitment of its own Board, Governing Body and staff.

Learning through the Learning Information System

The role of the Learning Information System had been growing steadily as the system was developed and information was entered into it. During 1998–99, LIS demonstrated its full potential to not only monitor and evaluate the SPO programme, but also to identify weaknesses in the programme itself and devise and implement the solutions. During the year, demonstrations of LIS as a state-of-the-art monitoring system that helped ensure SPO's performance remained on track, were given to members of SPO's General Body, CIDA monitors, and staff from the Pakistan Poverty Alleviation Fund (PPAF), The Asia Foundation (TAF) and the EU.

Special Programmes

The Village Education Programme and Ammal Project continued through 1998–99. In addition, SPO undertook a number of new projects in collaboration with new partners:

Early Childhood Care and Development (ECCD) Programme

Among SPO's new collaborative initiatives was the Early Childhood Care and Development (ECCD) Programme. The project sought to develop a family-based model of ECCD for children aged 3–5 years, consisting of an integrated package of health, nutrition, care and school readiness. In Phase I, from October 1998 to March 1999, 10 ECCD centres were established and made operational and staff were recruited and trained in District Kohat, NWFP.

Database of CBOs and NGOs

In another initiative, SPO's Sindh office collected information on NGOs and CBOs in Sindh and presented it in a database for the Sindh Education Foundation. This assignment was completed to the satisfaction of both the Foundation and also DFID, which sponsored the undertaking.

Civil Society in the New Millenium

SPO was also selected by the Commonwealth Foundation to partner in its Civil Society in the New Millenium project, which aimed to identify ways in which initiatives taken by citizens to address everyday issues could be strengthened. SPO's programmes in Quetta and Turbat conducted 8 focus group meetings and 65 interviews in rural and urban Balochistan to collect information about the stakeholders' situation and perspective for the Pakistan focal point for the project.

Building SPO

As an institution, 1998–99 was a challenging year for SPO. In addition to routine governance and management, the organization welcomed its second Chief Executive, underwent major team structure changes, shifted its Punjab office from Lahore to Multan, and modified its mission for more effective interventions. It also hosted very significant external monitoring missions.

In meeting these challenges at a time when resources were constrained and the programming year extremely busy, SPO was helped considerably by its own commitment to results and by its willingness to continuously learn and change.

A Decisive Audit and A Green Signal

1998–99 was the last year for which CIDA had committed funding for SPO in 1994. As part of its deliberations regarding the continued funding of SPO for 'Phase II', CIDA commissioned an audit of the organization. In doing so,

SPO became the first CIDA partner organization in South Asia to be selected by CIDA's external auditors for a comprehensive audit.

The two-member audit team held in-depth discussions with different stakeholders, including the Canadian High Commission, the Economic Affairs Division of the Government of Pakistan, peer NGOs, SPO's partner organizations, SPO's auditors, and the organization's own Board members and staff. Its audit focused on two broad issues:

The ability of SPO to deliver its stated outputs effectively and the relevance of these to the development priorities of the Government of Canada; and CIDA's own system for managing its deliverables to SPO, both from its head office in Hull, Canada and the Canadian High Commission in Islamabad.

The auditors' report was very positive and paved the way for the Canadian High Commission and Pakistan Desk in Hull, Canada to proceed with Phase II. The only concern identified was reporting, which SPO itself had recognized as weak and had been seeking to improve.

Cowater's Management Review

Recognizing that the targets set for Phase II were more challenging, SPO's Board of Directors requested Cowater International, which had facilitated the organization's establishment in 1993, to undertake a management review of SPO. The review was to cover all levels of SPO's operations from National and Regional Centres to field operations. It was expected to yield an objective and comprehensive picture of the state of SPO's management, performance and operations and recommend any modifications required to reduce costs or increase productivity to meet the heavier demands of Phase II.

Components of the management review included a time management survey of personnel and functions, an analysis of financial management and accounting systems, a study of performance and productivity, unit costing and value for money quotations for cost effectiveness analysis, and a review of the organization and its structure.

The review was undertaken from 1 July to 15 August 1998 by a three-member team. Among its 29 recommendations were the following:

Both staff and management were encouraged to refocus and spend much greater time in the field and on SPO's primary objective: capacity building. Priorities needed to be clearly defined by management to provide guidelines for all staff. These should be results-based and target oriented. All staff

should know what was expected to them, and what their performance was to be measured against.

Time in the field and work in direct contact with client/partner CBOs should be increased dramatically, across the board. Programme Coordinators (PC) should spend a minimum of three weeks in the field and a maximum of one in the office each month. Regional Directors (RDs) should be individually responsible for key parts of the contact cycle such as the orientation meetings training needs assessment, DPM 3 [the third DPM workshop] and proposal preparation for projects. They needed far greater personal contact with their CBOs. They should work more as team leaders in a participatory teamwork fashion and less as directors. Teamwork rather than hierarchy should become the way of working together with the PCs. Most RDs were relatively young and new to the art of management. It would take time for them to develop as team managers.

Recent reductions in PRM and SMC meetings were welcomed and it was decided that these should be maintained. The format of these meetings their facilitation and content should be studied and changed to maximize their effectiveness and reduce the staff time requirements.

It was suggested that all activities should be reviewed from a cost effectiveness and benefit perspective. Means of reducing costs while achieving similar benefits had to be found. This referred particularly to the LID [Local Initiatives in Development] conferences or similar ventures, which could be planned for the future.

SPO should educate and train its RDs and Finance Section staff across all regions in financial planning and management tools. RDs should also include financial management as their responsibility and needed to be given in-house training in this regard.

A freeze on increases in salaries should be instituted immediately. Also, benefits such as overtime payments, pick and drop service, telephone at personal residences and compensatory leave should be abolished. Contract based employment should be introduced. All staff should be changed over to two-year contracts with lump sum salary packages inclusive of all possible allowances and benefits.

Clusters needed to be designed so that distances between CBOs were minimized. Likewise, clusters should be selected so that they were a maximum of five hours drive away from the regional centres.

At least one new regional office was recommended, along with a cost effectiveness study for other possibilities. Regional Centres should be responsive and flexible; SPO should be ready to expand, downsize, open and close regional offices according to need. Regional Centres should not be permanent fixtures.

It was also recommended that the National Centre needed to be downsized, and refocused on key functions such as marketing and programme monitoring. National coordination (such as projects, HRD and GAD, etc.) should be distributed to the regions, but national responsibilities should be retained. The NC should also utilize the existing staff to manage one or two clusters in nearby target districts.

The Punjab Programme Shifts South

In the interests of being more accessible to potential partner organizations, SPO decided to shift its Punjab programme office from Lahore to Multan.

The issues involved in this shift were not confined to logistics. It entailed the recruitment of a new Regional Director, fresh linkage building with local civil society and Government bodies, and the resettling of programme staff in Multan or Islamabad. On the programme front, the concerns of partner organizations in northern Punjab, who felt abandoned, had to be assuaged, while trust and ties had to be built with potential partner organizations in the southern part of the province.

The commitment of the Multan team and its ability to quickly forge links with the local communities helped address the apprehensions of partner organizations in the south. With its formal opening in April 1999, the Multan office quickly began to establish itself as a major stakeholder in local development: by the end of the year, it had already identified two new clusters for DPM training.

The task in northern Punjab was more difficult, but the personal interest of SPO's Chairperson and local Board members helped SPO regain its credibility here.

New Chief Executive

The resignation of the Chief Executive, tendered to the Chairperson with a month's notice, meant that the Board had to take critical decisions to find a replacement. The board recognized the contribution of the Chief Executive in building the organization and appreciated the commitment with which he had

rendered his services. They decided that a new CE would be appointed through an open and transparent selection process, with the Deputy CE being asked to take temporary charge.

An interview committee was set up to select new Chairperson of SPO. However, Board members were informed that under the Company Ordinance, it was not possible to have an acting Chief Executive, when the position was vacant. They agreed with Chairperson's suggestion that the Deputy Chief Executive should be asked to perform as Chief Executive until a new CE was able to take charge. Mr Ali Akbar was therefore offered the post of Chief Executive that he accepted.

A Modified Mission

Keeping in mind the migratory patterns from rural to urban centres and the fact that urban poverty is as serious as rural poverty, the BoDs felt that a rural only focus was too limited for SPO. Therefore, they agreed to amend the mission statement of the organization as "To strengthen rural and urban CBOs to assist poor and disadvantaged sections of the communities to achieve their goals for sustainable development through a participatory approach."

Governance and Management

Board of Directors

During the year, the BoD met five times to discuss and deliberate on matters of governance, future direction, new proposals and policy issues:

- In the first board meeting of the year, a Management Review Report was submitted by Cowater International, with responses/comments on the review recommendations being made by the Chief Executive.
- The Chairperson tendered his resignation as he had decided to accept a position of office in a political party. The members, whilst regretfully accepting it, requested him to continue during the transition phase and agreed that the resignation would not be effective until the completion of the review and reorganization process - likely to be around the end of 1998.
- Members were informed that Ms. Rukhshanda Naz would be invited to fill the vacant place of Ms. Zar Nigar Tayyab. They approved the

selection of Sister Naseem George, Chairperson of Justice and Peace Commission, to join the General Body.

- Members agreed that, out of professional courtesy to SPO, all staff should be required to inform the Chief Executive as and when they applied for a post outside of SPO; and in the case of the CE, to inform the Chairperson.

The BoD also decided, in view of long-term organizational requirements, that a new position of Programme Head should be created at SPO; however, during the first year of operations, this position should be held by the Chief Executive. To meet urgent and short-term requirements, a number of additional positions at the National Centre were created and approved.

SPO Management Committee

During the year, two meetings of the SPO Management Committee were held. Members of the committee formed a committee comprising of Regional Director, Balochistan and Manager Finance & Administration for a VEP Programme Review in April 1999. The ToRs of the review committee included assessment of the cost per student (basic/primary) and a needs assessment for the future programme. SMC membership was also reviewed and it was decided that all department and regional heads and managers in Grade 8 would be its members. It was decided that the position of Programme Manager, GAD & MF should be divided into two positions, namely, Programme Manager, GAD (Grade 8) and Programme Specialist, MF (Grade 7).

Programme Review Meetings

During the year, two PRMs were held. Some decisions and observations made in these meetings are as follows.

In order to review the DPM manual, a DPM Core Group was formed comprising of six members (one from the National Centre and one from each Regional Centre).

The PS-TS distributed the draft version of the Interns Policy amongst the participants. It was decided that the Manager Finance/Administration and all SH-FAs would coordinate with the PS-TS for the development of a Financial Management Manual by 30 September 1999. This would serve as a standardized draft manual on Financial Management.

The standards of the SPO logo, mission statement, stationery and email were shared.

It was decided that a team of three persons - Mr. Arshad Haroon, Mr. Mustafa Baloch and Mr. Noor Mohammad - would develop a draft paper based on findings for PDCs (to be shared with workshop participants) and a draft contract for PDC members to be shared with all Regional Centres.

Advisory Council

During the year, two Advisory Council meetings were held at the National Centre. Members were informed that new modules were under preparation with the help of an international expert Mr. Ross Kidd on training. SPO's work in social mobilization had a special emphasis on female group formation. Lessons from the SAPNA module of social mobilization of the poor were being incorporated in the new module. The increasing interest of SPO's donors/partners was a good omen for SPO and the organization would share its work with any one of them whenever required.

While updating members about major developments and changes over the past seven months, the Chairperson informed them that the BoD had defined guidelines of its membership and for the Chair/Vice Chairperson. While politics was directly relevant to the development process, the BoD believed that SPO was a unique NGO in its arrangement and governance because it needed to work with the Government of Pakistan, even as ruling parties changed. Therefore, the BoD decided to avoid appointing office bearers of political parties as members of the BoD, Chairperson, or Vice Chairperson. Hence Mr Jabbar's decision to resign as Chairperson - to join a political party.

Developing the Team

Funding constraints prevented SPO from investing as generously in its human resource development as it had in previous years. However, the organization continued to conduct in-house training on issues such as gender and development (GAD), result-based management (RBM) and related reporting, reviewing, and training of trainers for the revised DPM programme.

Moreover, a number of SPO staff were sponsored by other agencies to avail capacity building opportunities, a fact that reflected well on their individual capabilities as well as SPO as an organization. Examples included:

Four staff members, one from each regional office of SPO, took part in a two-week orientation visit to Grameen Bank, Bangladesh, to see how the bank operates. This visit was sponsored by the Commonwealth Foundation.

Two team members of the Ammal Project joined a group of government officials in a four-week orientation in community-based education in Bangladesh and Sri Lanka. This undertaking was sponsored by DfID.

The Chief Executive participated in a four-day conference arranged by the Social Fund for Development, Egypt. At this information-sharing event, he made a formal presentation on monitoring the development capacity of NGOs and shared SPO's work on the Learning Information System in this regard.

The female Programme Coordinator from Quetta completed her training under the Leadership for Environment and Development (LEAD) programme. Based on her performance, she was selected as a member of a delegation that addressed the United Nations General Assembly.

Reaching Out

In a new step to reach interested stakeholders, SPO also launched its website **www.spopk.org**

Finance

SPO started an operational partnership with OXFAM this year. Furthermore, European Commission signed contribution agreement to finance two regional offices of SPO in Hyderabad and Peshawar. In terms of finances, it was a critical year for SPO, as funding from CIDA phased-out completely. During this year, balance sheet footing dropped sharply to PKR 30.67 million and company's owned assets stood at PKR. 12.21 million (at cost) with operating cost of PKR 35.50 million.

Administrative Decisions

In June 1998, the Board of Directors requested an in-depth Management Review that set into motion a series of changes. The year saw 30 changes in staff ranging from in-house promotions to out-migrations to resignations. At the start of the year, both the then Chief Executive and Director GAD resigned from their positions. Whilst the CE's position was filled in November 1998, the GAD position remained vacant throughout the year. With the appointment of new Chief Executive, the Board, in consultation with the staff, decided to abolish the post of Deputy Chief Executive.

When SPO's Lahore office moved to Multan and partially to Islamabad, there were a number of staff changes, the principal one being the resignation of the Regional Director, Punjab. Other changes included hiring of Programme Specialist (Technical Assistance) at National Centre, and two Programme Coordinators. Three staff members moved within SPO, but their moves created vacancies.

One of the positions in the new structure is that of the Programme Manager, Reporting and Documentation. This was created specially to help address the reporting issues highlighted in the monitor's report. During the year, consultancy and leave policies and performance evaluation Performa were reviewed and updated.

Achievements

During the year SPO made big leaps forward in the development of Learning Information System.

- Further progress was made in the continuation of existing special programmes and initiation of new ones,
- Comprehensive audit of SPO by CIDA, which gave very positive report,
- Management review by Cowater, successful relocation of Punjab office from Lahore to Multan,
- Smooth handover to a new Chief Executive, new focus in SPO mission on urban CBOs alongside rural ones,
- Continued active functioning of SPO Forums and capacity development of SPO staff with external sponsorship

SPO after 5 Years

Five years after it was formed, i.e. on 30 June 1999, Strengthening Participatory Organization (SPO) had come a long way. It could boast impressive achievements on the program front, on its own institutional development, and in terms of establishing a place for itself in the development sector.

A. SPO's Program Work

SPO began life with a mission to promote sustainable development through capacity building and participation of community organizations.

Over the course of next five years, SPO's commitment to capacity building was strengthened and showed impressive results. The Development Planning and Management (DPM) training program, SPO's flagship initiative to build capacities of local CBOs for sustainable development, became established and helped a large number of organizations. The DPM program was also refined and modified to meet the needs of local stakeholders. One key change was the introduction of choti funding into the program. The other was the greater focus on women.

Promoting women's participation in development, and improving the lives of women in Pakistan – especially the rural poor – became an increasing focus of SPO over the course of its first five years. This shift in emphasis was the direct result of SPO's work in the field, and the realization coming from it, that women had to be pro-actively encouraged. SPO's commitment to women was seen in the conscious effort to mobilize women's organizations and provide them DPM training. The Women's Emancipation Programme, introduced in year three, formalized that commitment.

As DPM 'graduates' began to emerge, SPO faced a new challenge: continued dependence of CBOs that had gone through DPM training, on the organization. SPO addressed this challenge through the formation of Participatory Development Coalitions (PDCs) – groups of DPM-trained CBOs that could support each other and promote self-dependence. The PDCs were to prove one of SPO's major success stories – showing that collective action could make a real difference for otherwise disempowered people.

Networking, engaging in dialogue with others, finding ways to work together – SPO established these as its characteristic traits very early in its life. The Participatory Development Coalitions were one mechanism: others were SPO's efforts to bring NGOs together with government to discuss the NGO Bill, an initiative which evolved into the Local Initiatives in Development dialogues. Held across the country with multiple stakeholders, they sought to promote interaction between CBOs, government and donors for sustainable development.

Capacity building remained SPO's core program area in its first five years, but the organization also expanded into new program areas more directly related to development. For example, support for female literacy and education in Balochistan and NWFP, school improvement programs in Sindh, and relief to flood-hit villages in Makran. In this additional non-capacity building work, SPO's major focus was again on women. Some of the outputs and outcomes of SPO's program work are listed below.

