

Digital Transformation of Development NGOs

*the Case of Transitioning
Northern-based
Development NGOs*

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Anand Sheombar* & Pascal Ravesteijn

* Presenter's correspondence email: anand.sheombar@hu.nl

HU University of Applied Sciences Utrecht, The Netherlands



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Paper abstract – outline presentation



This paper presents an **exploration into how Northern-based development NGOs** might change into digital social entrepreneurs while using the Internet or social media for their ICT for Development (ICT4D) related projects.

The research explores the role of the Internet and social media in Northern-based development NGOs **transitioning toward digital social entrepreneurship.**

This digital transformation observation is based on the findings of a **multiple case study** analysis using data from interviews, social media communications and reports of Dutch development NGOs.

We observed a **trend of service delivery** by development NGOs -some young and small NGOs- transitioning to digital social enterprises, being less dependent on government funding.

The implications are that Northern-based development NGOs could be **competing with local Southern NGOs or other local actors** working on development.

Furthermore, we suggest **more research on the organisational transformations ICT induces** in the field of development activities.

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OVERVIEW OF SOCIAL MEDIA USE

HEADLINES FOR SOCIAL MEDIA ADOPTION AND USE (NOTE: USERS MAY NOT REPRESENT UNIQUE INDIVIDUALS)



NUMBER OF SOCIAL
MEDIA USERS



4.62
BILLION

QUARTER-ON-QUARTER
CHANGE IN SOCIAL MEDIA USERS



+1.7%
+77 MILLION

YEAR-ON-YEAR CHANGE
IN SOCIAL MEDIA USERS



+10.1%
+424 MILLION

AVERAGE DAILY TIME SPENT
USING SOCIAL MEDIA



2H 27M
+1.4% (+2M)

AVERAGE NUMBER OF SOCIAL
PLATFORMS USED EACH MONTH



7.5

SOCIAL MEDIA USERS
vs. TOTAL POPULATION



58.4%

SOCIAL MEDIA USERS
vs. POPULATION AGE 13+



74.8%

SOCIAL MEDIA USERS
vs. TOTAL INTERNET USERS



93.4%

FEMALE SOCIAL MEDIA USERS
vs. TOTAL SOCIAL MEDIA USERS



46.1%

MALE SOCIAL MEDIA USERS
vs. TOTAL SOCIAL MEDIA USERS



53.9%

SOURCES: KEPIOS ANALYSIS; COMPANY ADVERTISING RESOURCES AND ANNOUNCEMENTS; CNNIC; TECHRASA; OCDH; U.N.; U.S. CENSUS BUREAU. DATA FOR **TIME SPENT** AND **AVERAGE NUMBER OF PLATFORMS**: GWI (Q3 2021). SEE [GWI.COM](https://www.gwi.com) FOR MORE DETAILS. **NOTE:** AVERAGE PLATFORMS FIGURE INCLUDES DATA FOR YOUTUBE. **ADVISORY:** SOCIAL MEDIA USERS MAY NOT REPRESENT UNIQUE INDIVIDUALS. FIGURES FOR REACH vs. POPULATION AND REACH vs. INTERNET USERS MAY EXCEED 100% DUE TO DUPLICATE AND FAKE ACCOUNTS, DELAYS IN DATA REPORTING, AND DIFFERENCES BETWEEN CENSUS COUNTS AND RESIDENT POPULATIONS.

