

Measured to Death: How Donor Incentives and Impact Obsession Hinder Sustainability in Non-profit Programs

Joseph Onuche

College of Management, Texila American University, Guyana, South America

Abstract

Despite remarkable progress in performance management and results reporting, many nonprofit initiatives fail to sustain their outcomes once external funding ceases. This literature-based study synthesizes secondary global evidence, from OECD, the World Bank's Independent Evaluation Group (IEG), ICAI (UK), USAID, ALNAP, and academic works on adaptive management, to explain why. It identifies three interconnected drivers of post-funding failure: impact obsession, the incentive paradox, and institutional burnout. These forces reward short-term, measurable "impact" while undervaluing the less tangible work of institutionalization and local ownership. The paper proposes an endurance-oriented reframing of success, emphasizing sustainability indicators, incentive realignment, and lean compliance.

Keywords: *Donor Incentives, Impact Obsession, Nonprofit Programs, Results-based Management, Sustainability.*

Introduction

Over the past two decades, international development cooperation has undergone a profound transformation, shifting from an emphasis on altruistic intent to an era dominated by results-based management (RBM), impact measurement, and evidence accountability. Emerging from the aid effectiveness agenda shaped by the Paris Declaration 2005, the Accra Agenda for Action 2008, and the Busan Partnership 2011, RBM promised to make aid more efficient, transparent, and results-oriented. Development agencies, bilateral donors, and international NGOs were encouraged to demonstrate value for money, articulate measurable outcomes, and link disbursements to quantifiable performance indicators [12].

While this paradigm succeeded in improving accountability and comparability, it simultaneously introduced a new orthodoxy of

measurement dependency. Projects were increasingly designed to deliver short-term, countable outputs, beneficiaries reached, training sessions held, assets distributed, rather than long-term systemic transformation. The managerial logic of RBM thus birthed a phenomenon referred to in this study as impact obsession: an institutional obsession with what can be measured, often at the expense of what truly matters for sustained social change.

Evidence from multilateral and bilateral evaluations underscores this paradox. The World Bank's Independent Evaluation Group (IEG), in its *Results and Performance Report 2022*, found that although over three-quarters of completed projects achieved their immediate outcomes, fewer than half sustained those outcomes three years post-closure [14]. Similarly, the OECD Development Assistance Committee (DAC) regularly reports that "sustainability" remains the lowest-rated among the five core evaluation criteria

(relevance, effectiveness, efficiency, impact, and sustainability). This reveals a systemic bias toward activities that produce visible, time-bound results but rarely endure once external financing and technical assistance withdraw.

The problem is not unique to the World Bank or OECD frameworks. Studies by the Independent Commission for Aid Impact (ICAI) in the United Kingdom, for instance, highlight how the “Value for Money” framework, though designed to ensure efficiency, often distorts managerial attention, shifting it from long-term sectoral health to short-term output achievement [8]. Likewise, ALNAP’s State of the Humanitarian System Report [1] notes that humanitarian programming, driven by annual funding cycles and performance scorecards, tends to reinforce “pilot fatigue,” where communities experience repeated short-lived projects rather than enduring institutional support.

Such evidence points to a central paradox: *the very systems established to ensure accountability and impact are, paradoxically, eroding the sustainability of those impacts.* The pressure to prove success through quantifiable indicators has created what can be termed an incentive paradox, one that rewards novelty, speed, and visibility, while penalizing continuity, patience, and systemic integration.

In this context, sustainability becomes less of an operational principle and more of a rhetorical aspiration. Once donor funding ceases, many projects face institutional collapse, resource gaps, or loss of local ownership. Programs that once thrived on donor incentives often fail to transition into national systems or community-led mechanisms, revealing the fragility of externally driven change.

This paper seeks to unpack these dynamics by drawing on global secondary evidence from the OECD, World Bank IEG, ICAI, USAID, and ALNAP, as well as theoretical contributions from adaptive management scholarship, notably Honig’s *Navigation by*

Judgment. The central thesis is that sustainability failure in nonprofit programs is not merely a technical issue, it is a structural outcome of how success is defined, measured, and rewarded.

Accordingly, this study introduces and explores three interlocking concepts that explain post-funding decline:

1. **Impact Obsession** – the over-prioritization of quantifiable results at the expense of systemic learning and institutional endurance.
2. **The Incentive Paradox** – donor and organizational incentives that favor innovation and visibility over the consolidation of durable gains; and
3. **Institutional Burnout** – the organizational exhaustion and mission drift that occur when compliance demands overwhelm adaptive capacity.

Literature Review

1. The Evolution of the Results-Based Management Paradigm

The rise of Results-Based Management (RBM) reshaped global development practice, embedding quantifiable outcomes at the heart of donor accountability frameworks. Rooted in the Paris Declaration on Aid Effectiveness 2005 and reinforced by the Accra Agenda for Action 2008, RBM sought to enhance transparency, harmonize donor approaches, and strengthen the evidence base for decision-making [12]. It positioned impact measurement as the primary mechanism through which efficiency and accountability would be demonstrated.