A total of 51 clusters (36 for CBOs, 10 for AZTs & 5 for Female Groups) developed & 256 CBOs completed the DPM programme.

52 AZTs formed & engaged in the provisions of non-formal female education.

55 Female groups had been formed of which 17 had completed the DPM to become Female Development organisations (FDOs).

A total of 82 CBOs' projects had been approved for funding, 54 by SPO and 28 by other donors.

A total of 12 CBOs had been provided choti funding.

27 Local Resource Persons (LRPs) brought on board.

11 Participatory Development Coalitions had formal structures and 07 had informal structures.

Outcomes and Impact

Building Confidence

Communities whose CBOs had completed the SPO cycle were beginning to show an increased level of confidence and pressing for better response from the local government structure. This was clearly demonstrated during the Local Development Initiatives conferences, where community representatives informed the local federal government representatives of their problems and exchanged ideas on how to resolve these with more effective participation. The ability of newly-literate women from remote and far flung rural areas to

travel to federal and provincial capitals and speak to audiences of hundreds of people which included the likes of donor and government heads; provincial governors and the President of Pakistan himself was yet another indication of the impact SPO's programme was having on the lives of rural communities.

Promoting Advocacy

Broad based participatory CBOs were better able to identify and prioritise community needs and access and utilise resources to meet those needs. CBOs were increasingly taking an advocacy role to work within communities to press all levels of government for the services that they were entitled to.

Expanding DPM

A number of CBOs, either on their own or through the cluster, had begun to replicate DPM trainings for other CBOs in their areas.

Raising Development Funds

CBOs had planned, implemented and operated development activities through projects. Over 31 CBOs had designed projects and secured funds from SPO or other donors (TVO, bilateral donors and the Canada Fund, etc.), for developmental projects that began to address the needs of their communities. The increased ability of POs to secure project funding from sources other than SPO was a major outcome of the SPO capacity building initiatives. External agencies like Canada Fund, TVO and Oxfam etc continued to give favourable attention to POs who had completed SPO's DPM training.

Increasing Women's Participation

There were increased numbers of female CBOs/ FDOs established and functioning. Parallel female organizations were being facilitated through the Women's Emancipation Programme (funded by Asia Foundation), which were then being transferred into FDOs through SPO funding.

Working Together

Partner Organizations of SPO were able to show local government institutions that they were genuine development entities by actively advocating for more transparent regulatory processes and practices by the government. POs and their communities had developed mutually beneficial relationships which respected the role of the former as an effective representatives and catalyst for the latter. An increased number of partner CBOs were frequently invited to participate at the different forums arranged by other support organizations, donors and GoP departments.

Improving Lives through Micro-Finance

82 POs had designed projects and secured funds from SPO and other funding agencies for addressing the needs of their communities. Micro finance related projects were increasingly benefiting target communities through visible increases in income at the household level.

B. SPO's Institutional Development

SPO's impressive achievements on the program front – in capacity building of CBOs, in promoting women's participation, in supporting development – were a direct consequence of its own institutional strength. SPO appreciated from day one that its own capacity to function effectively would determine whether or not it achieved its mission of sustainable development through participation and CBO capacity building. Hence, from day one, the organization stressed upon its internal structure and processes. Over the course of the first five years this, too, evolved, to meet SPO's changing and growing needs.

Decentralization was a key development. Starting with a National Centre and four Regional Offices, SPO actively worked to decentralize its structures, and give decision-making and autonomy to regional offices. The authority of Regional Offices to approve and manage small project funding was one example of this.

Capacity building of SPO staff was also prioritised from the outset. Activities were undertaken to provide training to all staff, with some being given specialised training. Opportunities offered by donors and other programs for capacity building of staff were also fully availed.

SPO's various forums, in particular the Board of Directors and the Senior Management Committee, played an important role in the organization's development throughout the five years. In sharp contrast to many Boards that meet rarely and have no real role in their respective organization's running, the SPO Board always played a key role. The Board helped define and direct SPO's program work as well as its institutional development. The election of a new Board and the smooth handover to it, was a test for SPO's processes that it passed with flying colours.

While the Board provided overall strategic guidance, the Senior Management Committee, was responsible for day-to-day running. It executed that function admirably. Program Review Meetings, involving all SPO staff, were an

important mechanism promoting participation within SPO. The Advisory Council also provided useful guidance and insights for SPO to improve its functioning.

Proof of SPO's success in terms of institutional development, came in its attracting a wide range of international and domestic support. Starting with CIDA support, SPO was able to increase the number of its interested and committed donors: notable additions in the first five years were the Asia Foundation and the EU.

The direct correlation between SPO processes and the effectiveness of its program work was seen in initiatives like the Learning Information System (LIS), which allowed SPO to collect and collate data about its work. LIS demonstrated its full potential to not only monitor and evaluate the SPO programme, but also to identify weaknesses in the programme itself and devise and implement the solutions:

- Reports generated by LIS covered more than 500 CBOs, which were shared with all regional offices. To reflect SPO's expanding activities, information on FDOs (WEP) and AZTs (VEP) was incorporated in the database, bringing the total number of entries in June 1999 to 557 partner organizations.
- The LIS team trained SPO's programme coordinators and local resource persons in three regions in the assessment of partner organizations against SPO's capacity building indicators (CBIs).
- SPO's capacity building contact cycle was reviewed collectively on annual basis at Programme Review Meetings and finalized in during the Material Development Workshop held in November 1999. In the latter a relationship between capacity building activities and capacity building indicators was established, thereby making the indicators more effective.
- A contact cycle for WEP was also developed, in response to needs identified by female Program Coordinators. They had noted that the pre-DPM process for female organizations took a long time and involved a series of activities not covered in the main contact cycle.

The LIS could be used to identify suitable future areas of work, as well as identify areas needing improvement or revisiting.

SPO started life with a defined mission. That mission adapted over the course of five years, to include the urban as well as rural poor. SPO's ability to focus on 'the big picture' – where its individual activities fitted in an overarching

framework – was seen in its Strategic Plan. The organization's commitment to implementing its values and ideals in its internal functioning was seen in its articulation of defined corporate values like participation and equality, and its implementation of those, e.g. changing its work-place rules to be more women- and mother-friendly.

Major achievements by SPO in the institutional strengthening during its first five years are listed below:

- Identification of corporate values, including participation, equality and accountability
- Development of a Strategic Plan, which continued to prioritize support for CBOs, but with greater stress on women
- On the operational side, further decentralization
- Active participation by SPO forums such as the Board of Directors, and the Programme Review Meeting
- Improved performance monitoring through the Program Contact Cycle, with 39 activities grouped under 10 major milestones
- Learning Information System, and its use for SPO data collation and processing
- Comprehensive audit of SPO by CIDA which gave very positive report;
- Management review by Cowater
- Successful relocation of Punjab office from Lahore to Multan;
- Extensive capacity building of SPO staff
- Smooth election of a new Board of Directors
- Smooth handover to a new Chief Executive
- New focus in SPO mission on urban CBOs alongside rural ones.

SPO leading from the front

By the end of five years, SPO clearly became principal Pakistani NGO that was promoting capacity building of CBOs and playing **its part in** NGO forums such as the Pakistan NGO Forum and its coalescing bodies at the provincial level.

SPO was also regularly invited to participate in development related regional fora including capacity building networks, poverty eradication networks. SPO was accredited with the Asian Development Bank and was invited to dialogue

with the Bank's governing body. The European Union released the first part for its five-year support to SPO's Sindh and NWFP operations; the Netherlands had almost finalized their contribution agreement for the Quetta-based programme, Action Aid was in the process of developing a long-term partnership with the VEP office. CIDA was in the last stages of negotiations for SPO phase II support.

SPO successfully acquired two major development programmes through open tender (first "On Farm Water Management Project in Sindh & second "Flood Protection Project in Balochistan and Sindh"). Two proposals from SPO had also been short listed by PDP component of SAP-II, one for Balochistan and other for Sindh.

During 1999, a rather turbulent year for the NGO community, SPO was not directly targeted by the various government agencies as some of its peer organizations were. This was an indication that the government to a large extent appreciated the capacity building activities of SPO.

In sum, SPO had indeed come a long way in the space of just five short years. Its remarkable progress was to continue over the next five years.

1999-2000

A New Lease on Programming

The period from 1 July 1999 to 30 June 2000 saw SPO infused with fresh energy as promised funds from donors finally came through and the organization was able to forge ahead into new areas where it was needed, especially in facilitating community participation in the dialogue on the Government's effort to devolve political power to the grassroots. Another significant development was the refinement of SPO's Gender and Development (GAD) Strategy: in addition to maintaining the Women's Emancipation Programme, SPO integrated GAD as a cross-cutting theme in all its programmes as well as its own governance and management.

Support from Donors

During the year, three major donors—RNE, CIDA and EU— started funding the second phase of SPO's core programme:

- 1) *Royal Netherlands Embassy* - In July 1999, RNE signed an agreement to fund SPO for the "Promotion of Rural Development in Balochistan through "Capacity Building of Rural CBOs". The project was to be implemented over the next three years but was later extended up to June 2003.
- 2) *CIDA* - Mr. Ferry de Kerckhove, the Canadian High Commissioner, and Mr. Ali Akbar, the Chief Executive of SPO signed CIDA's "Contribution Agreement for Phase II" at a small ceremony at the SPO National Centre on 19 July 1999. Under the agreement, CIDA undertook to provide financial and technical support to SPO worth CDN \$ 3 million over a period of four years from 1999 to 2003. This assistance was to be used for programmes and operations of SPO's National Centre and Punjab Centre.
- 3) *European Union* - The EU's Contract for the Award of Grant for SPO's NWFP and Sindh programmes signed in 1998. Under this agreement, SPO was to receive 80 percent of the first-year allocation within 60 days of a formal request. However, this had been delayed for about 17 months, during which SPO had met the NWFP and Sindh programmes' needs by borrowing from the Social Sector Fund and from internal

savings. In 1999–2000, all the EU funding instalments were released and funding bottlenecks were removed.

CIDA/Cowater End-of-Project Monitoring Report

CIDA's monitors conducted a review of SPO when the first phase of CIDA's funding (the period until 30 June 1999) ended. The review report, submitted in October 1999, highlighted key issues.

Demands upon the National Centre management's time were intense and likely to increase, especially with regard to donors, since each major donor would require its own set of planning and reporting documents, logical framework analyses, and external monitors.

SPO's inability to meet its reporting requirements—in terms of timeliness, compliance with CIDA's results based management (RBA) requirement, and comparison of planned and actual activities and expenditure—remained a major shortcoming. Reporting was unlikely to improve until the new Director of Reporting and Documentation was in place.

The design of the Village Education Programme in Balochistan was reviewed by Cowater in 1997 during which the programme's approach of promoting Urdu language literacy in a Balochi speaking area was challenged, and a more substantial assessment recommended. RNE had been approached for financial support and had also suggested the need for a review of results and needs. SPO's current review would need to be supplemented by specialist input for a re-conceptualisation.

SPO's LIS had continued to develop during the year. As of March 1999, it contained data on 438 Partner Organizations (POs). The instrument to measure the capacity of these POs had been simplified and now focused on just a dozen key characteristics—a substantial improvement on the previous unwieldy 100-item questionnaire. The LIS also recorded the contact cycle activities completed by 372 CBOs with SPO and the dates of these activities.

Gender and Development Strategy Refined

SPO's concern with mainstreaming women in development had grown steadily over the previous years, culminating in the formal launching of the Women's Emancipation Programme as a core intervention area. Through WEP, SPO had been encouraging women to assert more control over their own lives by setting their own priorities, gaining skills, solving problems, gaining self confidence and becoming self-reliant. At the centre of this

initiative were the Female Development Organizations (FDOs) being mobilized with SPO's support, which provided women an opportunity to organize their activities around their most pressing needs.

During 1999–2000, SPO focused on its broader gender and development policy and strategy, the guiding principles of which were recognized as equality, community participation, promotion of human rights, and women's empowerment. After intensive deliberations among the staff, senior management, General Body and Board of Directors, SPO's Gender and Development (GAD) strategy was evolved, which emphasized the systematic integration of gender objectives in the organization's policies, programmes and projects and staffing issues at all levels. SPO's GAD initiatives would no longer be confined to WEP, but would be integrated as a crosscutting element in the organization's programmes as well as its internal governance and management.

The programme implications of SPO's GAD policy were that the organization would:

- Continue to provide equal partnership opportunities to male and female CBOs, and ensure that both benefited from the overall SPO programme;
- Continue mobilizing female organizations as “vehicles for change”
- Apply gender considerations to all training material and courses
- Ensure equal participation of men and women in projects funded by SPO through the Social Sector Fund and *choti* funding
- Encourage women's participation at the PDC level, as decision-makers in their governance structures; and
- Promote lobbying and advocacy in coordination with other stakeholders for gender and development

The GAD policy's implications for SPO's own management and governance were that the organization should:

- Ensure that gender balance was maintained and managed at all levels of the organization
- Use gender sensitization, awareness, understanding and practice as one of the staff performance, recruitment and promotion criteria; and
- Ensure that the gender policy was implemented and gender issues were institutionalized throughout SPO, and ensure support to the “Gender Core Group”

The Gender Core Group (GCG) was established at SPO to implement the GAD policy in coordination with the senior management. This gender-balanced core group consisted of staff members from different regions,

working at different positions, and having the desired expertise to perform the duties of the group. It was to meet on a quarterly basis to coordinate, facilitate, share information, network, and support all initiatives that could lead towards the integration of gender concerns in SPO's programming, governance and management. It was also responsible for developing capacity building material for gender-specific initiatives and programmes in SPO.

During 1999–2000, the GCG also underwent a training of trainers and was involved in a gender review of WEP.

Support to Dialogue on Devolution of Power

In 1996–97, SPO made a strategic decision to include facilitation of stakeholder dialogue and collaboration as an element in its core programme. This had resulted in a series of conferences on the theme of “Local Initiatives in Development”, as well as a CBO-World Bank dialogue. In 1999–2000, SPO had the opportunity to respond to another urgent dialogue need.

In 1999, the Government stated its intention to introduce dramatic and substantial changes in the governance structures at all levels. The Chief Executive of Pakistan included devolution of power to the grass-roots level as one of the points of his seven-point programme in his Principal Policy Address to the Nation on 17 October 1999.

This move opened a debate within the NGO community on a number of issues, not least of which was the fundamental issue of the long-term ownership, sustainability, and legitimacy of any local governance intended to be introduced.

The announcement that the Government was planning to establish District Advisory Boards activated communities. SPO received numerous queries from CBOs and NGOs about how they could become members of such Boards. At the same time, an increasing number of people began to voice their concerns about the speed and manner in which these Boards were to be established. This strengthened SPO's belief that a significant portion of the public wanted more dialogue and debate on the issue of devolution of power.

To facilitate effective community participation in the political changes that were under way, SPO planned out a series of Stakeholders' Workshops, one in each province, wherein the three main players — public and private sectors and civil society — could come together to share, discuss and deliberate on issues pertaining to governance and power structures at the grassroots level. In

this initiative, SPO was facilitated by the relatively easy access it enjoyed to different tiers of civil society, thanks to its wide geographical coverage, programmatic association with rural CBOs, and networking with NGOs and support agencies. The Stakeholders' Workshops were not designed to replace or circumvent similar initiatives planned by the Government or other agencies; in fact, they ensured that SPO's partner organizations and communities were provided a platform through which they could help enrich and broaden the debate.

In all, five workshops were held at Mian Channu, Quetta, Peshawar, Hyderabad, and the SPO National Centre in Islamabad. Each event was attended by a large number of participants, including representatives from the Government, the NGOs/CBOs and the communities. There were extensive debate sessions on a variety of issues. Working groups were formed at all levels to develop sets of recommendations based on consensus amongst all stakeholders.

Special Programmes

In addition to its core programmes, SPO undertook two special initiatives, one in collaboration with IUCN-Pakistan and the other with the World Bank.

DPM Training of IUCN Partner Organizations

IUCN-Pakistan engaged SPO to provide DPM training to 30 participants representing 15 local NGOs in the Northern Areas in Pakistan. This cluster was fully supported by IUCN-Pakistan. During 1999–2000, SPO conducted the orientation and DPM-1 workshops with the cluster.

NGO Sector Profile

SPO partnered with the World Bank to compile the "SPO-WB NGO Sector Profile", consisting of two volumes, and including completed questionnaires, tabulated results and analyses for each organization. This report was completed, analyzed and submitted to the World Bank in 1999–2000.

Governance and Management

General Body

At the Annual General Meeting on 27 February 2000, in addition to discussions of routine business, senior staff briefed the General Body members on the Learning Information System, DPM training, and the Women's Emancipation Programme.

In 1999, for the first time, SPO's Regional Centres invited General Body members to visit them. The Members attended opening and concluding sessions of some of their capacity building events and, at two Regional Centres, more detailed programme orientations. Members appreciated these opportunities to interact with the staff and communities, which helped to deepen their understanding of SPO's work as well as their affinity with the organization and its stakeholders. They also expressed a desire to increase such interaction and it was agreed that the Members would sometimes accompany field staff during project monitoring visits.