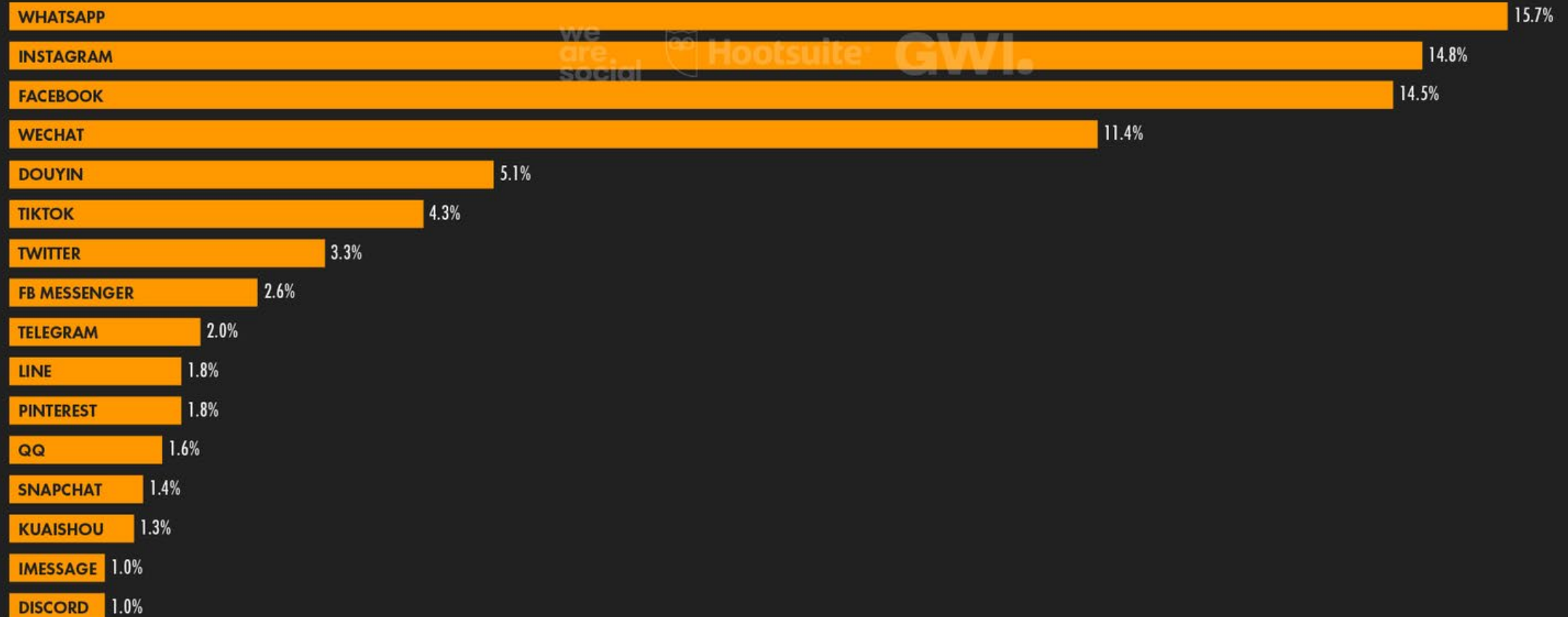
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FAVOURITE SOCIAL MEDIA PLATFORMS

PERCENTAGE OF INTERNET USERS AGED 16 TO 64 WHO SAY THAT EACH OPTION IS THEIR "FAVOURITE" SOCIAL MEDIA PLATFORM



103

SOURCE: GWI (Q3 2021). SEE [GWI.COM](https://www.gwi.com) FOR FULL DETAILS. **NOTES:** ONLY INCLUDES USERS AGED 16 TO 64. SURVEY RESPONDENTS COULD CHOOSE FROM OTHER OPTIONS NOT SHOWN ON THIS CHART, SO VALUES MAY NOT SUM TO 100%. YOUTUBE IS NOT AVAILABLE AS AN ANSWER FOR THIS QUESTION IN GWI'S SURVEY. WE REPORT GWI'S VALUES FOR TIKTOK IN CHINA SEPARATELY AS DOUYIN, AS PER BYTEDANCE'S CORPORATE REPORTING. **COMPARABILITY:** VERSIONS OF THIS CHART THAT FEATURED IN OUR PREVIOUS REPORTS DID NOT INCLUDE DATA FOR CHINA, SO VALUES ARE **NOT COMPARABLE**.