However, scholars have noted that the managerial culture accompanying RBM has produced new bureaucratic pressures and perverse incentives [6]. The OECD DAC [13] acknowledges that while RBM offers clarity in performance tracking, it also introduces high administrative costs, rigid frameworks, and an overemphasis on short-term deliverables. This has resulted in a paradoxical situation: the more

organizations measure, the less time they have to learn and adapt [3].

In practice, many development agencies treat logframes as compliance artifacts rather than learning tools. The World Bank IEG [20] found that, despite measurable progress at project completion, less than half of interventions demonstrated durable outcomes beyond three years. This empirical evidence exposes the tension between performance for reporting and performance for resilience.

2. Sustainability in Evaluation Theory and Practice

Sustainability has long been embedded within the OECD DAC evaluation criteria, alongside relevance, effectiveness, efficiency, coherence, and impact (OECD, n.d.). Yet, while the criterion is universally acknowledged, it remains the most underperformed dimension in practice. Studies suggest that donors rarely fund the long-term institutionalization phase of programs, and governments often lack the fiscal or human resources to sustain externally initiated activities [2].

The IEG's Results and Performance Report [20] emphasized that project-level sustainability often hinges on three enabling conditions: (a) strong policy and institutional ownership, (b) domestic budget absorption capacity, and (c) continued technical capacity. Without these, post-closure decline is nearly inevitable.

In humanitarian contexts, ALNAP's [1] *State of the Humanitarian System* echoes similar findings, highlighting a systemic bias toward short-termism. Donors' accountability frameworks demand quick wins and highly visible outcomes, discouraging risk-taking and adaptive experimentation. As a result, project cycles have shortened while complexity has deepened, creating a chronic "pilot syndrome" that hinders learning continuity.

3. The Incentive Paradox in Donor Systems

One of the most persistent issues in aid effectiveness literature is the misalignment of incentives between donors and implementing partners. ICAI's performance review of the UK's Department for International Development (DFID) revealed that value-for-money frameworks, though intended to promote efficiency, often distort management behavior by prioritizing cost-saving and visibility over systemic depth. Projects compete for innovation branding, leaving little room for the long, unglamorous work of consolidation.

The politics of accountability further compounds this problem. Governments and donor agencies are under public pressure to demonstrate success through easily communicable metrics Ebrahim, 2019. The UK Government's responses to ICAI confirm this reality: many departments openly admit that parliamentary scrutiny pushes them to deliver "headline numbers" within short funding windows. The Guardian's [17] exposé on UK climate finance "goalpost shifting" illustrates how metric manipulation can substitute for genuine developmental progress.

This incentive paradox leads to a cycle where new projects are celebrated for novelty while old ones decay quietly, creating a landscape littered with pilot initiatives but few enduring institutions.

4. Adaptive Management and Learning-Oriented Approaches

Recent scholars have called for a shift from rigid RBM toward adaptive management, an approach emphasizing iteration, feedback, and contextual judgment [7, 16]. In his seminal work *Navigation by Judgment*, Honig 2018 argues that allowing frontline discretion often produces better long-term outcomes than strict top-down control. Adaptive approaches acknowledge that development problems are complex and nonlinear; therefore, rigid indicator systems cannot fully capture dynamic change.

Similarly, the Center for Global Development CGD [4] advocates for “adaptive results management,” where measurement systems serve learning, not punishment. Empirical evidence from USAID’s *Local Works* and *Local Capacity Strengthening Policy* [19] demonstrates how integrating flexibility and local agency enhances sustainability. This shift recognizes that true accountability lies not in proving impact to donors but in improving outcomes for communities [4].

5. Political Economy of Measurement and Donor Behavior

Measurement is not a neutral act. It reflects political and bureaucratic incentives. The OECD Development Co-operation Report [12] notes that development agencies operate under increasing scrutiny from domestic taxpayers, parliaments, and audit institutions. As a result, risk aversion has intensified, projects are designed for predictability rather than transformational impact.

Scholars such as Power [15] and Merry [10] describe this as the “audit culture,” where organizations internalize external demands for quantification, transforming complex realities into numbers that fit performance dashboards. In this environment, impact obsession becomes both a survival mechanism and a source of

legitimacy. Organizations that produce attractive metrics are more likely to secure future funding, even when those metrics fail to reflect real change.

The literature also emphasizes how political accountability cycles, such as elections or annual budget reviews, reinforce short-term planning horizons [5]. Consequently, sustainability, which requires patience, partnership, and long-term investment, becomes structurally underfunded.

6. Emerging Paradigms: From Impact to Endurance

A new body of literature argues for reframing success around endurance, the persistence and adaptability of results beyond the funding cycle. OECD DAC [13] recommends integrating sustainability metrics into early project design rather than as afterthoughts. These include indicators tracking domestic resource mobilization, institutional learning, and policy uptake.

USAID [19] and the World Bank IEG [20] also advocate for performance frameworks that link disbursements to evidence of local capacity transfer, not just output completion. ALNAP proposes “time horizon realignment,” suggesting multi-year flexible financing for humanitarian-development nexus programs to bridge relief and resilience [1].