SPO also involved its General Body directly in its efforts to assess and articulate the demands of civil society vis-à-vis the Government's power devolution plan. The Annual General Meeting of the Body, which was traditionally held in December, was postponed till 27 February 2000, to coincide with the national seminar on power devolution and enable the General Body to share their insights. Members were also able to see how their suggestions made at the regional seminars are synthesized for presentation to the National Reconstruction Bureau (NRB).

Board of Directors

During 1999–2000, the Board of Directors became even more proactive, initiating more detailed debate and providing increased support and guidance to the SPO management. However, the Board was extremely careful not to micro-manage and to ensure that its Members' contribution, in terms of time as well as expertise, remained entirely voluntary.

Much of the Board's support during the year focused on further strengthening the professional capacity within SPO. The Board was involved in issues such as recruitment of senior staff; advice and feedback on the GAD policy, financial management, and strategic directions; inauguration of training and networking events; and continued technical support and guidance on documentation.

Resignation of the Chairperson

Mr. Javed Jabbar, who had been the Chairperson of the SPO Board of Directors since 1995, tendered his resignation at the twenty-eighth Board meeting in February 2000. The reason was his appointment as Advisor to the Chief Executive of Pakistan on National Affairs — a Cabinet level position — which did not allow him to devote as much time to SPO as he would have

liked, and because holder of public office should preferably not simultaneously head SPO.

The Board appreciated the reasons for his decision and accepted the resignation. However, they insisted that he continue to contribute to SPO as a Board member. Mr. Jabbar's resignation reaffirmed the Board's strong code of principles and set a positive and healthy precedent. At a dinner given in his honour by SPO's General Body, Board Members, and staff, Javed Jabbar's deep professional commitment was warmly lauded and it was pointed out that he had not missed a single Board or AGM meeting during his two terms as Chairperson.

Ms. Ferida Sher, Vice Chairperson, was requested to take over as Chairperson for the remainder of the term, i.e., up to December 2000.

SPO Management Committee

The SPO Management Committee made the following major decisions during the year:

Approval of PDC Policy Document

The Interns Policy document was approved and the PC-HR was asked to circulate the policy to all Regional Centres. If they needed to appoint an intern, the centres were required to send a rationale and workplan to the PC-HR. Only one intern could be appointed at any given time; volunteers, unless part of the system, could not be engaged.

The PC (Designate) was to become a full-fledged PC when s/he successfully completed the DPM cycle. Employees' performance and effectiveness was to be measured through the post-DPM CBI assessments of partner organizations.

It was pointed out that there were some cases where SPO had selected partner organizations that were not purely rural. Although SPO's mission statement now included urban areas, there was still no change in its policy of working only in rural areas (which could, however, include rural towns and semi-urban communities).

Programme Review Meeting

During the year only one PRM was held. A WEP review committee was formed to present comprehensive recommendations. The Manager GAD was

to make the TORs for the committee and share them with all regional offices. An external consultant was to be appointed to conduct the review.

Advisory Council

The seventh Advisory Council meeting was held at the National Centre on 20 September 1999. During the meeting:

- The problem of multiple donors' reporting on different formats was pointed out. Members agreed to meet separately to explore possible solutions.
- Members were informed about changes in Central Board of Revenue (CBR) rules pertaining to duty free facilities that had implications for donor agencies and recipient organizations.
- Members were informed that a luxury tax imposed recently on vehicles above a certain capacity – something SPO had not catered for in its financial arrangements – and the fact that so far only the EC's RSDP project allowed for duty free purchases, meant SPO would have great difficulty in meeting its vehicle requirements. The CBR was under pressure to maximize revenue collection but the EAD would extend whatever support is required.

Developing the Team

In 1999–2000, SPO helped its staff avail the following opportunities for professional growth:

Programme and management staff attended a GAD Strategic Workshop, conducted by SPO.

The Programme Specialist-TS and Programme Manager-GAD conducted a 10-day ToT workshop for newly recruited programme staff.

SPO staff attended four two-week regional workshops on Reproductive Health conducted by RSDP/EU in all four provinces.

SPO management and programme staff attended a three-day ToT on Environment conducted by IUCN and SPO.

The Team Leader-Multan and Programme Coordinator-Balochistan attended the World Assembly of CIVICUS at Manila.

Finance

SPO entered into the field of Micro-Finance during the year through a programme with support from the Royal Netherlands Embassy by generating a Micro-Finance pool. A partnership agreement was also signed with IUCN. Balance sheet footing started improving this year because three major donors i.e. CIDA, European Commission and Royal Netherlands Embassy became on line. Total Balance sheet footing for this year was PKR 53.03 million.

Company's owned assets became PKR. 18.63 million (at cost) with operating expenses of PKR. 55.3 million.

To keep vehicle fleet updated as per programme requirement, SPO started a new fund with the name of Vehicle Replenishment Fund (VRF), this year. Funds amounting to PKR. 2.5 million were generated in this regard. SPO further generated PKR 1.9 million as it began charging of corporate costs to different donors as per utilization of time of National staff for projects.

Administrative Decisions

New hiring at four positions took place at the National Centre and two positions at Balochistan office. A desk audit was conducted wherein the Associate Programme Coordinator's post responsible for the Women's Emancipation Programme was proposed to be alleviated to the level of full-fledged Programme Coordinator post. During the reporting period, in-house staff development initiatives included 4 workshops, 1 field visit, in-country initiatives included 13 training workshops and 1 experience sharing visit for staff while initiatives abroad include 2 trainings workshops. A Gender policy and strategy paper was developed and shared by the Programme Manager, GAD.

Achievements

Donor funding was finally released, easing SPO's financial situation

CIDA presented an end-of-phase monitoring report, pointing out areas for improvement

The Gender and Development Strategy was defined and arrangements made for its implementation: GAD would integrate gender concerns into all SPO programmes and processes

SPO conducted a series of dialogues between private and public sectors, and civil society, on the Government's plans to introduce devolution

SPO Forums, in particular the General Body, made notable contributions throughout the year. The first Board Chairperson resigned to take up political office – a move that upheld SPO principles

2000-2001

Introspection and Growth

The period from 1 July 2000 to 30 June 2001 signalled a new phase of introspection and growth at SPO, as the organization recovered from the funding bottlenecks that had inhibited it in previous years and looked ahead with the help of the agencies supporting its different programmes. A number of donor-commissioned reviews and an intensive visioning workshop helped SPO take a very critical look at its programmes and organizational set-up and identify areas for improvement.

At the same time, the organization continued to improve and achieve significant results from its programmes. Through its community mobilizing initiative in support of the local government elections, SPO ensured that its partner organizations, particularly women, made full use of the opportunity to govern themselves. The DPM programme was refined further, and a unique micro credit intervention initiated in Balochistan. In addition, SPO initiated a special drought relief project to address critical drinking water problems in villages in the Bolan district of Balochistan.

SPO Partners Elected to Local Body Institutions

In the previous year, SPO had supported the government's devolution of power initiative by motivating and mobilizing local communities. This carefully organized effort yielded remarkable results: not a single women's seat was left vacant in SPO's target districts, and several members of SPO's partner organizations were elected to local councils, as shown in the following table.

SPO Partners in Local Councils

Contending SPO Partners	Number	%
Total	781	
Elected	536	68%
Total Men	520	
Total Men Elected	389	75%
Total Women	261	
Total Women Elected	147	56%

Participatory Micro Credit Intervention in Balochistan

SPO's capacity building programme in Balochistan, supported by the Royal Netherlands Embassy (RNE), included a unique micro credit programme. Unlike conventional schemes of this nature, the SPO programme employed partner CBOs as intermediaries to provide small-scale credit. This arrangement had several advantages. Rooted within the target communities, the partner organizations offered a better understanding of local needs and priorities than other potential intermediaries. Moreover, SPO hoped that the CBOs' operation as credit providers would promote grassroots participation in and ownership of development activities, fuelling socio-political empowerment of the poor. Finally, this approach was consistent with SPO's own vision of social development, and compatible with the organization's desire to conduct democratic and participative programmes.

In 2000–01, SPO was able to provide five new partner organizations a credit-poll facility, and these CBOs were in turn able to support 202 beneficiaries. In order to enhance the capacity of the partner organizations, three training workshops were organized in which 9 CBO representatives received extensive training in the financial management of credit loans.

Greening DPM

During 2000–1, SPO expanded the DPM programme to include a focused component on environmental awareness. The new training modules were developed in collaboration with the Peshawar office of IUCN-The World Conservation Union, of which SPO is a member. The modules aimed at increasing the awareness of communities about environmental issues and their significance, and in facilitating SPO's partner organizations in finding sustainable solutions to the specific environmental issues confronting their communities.

Based on the modules, training materials were prepared and a ToT conducted for the concerned programme staff.

Special Programmes

Drought Relief Project in Balochistan

In 2000-01, SPO undertook a relief project in Balochistan to help alleviate the hardships faced by the province's communities due to drought, which had been worsening steadily in the region.

Balochistan is Pakistan's largest and most arid province. Farming and livestock rearing are its main economic activities, making it highly dependent on the limited rainfall. SPO's relief project was initiated at a time when drought had crippled some areas of the province for three years, and the mountainous region, spread over 200 square miles, had not received any rain for five years. In the district of Khuzdar, over 120 people had died of starvation within a three-month period. Livestock had suffered as well. The worst affected region was Aranji, a sub-division of Khuzdar, where severe and prolonged drought, coupled with government apathy, had led to widespread death and disease.

Incredibly, not a single dispensary was available for the 60,000 people settled in isolated communities; they had to make up to 100-hour journeys to fetch food items or access the nearest medical facility. Poverty forced them to eat their dead cattle and sell their livestock. Drinking water was scarce.

In order to address drinking water needs in district Bolan (now called Kachhi), SPO Balochistan carried out a study to assess prevalent water conditions in the district and to formulate a project proposal for improving the situation. The survey concluded that the development of low-cost water supply facilities would be an effective and feasible intermediate solution for improving drinking water conditions in the villages of Bolan.

Based on that conclusion, SPO formulated a one-year programme to provide about 60 hand pumps and repair 40 water ponds for drinking water. Making it easier for village women to participate meaningfully in water management was an in-built feature of the programme.

Implementation was supported by CIDA. In addition to alleviating everyday hardships in the target villages, the programme led to the formation of 100 women's groups, which were provided technical and user education.

Grassroots Assistance Programme

The Embassy of Japan selected SPO as an implementing agency for the development and implementation of a regional "Grassroots Assistance Programme" (GRA) in southern Punjab from July to December 2000. SPO's role was primarily to help monitor and evaluate the implementation of the projects supported through the GRA programme, and to submit interim and final monitoring reports for each project.

In all, SPO conducted result-based monitoring of three GRA projects. Its recommendations helped increase overall efficiency and effectiveness of these

projects. SPO also conducted seven seminars to introduce the GRA facility to a wide range of CBOs and NGOs. An average of 20 organizations participated in each seminar. In addition, SPO provided technical support to six organizations in proposal development according to the GRA guidelines.

Mid-term review by RNE

In May 2001, RNE undertook a mid-term review of SPO's Balochistan programme. The review mission (which included an international expert) found that the Balochistan programme was on track in terms of quantitative targets, and that SPO's intervention logic and implementation strategy, while requiring refinement, were effective, since CBOs and PDCs were functioning and their members were motivated. The mission also noted the positive results of SPO's added strategy of multiplication, wherein PDCs selected new CBOs and imparted DPM training to them. This was also SPO's withdrawal strategy for areas where PDCs were functioning well.

- The mission found that new organizational capacities in SPO's target villages had become evident through the recent local government elections. In addition, it appreciated that decentralization and autonomy of the SPO regional management had been fully realized.

The mission also identified areas for improving and further enhancing programme performance. It recommended:

A sharper focus on specific target groups

More objective criteria for village and CBO selection

Further evolution of the intervention strategy from the present 'project model' to a model based on the principle of sustainability

Increased learning from LIS, which should also be based on the needs of field staff and local partner organizations

Serious and urgent attention to the operationalisation of key concepts

Regular presence in the field of management and technical specialists of National Centre to support regional staff and to ensure continuous attention to quality aspects; and

A change in organizational culture to address the hierarchy and lack of openness that were inhibiting organizational learning and staff capacitating

Building SPO

Strengthening Result-Based Management

Over the years, SPO had steadily increased its reliance on the results-based management (RBM) approach in the implementation of its development work. The approach had been introduced in the organization by CIDA, and had been continually updated and refined in accordance with the Agency's latest guidelines.

Result-Based Management (RBM)

Briefly, RBM is a management process that involves:

- Defining realistic expected results, based on resource analysis and beneficiary needs;
- Monitoring progress toward results and critical assumptions, using clear indicators;
- Increasing knowledge from lessons learned and integrating that knowledge back into decisions; and
- Reporting on results achieved and resources consumed.

In order to further strengthen RBM at SPO, Universalia designed and conducted a four-day training event for the SPO Management Committee and professional staff during June and July 2001. The training helped SPO evolve indicators that were more realistic, measurable and achievable.

RBM has helped SPO shift its focus away from activities achieved, to defining realistic results for beneficiaries and monitoring performance in achieving those results.

Rapid Organizational Appraisal by Universalia Management Group

In October 2000, CIDA engaged Universalia Management Group to monitor the SPO programme at the National and Punjab Centres, and to provide SPO capacity building support in areas mutually agreed between CIDA and SPO. Universalia conducted an Inception Mission in November 2000, which also involved an initial review of SPO's organizational development needs. Major findings of the mission were:

- Even though CIDA's financial support for SPO had diminished in recent years (to 31 percent in 2000), there was still a strong perception in the Pakistani development community that SPO was chiefly CIDA's project.

- SPO had established some unique programmes and approaches, including the DPM programme, LIS, capacity building indicators, and the CBO maturity scale. However, SPO had not promoted these unique features sufficiently before potential donors.
- Over the last eight years, SPO had focused its attention on programme delivery and survival. Relatively less attention had been paid to its strategic orientation and direction.
- The roles and responsibilities of SPO's key decision-making and advisory groups did not appear to be clearly defined and/or communicated. For instance, it appeared that SPO had not formalized the responsibilities of the Board of Directors in a written document that was known, available and disseminated to interested stakeholder groups. The only reference to powers and duties occurred in Articles 30 to 37 of SPO's Memorandum and Articles of Association.
- SPO was forming Participatory Development Coalitions as a way of sustaining its programs in the rural areas. This was an interesting strategy, which required some additional reflection and refinement by SPO.
- SPO's limited attention to and investment in reporting, monitoring and evaluation could be reducing the credibility of its programmes for donors, as well as limiting opportunities for improving the quality of these programmes.
- Programme staff was one of SPO's greatest strengths. However, expectations of SPO's field staff might not be realistic given their education, experience and workloads. In the long run, the discrepancy between SPO's expectations of its programme staff and its staff profile (numbers, education and experience) could contribute to staff burn-out, with negative implications for the quality of SPO programmes. This matter should be explored in greater depth in future missions with SPO.
- SPO had a system in place for identifying and managing staff training. However, the system appeared to be focused more on individual than on organizational needs.
- SPO's Board of Directors appeared to play a limited role in the organization's financial management. The Board did not receive regular updates on SPO's financial status through the year and was therefore not in a strong position to monitor or control this aspect.

- SPO had not yet developed a strategy to guide its revenue generation. The lack of such a strategy could result in a somewhat fragmented approach, due to which SPO might be wasting valuable time in chasing the wrong opportunities.
- SPO had experienced difficulties in preparing winning proposals. As noted previously, SPO systems to track and document the results of its programmes were underdeveloped; as a consequence, it was not in a strong position to provide convincing arguments to potential donors about the success of its programmes.
- Despite the similarity in different donor-funded programmes, SPO had tended to work with its donors on an individual basis. This appeared to be limiting SPO's organizational effectiveness and efficiency.

General Body Expansion

In 2000-01, the membership of SPO's General Body was formally increased from 34 to 38 members. The additional members who enriched the General Body with their experience were Ms. Farida Noshervani from Balochistan, Ms. Parveen Ghauri from Punjab, Mr. Naseer Memon from Sindh, and Mr. Waris Khan from NWFP.

Elections in the Board of Directors

As the tenure of the second elected Board of Directors came to an end, elections were scheduled under Special Business at the AGM on 17 December 2000. With only 11 nominations for 13 positions, all nominated members were elected unopposed.

The two remaining vacancies were filled by cooption at the first meeting of the newly elected Board, which was convened immediately after the AGM. During this meeting, the Board also unanimously elected Professor Dr. Karamat Ali as Chairperson and Syed Abid Rizvi as Vice Chairperson. The new Board thus consisted of:

Prof. Dr Karamat Ali (Chairperson)	Syed Abid Rizvi (Vice Chairperson)
Ms. Ferida Sher	Mr. Javed Jabbar
Mr. Mohammad Riaz Gondal	Ms. Zeenat Yaqoob Yousafzai
Ms. Sadiqa Salahuddin	Ms. Tahira Abdullah
Dr. Tufail Mohammad Khan	Mr. Waris Khan
Mr. Noor Ahmed Nizamani	Mr. Mohammad Amin

A Fresh Vision

On 27-28 January 2001, SPO arranged a Vision Exercise Workshop at the Holiday Inn in Multan, in which the Board of Directors, Senior Managers and professional staff participated. The event was facilitated by Mr. Muhammad Rafiq, a General Body Member and Country Representative of IUCN. In the course of the workshop, the SPO team achieved significant visioning milestones. A shared vision for and of SPO and a consistent mission statement were formulated. SPO'S External Vision was expressed as:

“A democratic, socially just and tolerant society guided by participatory principles, which realizes the full potential of its people and their aspirations for sustainable and selfreliant development.”

