

**The Behaviour of NGOs in Response to Exogenous Shocks: A Study of
Local NGOs in the Philippines**

by

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CERTIFICATE OF ORIGINAL AUTHORSHIP

I certify that the work in this thesis has not previously been submitted for a degree nor has it been submitted as part of requirements for a degree except as fully acknowledged within the text.

I also certify that the thesis has been written by me. Any help that I have received in my research work and the preparation of the thesis itself has been acknowledged. In addition, I certify that all information sources and literature used are indicated in the thesis.

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Abstract

Since the late 1990s, Non-Government Organisations (NGOs) in the Philippines have faced changing donor policies. These changes were not only about their levels of funding but also about shifts in donor priorities, stricter monitoring and reporting requirements. Such changes trigger changes not only in the organisations themselves but also in the organisational field. Whether these changes are termed “shocks” or “jolts”, they have become common among civil society organisations in the Philippines. Using an inductive case study strategy in the tradition of grounded theory, this research examines the strategic behaviour of five Philippine NGOs.

With the analytical lens of institutional theory and complexity theory, this research shows that these NGOs recognised the importance of collective action to insulate their organisations from external shocks. They utilised their vast network of on ground volunteers and their existing networks with other NGOs. The rise of institutional entrepreneurs to harness social capital has changed the prevailing institutional logic and changed the organisational field. These actors’ subject positions and their tactical skills in framing facilitated their acquisition of legitimacy to initiate change. On the other hand, donor imposed conditionality has reconstructed the field allowing, for example, the institutionalisation of social capital arrangements. Diverging from institutional entrepreneurship theory that sees institutional change process as fiercely contested, the field-level changes noted in this research have been politically uncontested. Moreover, emergent self-organisation was evident, particularly in the form of collaboration

between the NGOs and the community-based people's organisations. The NGOs also displayed emergent innovative, opportunistic behaviours.

The NGOs crafted their responses well. Although their ingenuity arose out of the instability in their external environment, it was driven by a shared ideology. Ideology was invoked during periods of crisis. It provided the moral compass on whether to resist or negotiate donor conditions. Seemingly having asymmetrical relations with their donors, in that they were dependent on these donors for funding, they were nevertheless accorded an equal footing.

This research articulates a discursive form of power in that power was constructed as organisational actors went along articulating their "truth" – their prevailing discourse. Their discourse was facilitated by their sophisticated understanding of what was going on in their environment. They were politically and strategically astute. Moreover, the NGOs' relationship with their donors was fluid, positive, productive and enabling. The NGOs were free agents that could decide to respond innovatively to donor conditionality. They did not simply follow the money.

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