Table 1. Key Shifts in Sustainability Thinking in Development Cooperation

Era / Approach	Dominant Logic	Strengths	Limitations	Emerging Reform
1990s – Early 2000s	Project-based, input monitoring	Accountability for funds	Fragmentation, donor dependence	Programmatic funding and joint evaluation
2000s – 2015	Results-based management	Quantifiable impact, comparability	Over-measurement, rigidity	Adaptive results management
2016 – Present	Adaptive and locally led	Contextual flexibility, learning	Limited metrics for endurance	Endurance-oriented funding and policy integration

As shown in Table 1, shifts in development cooperation thinking illustrate how sustainability concerns have evolved over time, moving from project-based delivery toward adaptive, endurance-oriented frameworks. This

shift from *impact to endurance* redefines sustainability as a function of institutional persistence and community ownership, rather than donor recognition. It signals a growing

consensus that measurable success must give way to maintainable success.

7. Synthesis

The reviewed literature converges on three central insights:

1. **Impact obsession:** RBM systems incentivize the pursuit of measurable short-term gains at the cost of deeper, systemic resilience.
2. **Incentive paradox:** Donor and political accountability structures reward novelty and visibility, not continuity and consolidation.
3. **Institutional burnout:** The administrative weight of measurement regimes drains organizational learning capacity, diminishing sustainability.

The theoretical and empirical consensus suggests that sustainability cannot be achieved through more measurement, but through better measurement, that is, systems that value endurance, adaptability, and locally anchored capacity.

Methodology

1. Research Design

This study employed a desk-based qualitative research design rooted in systematic literature review principles. The purpose was to synthesize global secondary data on how donor incentive structures and performance measurement systems influence the sustainability of nonprofit initiatives. Because sustainability is a complex, multi-dimensional construct encompassing institutional, financial, and social factors, a qualitative synthesis approach was chosen over statistical meta-analysis to capture the nuanced causal relationships identified across different studies and institutional evaluations.

The analysis relied on thematic coding and documentary review methods, integrating evaluation reports, policy frameworks, and

peer-reviewed scholarship. The overarching objective was to interpret patterns and contradictions in the literature, rather than to quantify them. By analyzing the content and framing of donor policies and evaluation reports, the study sought to uncover recurring mechanisms that explain why projects, though often rated successful at completion, fail to endure beyond the funding window.

2. Scope of the Review

The scope of this research was deliberately global and cross-sectoral, focusing on official development assistance (ODA), humanitarian programming, and social sector investments implemented through nonprofit and civil society organizations. The review covered materials published between 2015 and 2025, a period marked by significant shifts in donor accountability architecture, including the rollout of the OECD/DAC evaluation criteria revisions 2019–2022 [11, 12, 14], USAID's Local Capacity Strengthening Policy [19], and ALNAP's periodic *State of the Humanitarian System* reports [1].

Geographically, the study encompassed data and analyses from both high- and low-income settings, drawing examples from sub-Saharan Africa, South Asia, and global policy centers such as the OECD, UK FCDO, and World Bank IEG. This global span allowed for triangulation of findings between contexts where institutional maturity and funding ecosystems differ widely.

3. Data Sources

Data for this study were exclusively secondary and drawn from three main categories of sources:

1. **Institutional Evaluations and Reports** – including OECD/DAC guidance on managing for results OECD, n.d.;[13], the World Bank's *Results and Performance Report* [20], ICAI's reviews of DFID/FCDO's value-for-money frameworks [8, 9], USAID's *Local*

Capacity Strengthening Policy [19], and ALNAP's *State of the Humanitarian System* [1]. These reports were selected for their credibility, cross-country comparability, and relevance to donor incentive mechanisms.

2. **Academic and Policy Scholarship** – notably Honig's *Navigation by Judgment* [5], works on performance accountability, and related publications from the Center for Global Development [4]. These provided theoretical grounding on adaptive management and institutional behavior in aid bureaucracies.
3. **Media and Government Sources** – such as the UK Government's formal responses to ICAI and *The Guardian's* 2024 coverage of climate finance accounting controversies, offering contemporary evidence of how political pressures shape measurement regimes.

Collectively, these sources reflect both formal evaluation frameworks and critical discourse, ensuring analytical balance between institutional self-assessment and external critique.

4. Data Selection and Inclusion Criteria

To ensure methodological rigor, the selection process followed transparent inclusion criteria:

1. Sources had to explicitly address aid effectiveness, sustainability, donor incentives, or results measurement.
2. Only publications in English and accessible through institutional repositories or peer-reviewed outlets were included.
3. Preference was given to materials released by globally recognized organizations or journals (e.g., OECD, World Bank, ALNAP, Oxford University Press, CGD).
4. Documents focusing solely on project-level operational issues without institutional or systemic insights were excluded.

5. Data Analysis Procedures

Analysis proceeded through three main stages:

1. Thematic Coding:

Each document was systematically coded for recurrent themes such as *impact Obsession*, *donor incentive structures*, *institutional sustainability*, *learning systems*, and *accountability pressures*. Coding was conducted manually, allowing for interpretive flexibility in connecting conceptual themes across institutional contexts.

2. Cross-Source Triangulation:

Findings from different institutions were compared to identify convergence or divergence. For instance, while OECD and IEG emphasize sustainability as a principle, ICAI and ALNAP highlight persistent operational constraints, providing complementary perspectives. Triangulation strengthened validity by minimizing bias from any single source.