The organization's Internal Vision was defined as:

“A dynamic professional capacity building organization making a tangible difference in building a more socially just society, committed to equity, sensitive to its partners, always learning from experience, determining its own direction, consolidating and expanding its work, that is substantially sustained by national resources, offers challenges and fair rewards to staff, and is a valuable reservoir of development expertise.”

As they arrived at the shared vision and mission for SPO, the participants also developed a shared understanding of current development needs and trends and how these are likely to impact SPO's work, and identified an agreed direction for the organization. A consensus was reached on the best possible programmatic options available to the organization, and on the priority areas on which SPO should focus.

In addition, the workshop helped participants gain a deeper understanding and appreciation of the importance of each component of SPO's governance structure, enabling them to revise and agree on the terms of reference for the various governance, management and advisory forums at SPO.

Governance and Management

Board of Directors

The BoD played a vital role in the review and finalization process of the Inception Report by Universalia, the official CIDA monitors for SPO's National Centre and Punjab programmes.

SPO Management Committee

During the year, the SMC:

- Completed the recruitment process as per the approved organogram. The SMC received support from BoD members in the selection of people for the senior positions of the Deputy Chief Executive (DCE) and Regional Director Sindh. [The incumbent Regional Director Sindh was actually selected DCE.]
- Agreed that, on the basis of the guidelines of the visioning exercise, a process of reviewing SPO's business plan should be expedited. The review was to be done in phases leading to a consolidated document, from which an assessment could be conducted of different trends and projected needs of society in the next five years. After taking into account available resources, SPO could market its programme as a whole or in components.
- Decided that an assessment of the existing PDCs might be conducted at the end of the current cycle to highlight core issues and possible solutions. A sample of one PDC per region would be reviewed over a two-week period (September-October) by an internal committee, with the Review Framework/TORs prepared by the Deputy Chief Executive.

Program Review Meeting

During the year, one PRM held. On the occasion:

- The Chief Executive explained the process that led to SPO's new vision and mission statement. He also introduced SPO's new business plan, which had been formulated in accordance with the new set of objectives. He explained that ideally, SPO would work with its partners to strengthen and achieve the goals mentioned in its external vision. The CE emphasized the need for a consensus and common understanding about these new statements.
- The Rapid Organizational Appraisal and Inception Report of Universaliala were shared and the main issues discussed.
- It was suggested that the SPO newsletter should focus on community organizations and the contents should be made more interesting and practical for CBOs. Clear responsibilities should be given to people in regions, and introductions to different donors and NGOs should be made a regular part of the newsletter.
- It was also decided that SPO would publish its DPM manual to market it in development circles, with the first draft to be shared with the SMC in the next three months.

Advisory Council

The eighth Advisory Council meeting was held at the National Centre on 26 February 2001. After reviewing SPO's annual performance, members discussed in detail the ways of making the Advisory Council a more effective forum. The major points made were:

- Donors, at the institutional capacity level, could also help to further strengthen SPO's research and documentation and provide increased opportunities for staff development through training and exposure-cum-learning visits. Members were of the view that there was a need for SPO to clearly articulate its capacity building requirements, particularly networking at a strategic level, in its Strategic Plan so that these could be addressed through annual work plans.
- Members suggested that SPO should increase the flow and quality of information. They also felt that SPO's role in the local government election process should also be shared with other donors. SPO could post this type of information on its website, which would help generate more interest in and use of SPO's website. Since Urdu text could be posted on the web, members suggested that SPO might wish to look at the possibility of posting its quarterly newsletter, Shirkati Taraqee, as well.

Developing the Team

A number of SPO staff trainings were held during the year; as per SPO's training plan, technical support for these events was arranged by RSDP. In addition to 15 individual and collective in-country trainings, the following international trainings were arranged by SPO:

The four Programme Coordinators of the SPO NWFP and SPO Sindh programmes visited Grameen Bank, Bangladesh.

The Regional Director of SPO Sindh attended a Development Management Programme in Manila.

The newly appointed Programme Specialist –Technical Support attended exposure visit to Bangladesh Rural Advancement Committee to study environment related projects monitoring.

The Programme Coordinator for SPO Balochistan attended a 10-day training event on "Revisiting of Participatory Approach" organized by PRIA in India.

Finance

During the year SPO entered into partnerships with the Embassy of Japan – GRA, Aurat Foundation, Human Development Foundation and the World Bank. Balance sheet footing for this year was PKR. 45.52 million and company owned assets became PKR. 23.33 million (at cost) with operating cost of PKR. 68.16 million.

Administrative Decisions

The new salary plan that came into effect from January 2001 included following structural changes:

- In the new salary plan, there are only 9 grades. They will now be referred to with titles and not numbers. The old Grade 7 will be adjusted in Grade title Programme Managers/Directors, Grade 4 will be adjusted in grade titled Section Heads.
- The title of “Team Leader” was changed to “Programme Manager”.

During the reporting period, the in-house staff development initiatives included 3 workshops; in-country initiatives included 14 training workshops while initiatives abroad include 5 trainings workshops. The Management Committee reviewed and approved SPO’s policy on Emergencies.

Achievements

- SPO support led to its partners being elected to local governments;
- The micro-credit scheme, working through partner CBOs, was expanded in Balochistan;
- The DPM Programme was expanded to include environmental issues;
- SPO used CIDA support to undertake a drought relief project in Bolan, Balochistan, which had the additional benefit of mobilizing women’s groups;
- SPO was selected by the Japanese Embassy to carry out monitoring of its ‘Grassroots Assistance Programme’ in southern Punjab;
- The Royal Netherlands Embassy’s mid-term review of SPO Balochistan found many positive results, but also identified areas for improvement;

- SPO used Result-Based Management to improve its performance monitoring;
- A CIDA-sponsored review of SPO's National Centre and Punjab Centre by Universalia made important recommendations. Notable were the need for SPO to document and disseminate its work; for staff to be given realistic workloads; and for the roles and responsibilities of SPO's various Forums (e.g. Board of Directors) to be clearly defined and documented.

2001-2002

Looking Within

The year from 1 July 2001 to 30 June 2002 was a grim period particularly for SPO in NWFP. Progress during this year occurred under the shadow cast by the 11 September events in USA, and the subsequent US attack on Afghanistan. During the year, SPO subjected itself to an external intensive strategic review that raised some critical concerns and led to revisions in key programme strategies as well as the development of a new business plan.

The 9/11 Fallout in NWFP

In the aftermath of the tragic 11 September incidents in America, and the subsequent US attack on Afghanistan, SPO had to halt field programmes in all regions for two weeks due to security problems. SPO also had to postpone a number of workshops. SPO staff did not face any untoward incidents, but in the district of Mardan, a main flash point area, SPO Board member Mr. Waris Khan and his CBO received threats from local extremists. A number of partner organizations were also affected by the backlash to the Afghanistan attack, with the project building of one CBO torched.

The Regional Director of NWFP, along with other leading representatives of NGOs, took up this issue with the DIG Police, the Home Secretary and District Nazim of Mardan. The issue was also raised at the Pakistan NGO Forum.

The major long-term setback occurred in the Women's Emancipation Programme in NWFP, where the local population have historical ties and strong affinity with Afghans across the border. The women with whom SPO had been working were discouraged from continuing their association with an internationally funded NGO by hostile elements within their communities. The resulting loss of confidence among NWFP women hindered SPO in achieving its planned targets for female group formulation.

A Critical Report by Universalia's Monitoring Team

In February 2002, two members from Universalia's monitoring team carried out an intensive two-week review that included site visits to the SPO programmes in North and South Punjab; extensive document reviews; and

interviews with selected CBOs, SPO Board members, senior management and programme staff, CIDA and other SPO stakeholders.

The monitoring team concluded that SPO faced several important challenges and its future viability was in question, particularly owing to the short-term nature of existing financial commitments to the organization. The team's overall conclusion was that the next 12-month period would be a critical time for SPO, in which the organization should address the following three problems in particular:

SPO faced several significant organizational challenges that threatened its viability as an organization. Many insiders and outsiders felt that there were critical gaps in SPO's senior management capacities in several key areas, including resource mobilization, strategic organisational and programme planning/implementation/monitoring/review. Measures were needed to ensure that SPO had the required senior human resource capacities; these included setting aside resources to invest in personnel.

SPO's longstanding financial supporters were concerned upon reporting standard to meet commitments to funding agencies. There were also some concerns about the quality and continued appropriateness of SPO programmes.

The team added that SPO was at a crossroads in terms of choice of future directions and this was a potential opportunity for change, action, decision-making, open minds, team building among different stakeholders, and constructive attitudes. It made the following recommendations for addressing SPO's immediate priority challenges:

- SPO's key stakeholders should meet to review, discuss and validate the team's findings.
- SPO should identify key priorities that needed to be addressed in the next 12 months, as well as other organizational activities that could be postponed and/or stopped.
- SPO and its funders should carefully examine existing and promised human and financial resource allocations and commitments. SPO should identify how these resources could or should be re-mobilized to address key priorities identified above and, if needed, seek stakeholder agreement for this.

- SPO should develop action plan(s) that would guide its priorities over the next 12 months and seek stakeholder endorsement as required.

Review of Women Emancipation Programme

With support from Universalia, a comprehensive review of the Women's Emancipation Programme throughout Pakistan was carried out. The subsequent report on the existing practices and drawbacks in the WEP programme was used to evolve a new WEP strategy. This followed a two-phased programme approach:

- Phase I, compulsory - Female Organizations (FOs) were to be mobilised.
- Phase II, optional - the FOs could develop their partnerships with SPO further and be transformed into trained 'Female Development Organizations' (FDOs).

It was decided that the Mobilization Phase would be completed over a period of seven to eight months within each village. The phase would involve a relatively large group of participants including the FO office bearers and other selected members of the community. These groups would be formed in areas where male CBO clusters already existed. No cluster approach was to be adopted during this phase; all activities would be carried out with individual FOs. FOs could be mobilised on sub-village or Mohallah level as well, so that more women could have access to FOs and easily attend meetings.

The upper limit for choti funding for FOs was increased to Rs. 20,000. Unless they graduated to FDO level, this was to constitute the only monetary support for project implementation. It was decided that additional need-based inputs, such as basic literacy and skill development training, would also be provided by SPO in the form of one-day activities.

At the conclusion of the first phase of WEP, the female group would be called a Female Organization. At this stage, SPO would review its partnership plan with the FO to determine whether it would continue as an FO or would like to transform into an FDO. It was expected that, after actively participating in the mobilization phase activities, most FOs would trust SPO sufficiently to invest in the Transformation Phase. FOs that opted to proceed to transformation would be provided training in clusters. At the end of the training, the graduate FDOs would be eligible to access SPO's Social Sector Fund facility.

Review of Participatory Development Coalitions (PDCs)

In the previous two and a half years, some major issues regarding PDCs had been raised at different SPO forums. In response, the SMC conducted a detailed review to assess the existing strategy for PDCs and revise the programme design as necessary to achieve strategic objectives. Feedback from PDCs was obtained through a workshop in Islamabad.

During the event, the PDCs and SPO staff made the following major decisions:

PDCs would no longer provide DPM training to other CBOs, since they were weak in some areas. However, they would remain active in identification, selection and orientation of CBOs to form new clusters to be trained by SPO. The new role of PDCs would be to advocate the rights-based approach and spread political education.

SPO would support PDCs in sensitising and educating communities regarding reproductive health, primary health care, political education, etc. It would provide technical assistance and support to each PDC for three years after its formation.

In future, SPO would also appoint PDC Coordinators in each region. They would coordinate with their respective PDCs, and – as members of the PDC Core Group (comprising all Coordinators) - would develop a common SPO strategy for PDCs.

SPO would develop the staff capacity to support PDCs in advocacy and rights-based programming.

Business Plan 2002-2007

With guidance from its Board and in association with a Cowater International representative, SPO developed a Business Plan for the period 2002–2007. Cowater's previous involvement in SPO's establishment made it a particularly appropriate partner for reviewing past performance and developing a future plan.

- The review found that the past four years had seen increasing emphasis on training through DPM and a dramatic rise in the number of partner organizations obtaining training support from SPO. It was recommended that SPO now focus its resources on project development, even at the expense of increased DPM trainings. This could be done by separating project development from DPM trainings, and by creating new regional posts focusing solely on project development and monitoring.
- It was found that the DPM programme needed refining, particularly in the area of LFA training. More importantly, the training of female groups

and FDOs under WEP needed intensive changes, which were already in process.

- PDCs were found to be in need of a stronger support to improve the quality of their training. It was recommended that only the best PDCs be used for training and that the greater emphasis in their role be on advocacy.
- It was recommended that SPO play an expanded role in support of local government and governance especially in support of grassroots organizations: Union Councils (UCs), Village Councils (VCs) and Community Citizen Boards (CCBs). The management, participatory and governance skills of these bodies needed upgrading, areas areas in which SPO had the necessary staff and training competence.

It was suggested that the objectives of this new programme area should be to:

- Provide capacity building services to selected local bodies in a way that made the best use of SPO's resources
- Ensure that the capacity building had maximum impact and was replicable, and protect SPO's past investments (meaning that SPO's new directions should support rather than jeopardize its existing partner organizations).
- Three options were analysed for provision of this support;
- Continuation of SPO's programmes with partner organizations (including new cluster of POs) and with improvements in methodology,
- Focus on support to local government and governance that emphasized strengthening the lower tiers, and
- A combination of the above, which would devote approximately one third of SPO's resources to its current programme and two thirds to local government and governance.

The third option was recommended for approval by the Board because it would allow at least seven new clusters of POs each year, and at the same time support 14 UCs and 42 CCBs.

Supporting Democratic Electoral Process in Pakistan

In May 2002, SPO undertook a six-month partnership with the United Nations Development Programme (UNDP) and the Election Commission of Pakistan in the "Supporting Democratic Electoral Processes in Pakistan" Project. The overall objective of the project, which preceded the local bodies elections in 2002, was to increase voter turnout, particularly the turnout of

female voters, by creating an enabling environment for women's effective participation in politics. The process was to be initiated by raising awareness of gender equity, good governance, individual responsibility and participation at mass level through various stakeholders.

The project was conducted in 11 districts of Sindh and NWFP. The awareness raising campaigns and gender sensitization in politics culminated in a series of success stories and changes were observed in attitudes of different stakeholders towards acceptance of women in the political arena. The stakeholders involved in the project included politicians, communities, female students, journalists, civil society organizations including CBOs and NGOs.

Governance and Management

Board of Directors

The year was a particularly busy one for SPO's BoD, which met six times to help finalize SPO's Business Plan 2002–2007 and appoint a new Chief Executive, after the incumbent CE had resigned.

After a detailed discussion on the options proposed in the Business Plan 2002–2007, the Board of Directors felt that the document lacked clarity, and identified the need for documentation at three levels: 1) Strategic Plan, 2) Business Plan, and 3) Workplan. A three-member committee was nominated to prepare guidelines for the Strategic Plan.

- At the next BoD meeting, a document entitled "Elements towards the Formulation of a Strategic Plan for SPO" was presented, together with review comments. Mr. Javed Jabbar, presenting the document, was of the view that SPO should decrease its donor-dependency and capacity building as its sole focus. He suggested that SPO's growth and development be strategised in four sectors:

Capacity Building:

The number of SPO's current partner organizations, around 650, should be increased tenfold.

Development Research:

SPO should work as a development research body that conducts research both as an internal function and as host to independent individuals as well as for other institutions.

Consultancy Services:

SPO could generate one-third of its income by itself by providing consultancy services to different institutions.

Project Implementation:

SPO could also work in project implementation and bid for development project contracts offered by the Government as well as the private sector.

Members approved the Business Plan as a Work Plan document for SPO. The Committee on SPO's Strategic Plan was requested to review the document and present it before the Board in its 39th meeting.

Following the resignation of the Chief Executive of SPO, the BoD assigned responsibilities to the Deputy Chief Executive to work as Acting Chief Executive for the interim period. Through a detailed process of two-round interviews and various exercises, Mr. Harris Khalique was appointed to fill this post with effect from 1 June 2002.

In order to address the various programme management issues faced by SPO in Punjab, the Board directed the CE to shift the Programme Unit of North Punjab to the Multan office.

The BoD directed SPO's management to ensure the quality of SPO's publications and other documents, including minutes of the BoD meetings and annual reports.

SPO Management Committee

In addition to discussing findings and recommendations of two reviews of WEP and PDC, the SMC conducted detail discussions on the Business Plan and possible future scenarios to share with the Board of Directors. The details have been covered in other sections of this chapter.

The SMC collectively reviewed the critical report submitted by Universalia and prepared a response to share with the Board of Directors.

