



REPORT

POSITIONING CAPACITY OF VIETNAMESE CSOs IN TRANSPARENCY AND ACCOUNTABILITY PRACTICE 2015 - 2016

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INTRODUCTION

Within the project named “*Inspiring CSO culture on transparency and accountability*” (Inspiring CSOs) sponsored by Irish Aid, following up with the report on “Positioning of Vietnamese CSOs in Transparency and Accountability practice” published in 2014, the Research Center of Management and Sustainable Development (MSD) continued to carry out survey and publish the Positioning Report on CSO practice in Transparency and Accountability in 2015 and 2016. There were 72 organisation times participating in 2015 and 2016 through independent assessment, in which, there were 25 organizations on survey from June to September 2015, and 43 from May to July 2016. However, among 43 organizations on survey in 2016, there were 10 assessed in 2015, which are confident with their increased level in Transparency and Accountability after one year. Therefore, in the collection of results within 2 years of 2015 and 2016, there were 58 participants. The survey results in 2016 of 10 mentioned above will be used as the basis for analysis.

This report summarises the results from fieldwork independent assessment and describes the capacity and practice of CSOs in Transparency and Accountability to give readers the full picture of Vietnamese CSOs in Transparency and Accountability culture. The report analyses the strengths and weaknesses of Vietnamese CSOs in general, compares the capacity among CSOs and shows the recommendations of CSOs for expected supports to enhance Transparency and Accountability culture. Finally, the report team gives some suggestions on the urgent supports to continue inspiring the culture of Transparency and Accountability for Vietnamese CSOs.

Compared with the report in 2014, this one is improved in terms of survey methodology, and the scope of survey is also expanded with more samples. So, it does not show the changes in a fixed number of Vietnamese CSOs.

The report includes the following main parts:

- **Introduction** *describes the background and origin of the survey*
- **General information about the survey** *states the purposes, methodology, tools, timeline and limitations*
- **The results of the practice levels of Transparency and Accountability** *shows the analysis, comments and comparison on the levels of Transparency and Accountability practice of CSOs, changes in the levels of Transparency and Accountability practice of the ones participating in both 2015 and 2016.*
- **Conclusion and recommendations** *of the report team*
- **Appendices** *quotes the data collected from 2015 and 2016 surveys.*

To complete the surveys and create this report, we would like to send our respectful thanks to the members of independent Evaluation Board, Report Edition Team and 58 participants in 2015 and 2016. We are thankful to Irish Aid for accompanying and supporting MSD to inspire the culture of Transparency and Accountability practice in Vietnam.

On behalf of MSD

Ms. Nguyen Phuong Linh
MSD Director

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ABBREVIATION

BOG	<i>Board of Governance</i>
CBO(s)	<i>Community-based organisation(s)</i>
CSA	<i>Action for CSO Development Alliance</i>
CSO(s)	<i>Civil Society Organisation(s)</i>
CSO TAI	<i>Civil society organisations' initiative on transparency and accountability</i>
CSO-TAP	<i>Component "Promoting Transparency and Accountability Practice for CSOs"</i>
HR	<i>Human resource</i>
Inspiring CSOs	<i>Programme "Inspiring on culture of Transparency and Accountability for Vietnamese CSOs"</i>
MSD	<i>Research Centre for Management and Sustainable Development</i>
NGO(s)	<i>Non-Governmental Organisation(s)</i>
ODIC	<i>Organisational Development Methodology of Inspiring Culture</i>
T&A	<i>Transparency and Accountability</i>
TAP Code	<i>Code of practice on Transparency and Accountability</i>
TAPA	<i>Transparency and Accountability Practice Assessment Tool</i>

TERM DEFINITION

"**Civil social organisation (CSO)**" is understood as a voluntary organization set up by the people which is not belonging to the official governmental structure; and organised and operated under the principle of voluntary action, democracy, self-financing and self-responsibility under law; working for the development purpose and not for profit.

CSOs of Vietnam include: The associations, social funds, charity funds, non-governmental organizations, development supports organizations, community-based organizations and other organizations.

"**Development effectiveness**" is defined as the impact of the for-development activities which create positive, sustainable changes and positive changes in terms of inequality, poverty and marginalization in the society.

"**Transparency**" refers to "the ability of the citizens to access information accurately and timely in accordance with the principles of development effectiveness".

"**Accountability**" means "the responsibility to explain, demonstrate and justify a particular issue with the related stakeholders for the development effectiveness purpose."

"**Code of practice on Transparency&Accountability**" (**TAP Code**) is the Code of Ethical Principles and Practice of Transparency&Accountability for development effectiveness of Vietnamese social organizations which include the standards and essential values that Vietnamese social organizations (CSOs) should adhere to apply the best Transparency & Accountability for the development effectiveness.

"**Organizational Development Methodology of Inspiring Culture**" (ODIC) is the method for developing organizations built on a culture that may inspire organisations through their leaders' inspired and led efforts to create learning environments and to promote the good practice of organisations in the areas of (i) Governance and organizational management; (ii) Programs management/Services; (iii) Human resource management; (iv) Financial Management; and (v) Communication and Fundraising on 3 levels (level 1: Basic practicing, level 2: Developing and level 3: Inspiring).

"**Transparency and Accountability Practice Assessment Tool**" (**TAPA**) is the tool kit to evaluate CSOs' practice of Transparency&Accountability based on 3 level of **basic practicing - developing and inspiring** of ODIC, in which Level 1 includes the minimum required standards for CSOs' good practice of Transparency & Accountability.