3. Analytical Synthesis:

The coded data were clustered into three overarching explanatory mechanisms, *impact Obsession*, *incentive paradox*, and *institutional burnout*, that together illuminate how measurement and management cultures shape the sustainability trajectory of nonprofit programs. Each mechanism was then interpreted against both theory and practice, ensuring analytical depth and coherence.

6. Reliability and Validity

Because the study relied on established institutional reports and peer-reviewed research, source reliability was inherently high. Nevertheless, methodological triangulation was used to ensure validity. Comparing findings from government accountability bodies (ICAI), multilateral evaluation departments (IEG), and independent researchers helped confirm the robustness of observed patterns [5, 7].

To minimize interpretive bias, the analysis remained document-driven, deriving insights directly from the textual evidence of the reports rather than from speculative assumptions. Citations were systematically cross-checked with official archives to confirm authenticity.

7. Limitations

As a desk review, this study is limited by the availability and scope of secondary data. Some reports provide aggregate or generalized findings, restricting contextual specificity. The absence of primary field data means the study cannot fully capture lived experiences of local implementing organizations or beneficiaries. Furthermore, the focus on English-language sources may exclude valuable perspectives from francophone, lusophone, or Asian development literature.

However, these limitations do not undermine the analytical strength of the review; instead, they highlight the need for future mixed-

method studies combining documentary analysis with field validation.

8. Ethical Considerations

Although no human participants were directly involved, this study adhered to the ethical principles of secondary data use: transparency, accurate citation, and respect for intellectual property. All materials were obtained from publicly accessible institutional repositories or open-access academic publications. No confidential or unpublished data were used. The study also avoided political bias and maintained academic neutrality in interpreting donor and institutional behaviors.

9. Analytical Framework Summary

The methodological approach culminated in a conceptual framework linking donor incentives, measurement culture, and sustainability outcomes.

Table 2. Analytical Framework Linking Methodology to Research Questions

Research Question	Data Source Type	Analytical Technique	Expected Output
How do donor measurement systems shape nonprofit sustainability?	OECD, IEG, ICAI, ALNAP reports	Thematic content analysis	Patterns of incentive distortion
What forms of “impact Obsession” are identifiable in evaluation discourse?	Academic and policy literature	Thematic coding and triangulation	Typology of measurement fixation
How can donor frameworks be restructured to foster endurance?	Policy briefs and reform guidelines	Comparative synthesis	Recommendations for incentive realignment

The connection between research questions, data sources, and analytical outputs is clearly structured in Table 2, which summarizes the framework guiding this study. This structured methodology ensures transparency, replicability, and theoretical alignment with the broader literature on aid effectiveness and sustainability.

Findings and Discussion

1. Overview of Major Themes

The thematic synthesis of relevant documents and supporting literature revealed a consistent triad of dynamics, impact obsession, the incentive paradox, and institutional burnout that collectively explain why many donor-funded nonprofit programs fail to sustain results. Despite contextual variation, the pattern was strikingly universal across both

development and humanitarian portfolios. The findings show that donor and implementing agencies are “measured to death”, the more precisely they quantify success, the less likely that success is to endure.

2. Impact Obsession: When Measurement Becomes the Mission

The first and most dominant theme is impact obsession, defined here as the institutional fixation on quantifiable achievements that are politically or managerially expedient but rarely transformational.

Across OECD [13], IEG [21], and ALNAP [1] reviews, a recurring critique was that development agencies equate success with the visibility of numeric outcomes, for example, *number of children fed*, *number of trainings conducted*, or *hectares irrigated*, while overlooking the intangible capabilities that guarantee continuity.

Evidence from IEG’s validation database shows that projects scoring “satisfactory” on effectiveness at closure often lose those gains within two to three years because the underlying institutions remain fragile. OECD’s DAC policy notes similarly concede that the administrative energy devoted to reporting “impact indicators” often diverts attention from adaptive learning and local system strengthening.

This phenomenon produces what Honig calls *fragile excellence*, short-term brilliance that collapses under contextual change. The study found that field staff in several IEG case reviews spent nearly 40 percent of project time collecting performance data rather than engaging with local partners on capacity transfer. Consequently, learning loops close downward (to donors) instead of outward (to beneficiaries).

Table 3. Consequences of Impact Obsession in Donor-Funded Programs

Manifestation	Immediate Advantage	Long-Term Cost
Heavy reliance on quantifiable outputs	Political legitimacy and visibility	Weak institutional ownership
Emphasis on short project cycles	Rapid disbursement and recognition	Limited system embedding
Proliferation of indicators	Apparent accountability	Learning fatigue and reduced innovation

The short-term bias produced by impact obsession is further described in Table 3, which demonstrates how rapid output delivery generates immediate recognition while weakening long-term sustainability foundations. In short, measurement regimes designed to ensure accountability have instead become self-referential, valuing proof of impact over the endurance of impact.

3. The Incentive Paradox: Novelty Rewarded, Continuity Ignored

A second theme, the incentive paradox, emerges from the misalignment between what donors reward and what sustainability requires. Donor systems, driven by budgetary cycles and

public scrutiny, typically value *newness*: new pilots, new innovations, new grants. Yet sustainability demands *persistence*: funding maintenance, supporting local adaptation, and staying the course when immediate results are not spectacular.