After completing the orientation process at National Centre and gathering information through different sources including the Board of Directors, the new CE identified four main areas to prioritise: 1) Management Structure, 2) Communication 3) Fundraising and 4) Programme Consolidation and Quality Improvement. Four committees, one for each component, were formed to complete their work by the end of August 2002.

The first round of meetings was held during the 14th PRM held at Quetta. In larger groups, ideas and issues were brainstormed in detail. The final round of the meetings was scheduled for July 2002 in Islamabad. It was anticipated that SPO would have a clear road map to move into its next phase by the end of the next quarter.

Programme Review Meetings

During the year, two Programme Review Meetings were held. It was decided that the DPM Core Group would finalize the DPM contents and share a generic draft of the DPM Manual with SPO staff for their feedback. The contents on political education would be developed by the PS-TS. All Regional Centres would test the revised DPM manual at Union Council.

Advisory Council

The ninth meeting of the Advisory Council was held on 27 November 2001 at the National Centre. The Chairperson shared some of the main decisions taken by the BoD in its last three meetings. The agenda of the meeting included progress and performance in the previous year and an overview of the Business Plan 2002-2007.

Noting that they needed more time to review the document in detail, members' comments based on the presentation, were that the plan mainly followed the existing menu of DPM, WEP and project funding, and that the targets in the third option seemed to lack gender equity.

The CE explained that SPO wished to concentrate its strengths and incorporate these in meeting the anticipated needs of civil society. This was the basis of the plan to continue to work in the field of capacity building. Regarding the third option, the targets did have a strong gender component in that female group formation was to be conducted with the support and assistance of elected women councillors.

Developing the Team

In order to further strengthen result-based management at SPO, Universalia designed and offered a four-day training for the SMC and other professional staff at SPO. Based on this training, SPO staff was able to use the 'results chain' approach to analyse intervention impacts and advanced the RBM theory for their purposes. The training also facilitated result-based reporting to donors and other stakeholders, as well as long-term planning.

Finance

SPO developed and operationalized its Resource Mobilization Strategy this year. Furthermore, to measure SPO's financial performance, M/S KPMG, Taseer Hadi Khalid and Co. Chartered accountants carried out the audit of EC component for the three years period starting from October 01, 1998 to June 30, 2001. Balance sheet footing for this year was PKR. 56.84 million and company owned assets became PKR. 26.77 million (at cost) with operating cost of PKR 70.68 million.

Administrative Decisions

During the reporting period, SPO's previous Chief Executive resigned which was followed by appointment of new Chief Executive. The programme management of Northern Punjab was shifted from National Centre to the Multan office ensuring more focused and effective distribution of responsibilities.

During the reporting period, the in-house staff development initiatives included 2 workshops; in-country initiatives included 5 training workshops and 1 experience-sharing visit for staff while initiatives abroad include 2 trainings workshops. SPO Management Committee reviewed and updated the travel and leave policies.

Achievements

- The attacks of 9/11 hampered SPO's efforts to mobilize female groups in NWFP
- A two-phase strategy was evolved for the Women's Emancipation Programme. Mobilization Phase I focused with individuals to form Female Organizations. Optional Phase II was for FO s willing to transform into Female Development Organizations, who could then be eligible for Social Sector Funds

- Participatory Development Coalitions were reviewed and their focus shifted away from capacity-building to advocacy
- A new Business Plan was evolved from 2002-7, with a strong emphasis on supporting local government grassroots organizations – while also continuing established capacity building activities
- Proposals for a new Strategic Plan stressed the need to reduce donor-dependency and widen the focus from just capacity-building;
- Mr Harris Khaliq was appointed as the new Chief Executive of SPO.

2002-2003

The Transition

The period from 1 July 2002 to 30 June 2003 saw SPO make a transition towards a broader funding base that relied on diverse programming partnerships. Internally, the organization underwent extensive restructuring, a key feature of which was the establishment of a Monitoring, Evaluation and Reporting unit. During the same period, the decentralisation of SPO's regional offices was furthered, and regional staff were trained to carry out some important responsibilities that had previously been shouldered by the National Centre.

DPM Upgraded

After developing the DPM training modules in 1992, SPO had continuously improved them in the light of CBOs' needs and its own field experience. In 2002-03, another set of revisions was made based, among other factors, on the preceding year's review of SPO's DPM, Women's Emancipation Programme (WEP) and Participatory Development Coalitions (PDCs) programmes, and SPO's growing involvement with local government institutions.

The revised modules included political education and sensitisation regarding rights-based approaches and advocacy. They also included more illustrations to facilitate training of elected Union Council members who could not read. Moreover, trainings that had previously been conducted on an as-needed basis, concerning issues such as financial management, gender and development, and environment, were mainstreamed in the DPM programme.

The length of the DPM programme was increased to almost 23 days over five workshops. The main topics covered are presented in the following table.

Revised Structure of DPM Programme

Workshop	Topic	Duration	Contents
DPM 1	Concepts of Development	5 days	a. Development concepts b. Political participation c. Roles and responsibilities under new local government system d. Training techniques
DPM 2	Organizational Management	4 days	e. Leadership and decision-making f. Conflict resolution g. Financial management
DPM 3	Situation Assessment	4 days	h. Rights-based approaches i. Advocacy j. Survey techniques
DPM 4	Programme/Project Planning	5 days	k. Planning l. Proposal development
DPM 5	Programme/Project Management	4 days	m. Implementation n. Monitoring and evaluation

Resource Mobilization Initiatives

Based on the new design envisaged for SPO's future programme, a consolidated proposal was produced and disseminated to current and potential donors. The monitoring mission from CIDA and the evaluation mission from RNE added valuable insights to this business plan.

SPO also applied to CIDA and the European Union for a no-cost extension of its programme until 2004. The rationale for this extension was that it would:

Enable SPO's National Centre and SPO Punjab to continue their activities to capacitate CBOs, WOs, and PDCs;
Provide SPO an opportunity to fully prepare and upgrade itself for its next five-year plan;

Provide time for SPO to negotiate with potential donors and secure funding for the next five years; and

Enable SPO's programmes at Turbat (Balochistan), Punjab and the National Centre to be aligned, with the National Centre providing technical backstopping and monitoring to the Turbat programme.

In another initiative to increase programme resources, SPO applied for tax exemption to the Pakistan Commission of Income Tax in February 2003. The organization has since been responding to queries and making required amendments in its Memorandum and Article of Association.

In addition, to save the significant resources that had to be spent on trainings for CBOs and WOs, SPO established Training Sections, comprising of fully equipped training halls and attached residential facilities, at its regional offices in Hyderabad, Multan, D.I.Khan and Turbat. This major initiative built SPO's assets while proving significantly cost-effective.

Special Programmes

During 2002-03, SPO collaborated with different development stakeholders on a number of short-term programmes and projects, both to bring about the planned shift in its programmes, and to mobilize resources for the organization. These ventures are listed in the following table and introduced below.

New Projects and Programmes Initiated

Project Title/Description	Location	Project Period		Approved Value	Supported by
		From	To		
Capacity Building for Good Governance	Turbat	1 Aug 2002	1 Jul 2004	CDN \$ 0.5 million	Canadian International Development Agency
Tawana Pakistan	NWFP, Balochistan	5 Sep 2002	30 Jun 2005	Rs. 35.24 million	Aga Khan University
Training of Partner Organizations of Trust for Voluntary Organizations	Balochistan, NWFP, Punjab, Hyderabad, DI Khan & National	21 Mar 2003	30 Mar 2004	Rs. 9.9 million	Trust for Voluntary Organizations

Project Title/Description	Location	Project Period		Approved Value	Supported by
		From	To		
	Center				
Capacity Building of Local Partners of Save the Children USA	NWFP, Sindh	15 May 2003	31 Oct 2004	Rs. 4.6 million	Save the Children USA
Gender Equality Project	Countrywide	1 May 2003	31 Jan 2004	Rs. 3.8 million	Department for International Development UK

Good Governance Programme in Turbat

During the first quarter of 2002-03, SPO signed a second amendment with CIDA for a two-year programme concerning Good Governance. Under this programme, it was envisioned that SPO would motivate AZTs (the women groups mobilized by SPO under the Village Education Programme) to be transformed into women organizations and expand the scope of their activities. The willing AZTs would undergo a series of DPM workshops to enhance training and facilitation skills, political awareness, sensitisation regarding right-based approaches, and capacity for project planning, project proposal development, monitoring and evaluation.

Out of 26 WDOs, 20 were to receive choti funding to apply the skills they had gained in local initiatives. In addition, six projects were to be supported by SPO and at least 4 CBOs were to be linked with other donors for funding. It was agreed that:

SPO would establish a Gender Resource Centre at its Kech Office, which would provide office and communication facilities to AZTs to enable them to communicate with other stakeholders. The centre would also be stocked with resource materials related to devolution, the democratic process, women's rights, the bureaucracy and its departments, services provision, and governance.

SPO would provide trainings to Nazims, Naib Nazims and Union Councils on such subjects as political awareness; roles and responsibilities; leadership; democratic behaviour and processes; community participation in development; and project needs assessment, prioritisation, implementation and management. Two Union Councils would be provided training through a series of

workshops. Their capacity would be built for development planning and management so that they could develop joint projects in interactions with members of the stakeholders' network. A needs assessment seminar would be conducted to identify other institutional strengthening and training requirements of the newly elected members.

SPO would take the lead role in formulating a Governance and Development Network in order to increase coordination among female councillors, representatives of women organizations, government line departments, support organizations and other key institutions in the Turbat district.

Capacity Building and Funding with TVO

SPO and the Trust for Voluntary Organizations (TVO) agreed to collaborate in assisting one another's partner organizations. Under this arrangement, SPO was to extend its capacity building services to TVO's partner organizations, while TVO was to extend its funds to SPO's partners so they could implement community development initiatives. Other areas of collaboration were also explored. TVO and SPO have historically worked in similar social sectors. Thus, apart from optimising benefits for the two organizations' partners, this collaboration was designed to help the two NGOs avoid duplicating one another's efforts.

During 2002-03, SPO and TVO initiated a project worth Rs. 6.9 million to train some 740 representatives of 370 tehsil-level partner organizations of TVO in organizational management. The areas covered in the trainings included basic development concepts; environmental awareness; gender awareness, SWOT analysis; governance of CBOs/NGOs; organizational history and problems; Registration Act of 1961; effective meeting and record keeping; situation assessment and analysis techniques, including baseline surveys; participatory rapid appraisal (PRA) tools; office management and financial management.

Support to the Saving Newborn Lives Project with SC-US

In May 2003, SPO entered a partnership with Save the Children USA to support the latter's Saving Newborn Lives (SNL) project. SNL was an initiative of Save the Children USA, funded by the Bill & Melinda Gates Foundation. It aimed to improve the health of women, girls and infants in Pakistan. Under this initiative, a Behaviour Change Communication Project was to be implemented by selected NGOs in Sindh and NWFP to change negative practices and attitudes regarding reproductive health. SPO's role was to build the capacity of these implementing NGOs.

The NGOs selected for Sindh included Badin Rural Development Society (BRDS); Sami Samaj Sujag Sangat, Umarkot; Development Planning and Management Graduates Coordinating Council (DPMGCC), Shikarpur; and Sahkar Dost Welfare Association, Naushahro Feroze. The major areas being covered by SPO in the NGOs' training were social mobilization, communication skills for effective advocacy, organizational development, monitoring and evaluation, and project proposal development.

An orientation workshop was conducted in Sindh in June 2003 and attended by representatives of these NGOs. Owing to delays in the identification of NGOs in NWFP, trainings for this province had to be postponed to October 2003.

Devolution Support Project with Cowater International

During 2002-03, SPO signed an agreement with Cowater International Inc. to participate in the Devolution Support Project (DSP). DSP was part of the Democratic Governance Program, which was being funded by CIDA to facilitate the Government of Pakistan in implementing its Devolution Plan.

DSP was to support the government in promoting democratic local governance by introducing pragmatic and innovative ideas and tools to facilitate the change process and transition to a more accountable, transparent and democratic system of government. The first phase of the program was to be conducted by a consortium of five organizations led by Cowater International and including SPO, Semiotics, Federation of Canadian Municipalities, and Deloitte Touche and Tohmatsu.

An inception mission for the project was conducted in March–April 2003 by representatives of CIDA, Salasan, Cowater International and SPO. SPO engaged a consultant to develop and implement an effective strategy to enhance women's participation in the devolution process, both at beneficiary and decision-maker level, and to ensure that gender considerations were effectively integrated in the project.

Getting the Balance Right Project with DFID

SPO was selected to implement the 'Getting the Balance Right' project, which was supported by the Gender Equality Project funded by the Department for International Development (DFID), UK. The project aimed at linking women councillors with various financial and non-financial resources available at district level so that they could fully utilize their 33-percent representation to promote women's development in the country.

The objective of the project was to supplement and strengthen initiatives being undertaken by different organizations for capacity building of women councillors by:

- Training women councillors to collect information, analyse it in the perspective of women issues in their areas, and define actions;
- Linking the women councillors with relevant stakeholders, including government line departments in the district, civil society organizations working for women's development, National Commission for the Status of Women, Ministry of Social Welfare and Women Development, and all other relevant institutions and resources so that they could take effective action to respond to women-related issues such as economic empowerment, health, education, legal rights, and violence; and
- Creating a database of resources, both in print and electronic form, to facilitate women councillors' work by providing a ready reference.

SPO also expected to develop the capacity of its own Women's Programme through this project.

Initially, SPO planned to build the capacity of approximately 400 women councillors from different regions. The project was to be piloted in four districts, namely Turbat (Balochistan), Hyderabad (Sindh), Peshawar (NWFP) and Multan (Punjab). There was a possibility of replicating it, in time, in other districts under SPO's Women's and Governance Programmes.

An initial testing of the project was planned in District Khusab in which 25 women councillors were to be involved. During 2002-03, groundwork for the project was completed, Union Councils for the test phase were identified, and meetings were held with women councillors and the Nazim and District Coordinating Officer (DCO) of Khusab.

Tawana Pakistan with the Aga Khan University

Tawana Pakistan was a school nutrition project for 5- to 12-year-old girls being implemented by SPO in collaboration with the Aga Khan University in three districts of NWFP, i.e., Lakki Marwat, Tank and Karak.

The objective of the project was to improve the nutrition status, enrolment and attendance of girls in primary schools through sustainable community participation. It was expected that it would increase child growth rate, decrease the school dropout rate, sensitise parents regarding nutritional value, and enhance quality education.

Restructuring of SPO

In June 2002, the SPO team began restructuring its programme and organizational set-up. To maintain full participation of the SPO team in this critical activity, all staff members were involved in the forward planning exercises. While the restructuring was implemented, the team was kept aware of the decisions being made at every step. The Chief Executive held individual meetings with all non-SMC staff at the National Centre and wrote a memo in Urdu to all support staff across SPO to take them into confidence. He maintained a constant contact with regional heads on proposed changes and was available to all staff for queries.

The CE prioritised four main areas for immediate improvement during the Forward Planning: management structure, communication strategy, fundraising strategy, and strategy for programme consolidation and quality improvement. Four committees, one for each component, were formed to review these areas and submit recommendations by the end of August 2002. Members of the committees were nominated from across the organization. It was decided that the CE would participate in all four committees. The recommendations of these committees were compiled into an Institutional Development Plan, a road map for SPO's next phase.

The Institutional Development Plan was implemented for one year on a test basis. It was revised in June 2003. Monitoring missions from CIDA, the Royal Netherlands Embassy, and the Rural Social Development Programme played significant roles in identifying new directions for the programme, areas that needed more attention and structures that needed modification. Organizational reforms were brought about with the help of a Change Management Task Team under Institutional Development Plan-II. The task team proposed two structures after consulting various stakeholders and invited the entire SPO team for comments and suggestions. Restructuring was then carried out at the National and Regional Centres.

Throughout this process, the Board of Directors thoroughly discussed each function and staff capacity at all levels and listed a number of concerns for the Chief Executive's consideration. After exhaustive deliberations, the Board unanimously approved the structure; compensation plan; and the revisions in Human Resource, Administration and Financial policies recommended by the Internal Auditor.

Monitoring, Evaluation and Research Streamlined

During 2002-03, SPO operationalised its reporting, planning and monitoring systems. In August 2002, a separate Monitoring, Evaluation and Research (MER) unit was set up to intensify and streamline MER activities within the organization. A number of activities were carried out by the unit to analyse the programme and its impact. Extensive field research was conducted for programme monitoring, monitoring of SSF Projects at the project and beneficiary levels, compiling case studies on SPO's interventions, and assessing the capacity of member CBOs. The findings of these exercises were shared with the national and regional management to improve future activities. The establishment of the MER unit was an important milestone in the resolution of the longstanding issue of reporting bottlenecks at SPO. The SMC decided that internal monitoring reports should be produced biannually, in April and October each year.

Decentralization Strengthened

The decentralization of SPO's regional offices was achieved to a great extent during this period. Among the key issues that arose was the shifting of monitoring responsibilities to the regional level. To address this, the position of Programme Coordinator for Capacity Building and Projects Development was specially created at the regional level and a workshop on 'Monitoring & Evaluation' was conducted for regional staff in March 2003.