SURVEY OVERVIEW

Within the project named “*Inspiring CSO culture on Transparency and Accountability*” (Inspiring CSOs) sponsored by Irish Aid, since 2011, Research Center for Management and Sustainable Development (MSD) have developed the programs for promoting Transparency and Accountability Practice. After 5 years, the program “*Inspiring on culture of Transparency and Accountability for Vietnamese CSOs*” (referred to Inspiring CSOs) brought the concept and code of “Transparency and Accountability Practice” into Vietnam, and has strengthened capacity and inspired the good practice of Transparency and Accountability for hundreds of Vietnamese CSOs.

After the report “*Positioning CSOs in Transparency and Accountability Practice*” published in 2014, Research Center for Management and Sustainable Development continued the survey on positioning capacity of Vietnamese CSOs in Transparency and Accountability practice in 2015 and 2016 with 72 participating organizations operating in different areas across 3 regions of Vietnam. Among those 72 organizations, each year, MSD conducted fieldwork independent assessment on the level of Transparency and Accountability practice. There were 25 organizations participating in the survey from June to September 2015, and 43 from May to July 2016. However, among 43 organizations in the survey in 2016, there were 10 assessed in 2015, which are confident with their increased level in Transparency and Accountability after one year. Therefore, in the collection of results within 2 years of 2015 and 2016, there were 58 participants. The survey results in 2016 of 10 mentioned above will be used as the basis for analysis.

GENERAL INFORMATION ABOUT THE SURVEY

1.1 The purposes

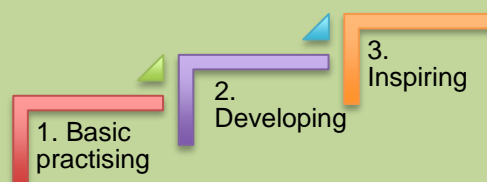
The conducted survey aims at the following purposes:

1. **To position the practice on Transparency & Accountability** of the participating organizations in Inspiring CSOs and use this to analyse the overall T&A practice level CSO sector in Vietnam;
2. **To support/encourage organizations’ self-learning and development** with the external independent evaluation;
3. **To provide the fundamental information for the orientation for enhancing CSOs’ capacity of T&A practice** through identifying demands, priorities for change, and resources needed.

1.2 TAPA toolkit

TAPA is a toolkit designed by MSD in 2014 to assess and position the Transparency and Accountability practice of CSOs based on 3 levels of practising, developing and inspiring of ODIC. Among them, level 1 includes basic criteria for the good practice of Transparency and Accountability.

*Organisational Development Methodology of Inspiring Culture (ODIC) is designed by Ms. Linh Phuong Nguyen, MSD Director and her colleagues, focusing on 2 objectives: (i) to enhance leadership capacity and inspire leaders for changes, and (ii) to develop learning organisations. MSD believes that to grow effectively and strategically first of all, CSOs need to have the basic **capacity and structure toward T&A** and apply them into practice. Those should be **developed** through **regular practice** with the higher levels of Transparency and Accountability. When “Transparency and Accountability” becomes the essential organisation’s value, beliefs and behaviours, meaning becoming organisation’s culture, it will inspire organisational members as well as partners and multi-stakeholders for development effectiveness of the organisation. Thanks to that, the culture of Transparency and Accountability will be spreaded out.*



ODIC develops organization capacity in 5 areas of: **(i) Governance and organizational management; (ii) Programs management/Services; (iii) Human resource management; (iv) Financial Management; and (v) Communication and Fundraising.**

TAPA was tested and edited in 2015 to meet the demands of positioning the Vietnamese CSOs practice in T&A. The toolkit assesses **5 main functional areas** of any organization with **21 capacity criteria** as follows:

FUNCTIONAL AREA	CRITERIA
GOVERNANCE AND MANAGEMENT	<ol style="list-style-type: none"> 1. Organization structure and law compliance 2. Vision, Mission and Objective 3. Strategic planning 4. Board of governance 5. Stakeholders 6. Decision-making procedures and reporting system 7. Operation
PROGRAM/ SERVICE DELIVERY	<ol style="list-style-type: none"> 1. Project management cycle (designing, planning, execution, monitoring and evaluation) 2. Quality control 3. Outcome and impact
HUMAN RESOURCES MANAGEMENT	<ol style="list-style-type: none"> 1. HR policy 2. HRM operation 3. HR development 4. Learning and knowledge management
FINANCIAL MANAGEMENT	<ol style="list-style-type: none"> 1. Financial management and control 2. Accounting 3. Budgeting 4. Financial reporting
COMMUNICATION & FUNDRAISING	<ol style="list-style-type: none"> 1. Branding and image 2. Communication 3. Fundraising

All the capacity criteria are rated over a number of fact-based indicators reflecting system and practice capacity, and are classified into 1 of 3 levels corresponding to the 3 levels of ODIC as follows:

- **Level 1: Basic practicing** – This is the minimum level to be certified as an organization who meets the requirements of good practice of Transparency & Accountability in their organizations and has structured management systems which are able to provide the related stakeholders when requested with the information for the accountability purpose.
- **Level 2: Developing** – This level includes the organizational pro-activeness in continuous developing good systems which are provide information, explanations as well as the interaction among CSOs and other stakeholders in applying Transparency&Accountability at the organizational level;

- **Level 3: Inspiring** – This is the highest level of Transparency & Accountability – where Transparency & Accountability is the culture of organisations, CSOs and other stakeholders who are responsible to apply it and to require the other parties implement Transparency & mutual Accountability for the best development.

The indicators at the Level 1 are also the minimum standards set by TAPA. This is considered as the first guiding toolkit for assessing and practicing Transparency & Accountability at different development levels of organisational capacity.