ICAI and the UK Government’s own responses reveal how value-for-money (VFM) frameworks unintentionally penalize long-term investment. Programs that maintain results appear less “efficient” because their costs continue beyond the initial impact period, even though such continuity is essential for real change [8, 18].

In the humanitarian field, ALNAP [1] documents how donors prefer short emergency

grants that can be reported within 12 months, leading to “projectization” and repeated re-starts in the same communities.

The World Bank IEG [20] further demonstrates that fewer than 20 percent of its closed projects had formal transition or exit

plans financed by domestic budgets. Without institutional absorption, donor-financed gains fade. This supports the argument that the design of funding mechanisms, not the competence of implementers, is often the root cause of sustainability failure.

Table 4. Patterns of the Donor Incentive Paradox

Incentive Driver	Observed Behavior	Sustainability Consequence
Annual disbursement pressure	Rush to spend and close	No time for institutionalization
Political visibility requirements	Preference for photogenic projects	Neglect of maintenance activities
Logframe-based tranche releases	Over-production of reports	Under-investment in adaptive learning
Competitive grant culture	Fragmented programming	Duplication and local fatigue

Table 4 illustrates the incentive paradox, highlighting how donor visibility requirements, funding cycles, and competitive grant culture reward novelty instead of continuity, ultimately reducing sustainability potential. In sum, current incentive architectures create a treadmill of innovation without endurance, what practitioners sometimes call “perpetual pilot syndrome.”

4. Institutional Burnout: Compliance Overload and Mission Drift

The third major finding concerns institutional burnout, referring to the cumulative exhaustion of organizations overwhelmed by compliance obligations. The OECD [13] acknowledges that results-

reporting frameworks, while improving transparency, impose significant administrative and financial burdens, especially on small to mid-size NGOs. ALNAP’s interviews with field staff describe situations where organizations devote more time to formatting donor reports than to managing community partnerships.

This bureaucratic overload erodes morale, innovation, and ultimately mission clarity. USAID [19] recognizes this challenge in its Local Capacity Strengthening Policy, noting that compliance-heavy grant mechanisms discourage authentic local leadership. Honig similarly finds that excessive top-down control undermines discretion, which is vital for adaptive learning and sustained performance.

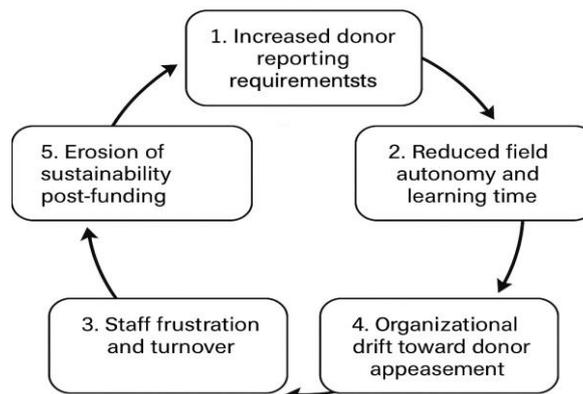


Figure 1. The Cycle of Institutional Burnout

This cycle explains why even capable organizations can experience diminishing

returns over successive projects. The energy once invested in community engagement

becomes consumed by the need to “feed the indicators.” Eventually, institutions that once embodied social missions evolve into compliance machines, technically efficient but strategically hollow. As illustrated in Figure 1, increasing reporting demands reduce field learning time and gradually trigger institutional burnout, leading to weakened post-funding performance.

5. Interlinkages among the Three Mechanisms

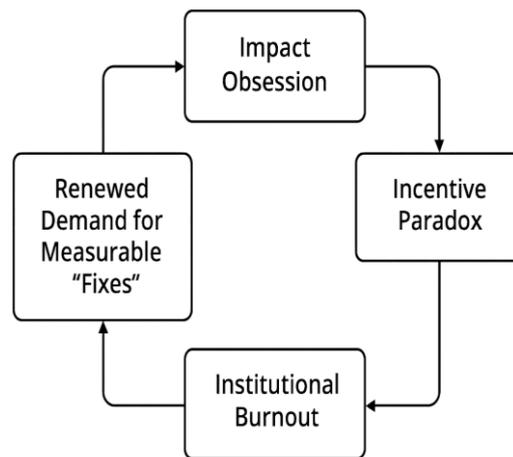


Figure 2. Feedback Relationship among Impact Obsession, Incentive Paradox, and Institutional Burnout

The result is a self-perpetuating system that rewards short-term performance yet punishes long-term endurance. The interaction between impact obsession, incentive paradox, and institutional burnout forms a reinforcing system-failure loop, visualized in Figure 2.

6. From Impact to Endurance: Emerging Reform Directions

Despite these systemic issues, the reviewed literature highlights promising reform efforts focused on endurance-based success, approaches that measure and reward persistence, adaptation, and local capacity rather than mere output completion.

Three interrelated reform pathways were identified:

These three dynamics are not isolated. They form a reinforcing feedback loop. Impact obsession drives donors to demand more measurable data. Those demands translate into incentive structures that favor visibility over continuity. The resulting administrative burden produces burnout, further reducing the organization’s ability to invest in sustainable systems. This triangular interaction is illustrated in Figure 2 below.