The workshop enhanced the ability of Programme Coordinators to assess partner organizations against SPO's capacity building indicators, and to conduct monitoring and impact assessment of SSF supported projects. The training also ensured that regional staff would adopt a standardized approach in project development in their respective regions and improved their skills for reporting according to SPO's required format.

Publications and Outreach

During this period, SPO brought out a number of publications. It includes;

- 'To Make a Stone a Flower', a collection of case studies depicting SPO's contribution in grooming CBOs and WOs in underdeveloped areas of Pakistan and the development initiatives undertaken by these organizations.

- A series of discussion papers on the theme of ‘Understanding Pakistan’ was also initiated to highlight key issues in the country. Four papers authored by eminent thinkers and researchers as well SPO staff with extensive field experience were published in this period:
3. The Future of English in Pakistan – *Ahmar Mahboob*
 4. Education in Pakistan: A Survey – *Dr. Tariq Rehman*
 5. Pakistan: The Question of Identity – *Harris Khalique*
 6. The Goal of Worker’s Welfare and Policy Challenges – *Maliha Shamim*

Three issues of SPO’s quarterly newsletter, ‘Shirkati Taraqi’ were published. It reports SPO’s Regional and National Center activities with articles on strategic development issues. The newsletter reaches almost 4,000 readers at local and national NGOs as well as SPO’s partner CBOs and WOs across the country.

A documentary film on SPO’s efforts for social sector development and the outcomes of its capacity building programme was produced. ‘Earth Stories’ offered an insight into SPO’s different programme areas and the efforts of development organizations trained by SPO, which are working in diverse cultural settings across the country.

IT Upgrade

The review period was marked by some major improvements in the IT infrastructure at SPO. With the efforts of the SPO Net Administrator, an exchange server was installed at the National Centre to maintain e-mails in-house. The network was shifted from a dial-up system to the Digital Subscribe Line (DSL), which provided a comparatively faster connection on the Internet. This allowed e-mails to be sent and received more easily, considerably increasing communication between the regional offices and the National Centre. The Local Area Network (LAN) was expanded from 15 to 22 nodes at the National Centre, while at the Turbat office, networking was substantially improved.

Governance and Management

To ensure internal accountability and make management and financial procedures more efficient and transparent, an internal auditor was recruited in March 2003. It should be noted that not many national level NGOs in Pakistan have an internal auditor.

Board of Directors

- SPO's Board of Directors met five times during the year and made the following decisions:

No employee should be allowed to join the Board of an organization with which SPO had a conflict of interest.

A workshop to enhance its own understanding of the "Memorandum and Articles of Association and Companies Ordinance 1984" was to be convened at the next AGM. The resource persons would be the Internal Auditor and the Legal Advisor.

By the next Board meeting, anomalies should be addressed in the provident fund database, accounting software, and roles and responsibilities of finance department staff at the National Centre.

A sub-office would be reopened in Lahore, from where the Upper-Punjab programme would be managed, and a liaison office would be opened in Karachi. These offices would work under the supervision of the respective Regional Directors.

No policy circumventions will be allowed by the Board.

SPO's Board of Directors underwent a one-day critical self-assessment exercise in February 2003, a unique initiative for a non-profit Board in Pakistan. The aim was to clarify roles, duties, rights and responsibilities, i.e., authority and responsibility, between various organs of SPO, synthesise the Board's good and bad experiences over the years, and extract lessons for the future.

SPO Management Committee

The SPO Senior Management Committee held five meetings during the year to operationalise management and programme plans.

Programme Review Meetings

Programme Review Meetings were held in September 2002 and May 2003. All programme staff shared information about their activities and discussed solutions to various issues. The meetings also served as a good induction for new staff. Major issues discussed were revision of the DPM training contents, selection of partner organizations to serve as role models for other partner organizations of SPO, resource mobilization, and the new organizational structure.

Advisory Council

During the eleventh Advisory Council meeting, it was proposed by the Chief Executive that SPO's planning and reporting formats for sharing progress with major donors be merged into a uniform reporting format and frequency. The Council agreed to try this arrangement and decided that SPO should develop a draft progress and financial reporting format and circulate it for donors' comments.

Developing the Team

SPO had been consistently building the capacity of its staff in management and development. During this period, specific development needs of the staff were identified and prioritised through a formal assessment. Trainers were trained to deliver the revised DPM module. Exposure visits were undertaken by six staff members to Sarvodaya, Sri Lanka and four staff members to Bangladesh Rural Advancement Committee (BRAC), Bangladesh. A one-day orientation workshop on Result-Based Management (RBM) was conducted at each regional office to enable monitoring beyond activities. In addition, new staff underwent different trainings and exchange visits within and outside SPO to gain skills relevant to their positions.

Finance

To increase financial sustainability, SPO established three residential training units at its Hyderabad, Multan and Turbat offices and generated revenue of PKR. 2.44 million during the year. The organization also increased its endowment fund from PKR. 14 million to PKR. 20 million and invested PKR. 3.18 million in National Investment Trust. SPO further generated PKR. 2.5 million from Vehicle Replenishment Fund and PKR. 2.3 million from Corporate Cost Fund.

SPO achieved yet another first within the NGO community when it appointed an Internal Auditor and established Internal Audit Department. New partnerships started during the year through projects with Tawana Pakistan, Trust for Voluntary Organization, Gender Equality Project (GEP) and Save the Children-US.

During the reporting year, different chartered accountant firms carried out following Donor Audits. M/S KPMG, Taseer Hadi Khalid and Co. Chartered accountants carried out the audit of EC component for one-year period starting from July 01, 2001 to June 30, 2002 during this year of operation. A.

F. Ferguson and Company chartered accountants carried out the audit of CIDA component for two years starting from July 1999 to June 2001 during this year

Administrative Decisions

Through a forward planning exercise involving staff at all levels, four main areas for immediate improvement were identified that included: management structure, communication strategy, fundraising strategy and strategy for programme consolidation and programme improvement. Four committees to review and give recommendations were constituted and based on their recommendations Institutional Development Plan-1 was implemented for a period of one-year to be revised in June 2003. SPO took a major step towards self-sustainability during the reporting period by establishing the residential training facilities with our four regional offices at Hyderabad, Multan, D. I. Khan and Turbat. During the reporting period, the in-house staff development initiatives included two workshops; in-country initiatives including one experience sharing visit for staff while initiatives abroad include one training workshop.

Achievements

- Upgrading of DPM training modules to include political education, and sensitisation about advocacy and rights-based approaches;
- Collaboration with different donors on short-term projects, to support the SPO programme and generate income;
- Good Governance Programme initiated in Turbat to promote women's organizations and build capacity of elected councillors;
- Collaboration with TVO whereby SPO partner organizations got funds, and TVO partner organizations got capacity building support;
- Preparation of an Institutional Development Plan for SPO, and its implementation;
- Prioritization of monitoring and reporting;
- A number of SPO publications, as well as a documentary film.

2003-2004

Charting the Future

SPO's tenth year was, not surprisingly, marked by reflection about the past decade and planning for the future. The Chief Executive spearheaded this reflection with a strategic paper outlining SPO's programme direction and institutional needs, within the national and global contexts the organization found itself. Out of this came SPO's Five Year Plan (2004-8), approved by the Board, which stressed SPO's core function of capacity building but with a greater focus on local governments. Proof of SPO's growing expertise and experience came in a number of programme partnerships with different donors. Year ten also saw SPO continue on its organizational learning curve, with a useful CIDA End-of-Project Report and more improvements in monitoring. The Board of Directors, Advisory Council, Management Committee and other SPO Forums continued to play a useful role in its growth and development.

Strategic Reflections

In its ninth and tenth years, SPO underwent an extensive visioning and strategic planning process, near the end of which a need was felt to consolidate the views of the SPO team across Pakistan. For this purpose, SPO's Chief Executive wrote a paper outlining the organization's broad programme direction and institutional needs, keeping in view the changing global and national context. The paper, which was subsequently approved by the Board of Directors, highlighted the need for SPO to become a forward-looking institution and identified the opportunities it had on the basis of its history, outreach, and national character.

The paper elaborated four institutional programme areas in which SPO was particularly suited to contribute:

- Gender-sensitive and community-centred capacity building of development institutions for good governance;
- Gender-sensitive and community-centred capacity building for basic education planning and management;
- Environment-friendly social sector funding; and
- Gender-sensitive and community-centred capacity building for emergency relief work.

Box : Key Points made in the Chief Executive's Paper

A. Gender-sensitive and community-centred capacity building of development institutions for good governance.

- Good governance is about including all citizens of a society in public policy processes in order to reach 'inclusive policy outcomes' within a state. It endorses pluralism and democracy from below. The key elements of 'democracy from below' are:
- Voluntary action and organised participation of citizens, and
- Community-centeredness and horizontal spread of popular centres of power.
- Horizontal spread of popular centres of power means that decision-making takes place closer to the level of implementation and there is much wider participation in public policy processes. This ensures that all citizens have maximised choices and opportunities based on their individual rights, on the one hand, and obligations to the collective, on the other.
- SPO's work in communities, based on mobilisation and training tools, is translation of the above concept into action. SPO should continue to refine and reform while working in the same direction.

B. Gender-sensitive and community-centred capacity building for basic education planning and management.

- The relationship between education and development is universally acknowledged. Any voluntary action of citizens leading to decision-making is effective if it is informed and those who participate are educated. Pakistan has a poor record of providing access to quality education to its citizens. Overall net primary enrolment rates are 58 percent for boys and 48 percent for girls. Approximately 50 percent of those who enrol drop out before completing primary education. Of those children who complete primary school, only 18 percent are numerate and 7 percent are literate to the expected level of competency. Any capacity building work would remain lopsided unless there was a programme targeting the roots of backwardness and marginalization, i.e., lack of education.
- SPO has run education management programmes in the past as well as supporting public-private partnership in education through community mobilisation. This needs to be done proactively in future creating a link between basic education and overall development through organisational and managerial skill development.

C. Environment-friendly social sector funding.

- SPO started off as the Small Projects Office, funding small-scale community projects across Pakistan. It boasts a wide experience in supporting CBO-led projects across Pakistan. Universal access to basic social services — basic education, basic health and nutrition, reproductive health and family planning, low-cost water supply and sanitation — remained key concerns of the communities SPO interacts with. In agrarian areas, the demand for small-scale agriculture and irrigation projects was continuously felt. However, this area needed a more systematic approach and relevant technical expertise. Moreover, quality and proper monitoring of social sector funding remained one of the weak areas of SPO.
- Certain basic criteria should be met while vetting projects in select themes, to be decided in consultation with the communities. Furthermore, the service delivery and social action led by SPO and its partners should inform political action and advocacy initiatives. There is also a continued link between this programme area and the first one.

D. Gender-sensitive and community-centered capacity building for emergency relief and rehabilitation work.

- Amartya Sen and Jean Dreze have empirically established the link between democracy and sharing of information and prevention from or minimum damage caused by disasters.
- Initially, SPO needs to build its own capacity in disaster mitigation; emergency response and community rehabilitation work in the wake of drought, famine, floods, earthquakes and conflicts. The large infrastructure of SPO, able and trained staff, and, most of all, the active involvement with the communities it chooses to stay with, pose challenges and expectations when calamities hit. This has happened more vividly in Balochistan and, fairly recently, in Sindh.
- In addition to the professional ability to respond to natural and complex emergencies, SPO has to contribute towards prevention of or institutionalising an early-warning system for emergencies. Relief work in any circumstance should lead to fostering organisation and collective action and education in the community.

SPO Programme 2004-2008

On the basis of the strategic paper by the CE and approved by the Board, SPO's next five-year plan was refined through a process of detailed consultation with stakeholders within and outside SPO. The goals that SPO now aspired to pursue were as follows:

Enhance the capacity and gender-sensitivity of development institutions for good governance;

Increase the number of community-centred organizations that collaborate with the government and local and international donors in implementing development projects; and

Increased involvement of civil society in undertaking purposive social action.

- As before, SPO would also work towards enhancing its own institutional capacity, making the fourth goal.

Effective governance and efficient management at the SPO National and Regional Centres.

In continuation of the interventions with local development institutions, SPO would carry out activities in 37 districts starting from different stages of the contact cycle. These would build upon SPO's rich past experience and capitalize on the information, skills, human resource, approaches and methodologies, linkages and infrastructure that SPO already enjoyed. The broad nature of the programme areas would remain the same; however, there would be changes in scope and the different areas would be consolidated to ensure synergy as well as improved quality and impact:

Community-centred capacity building – this would continue to be SPO's prime mode of intervention. Gender concerns would continue to be mainstreamed in all programming, and the focus would remain community-centred, i.e., catering to grassroots development institutions. Unlike some other NGOs, SPO would continue to nurture its field programme and direct links with grassroots organisations, instead of turning its attention to intermediary NGOs. This would ensure that feedback for SPO's work came straight from the field, which would enable the organization to steer its policy and actions appropriately.

Stress on local government institutions - SPO's capacity building services, particularly the DPM programme, would be extended to development institutions for good governance, particularly Union Councils (UCs) and

Citizen Community Boards (CCBs) – it would not be confined to CBOs and Women Development Organizations (WDOs).

Gender Sensitisation - The DPM training of women organizations would also be covered in the programme area for capacity building, rather than the separate Women's Programme as earlier. This programme would include more intensive gender sensitisation activities as well as strengthening of gender and development networks.

Choti Funding - Social sector project funding would be limited to CBOs and Women Organizations that have completed DPM training, provided they and their projects meet the eligibility criteria. Funding would be available for five sectors: education, health, basic infrastructure, income generation, and capacity development. It will be ensured that the funded projects integrate human resource development, gender and environmental concerns in their design.

Civil society network strengthening - considered a much broader version of SPO's current role of facilitating participatory development coalitions. Through this programme, the PDCs would be seen and developed as regional civil society networks undertaking advocacy work in different sectors to promote better governance and more participatory development in the country.

Institutional strengthening – this would remain a distinct area of work for SPO to enable the organization to continue to adapt to changing external circumstances and maintain its services in the development sector. The focus of work in this area was expected to be on improving programme quality, intensifying and streamlining documentation and communications, enhancing internal efficiency, and increasing fund raising. The potential benefits of the proposed programme were numerous:

Wide Beneficiary Groups - It will reach more than 37 districts of Pakistan and will be felt primarily as improvements in local governance, basic education planning and management, and emergency relief and rehabilitation work.

Sustainable development and Local Government Strengthening - Since SPO's capacity building programme would primarily be focused on strengthening the local government system; the increased numbers of CBOs and WDOs will provide a trained and mature leadership pool for the local government. DPM graduates of CBOs will participate in CCBs at the Union

Council level and play a vital role in ensuring sustainable development in their areas.

Women's Empowerment - increased numbers of women organizations will be strengthened, providing a platform to women to confidently integrate their own concerns in the overall planning process. Women will be especially sensitised to good governance and provided political education so they can play a role in local government.

Institutional Strengthening - the proposed programme will add value to SPO as an institution. SPO's expertise in gender issues in development is expected to be enhanced, leading to improved programming and organizational culture. SPO also expects to gain a better understanding of the current lack of support for social mobilization, and address this longstanding issue. The success of its interventions will eventually lead to support for SPO as a leading institution promoting good governance practices and strengthening democratic norms at the grassroots level.

Partnerships for Core Programme

- On 25 June 2004, SPO and RNE signed an agreement under which RNE will support SPO's interventions in Balochistan. RNE approved support worth Rs. 183 million for five years, starting 1 January 2004.
- In 2003-04, SPO submitted a request to CIDA for funding for its NWFP, Punjab, Sindh and National Centre programmes, for a period of three years (2005 to 2007).
- SPO's remaining budget, worth PKR 230.39 million, was to be arranged from other sources in order to support social sector project funding, the programme costs of the Karachi, Lahore and DI Khan offices, and the fifth year budget of the consolidated SPO programme. In this regard, a proposal to SDC has been submitted for D.I.Khan. SPO on behalf of all five RSDP partners has submitted a joint proposal to European Commission.

Special Programmes

As in the previous year, in 2003-04, SPO continued to engage in collaborative special programmes, not only to intervene in additional areas where it was needed, but also to develop its services in the direction of its future programmes and to avail new sources of funding.

Supporting Democratic Development in Pakistan with TAF

SPO in partnership with The Asia Foundation signed a project in October 2004 to support democratic development in Pakistan to achieve the following objectives:

Integrate public dialogue on democratic reform within SPO's ongoing governance programme;

Build the capacity of district and sub-district partner organizations to facilitate public dialogue enabling marginalized groups, especially women and the poor, to increase their influence over reform initiatives on issues of concern to them; and

Strengthen networks and coalitions of civil society organizations on democratic reform.

- Using this grant, SPO served as the focal point organization for public dialogue and mobilization activities in Sindh and Punjab, which included:

Liaison with district and sub-district partner organizations

Organizing and facilitating training workshops for the district and sub-district partner organizations in Sindh and Punjab

Producing a series of short publications on the topics debated at the public forums, including pamphlets, brochures and booklets

Arranging dialogues in each district of Punjab and Sindh, including district and province level public forums, and a series of *awami melas*.