1.3 Methodology

The survey has been conducted with the organisations which voluntarily participate in the program “*Inspiring on culture of Transparency and Accountability for Vietnamese CSOs*” (referred to Inspiring CSOs) by MSD in 2015 and 2016.

Data is collected from the following methods: Independent fieldwork assessment of external independent assessors for 25 selected organisations in 2015 and 43 in 2016 based on TAPA. As there are 10 organisations assessed in both 2015 and 2016, the total number of participating organisations were 58. The assessments were conducted by using TAPA by assessing organisations’ strategic plan, website, system of policies, materials, tools used for organization governance and management of finance, program, human resources, communication and fundraising as well as interview and discussion with organisation’s multi-stakeholders. In addition to assessment, the consultants also provided the organisations with onsite guidance and recommendations about priorities for developing practice capacity of Transparency and Accountability.

Collected data was input and processed for finalized statistics, comparison, analytics and the major graphic trends.

1.4 Participating Organizations

There were 58 participating organisations in 2015 and 2016.

1.4.1. By organization size: Participants were classified by size based on the program criteria.

- Small size: The budget under 5,0000 USD: 30 participants
- Medium size: The budget from 5,0000 USD to 120,000 USD: 10 participants
- Large size: The budget more than 120,000 USD

Number of Participants by size

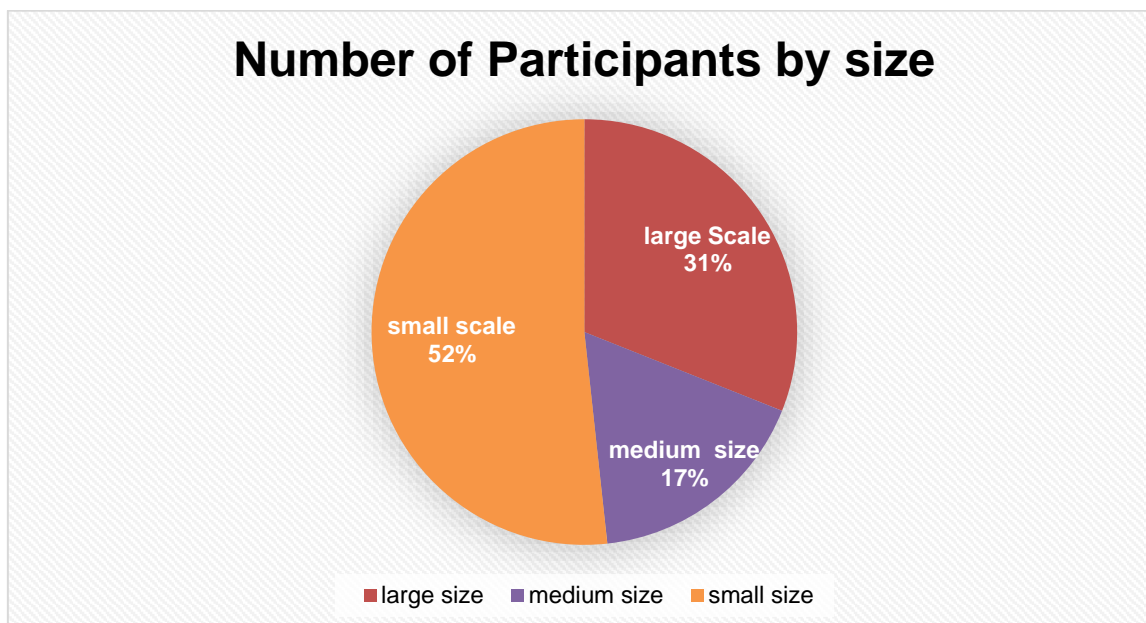


Chart 1. Organizations participating in TAPA assessments in 2015 and 2016 by organization size

The chart 1 not only shows the number of participating organisations by sizes but also reflect the motivations of the organizations participating in the independent assessments of their T7A practice and Inspiring CSOs program. For the large size organizations, it helps to certify the levels of organization position and spreading organization branding while this is a chance for the small size organizations to learn, exchange knowledge and experience and grow. The small number of medium size participating organisations reflects their stabilization period and not enough motivations for changes. However, among 58 participating organisations, two (2) cases have changed their organisation size in comparison with their medium one in 2015: one became a large size organisation, and the other downturns to a small size one. These 2 cases will be analysed in more details in the following part as the typical cases for the changes in organization size due to the impacts of Transparency and Accountability practice and the context.

1.4.2. By organisation types:

By organization types, there were 37 Non-Governmental Organizations (NGOs), 10 Associations and 11 others (such as funds, shelters, NGOs being transferred to Social Enterprises, community-based organisations (CBOs))

PARTICIPANTS BY ORGANIZATION TYPE

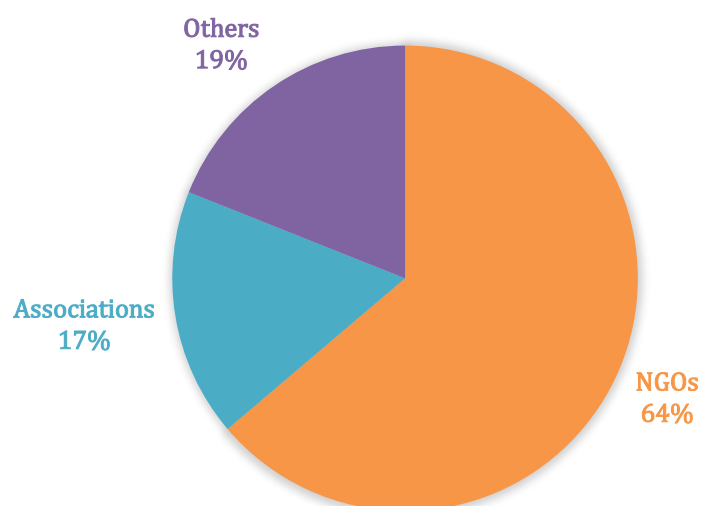
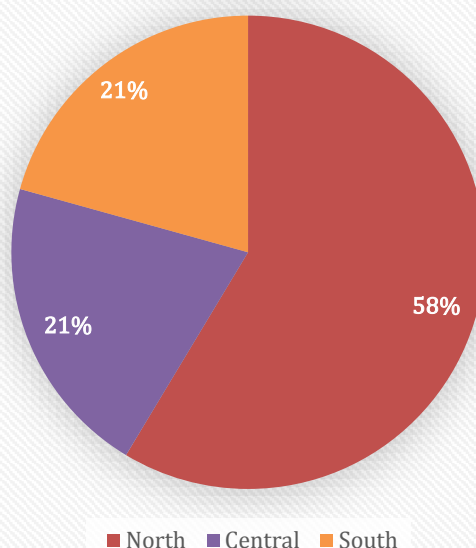