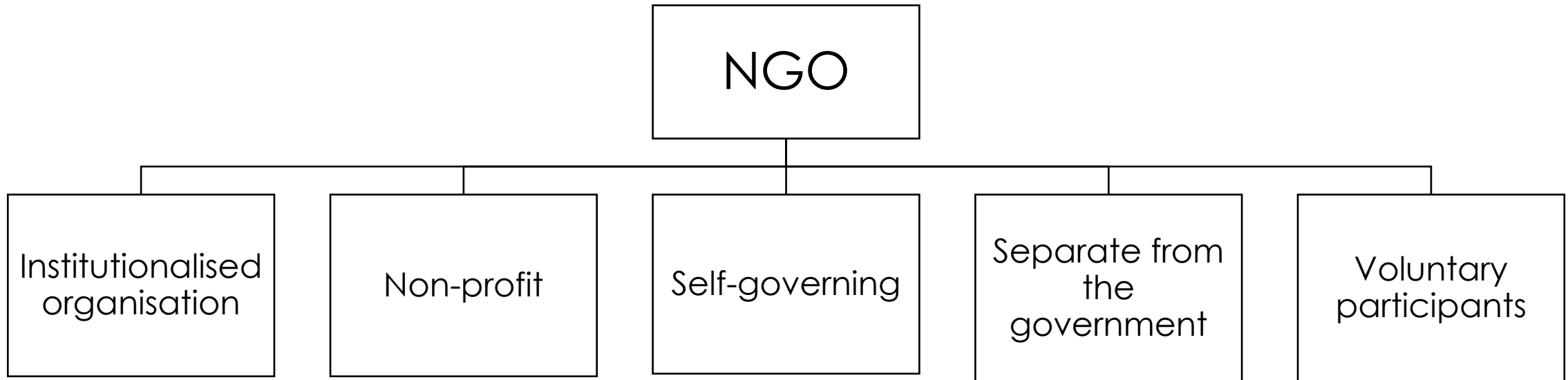


Social Media & Development NGOs

- Development NGOs **active players in international development.**
- More and more **development NGOs** are **harnessing the power** of the **Internet/social media** to affect change (cf. Ørecomm, 2012).
- How social media is used in development is **key issue** for development NGOs (e.g. Carboni and Maxwell, 2015)

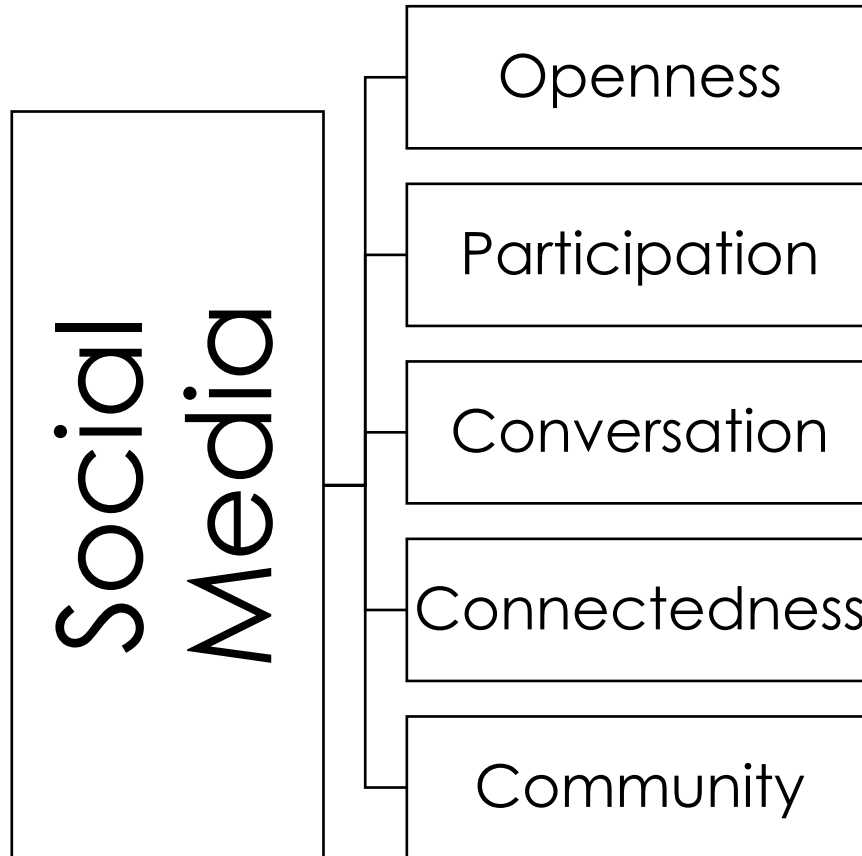
Non governmental organisation (NGO)

Active players in international development, called development NGOs



(Korten 1990, Salamon and Anheier, 1992; Vakil, 1997; Lewis and Kanji 2009; Brunner, 2019; Davies, 2019)

Social Media the Context of International Development



(Mayfield, 2008; Fuchs 2017)

Research Approach

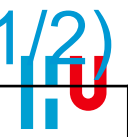


- **Research question:** What impact does the intensive use of the Internet or social media for their development activities have on Northern-based development NGOs?
- **Exploratory** nature of the study: qualitative research
- **Multiple case study** – analytical units: (digital) social entrepreneurship and the provision of digital services.
- **Case selection:** Dutch development NGOs intensively using social media and internet services for their development activities.
- **Main data sources:** interviews, supported by various types of secondary data.