- Integration of these activities within the overall content of SPO's governance programme

Sindh Coastal Disaster Relief and Rehabilitation Project

In July 2003, Sindh received heavy rains that led to flooding, affecting some 850,000 people in different districts. SPO played a very active role during this emergency, particularly in Badin and Thatta, where the problem was acute.

SPO undertook a number of flood relief and rehabilitation projects with the support of various donors, including Save the Children UK, Save the Children-Sweden, World Vision, ECHO, and CHIP. Save the Children-UK was the major donor that supported these activities and acted as a bridge for other donors, such as ECHO and World Vision, to support SPO. The total amount of the project pooled by the donors was PKR 28,012,199.

The major project carried out by SPO was the Rehabilitation Project for affected farmers and primary school children of Thatta and Badin, which supported 2,930 farmers and 17,580 direct beneficiaries, and was worth PKR 22 million. The project successfully achieved its targets on schedule. In fact, in

the case of farmers' rehabilitation, the project exceeded its planned targets. Under the project, seed was distributed to farmers and educational material to children — the quality of both inputs was deemed excellent. Farmers and other community members expect that the yields from the distributed seeds will be much higher than those harvested in the previous year.

SPO's Initiatives in Education under ESRA

The Education Sector Reforms Assistance (ESRA) Programme is being implemented on behalf of the United States Agency for International Development (USAID) and the Government of Pakistan with the financial support of Research Triangular Institute (RTI). The programme aims to uplift the educational status of Pakistan and contribute towards achievement of the goal of EFA.

Baseline Literacy Surveys in Kech and Thatta - Under the Literacy Component of ESRA an agreement was reached on 11 August 2003. SPO was to undertake a baseline survey of three districts to assess the literacy ratio and the community's need for literacy programs. ESRA project teams from SPO Kech and SPO Hyderabad, under the supervision of the Senior Manager of SPO DI Khan, conducted this exercise.

District Education Planning for Chagai and Thatta – Under the Policy and Planning Component, SPO developed the Chagai district education plan through wide-ranging consultations with communities, civil society organisations, the local government (especially the Education and Literacy Department), academia and educational institutes of nearly all kinds. ESRA project teams from the SPO Hyderabad and SPO Quetta office undertook this assignment in both provinces. The Thatta plan was finalized in the same manner and submitted for approval to the District Steering Committee.

Testing of the “Integrated Literacy Model” at Union Council Balicha, Turbat – Under the agreement signed in April 2004, the six-month project is being implemented from SPO's Turbat office and aims to increase the literacy level of female community members under the jurisdiction of Union Council Balicha.

Monitoring and Learning Strengthened Further

In the previous years, SPO's emphasis on internal monitoring resulted in increasing institutionalisation of the monitoring and evaluation functions. The Learning Information System had been refined continually and a Monitoring, Evaluation and Reporting Unit had been established at the National Centre. In

2003-04, it was felt that the link between lessons learnt and future planning needed to be strengthened even further. The MER unit was thus upgraded as the Programme Planning and Audit unit.

During the year, the Programme Planning and Audit unit conducted monitoring missions to different programme areas, including:

- An extensive desk audit exercise carried out in the regions to identify management issues pertaining to the Social Sector Fund;
- A post-DPM capacity assessment of the Shangla cluster in NWFP; and
- Collective review meetings with Participatory Development Coalitions (PDCs) in each region, followed by an exercise to clarify the future roles and responsibilities of the PDCs as civil society networks (CSNs).

CIDA/Universalis's End-of-Project Monitoring Report

In April 2004, the Universalis Management Group conducted its last monitoring visit in April 2004. Its study had two main components: An organizational assessment of SPO and An assessment of SPO Phase II project performance. Key findings of the mission were as follows:

Since the time of the previous monitoring mission, SPO had continued to make significant, impressive and fundamental changes that appeared to be having lasting, positive effects on the organization's motivation, capacity and performance.

SPO appeared to be clearer about, more committed to, and strongly guided by its vision, mission and niche.

In addition to the statement on its vision and mission, SPO had defined eight strategic objectives as part of the strategic planning process in 2001-2002. However, it was not apparent that SPO was using these objectives to assess, monitor and report on its organizational performance systematically, on an ongoing basis. For example, periodic reports to the Board and other key stakeholders did not use the mission, vision and/or strategic objectives as the basis for review and/or discussion about SPO's performance. Thus it was actually difficult to assess the extent to which SPO was actually realizing these objectives.

SPO continued to pay considerable attention to assessing the congruence of potential new opportunities with its mission, vision and niche before deciding to pursue such opportunities, which was a very positive and important

attribute of an organization concerned about its ongoing relevance. As a consequence, external stakeholders reported that they viewed SPO as an increasingly relevant and strategic organization in terms of its outreach as well as niche.

In terms of financial viability, SPO had been active in diversifying its revenues. Notable successes to date included the establishment of several revenue-generating Regional Training Institutes, as well as the development of programs, products and services in response to perceived opportunities.

It was very positive that SPO had continued to develop and fine-tune its own systems and practices for reviewing the quality of its operations and programs through internal audits and program reviews. To the team's knowledge, SPO was unique in this regard and should be recognized for its adoption of such practices. However, recent examinations of the products of these reviews as well as interviews with staff closely involved in these practices suggested that there were several ambiguities in regard to the clients and the scope of such reviews, as well as the processes and responsibilities for ensuring that recommendations of such reviews were followed up. SPO needed to clarify such matters, particularly in terms of how such information was to be used, by whom, and when, so that it could be used to inform improvements in the organization's practices and operations.

Research on Significance of Choti Funding

In addition to learning from internal and external monitoring, in 2003-04, SPO also benefited from a study conducted by an ex-employee on the choti (micro) funding component of the DPM programme. Safia Ali Nawaz was Programme Coordinator, Projects Monitoring at SPO Sindh from 1999 to 2001. She left the organization to pursue postgraduate studies in Sustainable International Development at The Heller School of Social Policy and Management, Brandies University. For her research assignment, Safia selected the theme "Significance of Micro Funding (Choti Funding) in Capacity Building Program of SPO, Sindh Pakistan: Learning Through Experience".

A thought-provoking excerpt from this study follows:

The purpose of SPO's *choti* funding during the DPM cycle is to build capacity of CBOs so that they can manage small-scale projects effectively. Community organizations mainly spent funds on activities such as goat rearing, livestock management, running small businesses and buying agricultural inputs. The recoveries made as a result are revolved or invested back within the community so as to have continuity of community engagement in one way or the other. As the purpose of this funding is very much project focused, the

scope and impact remain limited within a range of 5 to 8 direct beneficiaries. For example, out of my 12 sample organizations, only one was found to be involved in running a coaching center and adult literacy classes. This was the only project where I found maximum participation from the community and the impact was quite obvious. This project is also a good example of trust building within the community, although the education they provide is not totally free. The analysis also shows that 8 out of the 12 organizations were engaged in lobbying and advocacy activities in addition to their regular project activities. They perceive such activities as being the best way to secure their civil society rights. They use the media, issue press releases in newspapers and magazines, organize rallies, participate in agitation and campaign for their right to say. Some of the organizations have also been found quite active in campaigns that are currently very topical in Sindh such as opposition to honor killing and movements related to their water rights. Recently some CBOs, through their networking and advocating skills, managed to secure the release of one villager from kidnappers. In SPO, although recently some suggestions and realization have emerged to increase the funding amount of CF, activities are likely to remain isolated and have minimum impact on ground unless the purpose of CF is redefined as being a means through which collective efforts at community level can be encouraged.

Documentation about experiences with choti funding both in the SPO's country and regional offices is very poor, there is very little hardly any analytical effort made that could help to understand the role and effectiveness of CF in a broader context. It appears that the activities undertaken through CF are seen as just an exercise to bridge theoretical learning with practical experience within the scope of DPM training. It is not an activity, which helps a community to engage in networking, lobbying and right based activities. Despite this, there is some evidence of potential among a number of organizations that I have worked with.

Outreach

Understanding Pakistan

Owing to the nature of its work, SPO is highly sensitive to the cultural, social, economic and political context of Pakistan. Any lack of understanding of this environment can have serious bearings on the effectiveness of actors in Pakistani society, whether they are civil society organizations, political parties or state institutions. In order to promote an understanding of the country, in 2003-04, SPO initiated a series of discussion papers entitled "Understanding Pakistan". The series covered a broad range of topics through which SPO sought to highlight the key issues faced by Pakistan today.

During the year, six papers by eminent thinkers, researchers and SPO staff were published. In order to take the process further, SPO also held an international conference on the themes of these papers. The objectives of the event were to:

Develop understanding and create a body of knowledge on modern day Pakistan

Discuss and understand some of the central issues at play in the present socio-economic and political scenario of Pakistan

Generate debate and discussion on issues of vital importance based on well-researched studies leading to people-centred policy changes in the country; and

Provide a forum to researchers, thinkers, and academicians working on Pakistan to present their works before civil society.

10th Anniversary Celebrations

On 15 January 2004, SPO successfully completed its first decade of service. To celebrate the occasion, SPO arranged an event in Islamabad where all stakeholders were invited.

Building SPO

Board Elections

On the occasion of the 10th Annual General Meeting, elections were held for SPO's Board of Directors for the next three-year period. Three new members were elected. The list of elected members is presented in the following table.

Board of Directors for 2003–2006

Federal Capital Territory Mr. Iqbal Jaffar	
Balochistan Syed Abid Rizvi Ms. Zeenat Yaqoob Yousafzai Ms. Farida Tahir Noshewani	Punjab Prof. Dr. Karamat Ali Ms. Ferida Sher Mr. Mohammad Riaz Gondal
NWFP Dr. Tufail Mohammad Khan Ms. Rukhshanda Naz Mr. Waris Khan	Sindh Mr. Javed Jabbar Ms. Sadiqa Salahuddin Mr. Naseer Memon

Elections of the Chairperson and the Vice Chairperson

After the announcement of the elected board members, the Company Secretary asked the Members to initiate the process of election for the positions of the Chairperson and the Vice Chairperson. Mr. Javed Jabbar proposed the names of Prof. Dr. Karamat Ali for the post of Chairperson, and Syed Abid Rizvi for the post of Vice Chairperson.

The Members unanimously agreed to this proposition and the Company Secretary then handed over Chair's powers to the re-elected Chairperson and the Vice Chairperson. Mr. Harris Khalique was reappointed as Chief Executive and consequently became the 14th member of the Board.

Governance and Management

Board of Directors

Keeping in view the expanding scope of SPO's programmes, the Board of Directors reviewed and amended SPO's mission statement to:

"To strengthen and support community organizations and public interest institutions of Pakistan for the benefits of poor and disadvantaged sections of society for sustainable development through a participatory approach."

This reflected SPO's readiness to work with any potential development institution to build its capacity in order to achieve common goals.

SPO Management Committee

Spearheaded by the SMC, SPO upgraded its accounting software in order to increase the efficiency of the finance section and cater better to multi-donor reporting. The process of software installation was initiated in July 2003 through development of the chart of accounts, which was prepared against the new work breakdown structure. All concerned staff from each region were trained on using the new software.

An Employee Handbook was produced to develop SPO staff's understanding of organizational policies and procedures and to provide them with a source of ready reference.

Advisory Council

The Advisory Council had a very limited participation of members this year. In addition to sharing SPO's progress during the year, a combined reporting format for all donors was shared as agreed in previous meetings.

Developing the Team

During SPO's tenth year, the following staff's training opportunities were availed with the support of RSDP:

The Programme Manager-MER, attended training in "Monitoring & Evaluating Development Projects & Programmes" at IMA, UK, from 28 July to 8 August 2003

The Regional Director-Hyderabad Office, attended training in Impact Assessment at IDPM, UK, from 22 September to 17 October 2003

Eight staff members conducted an exposure visit to Sarvodaya, Sri Lanka, on 7-14 March 2004

Eight staff members conducted an exposure visit to BRAC, Bangladesh, on 6-18 March 2004

Two senior staff members attended a course on "General Management of Development Programmes" at Cranfield University, UK, on 1-12 March 2004

The Senior Manager, Finance and Institutional Assets, attended a course on "Finance for the Senior Executive" at the Asian Institute of Management, Philippines, from 29 March to 2 April 2004.

Finance

It was a crucial year for SPO. Funding from the Royal Netherlands Embassy (RNE) has ended last year while funding from EU and CIDA was going to end during the year. Therefore, to stabilize financial position, SPO focused its attention upon alternative sources and executed maximum number of special projects in the history of the organization. SPO began partnerships with Education Sector Reforms Assistance (ESRA), CHIP, Save the Children-UK, Save the Children-US, CIDA-Devolution Support Project, Swiss Development Corporation (SDC), World Vision and Save the Children Sweden.

In this year of operations, new accounting software "Sidat Hyder Financial" replaced old accounting software. KPMG, Taseer, Hadi Khalid and Co Chartered Accounts were replaced with Ford, Rhodes, Sidat Hyder and Co. as a corporate auditor of SPO.

During the reporting period SPO generated revenue PKR. 9.92 million from residential training units, PKR. 3.7 million funds from Vehicle Replenishment Fund and PKR. 9.8 million from Corporate Cost Fund. Balance sheet footing for this year was PKR. 55.07 million. Company owned assets became PKR. 38.02 million (at cost) with operating cost of PKR. 181.45 million.

Administrative Decisions

In order to bring about organizational reform, the Chief Executive constituted a Change Management Task Team, as a follow-up to the Institutional Development Plan-1 (IDP-I). Under the Institutional Development Plan-II, after consulting various stakeholders, the task team proposed two structures and invited comments and suggestions from the whole team. Restructuring was then carried out at the National and Regional Centres.

Throughout this process, the Board of Directors thoroughly discussed each function and staff capacity at all levels and listed a number of concerns for Chief Executive's consideration. After exhaustive deliberations, the Board unanimously approved the structure, the compensation plan, and the revisions in Human Resource, Administration and Financial policies recommended by the Internal Auditor. The new structure was implemented from the beginning of this fiscal year.

During the reporting period, new staff underwent different trainings and exchange visits within and outside SPO to gain skills relevant to their positions. These staff development initiatives include nine training workshops abroad. Two versions of the Employee Handbook were issued in July 2003 and January 2004.

Achievements

Strategic Paper by the Chief Executive outlining SPO's programme direction and institutional needs: followed by the Five Year Plan – stress on capacity building, local governments and SPO's own institutional strengthening;
Collaborations with a number of donors on different social sector programmes: promotion of local democracy with Asia Foundation, relief and rehabilitation of flood-hit areas in Sindh with Save the Children UK, work on USAID's Education Sector Reform Assistance Programme;
CIDA End-of-Project Report, as well as a research thesis on SPO's choti funding, that provided useful insights into areas for improvement;
Discussion papers and an international conference on 'Understanding Pakistan'.

10 Years of SPO

A decade after its formation is a good time to assess the impact of an organization. As SPO celebrates its first ten years, it is possible to look back on its many achievements. Any organization has to be judged in terms of the impact it has had – how it has made a difference for others – and on how it has developed and strengthened itself. On both these fronts, SPO has much to be proud of.

A. SPO's Program We Work

SPO's support for capacity building of CBOs continued apace. The DPM program was expanded to include environmental issues, and later to include political education and sensitisation about advocacy and rights-based approaches. Participatory Development Coalitions, formed initially to support DPM graduates, later had their focus changed to advocacy.

SPO's commitment towards women went up several gears during its second five years. A two-phase strategy was evolved for the Women's Emancipation Programme. Mobilization Phase I would work with individuals to form Female Organizations. Optional Phase II would work with willing FOs to transform them into Female Development Organizations, who could then be eligible for Social Sector Funds.

The introduction of devolution reform in Pakistan brought a new focus area for SPO. Its work with local CBOs and women's organizations yielded significant results in terms of electoral success for SPO partners, especially women councillors. A Good Governance Program initiated in Turbat combined SPO's support for women and devolution: the Program promoted women's organizations and built the capacity of elected councillors.

SPO also continued its work in program areas more directly related to development. It used CIDA support to undertake a drought relief project in Bolan, Balochistan, for example – one that had the additional benefit of mobilizing women's groups. Relief of flood-hit areas in Sindh was done in collaboration with Save the Children UK, while work on the Education Sector Reform Assistance Program was done with USAID. SPO's increasing

collaborations with a wider range of donors reflected its growth as an organization (see Section B).

In its current phase, SPO has striven to achieve the following goals in Pakistan:

- Improve the capacity of partner organizations, including CBOs and WDOs, to undertake development activities in a gender-sensitive and environmentally sustainable manner;
- Develop and strengthen the role of women in the community development process; and
- Enable Participatory Development Coalitions to effectively strengthen CBOs and WDOs.

Looking through the above overview – as well as reading this book – it is clear that SPO made significant progress in each of these areas.

Some specific achievements on SPO's program side are listed below:

Outputs

SPO was able to achieve the following results in the four-year period from July 1999 to June 2003:

- 305 women organizations were formed
- 600 CBOs and WDOs were capacitated through DPM training
- 29 PDCs were formed and 24 strengthened
- 227 CBOs and 114 WDOs were awarded *Choti* funding, including 15 organizations formed by PDCs
- 23 CBOs and 1 WDO were provided support from SPO's Revolving Fund
- 195 CBOs and WDOs received project funding from SPO for their need based projects
- 40 CBOs and WDOs received small scale projects from other donors
- 8 Village Councils established under the new Devolution of Power programme received project support from SPO
- 24 Union Councillors received SPO training on development and organizational management concepts
- 8 Union Councillors were capacitated on project development and monitoring

- 781 members of SPO partner organizations contested the elections out of which 536 got elected all over the country.