Chart 2. Organisations participating in TAPA assessments in 2015 and 2016 by organisation types

1.4.3. **By geography:** In both 2015 and 2016, there were participants across 3 regions of Vietnam. Among 58 participating organisations, 34 are from the North (58%), 12 from the South and 12 from the Central. In 2015, there were 11 organisations from the North, 6 from the Central and 8 from the South. In 2016, there were 27 organisations from the North, 8 from the Central and 8 from the South. The percentage of organisations in 3 regions has reflected the diversity of CSOs in Vietnam.

Participants by region



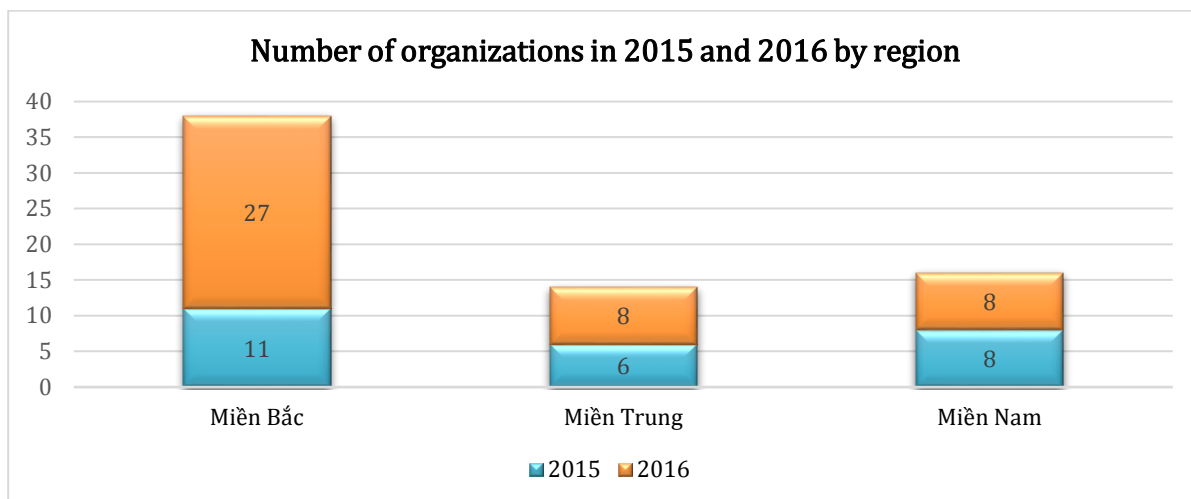


Chart 3. Organisations participating TAPA assessments in 2015 and 2016 by geography

In 2015 and 2016, there were not many changes in the total number of participants from different regions, but it was recorded that in 2016, there were participating organisations from 18 different provinces of Vietnam.

1.5 Timeline

- TAPA survey was conducted in 2 periods (August – October 2015 and May – July 2016). Despite of the less than 1 year survey, it still shows the changes following the higher direction in the levels of practice of 10 organizations participating in both 2015 and 2016. This session will be specified in the following part.
- Processing data, analysing the records and fieldwork assessment and making comparison between the positioning results in 2015 and 2016 were conducted from September to November 2016.

1.6 Limitations

- The survey was done with voluntary organizations and focused on the ones participating in the program “*Inspiring on culture of Transparency and Accountability for Vietnamese CSOs*” (Inspiring CSOs), therefore the sampling size was limited.
- Participating organizations have had more than one year experience, committed to strengthening the capacity of organisation and practice of Transparency and Accountability. So, they were confident to participate in the program.
- The survey focused on assessing capacity of domestic CSOs, and did not research to compare with the capacity of Transparency and Accountability practice of other sectors such as public administrative agencies, economic private sectors, International Non-Governmental Organizations.
- TAPA in 2015 and 2016 can not be compared with TAPA in 2014 because despite of the same system of criteria, TAPA in 2015 and 2016 were assessed by independent consultants whereas TAPA in 2014 was done by CSOs. Therefore, the ones in 2015 and 2016 are more objective than in 2014.

SURVEY RESULTS OF PRACTICE LEVEL OF TRANSPARENCY AND ACCOUNTABILITY

2.1 Levels of Transparency and Accountability practice

2.1.1. General comments

Based on the fieldwork appraisal, the capacity levels of Transparency and Accountability practice of the organizations in 2015 and 2016 were various. It is understandable because the development levels of CSOs, organization operation period of time, organization size and capacity of leadership – management are not the same.