Selected cases Dutch Development NGOs

NGO Pseudonym NGO specifics	Crowdsourcing NGO	Water platform NGO	Mobile Technology	Health and Sex Education NGO	E-learning NGO
NGO age range 1-5 or 6-15 years	1-5 yrs	6-15 yrs	1-5 yrs	1-5 yrs	1-5 yrs
Single/Multi-issue Development Activities Focus	Multi-issue	Single issue	Multi-issue	Single issue	Single issue
Interviewee roles	Management & Marketing/ communications professional	Management professional	Management professional	Marketing/ communications professional	Management professional Development practitioner

Findings business-like behaviour sampled Dutch development NGOs (1/2)



<p>3.1 Hiring staff with non-traditional background for development NGO</p> <p><i>“The strength is in the inclusion of people from outside your [ed. development] sector. (...) From that perspective, we started to think, how can it be improved? We said: let us forget everything that is already being done. Let us assume we must start all over again. How would you then organise?”</i> (management professional, Water Platform NGO)</p>	<p>3.2 Managerial Professionalisation.</p> <p>At the Water Platform NGO and the Mobile Technology NGO, staff with a business management background were recruited (also at the management level).</p>
<p>3.3 Establishing themselves as hybrid NGO</p> <p><i>“The Mobile Technology NGO from the beginning had a business model. We are being hired by NGOs, businesses and governments to reach specific target groups in developing countries. The organisation is no partner in the MFS-subsidies [ed. Dutch government’s international aid funding scheme] but works as sub-contractor for one of the alliances of development NGOs.”</i> (management professional, Mobile Technology NGO)</p>	<p>3.4 Service delivery to other NGOs</p> <p>The Health and Sex Education for Youngsters NGO combines offline entertainment/edutainment events targeted at youth with social media marketing and offers this as a social franchise concept.</p> <p>The Mobile Technology NGO has started offering social marketing campaigns or data collection services to other organisations, specifically development NGOs in the Global South.</p>

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<p>3.5 Online services and development outsourced.</p> <p>Three of studied NGOs have their IT development department based outside the Netherlands, at offices in the Global South and some IT development is outsourced. The e-Learning NGO has even created some start-up offspring.</p>	<p>3.6 Business-like language</p> <p>“Being entrepreneurial means that we want to be proactive and accept taking calculated risks. Promoting an entrepreneurial culture does not mean that everybody should be an entrepreneur.” (report, STD awareness NGO)</p>
<p>3.7 Income-generating activities to become less dependent of grants and donations.</p> <p>If more than 50% of their income is generated from business activities the development NGO is a so-called ‘hybrid non-profit’, falling in the domain of social enterprises. The development NGOs from this study who are behaving like transitioning NGOs are developing into or have already developed into <i>hybrid NGOs</i>.</p>	<p>3.8 Causes for business-like behaviour of development NGOs</p> <p>The Dutch development sector saw a decrease in funding by the Dutch government during the period of data collection. Dutch NGOs managed to offset some of the reduced government budgets by finding other financial resources from other governments, international donors, and the corporate sector, including CSR sources.</p>