Outcomes and Impact

Capacity-building

SPO estimates that some 310,720 people have benefited directly through its training and projects, and more than a million indirectly.

Empowering Women

Increased numbers of women organizations have been strengthened, providing a platform to women to play an active role in integrating their own concerns in the overall planning process. The confidence of women has been increased and their involvement in decision-making ensured. Women have been especially sensitised to good governance and provided political education so they play a role in local government. *Choti* funding has also spurred economic activities that benefit female community members.

Promoting Development

SPO's partner organizations demonstrated maturity in planning and undertaking development activities: over 250 CBOs and WDOs designed development projects that addressed key needs of their communities. They were able to secure funds for these projects from SPO as well as other donors such as Trust for Voluntary Organizations (TVO), the Canada Fund and other bilateral donors. At least 30 percent of these projects' beneficiaries hailed from the poorest segments of the target communities and no less than 30 percent were women. The POs also involved large numbers of the intended beneficiaries in project needs assessment, design and management. Environmental safeguards were built in.

Changing Attitudes

Through SPO's interventions, an attitudinal change in society was observed where people demand that their basic rights are fulfilled, rather than taking the fulfilment of such needs as a privilege. In order to strengthen Advocacy for Change, civil society organizations were linked with regional and sectoral networks to play a lead role in representing grassroots communities. This further increased the participation of communities in decision-making.

Promoting Policy Debate on Devolution

When the new local government debate was initiated, SPO-trained human resources were available to take that discourse forward. The PDCs vigorously participated in all forums arranged to finalize the design of the new system as the government initially declared it open for debate. These networks gave their input at the policy level in provincial and national forums. A wide-ranging consultation process was initiated by SPO across Pakistan. Representatives of government, NGOs, CBOs and the communities extensively attended the series of workshops.

Supporting Elections

The POs played a vital role in order to provide women leadership in the first two phases of local bodies elections. The minimum female participation of 33% was achieved in Punjab through advocacy campaigns in collaboration with other agencies. SPOs local resource persons were also actively involved in five districts. Their services were hired by the Aurat Foundation to act as focal persons during the local bodies elections. 781 members of SPO partner organizations contested the elections, of which 536 were elected all over the country. A larger number of activists participated in the process through campaigning, canvassing and bringing the development agenda to the fore. SPO can justifiably claim to have acted as a catalyst for smooth implementation of the new local government system.

B. SPO's Institutional Development

As in its first five years, SPO continued in its second five to place great emphasis on institutional strengthening – through consultations, capacity building and improved processes.

The various SPO forums carried on playing an important role in the organization's development. The Board Chairperson resigned to take up political office – a move that strongly upheld SPO's principles. The same applied to the Gender and Development Strategy, developed in year six. GAD integrated gender concerns into all SPO programs and processes: it thus reflected internally, SPO's external commitment (in its program work) to women's empowerment and advancement.

Capacity building of SPO staff remained a regular feature. Strengthened processes that led to improvements on the program side included the use of Results-Based Management. SPO's latter five years also saw a number of evaluations and assessments of the organization by external bodies: CIDA-

Universalis and the Royal Netherlands Embassy. Weaknesses pointed out in those reports, notably the need for SPO to document and disseminate its work and for the organization to improve its staff capacity, were taken on board. Year nine saw SPO prioritise monitoring and reporting, and saw a number of SPO publications as well as a documentary film.

Another key recommendation made by external evaluators was for SPO to reduce its dependence on donor funding. There was also a keen awareness of this among SPO's own Board and Management. SPO's diversified program activities were in part designed to address its funding issues: working on donor-funded projects SPO was able to generate income at the same time as contributing to development. One example of this was SPO's selection by the Japanese Embassy to carry out monitoring of its Grassroots Assistance Program in southern Punjab. Note that long-awaited donor funding was also released during this period, greatly easing SPO's financial situation.

SPO's ability to keep sight of the 'big picture' – where its individual activities slotted into an overarching framework – was even more on display in its second five years. A new Business Plan was evolved from 2002-7, with a strong emphasis on supporting local government grassroots organizations – while also continuing established capacity building activities. A Strategic Paper prepared by the Chief Executive in 2003 outlined SPO's program direction and institutional needs. It was followed by a Five-Year Plan, which also stressed capacity building, local governments and SPO's own institutional strengthening.

SPO: Looking to the Future

It is estimated that the benefits of the SPO future programme until 2008 will reach more than 1,000 villages and approximately 100,000 individuals (This estimate assumes that, on average, 12 percent of the target population of the current active POs will be reached).

In qualitative terms, SPO's capacity building programme – with its primary focus on strengthening the local government system – will strengthen devolution reform. The increased numbers of CBOs and WOs will be (and are already) able to provide trained and mature leadership to the local government. DPM graduates have already participated in Citizen Community Boards (CCBs). This is likely to continue, as more CBOs are trained and as awareness of CCBs increases.

CCB funding is encouraging the CBOs to be more active in advocacy on social issues and assertive to achieve their goals through proper planning and work in partnership with other stakeholders. CBOs will therefore be able to play a vital role in ensuring sustainable development of their respective areas.

Overall, local development partners will improve socio-economic conditions in the under-developed targeted areas through social sector funding and effective project planning and management. Local development initiatives undertaken by the CBOs will contribute in alleviating poverty, improving health conditions and providing quality education to the disadvantaged sections of the communities.

In addition, the following impacts are expected to accrue for SPO as an institution:

- SPO will be recognized as a leading institution promoting good governance practices and strengthening democratic norms at the grassroots level.
- SPO's expertise in and knowledge and awareness of gender issues in social development will increase further, leading to improved programming and an improved internal environment vis-à-vis gender.
- SPO will acquire an improved understanding of the community dynamics that lead to ongoing unsupported social mobilization, and this understanding will be applied in its programming for rectifying the situation.

SPO Employees

During 1994-2004

ISLAMABAD

- 1 Mr. Muhammd Riaz
- 2 Mr. Muhammad Khalid
- 3 Mr. Usman Ghani
- 4 Mr. Muhammad Mashoor
- 5 Raja G. Farid
- 6 Mr. Muhammd Arif
- 7 Mr. Sher Khan
- 8 Mr. Roland Williams
- 9 Ms. Shireen Dinar Abbassi
- 10 Mr. Farooq A. Malik
- 11 Ms. Savera Hayat
- 12 Mr. Shahid Mehmood
- 13 Mian Bilal Naqeeb
- 14 Mr. Ali Akbar
- 15 Ms. Farhana Faruqi
- 16 Mr. Muhammad Zubair
- 17 Ms. Zainab Awan
- 18 Mr. M. Ghani Khan Marwat
- 19 Aaref Farooqui
- 20 Mr. G. Farid Abbassi
- 21 Dr. M. Suleman Shaikh
- 22 Mr. Faisal Ahmed
- 23 Haji Muhammad Mushtaq
- 24 Mr. Faiz Mohammad
- 25 Mr. Jamil Asghar Bhatti
- 26 Ms. Ambreen Waheed
- 27 Ms. Ismat Saeed
- 28 Mr. Waqar Ahmed Shareef
- 29 Ms. Rehana Hashmi
- 30 Ms. Rukhsana Asghar
- 31 Ms. Mubashira Sharif
- 32 Ms. Aleya Sajjad Haider
- 33 Ms. Rehana Khilji
- 34 Mr. Atif Sandhu

- 35 Ms. Safia Ali Nawaz
- 36 Mr. Rizwan Mehmood
- 37 Mr. Fakhar-ud-din Razi
- 38 Mr. Gul M. Mastoi
- 39 Mr. Tahir Rizwan
- 40 Mr. Harris Khalique
- 41 Ms. Maliha Shamim
- 42 Ms. Uzera Nishat
- 43 Mr. Sidney Sams
- 44 Ms. Nighat Razaq
- 45 Mr. Mukhtar Masih
- 46 Mr. Riazat Hussain
- 47 Ms. Shabana Zafar
- 48 Mr. Usman-bin-Tahir
- 49 Mr. Shahid Mehmood
- 50 Mr. Shahid Maqsood
- 51 Ms. Fozia Tanveer
- 52 Ms. Saima Munir
- 53 Mr. Yasser Qayyum
- 54 Mr. Aftab Iqbal
- 55 Mr. Nayyar Iqbal

QUETTA

- 56 Ms. Riffat Pervez
- 57 Mr. Najm-ud-Din
- 58 Mr. Pervez Iqbal
- 59 Mr. Manzoor Ahmed
- 60 Mr. Irfan Ahmed
- 61 Mr. Ehtesham-ul-Haq
- 62 Mr. Hamayun Kasi
- 63 Mr. Abdul Zahir
- 64 Ms. Lubna Akhtar
- 65 Mr. Noel Franklin
- 66 Mr. Zafar Zeeshan

- 67 Ms. Riba Rodrigues
- 68 Ms. Humera Nazir
- 69 Mr. Faisal Rasheed
- 70 Ms. Kathy Javed Gill
- 71 Khawaja Sameeullah
- 72 Ms. Zubaida Parveen
- 73 Ms. Yasmeen Noor
- 74 Ms. Fatima Hussain
- 75 Mr. Mohammad Younas
- 76 Mr. Bashir Ahmed
- 77 Mr. Fazal-ur-Rehman
- 78 Mr. Jehanzeb Malik
- 79 Ms. Nosheen Qambarani
- 80 Mr. Afzal Masih
- 81 Mr. Barat Khan
- 82 Mr. Mirza Hashim Baig
- 83 Mr. Nauman Feroz
- 84 Ms. Asma Kiran
- 85 Mr. Imran Inam
- 86 Mr. Imdad Ali
- 87 Ms. Fozia Khajak
- 88 Ms. Faryal Ahmad

PESHAWAR

- 89 Mr. Arshad Haroon
- 90 Ms. Amna Ahmed
- 91 Mr. Ibad-ur-Rehman
- 92 Mr. Farmanullah Jan
- 93 Qazi Rab Nawaz
- 94 Mr. Gul Abbas Shah
- 95 Mr. Irshad Ali
- 96 Mr. M. Jamshed Khan
- 97 Ms. Shahnaz Parveen
- 98 Ms. Tasneem Akhtar
- 99 Ms. Zarqa Iqbal
- 100 Ms. Aleya Jabeen Khalid
- 101 Ms. Roohi Shaheen
- 102 Mr. Hassan Raza
- 103 Mr. Mohammad Sohail Khan
- 104 Ms. Sarwat Jahan
- 105 Mr. Shahid Mehmood

- 106 Mr. Mateen Khan
- 107 Ms. Fatima Sardar
- 108 Ms. Zuhra Luqman
- 109 Mr. Aijaz M. Durrani
- 110 Ms. Faryal Nigah Hussain
- 111 Mr. Marjan Ali
- 112 Mr. M. Jamshed Khan

LAHORE/MULTAN

- 113 Ms. Samina Islam
- 114 Shiekh Waseem Sultan
- 115 Rana Muhamamd Ajmal
- 116 Mr. Muhammad Iqbal
- 117 Ms. Rubeen Aziz
- 118 Mr. M. Waseem Ashraf
- 119 Mr. Frank Oliver Attaullah
- 120 Mr. Imran Khalid
- 121 Ms. Kishwar Saleem
- 122 Ms. Shahla Tabassum
- 123 Mr. Muhammad Ijaz Tareen
- 124 Mr. Muhammad Aamir
- 125 Mr. Atif Sandhu
- 126 Kishwar Sultana
- 127 Ms. Ruby Sarwar
- 128 Mohammad Nawaz
- 129 Ms. Anila Jacolin Gill
- 130 Mr. Zile Hasnain
- 132 Mr. Shabir Ahmed
- 133 Raja Mohammad Bashir
- 134 Mr. Ghulam Mustafa Baloch
- 135 Ms. Noor-us-Sabah
- 136 Mr. Daud Iqbal
- 137 Mr. Ejaz Rahi
- 138 Mr. Qamar-ul-Haq
- 139 Mr. Irfan-ul-Haq
- 140 Ms. Adeela Anwar
- 141 Mr. Shahnawaz Khan
- 142 Ms. Hina Ambreen
- 143 Mr. Irfan-ul-Haq
- 144 Ms. Feroza Zahra
- 145 Mr. Abdul Rasheed Abbassi

146 Mr. Hassan Bakhsh Bhatti
 147 Mr. Shaukat Ali
 148 Mr. Javed Iqbal
 149 Mr. Ghulam Rasool
 150 Mr. Imam Bakhsh
 151 Ms. Gul Sadia Altaf
 152 Mr. Jamshaid Iqbal
 153 Mr. Ayesha Majeed
 154 Mr. Zahoor Khattak
 155 Mr. Imran Maqsood
 156 Mr. Aamir Kaleem
 157 Ms. Samina Yousaf

HYDERABAD/ KARACHI

158 Ms. Firdous Maznani
 159 Mr. Ali A. Daudpota
 160 Ms. Kulsum Shams
 161 Mr. Allah Rakhiyo
 162 Mr. Shahzado Jakhrani
 163 Mr. Muhammad Mithan
 164 Mr. Sher Muham mad
 165 Meer Muhammad
 166 Ms. Rukhsana Baloch
 167 Ms. Tasneem Bhatti
 168 Mr. Noor Mohammad
 169 Mr. Altaf Abro
 170 Ms. Shama Sheikh
 171 M. Shakeel Munawar Abro
 172 Ms. Shagufta Daudpota
 173 Ms. Amreta Maitlo
 174 Mr. Muhammad Ayub
 175 Ms. Shazia Junejo
 176 Mr. Sajid Channa
 177 Mr. Shamshad
 178 Mr. Ali Ahmed Palh
 179 Mr. Gopal Daas
 180 Mr. Abdul Wahid Sangrasi
 181 Mr. Sadarudin Jatoi
 182 Mr. Mohammad Ramzan
 183 Mr. Ellahi Bakhsh
 184 Mr. Zeeshan Mahmood

TURBAT

185 Mr. Fiaz Shah
 186 Ms. Rukhsana Baloch
 187 Mr. Murad Hasil
 188 Mr. Bashir Ahmed
 189 Mr. Jumma Khan
 190 Ms. Haziz Bashir
 191 Mr. Jawaid Sarwar Hussain
 192 Mr. Sakhidad Khudadad
 193 Ms. Nassreen Hussain
 194 Mr. Mohammad Murad
 195 Ms. Sangeen Habib Gichki
 196 Mr. Abdul Wahab
 197 Mr. Munir Ahmed Gichki
 198 Mr. Javed Iqbal
 199 Mr. Mohamamd Moosa
 200 Mr. Abdul Qadir Roonjah
 201 Ms. Rahat Nadeem
 202 Mr. Ali Ahmed
 203 Mr. Mehrab Ali
 204 Mr. Tanvir Ahmed
 205 Noor Bakhsh
 206 Durdana Qadir
 207 Nasir Ali Sajjad
 208 Mansoor Ahmed
 209 Mahrung Karim
 210 Zahid Hussain
 211 Mohammad Murad
 212 Mukhtiar Ahmed Chhlgari
 213 Zubair Ahmed
 214 Syed Mansoor Ali Durbari

D.I. KHAN

215 Mohammad Jehangir
 216 Wissal Bibi
 217 Mehwish Muneeb
 218 Muhammad Ijaz Qasim
 219 Haider Ali
 220 Mohib Hussain
 221 Shafiullah Khan
 222 Akbar Ali

SPO General Body

During 1994-2004

1. Dr. Wasim Azhar
2. Ms. Zarnigar A. Tayyib (Late)
3. Ms. Shahla Zia (Late)
4. Dr. Tariq J. Banuri
5. Ms. Farhat Khan
6. Mr. Saifullah Khan Paracha
7. Mir Haji Jalal Khan (Late)
8. Dr. Qurat-ul-Ain Bakhtiari
9. Mr. Javed Jabbar
10. Ms. Rasheeda A. Husain
11. Mr. Vincent A. David
12. Ms. Ferida Sher
13. Ms. Tahira Abdullah
14. Mr. Omar Asghar Khan (Late)
15. Ms. Aliya Rab
16. Ms. Nilufer Abadan
17. Mr. Mohammad Amin
18. Syed Abid Rizvi
19. Dr. Tasleem Akhtar
20. Dr. Shaheen Sardar Ali
21. Mr. Mohammad Rafiq
22. Dr. Tufail Mohammad Khan
23. Mr. Reginald Dennis Williams
24. Ms. Usha Barkat
25. Ms. Beala Jamil
26. Ms. Neelam Hussain
27. Prof. Dr. Karamat Ali
28. Mr. Mohammad Riaz Gondal
29. Ms. Aban Marker Kabraji
30. Ms. Sadiqa Salahuddin
31. Dr. Husna Memon
32. Dr. Hafiz Pasha
33. Mr. Iqbal Jafar
34. Mr. Noor Ahmed Nizamani