Average scores of the organisations assessed in 2015 and 2016:

- > level 2 (Developing): 9 organizations (16%)
- Higher than level 1 (Basic practising) and less than level 2 (Developing): 39 organizations (67%)
- < level 1 (Basic practising): 10 organizations (17%)

If calculated among 49 organizations participating in TAPA 2016, the equivalent percent are 12%, 67% and 21%.

So, up to 83% of organisations participating in the survey have the basic practising and above basic levels of Transparency and Accountability practice. This is good news because although in 2014, the practice levels of Transparency and Accountability of the majority of participating organizations (85%) were basic and above basic, the results based on self-assessment were often much higher than the ones given by independent consultants. In 2015 and 2016, all organisations participating TAPA were assessed by independent consultants based on the detailed criteria. Therefore, TAPA figures in 2015 and 2016 could be considered as objective and accurate ones.

Average TAPA score of the participating organisations is 1.55. However, according to the exchange rate, this score just reaches the basic and above basic levels, which are halfway to the developing level (2). The scores given by the independent consultants to each area and TAPA¹ scores are in the table below:

Functional Areas	Average TAPA score/3	TAPA score by level/3
Governance and Management	1.49	1
Program/ Service Management	1.57	1.5
Human resource management	1.53	1.5
Financial management	1.68	1.5
Communication and Fundraising	1.46	1
Average level	1.55	1.5

Bảng 4: Average TAPA scores in each area based on independent assessments in 2015 and 2016

¹ Following TAPA scores, consultants only accept the ones rounded down to the minimum level of 0.5

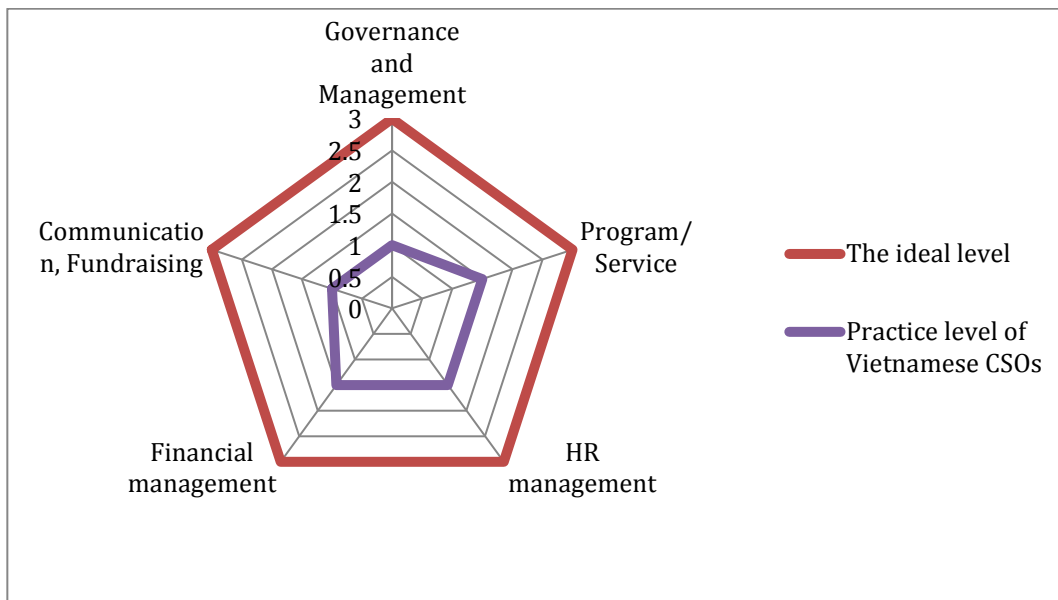


Chart 5. Practice level of Transparency and Accountability of Vietnamese CSOs in 2016

2.1.2. Strengths and weaknesses

Strengths

TAPA results show some capacity criteria of Transparency and Accountability above 1.6 as follows:

- 1.1 Organisational structure and law compliance
- 2.2 Quality control
- 3.1 HR management
- 4.1 Financial management and control
- 4.2 Accounting
- 4.3 Budgeting
- 4.4 Financial reporting

Moreover, some other areas reaching high scores, even above 1.55 include:

- 1.5 Related stakeholders
- 2.1 Project management
- 3.2 HR management

The strengths mentioned above reflect correctly that Vietnamese CSOs are good at law compliance, project management and have effective HR policies and management. In addition, through interview and reflection, many CSO leaders often indicate the financial management and capital accounting as their most Transparency and Accountability challenges because they are “sensitive” issues and “difficult” to manage due to the lack of specific regulations of financial management and accounting of CSOs, in practice, these functions always reaching higher levels than other ones. It even can be said that they may be considered as the transparency strengths of CSOs.

Functions need improvement

Whereas the survey shows some weaknesses in some functions, even not reaching level 1:

- 1.4 Board of governance/Board of directors/Advisory board
- 1.6 Decision making process and reporting system
- 3.3 HR development
- 3.4 Learning and Knowledge management
- 5.1 Branding and image
- 5.3 Fundraising

According to the survey results, governance related to Management Board gets the lowest average score (1.25). Among them, 10 out of 58 organizations didn't have Management Board, and 23 out of 58 organisations just had registered Management Board "in paper" or "honorary committee" so they don't really work in practice. It is up to 50% of organisations participating in the survey. Even some organisations getting good total TAPA scores still had low scores for this criteria. Specifically, in many cases, there was a lack of clear mechanism in establishment, operation and demonstration of functional roles of Management Board which were ineffective and overlapping.