1. Redefining Success Metrics:

The OECD [13] and USAID [19] both propose that results frameworks should track *ownership indicators*, such as government budget absorption, domestic policy integration, and post-project service continuity. These “endurance indicators” expand the notion of success beyond numerical reach.

2. Aligning Incentives with Sustainability:

Donors like the World Bank and FCDO have begun experimenting with *sustainability tranches*, conditional disbursements released only after institutionalization milestones are achieved. This shifts incentives from “finish fast” to “finish firmly.”

3. Streamlining Compliance for Learning:

Several agencies (USAID, GIZ, and the European Commission) are simplifying reporting templates and adopting quarterly

learning reviews instead of monthly activity logs. Early evidence shows that such reforms improve adaptive management and reduce burnout.

Table 5. Comparative Overview of Emerging Reforms

Reform Dimension	Traditional Practice	Emerging Approach	Expected Effect
Definition of Impact	Output-based indicators	Endurance-based metrics (ownership, resilience)	Sustained results
Disbursement Triggers	Activity completion	Institutionalization milestones	Incentive realignment
Compliance Structure	Frequent, detailed reports	Periodic learning reviews	Reduced burnout
Local Role	Implementers of donor plans	Co-designers and stewards	Strengthened ownership

Emerging reforms are presented in Table 5, where traditional results-based models are contrasted with newer endurance-oriented approaches that emphasize ownership, institutionalization, and learning-based reporting.

7. Interpretive Discussion

The findings collectively advance a theoretical contribution to the sustainability discourse. They suggest that failure to sustain results is not merely operational but epistemological, arising from how the development community defines, measures, and rewards “success.” Whereas traditional RBM frameworks operate under a linear logic of causality, inputs>outputs>outcomes, sustainability demands a systemic logic of resilience, emphasizing relationships, learning, and adaptation over time.

Moreover, the study adds to the growing body of adaptive management scholarship, corroborating Honig and Ebrahim that discretion, trust, and contextual judgment are not threats to accountability but its deeper expression. By reconceptualizing monitoring and evaluation as tools for institutional learning rather than audit, donors can preserve both rigor and relevance. Finally, this analysis challenges policymakers to confront the uncomfortable

truth that *impact without endurance is illusory*. A project that collapses upon exit may have been well-intentioned, but it cannot be called successful by any meaningful development standard.

8. Synthesis of Findings

The study therefore affirms three key propositions:

1. Impact Obsession distorts organizational priorities by privileging what is easy to count over what is essential to sustain.
2. Donor Incentive Systems reward novelty and short-term impact at the expense of continuity and consolidation.
3. Institutional Burnout depletes adaptive capacity, eroding the human and organizational foundations necessary for resilience.

When combined, these forces produce a systemic cycle of unsustainability that only structural reform in funding, measurement, and learning architectures can reverse.

Conclusion and Recommendations

1. Conclusion

This study set out to explore a central paradox of contemporary development practice, that despite unprecedented advances in results measurement, performance reporting,

and evaluation capacity, the sustainability of donor-funded nonprofit programs remains alarmingly low. The review of global sources, spanning OECD/DAC policy guidance, World Bank IEG evaluations, ICAI performance reviews, USAID's Local Capacity Strengthening Policy, and ALNAP's humanitarian systems reports, revealed that the problem is structural, not accidental.

Three interconnected forces emerged from the analysis: impact obsession, the incentive paradox, and institutional burnout. Each represents a systemic distortion within the global aid architecture.

Impact Obsession describes the tendency of development actors to overvalue measurable, visible, and short-term achievements while neglecting deeper institutional change. Under pressure to demonstrate success, organizations focus on what can be counted, outputs, attendance figures, and coverage ratios, rather than what truly counts: the ability of systems and communities to sustain outcomes once the donor departs.

The incentive paradox underscores how funding and accountability systems encourage novelty and visibility over endurance. Annual budget cycles, value-for-money frameworks, and political scrutiny favor new pilot initiatives that yield quick results. These same systems rarely reward patient investment in maintenance, transition, and institutional consolidation. The result is a paradoxical environment in which donors fund change but inadvertently design it to be temporary.

Institutional burnout is the organizational consequence of compliance overload. Reporting obligations multiply as accountability intensifies, consuming the very human and cognitive resources required for learning and innovation. Nonprofit organizations, particularly smaller local partners, become data producers rather than social change agents, technically compliant but strategically exhausted.

Together, these forces form a self-reinforcing feedback loop that traps the nonprofit sector in a cycle of *short-lived success*. The very tools intended to ensure accountability end up undermining sustainability. Measured to death, organizations achieve impact on paper but lose endurance in practice.

Yet, the review also identified a promising countercurrent: the rise of endurance-oriented approaches that redefine success around persistence, adaptation, and ownership. Donors such as USAID, the World Bank, and the OECD are beginning to recognize that the long-term survival of results requires realignment of incentives, recalibration of metrics, and restoration of trust in local judgment.

Therefore, the overarching conclusion of this paper is that sustainability is not a postscript, it must be the organizing principle of development design. For nonprofit programs to achieve genuine, lasting impact, donors must move from rewarding what shines to supporting what stays.