Findings & Discussion Summary



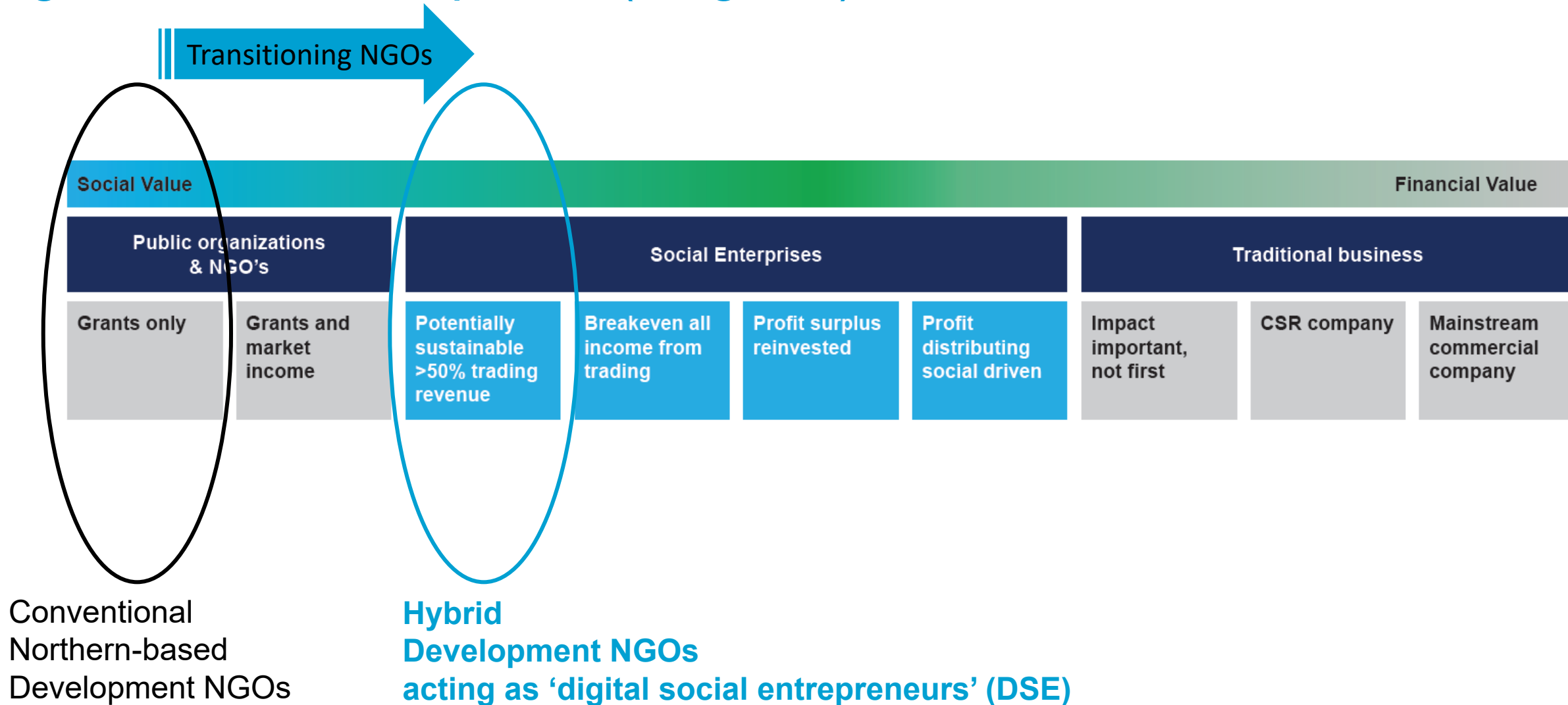
<p style="text-align: center;">NGO Pseudonym</p> <p style="text-align: center;">Observed specifics</p>	Crowdsourcing NGO	Water platform NGO	Mobile Technology	Health and Sex Education NGO	E-learning NGO	Related literature
NGO age range 1-5 or 6-15 years	1-5	6-15	1-5	1-5	1-5	
Single/Multi-issue activities	M	S	M	S	S	
Interviewee role: a) Management b) Marketing / Communications c) Development practitioner	a,b	a	a	b	a,c	
The integrated nature of ICT like in activities / services of the NGO	☑	☑	☑	☑	☑	Crowdsourcing NGO is channelling growth in philanthropy [5]. Digital technology embedded in offered services facilitates entrepreneurial agency [48].
Organisational structure atypical for development NGO		☑	☑			Organisation structure; separating start-ups [35].
The use of new ICTs necessitated the influx of skilled personnel.	☑	☑	☑	☑	☑	Professionalism in substantive fields, where experts in the subject matter are positioned [36]. Business-like rhetoric [49].
Management hired with non-humanitarian background		☑	☑	☑		
The transition toward a focus on service delivery	☑	☑	☑	☑	☑	Marketisation of relationships [35, 50]. Establishing themselves as hybrid NGO [38, 51, 52]; Digital social enterprise [40].
Funding less dependent of grants and donations	☑	☑	☑	☑	☑	Hybridising towards the market sphere [53].

Conclusion: studied Northern-based development NGOs Transitioning toward Digital Social Enterprises



- NGOs are becoming ***business-like***. These NGOs are departing from a traditional development sector behaviour to a more corporate way of working. (Maier et al., 2016).
- **Assuming** that their **organisations flourish** when implementing **corporate management knowledge and practices** (Hvenmark, 2013).
- NGOs that incorporate business-like activities are called '**transitioning NGOs**' (Gómez-González (2012), Helmsing et al., 2015).
- NGOs addressing social problems through market-based solutions: **social enterprises**.
- Social entrepreneurs in the development sector whose social ventures are centred on digital technologies are called '**digital social entrepreneurs**' (DSE), cf. Masiero and Ravishankar (2019).

Northern-based development NGOs Transitioning toward Digital Social Enterprises (diagram).





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