Most of the organisations haven't had any Management Board or they just have one following the regulation and do not motivate the Management Board's roles of supervision and orientation in organization governance. The Management Board's activities are formal rather than contribute much to the effective and sustainable development of the organisation. It is surprising that the fundraising role of Management Board seems to be ignored. It is clear when most of the Management Boards were formed from the group of founders instead of recruitment or any specific requirements to choose suitable members who are qualified to make important decisions. In many cases, the Management Board just has the "formal" power instead of the real one. It is understandable because until now, there have not been any legal documents specifying the terms about NGO Management Board. That leads to the formal activities of Management Board. In CBOs, the Management Board is not respected enough due to its voluntary nature.

The 2nd and 3rd lowest criteria in turn are HR development (1.45) and fundraising (1.39). Considered separately in the surveys in 2015 and 2016, these were always the weaknesses of CSOs. That reflects the 2 main challenges for the development of Vietnamese CSOs in general and most of the CSOs participating in the survey in particular.

HR development: Although most of organisations realize the importance of enhancing the capacity of staff, they do not have a guideline, plan and practical and detailed training. They often limit to take advantage of free training courses rather than being aware of creating learning culture and self-learning activities within their organizations.

Fundraising: Most of the organisations are based on the traditional sources from international sponsors through writing project proposals and/or from the State grants (mainly for Associations). About only 10% of the organizations can diversify their fundraising methods. The main fundraising sources are from International Non-Governmental Organizations (INGOs). When Vietnam became a middle-income country there has been a big reduction in international sources of sponsorship which is such a challenge for CSOs. For the typical associations, when the State is planning to cut down the sponsorship budget for financial autonomy and independence, the associations are being under financial crisis. Therefore, it is necessary for them to widen and diversify the fundraising sources. Most of the organisations participating in the survey have difficulties in fundraising from business and individuals.

In addition, based on the survey, geography also influences the source diversity of funds. *"Domestic fundraising in some regions are very tough. It can become easier in the regions where businesses are developed. In the Central, because there are a few enterprises, fundraising from businesses is limited. In addition, fundraising from international resources is often for the Central large organizations"* said a CSO from the Central.

Access to international sources: When Vietnam becomes a middle-income country, some organisations think that it is more difficult to access international resources. *"Vietnam is a middle-income country, so getting a grant from international organizations is now more challenging. Our organisation is so young that potential sponsors cannot be able to trust in and support us"* (CSO 2). The weak capacity of organisations is also make them difficulties in accessing international resources *"most of INGOs leave Vietnam due to the fact that the*

local organisations cannot be able to develop macro projects” (CSO 3). Limitation on human resources is another factor that limits the access to other resources. “They do not have much experience and expertise in writing proposals for international fundraising. In addition, they have a lack of English skills” (CSO 4); “are bad at English, not credible enough and have no networking” (CSO 5)

2.1.3. Comparison by organisation size:

Chart 6 compares TAPA scores and the average ones by organisation size:

Functional areas	Large	Medium	Small
Governance and Management	2	1.3	1.3
Program/ Service Management	2.2	1.3	1.6
HR management	2.3	1.4	1.6
Financial management	2.2	1.6	1.7
Communication and Fundraising	2	1.3	1.5
Average	2.13	1.38	1.55

Chart 6 – Compare the practice levels of Transparency and Accountability by organization size

Based on the survey results, almost large size organisations have practice levels which are approximate to developing and above developing level. Among them, up to 50% of large size organisations (9 out of 18) reach the practice level 2 or above 2 (developing level). That means the larger an organization is, the more it is required to strictly practise Transparency and Accountability to achieve the expected results, and the organizations at high practice levels of Transparency and Accountability can be able to have high income. Especially, as mentioned above, most of the income of Vietnamese CSOs is granted by international sponsors. Therefore, good practice of Transparency and Accountability is considered a criterion for successful fundraising in approaching international donors. However, there are still component scores below 2, and Management Board (1.6) and Fundraising (1.9) are the lowest. This demonstrates the difficulties in those both areas as analysed above.

The practice level of small size organisations participating in the survey is a special feature. Although the number of small size organisations is 3 times more than the medium organisations, they still have the higher average score (1.55) of Transparency and Accountability practice than the medium size ones (1.38). After considering carefully the list of participants, although most of medium size organisations have been working for a 5 – 10 year period of time, have had the certain growth, it is still difficult for them to reach the large size. The practice levels are almost the same ranging from 1.1 to 1.5 and there is no big changes in other criteria. These are the organisations coping with challenges in the transition period. Meanwhile, small organisations have many development opportunities. Among them, many organisations with 1 – 3 year experience have high scores, up to the level 2 (1.7 – 1.9).

2.1.4. Comparison by organisation type

Chart 7 demonstrates the capacity levels of Transparency and Accountability practice of 3 groups by organisation type. NGOs are a bit better than the 2 other groups in terms of all 5 functional areas and stand out successively in the areas of *HR management*, *Financial Management* and *Program/ Services Management*. This strength can be influenced by international NGOs where the organization leaders worked before or which are now in cooperation with each other. The remaining 2 groups have the average scores which are approximately the same in the functional areas of *Program/ Services* and *HR management*. The group of other organizations are much weaker at *Financial Management* and *Communication – Fundraising*.