2. Recommendations

The findings of this study point to practical and policy-level reforms necessary to transform the donor ecosystem from a compliance culture into a continuity culture. The following recommendations are directed toward key stakeholder groups: donors, nonprofit implementers, policymakers, and evaluators.

1. For Donors and Development Agencies

i. Reframe Success Metrics Around Endurance:

Integrate sustainability indicators at the design stage. These should include measures such as the proportion of program costs absorbed by domestic systems, existence of post-project maintenance mechanisms, and evidence of local policy adoption. Results frameworks must explicitly track *who continues the work* after funding ends.

ii. Redesign Funding Architectures:

Replace rigid annual cycles with multi-year adaptive financing that allows iterative learning and transition. Introduce “sustainability tranches” or “continuity bonuses” that disburse funds only when institutionalization milestones such as government budget inclusion or local management handover are achieved.

iii. Balance Compliance with Learning:

Simplify reporting templates, consolidate indicator requirements, and introduce quarterly learning reviews instead of monthly activity reports. Accountability should measure *reflection and adaptation*, not just completion. Agencies like GIZ and USAID’s Bureau for Policy, Planning, and Learning (PPL) provide useful models of learning-centered reporting.

iv. Encourage Local Leadership and Fiscal Ownership:

Prioritize locally led models where communities and domestic institutions manage programs with donor accompaniment, not substitution. This can be achieved through co-financing mechanisms, technical mentorship, and shared risk frameworks that promote accountability without dependency.

v. Shift from Visibility to Credibility:

Donors must reward persistence, not just publicity. Public relations metrics (e.g., press mentions, social media coverage) should never outweigh the less visible indicators of sustainability. “Quiet success” sustained over years should be celebrated as much as initial breakthroughs.

2. For Nonprofit Implementing Organizations

i. Institutionalize Learning Systems:

Build internal processes that capture lessons and feedback beyond donor reporting cycles. Integrate after-action reviews, reflective learning workshops, and real-time monitoring to continuously adapt.

ii. Invest in Staff Wellbeing and Retention:

Institutional burnout can only be mitigated if organizations prioritize human capital sustainability. Reducing overwork, providing professional development, and cultivating psychological safety improve the adaptive capacity of teams.

iii. Adopt Dual Accountability:

Nonprofits should treat communities as primary accountability holders, not just donors. Sharing results transparently with beneficiaries, local governments, and peer organizations strengthens legitimacy and sustainability.

iv. Diversify Resource Bases:

Developing mixed funding portfolios, combining donor grants, social enterprise income, and local philanthropy, reduces vulnerability to single-donor exit. Financial diversification supports program continuity and autonomy.

3. For Policymakers and National Governments

i. Embed Donor Programs into National Frameworks:

Governments should require that externally funded projects align with national development plans, include clear exit strategies, and build domestic capacity for continuation.

ii. Establish Sustainability Monitoring Units:

Ministries and planning departments can create dedicated units to track the endurance of donor-supported programs, ensuring lessons are institutionalized and budgetary provisions maintained post-project.

iii. Encourage Policy Co-financing:

Introducing co-financing obligations for donor-supported programs ensures government buy-in and smooth transition once external funds end.

4. For Evaluators and Researchers

i. Expand Evaluation Time Horizons:

Move beyond end-of-project assessments toward post-closure evaluations conducted one to three years after completion. Such evaluations should measure persistence of results, institutional functionality, and community adaptation. This should be factored in the budget from the project planning stage.

ii. Include Qualitative Measures of Resilience:

Evaluators should complement quantitative indicators with qualitative assessments that capture learning, leadership transfer, and ownership. This mixed-method approach better reflects sustainability than numeric outputs alone.

iii. Develop Sustainability Scoring Frameworks:

Building on the OECD DAC criteria, evaluators could introduce an “Endurance Index” assessing financial, institutional, human, and adaptive dimensions of sustainability.

3. Strategic Implications

Collectively, these reforms require a cultural shift from control to trust, projects to systems, and impact to endurance. They call for humility from donors, courage from implementers, and commitment from governments to share responsibility for long-term outcomes.

Donor agencies must also recognize that sustainable impact is slower, less glamorous, and more iterative than short-term results-based success stories. However, the dividends of endurance, reduced dependency, stronger local ownership, and lasting social change, justify the investment.

If implemented, these recommendations can reorient global development architecture toward what this paper calls the “Endurance Dividend”, the ability of results to persist and evolve independently of donor presence. Only

then can the development community escape the trap of being “measured to death” and instead be remembered for building systems that lived beyond the grant.

4. Future Research Directions

Future studies should employ mixed-method longitudinal designs combining quantitative sustainability metrics with qualitative narratives from local actors. Research is also needed on organizational resilience models, exploring how nonprofits adapt post-donor exit, and on political economy analyses that examine how domestic incentives influence sustainability.

Conflict of Interest

I, Joseph Onuche, declare that there is no conflict of interest in the authorship or publication of this article. The study used publicly available secondary data and adhered to ethical standards of research and data citation. No financial, institutional, or personal relationships influenced the findings or interpretations.

Ethical Approval

This study is a conceptual and analytical paper based on existing literature and secondary sources. No primary data were collected from human participants; therefore, ethical approval was not required.