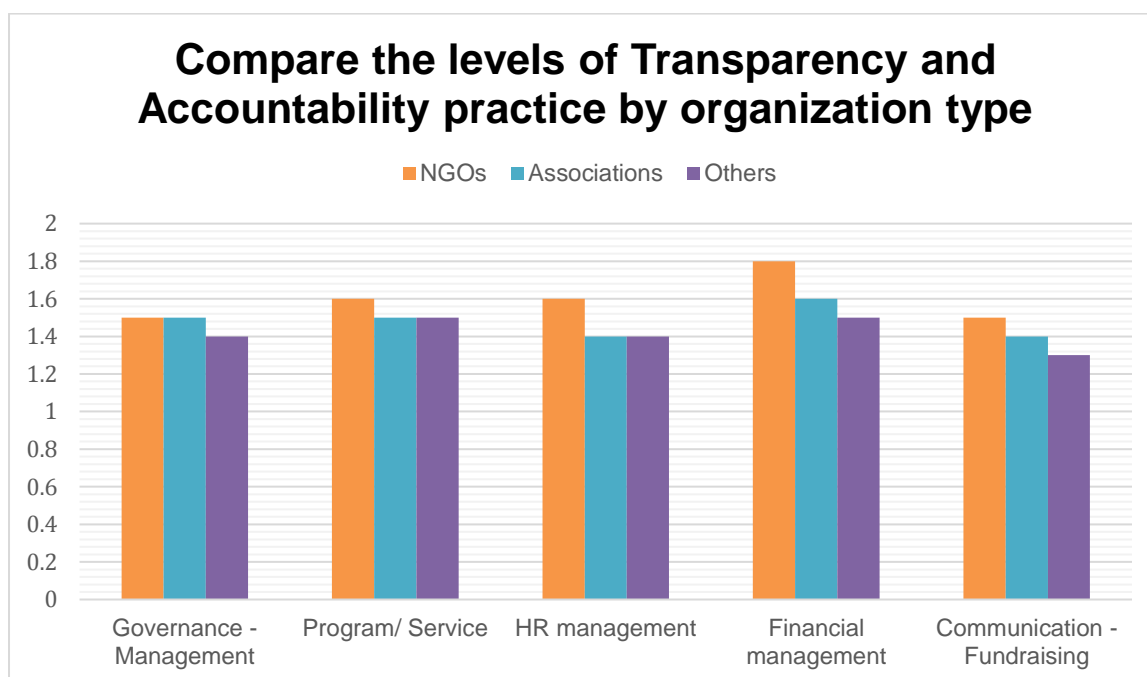


Chart 7. Compare the levels of Transparency and Accountability practice by organization type

Considering each area of capacity, we can see some similarities in their strengths and weaknesses:

		NGO	Associations	Others
1. Governance and management	Strength	Vision – Mission - Values	Organizational structure – law compliance	Develop strategic planning Related stakeholders
	Weakness	Advisory Board	Advisory Board	Advisory Board
2. Program/ Service Management	Strength	Quality control	Quality control	Management, control and impact are equally scored
	Weakness	Outcome - Impact	Project management	
3. HR management	Strength	HR policy	HR management	HR policy
	Weakness	HR development	Learning and knowledge management	HR development – Learning and knowledge management
4. Financial management	Strength	Accounting	Accounting	Financial management and control
	Weakness	Financial reporting	Financial reporting	Accounting
5. Communication	Strength	Communication	Fundraising	Branding and Image

and Fundraising	Weakness	Fundraising	Branding and Communication	Communication & Fundraising
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Chart 7 – Strengths and weaknesses of participating organizations by organization type

See more details in Appendix 1

2.1.5. Comparison by region

The comparison among the levels of capacity practice of Transparency and Accountability by region shows that the CSOs in the North (majorally participating organisations with 34/58 organizations) have stronger functions than CSOs in the Central and the South. The ones in the Central is a bit higher than in the South. It is understandable because 15 out of 18 large size organizations were in the North, and most of the Southern CSOs were small and medium size ones.

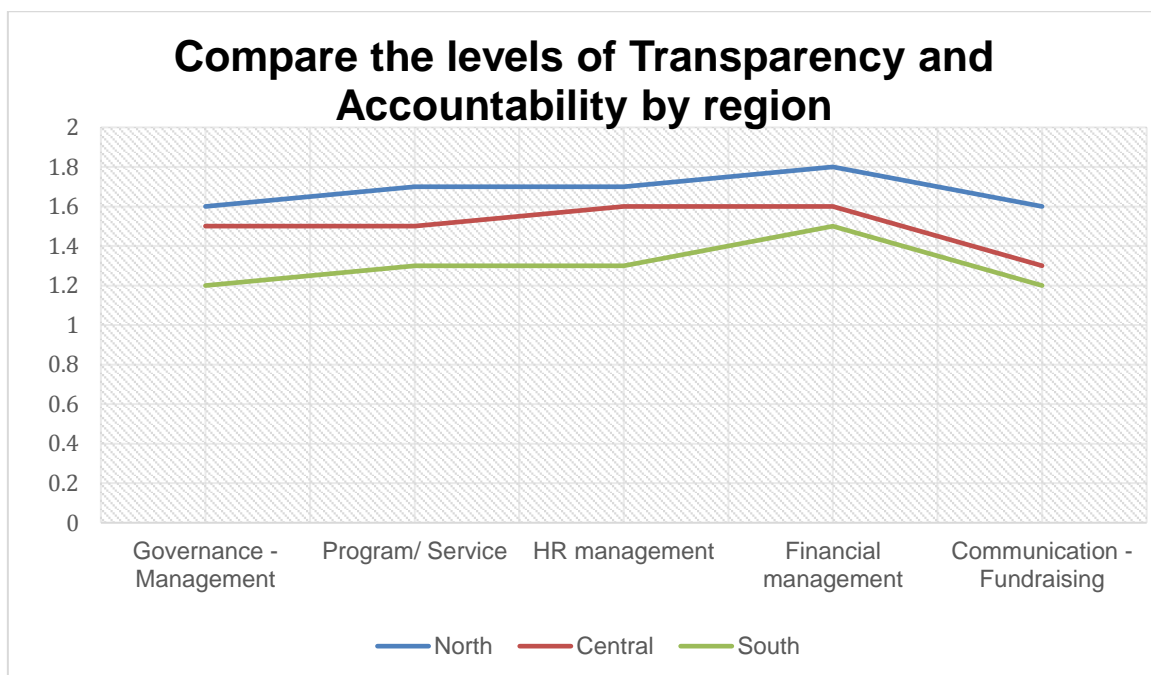


Chart 8. Compare the levels of Transparency and Accountability by region

2.2. Changes in transparency and accountability practice of organisations:

This part mentions only 10 organizations which participated in both MSD’s positioning on Transparency and Accountability in 2015 and 2016. These 10 organisations are various in terms of organization types (3 types), regions (from the North, the Central and the South) and sizes.

Changes in Transparency and Accountability of organisations in 2015 and 2016 are:

- 80% of the organisations had higher levels of Transparency and Accountability in 2016 in comparison with in 2015. The rest remained stable. Among them, there were 3 organisations which had significant changes while improving from a below basic level organisation (below level 1) to level one after 1 year of taking efforts. These three organizations are newly-established ones which are in the process of consolidation and development speed-up. There was one organization which had an increase in practice of Transparency and Accountability, but did not get enough scores for the basic practising level after 1 year.
- Two CSOs have changed in their organization size after 1 year:

- The 1st organization changed from a medium size organization to the large size one. It improved the score of Transparency and Accountability from 1.6 to 1.8. The practice levels of vision – strategy, strategic planning, branding, communication and fundraising, etc. mainly for successful fundraising went up to developing level after 1 year. This organisation was established in 2013. Participating in the 3 year program (since 2014), it continuously changed from the small size organization to the large size one and made a great progress in Transparency and Accountability practice.
- On the contrary, the 2nd organization switched from a large size organization in 2014 to a small size one in 2016. Although there was an annual increase in the levels of Transparency and Accountability practice, they had smaller and smaller organization size and bigger financial problems. It also reflects that despite of the improved practice in each operation area, the practice of strategy, strategic planning, related stakeholders, communication, and fundraising was not improved or even had a decrease in 2016 in comparison with 2015. That means if the organization does not have strategic investment, develop stakeholders, branding, communication, fundraising etc. they will be left behind in such a constantly changing environment.

CONCLUSION AND RECOMMENDATIONS OF CONSULTANTS

Despite of the limit on the samples, it meets the high demand of accuracy and shows a part of the real situation where Transparency and Accountability are done by CSOs in Vietnam. In general, the levels of Transparency and Accountability practice of Vietnamese CSOs are above the basic level, and increase level rapidly. Most of the large-scaled organisations reach the developing level in Transparency and Accountability practice and even some of them nearly reach the highest level gained by professional international organisations, and have willingness for capacity improvement and inspiration. This is good news for the rapid development and improvement in quality and professionalism in local civil society sector in Vietnam. Most of the organisations need to be more flexible and professional in strategic development, making strategic plans, branding development and effective communication and fundraising for long-term development. It is extremely important while the rapid challenging changes in politics, economy, culture, society, technology, environment, etc. bith in Vietnam and in the globe today.

Based on the survey results assessing CSOs and the work done with them, there are some recommendations for CSOs' development and the progress of promoting Transparency and Accountability in Vietnam in the next phase:

3.1. For CSOs:

3.1.1. For CSOs in general:

To develop effectively, CSOs are recommended to make improvement in building and implementing strategies, as follows:

- To build strategies for CSO development based on the mission and the strategy which is regularly updated and practised with the professional supervision and assessment. It should also adapt with both national and international. Global development tendency.
- To develop and enhance the roles of the Management Board to ensure the supervision, direction, and effective mobilization of resources for CSOs;
- Programs/Projects, services provided by CSOs should be closely related to both national and international development programs and plans (e.g: Sustainable Development Goals after 2015) to ensure operational efficiency and organizational contribution to the country and the world;
- To enhance connections and learn more to promote the good practice of Transparency and Accountability;
- To build the strategies of development, human resource management which meet the organisation's demands; human resources should be long-term invested.
- To improve the strategies for branding development and proactive communication.
- To diversify the resources to ensure the financial sustainability for CSOs: Promote the strategic partnership with enterprises and mobilise the individual resources.

3.1.2. For Inspiring CSOs Program:

- To continue the programs strengthening capacity, inspire Vietnamese CSOs in Transparency and Accountability; especially focusing on strengthening the capacity for each CSO as well as elevating the group of CSOs towards professionalism, effectiveness based on the development effectiveness. The limited capacity of CSOs in terms of transition strategies in a changing environment, governance - management, HR development, branding, communication, fundraising etc. needs improving.
- To promote mutual knowledge sharing and learning among CSOs, create the community of self-learning CSOs. Continue to improve and develop more community models for Transparency and Accountability to meet the learning demand of CSOs.

3.2. For related stakeholders

Moreover, it is necessary for the related stakeholders to enhance the supports for CSOs, as following recommendations:

3.2.1. For the State and Authorities:

- To research and create regulations on organization structure in order to appreciate volunteerism, autonomy and implement transparency and accountability;
- To support these organisations to inspire related stakeholders in Transparency and Accountability practice, recognize and honor the organisations which create inspiring models for effective Transparency and Accountability.
- To research to create training programs for CSO development such as training for enterprise development.

3.2.2. For International Organizations:

- To create detailed programs focusing on investment for strengthening capacity of CSOs based on professional assessments of needs and capacity. Investment programs include equal technical and financial supports for CSOs (both newly-founded CSOs and CBOs). Offer core funding resources for the development of organizations following the missions and effective independence.
- To give the guideline, financial and technical supports to CSOs for the trendy development and support international/global movements and programs.
- To promote the partnership for equal development and Transparency and Accountability to CSOs.