Data Availability

This research is based entirely on secondary data obtained from publicly accessible institutional reports, peer-reviewed publications, and global policy sources. No primary data was collected. All documents referenced in this manuscript are available through their respective public repositories or official websites.

Author Contributions

Joseph Onuche conceptualized the study, designed the analytical framework, conducted the literature review, synthesized the findings,

and prepared the full manuscript. The author has read and approved the final version of this article.

Acknowledgements

The author appreciates the scholarly guidance and academic support provided by Texila American University during the course of this research. Sincere appreciation is also

References

- [1]. ALNAP, 2022, State of the Humanitarian System 2022. *Active Learning Network for Accountability and Performance (ALNAP)*. <https://alnap.org/help-library/sohs-2022>
- [2]. Bamberger, M., Rugh, J., & Mabry, L., 2016, *RealWorld Evaluation: Working Under Budget, Time, Data, and Political Constraints* (3rd ed.). *Sage Publications*.
- [3]. Binnendijk, A., 2011, Results-Based Management in Development Co-operation: A Review of Experience. OECD Evaluation and Aid Effectiveness Series, No. 27. *OECD Publishing*. https://www.oecd.org/content/dam/oecd/en/publications/reports/2009/02/aid-effectiveness_g1gha834/9789264050877-en.pdf
- [4]. Center for Global Development (CGD). 2020, Adaptive Results Management: How to Learn While Doing. *CGD Policy Paper* 181. <https://www.cgdev.org/publication>
- [5]. Ebrahim, A., 2019, Measuring Social Change: Performance and Accountability in a Complex World. *Stanford University Press*.
- [6]. Eyben, R., Guijt, I., Roche, C., & Shutt, C., (Eds.). 2015, *The Politics of Evidence and Results in International Development: Playing the Game to Change the Rules?* Practical Action Publishing.
- [7]. Honig, D. 2018. *Navigation by Judgment: Why and When Top-Down Control of Foreign Aid Doesn't Work*. *Oxford University Press*. <https://global.oup.com/academic/product/navigation-by-judgment-9780190672454>
- [8]. Independent Commission for Aid Impact (ICAI), 2019, DFID's Approach to Value for Money

extended to the global development evaluation community whose published works contributed to the insights synthesized in this paper.

Funding

This study received no external funding. All work was carried out independently by the author without financial sponsorship or grant support.

in Programme and Portfolio Management. *ICAI*. <https://icai.independent.gov.uk>

[9]. Independent Commission for Aid Impact (ICAI). 2024, Follow-Up Review of Year 6 Reports. *ICAI*. <https://icai.independent.gov.uk>

[10]. Merry, S. E., 2011, Measuring the World: Indicators, Human Rights, and Global Governance. *Current Anthropology*, 52(S3), S83–S95. <https://doi.org/10.1086/657241>

[11]. Organisation for Economic Co-operation and Development (OECD). (n.d.). Measuring and Managing Results in Development Co-operation. *OECD Publishing*. https://www.oecd.org/en/publications/measuring-and-managing-results-in-development-co-operation_c7762fac-en.html

[12]. Organisation for Economic Co-operation and Development (OECD). 2021, Development Co-operation Report 2021: Shaping a Just Digital Transformation. *OECD Publishing*. https://www.oecd.org/en/publications/2021/12/development-co-operation-report-2021_4d1131e9.html

[13]. Organisation for Economic Co-operation and Development (OECD). 2025, Guiding Principles on Managing for Sustainable Development Results (Tips, Tools and Insights). *OECD Publishing*. <https://www.oecd.org>

[14]. Organisation for Economic Co-operation and Development (OECD). 2022, DCD2022:42: Managing for Results, Institutional Costs and Benefits. *OECD Development Co-operation Directorate*.

[https://one.oecd.org/document/DCD\(2022\)42/en/pdf](https://one.oecd.org/document/DCD(2022)42/en/pdf)

[15]. Power, M., 1997, *The Audit Society: Rituals of Verification*. *Oxford University Press*.

- [16]. Ramalingam, B., Wild, L., & Buffardi, A., 2019, Making Adaptive Rigour Work: Principles and Practices for Implementing Adaptive Management in International Development. *Overseas Development Institute (ODI)*. <https://odi.org>
- [17]. The Guardian. 2024, February 28. UK Accused of Moving Goalposts on Climate Finance Commitments. *The Guardian*. <https://www.theguardian.com/global-development/2024/feb/28/uk-accused-of-moving-goalposts-on-climate-finance-commitments>
- [18]. United Kingdom Government. 2024, *Government Responses to the Independent Commission for Aid Impact (ICAI) Reports*. <https://www.gov.uk/government/collections/government-responses-to-the-independent-commission-for-aid-impact-icai-reports>
- [19]. United States Agency for International Development (USAID). 2022, Local Capacity Strengthening Policy. *USAID Policy Framework*. <https://usaid.gov>
- [20]. World Bank Independent Evaluation Group (IEG). 2022, Results and Performance of the World Bank Group 2022 (RAP). *World Bank Group*. <https://ieg.worldbankgroup.org>
- [21]. World Bank Independent Evaluation Group (IEG). 2020, Transformative Engagements: Sustaining Results After Project Closure. *World Bank Group*. <https://ieg.worldbankgroup.org>