

## External review management response (April 2017)

### General reflections

For many reasons this is an excellent time for IIED to take stock of major changes in our operating context and assess how we can improve the effectiveness and impact of IIED's work. This external review has provided very thoughtful and timely analysis which will help us to take strategic choices and recognise our current strengths and areas for improvement.

The review team conducted a thorough, well-planned and well-delivered process that was spread over the course of a full year. This enabled them sufficient time to build a solid understanding of the organisation. The participatory methodology employed by the review team proved to be a good basis from which to engage IIED staff and stakeholders, and to develop analysis, conclusions and recommendations on the basis of active involvement. Our conclusion is that this approach has been well aligned with IIED's ways of working and commitment to co-creation of knowledge, and our staff appreciated the opportunity to engage actively in the generation of the findings.

We welcome the articulation of the principal pathways to change which underpin IIED's work. These give us a clear reference point we can use to assess the results of our work and future planning. They will also be valuable aids to communicating with partners and public how we achieve impact.

We also appreciate the clear and thoughtful critique of our strong commitment to working in collaboration with partners. We will reflect carefully on the analysis of our working methods and the feedback from IIED collaborators on their experience of working with IIED, and consider how we can continue to be a reliable and valued ally through the multiple forms of engagement which we utilise.

The review presents a set of well-grounded recommendations and challenges for the next five years, which we respond to in more detail below. We will continue to reflect on how best to take up particular ideas and challenges as we update our institutional strategy for the coming two years, and think about IIED's longer-term trajectory beyond that. This review will provide a significant point of reference as we take these steps.

### General recommendation and conclusions

#### External review recommendations

##### **Review IIED's mix of interventions in a changing environment.**

IIED's mixed portfolio of interventions is a great strength but requires strategic review in light of a shifting financial, institutional and development landscape. The four impact pathways, presented in the report and Annex A, are not fixed constructs, but should prove useful for reflection, strategic cross-organisation thinking and communication to partners and other stakeholders.

**Agree, support and commit to act.**

##### **Review IIED's use of research in its boundary role.**

IIED's strength and reputation as a 'boundary organisation' provide it with an important comparative value and opportunity to renew its knowledge brokering role between and within North and South.

An important aspect would be to focus on strategic partnerships that would enable Southern partners to become better at research policy and advocacy - or 'positive disruptive change' - within their own contexts as well as globally.

Agree, support and commit to act

### **Review and resolve trade-offs between grassroots impact and global/regional policy influence.**

The review elicited an apparent tension in donor expectations between their recognition of IIED's grassroots added value and their desire to see a higher profile for IIED in global platforms and in UK debates. This raises the question of where does its strategic contribution best lie and whether it can resolve these apparently divergent ambitions. There is a good case for engaging donors in a strategic discussion around this tension. For IIED's institutional funders and partners it will be important to understand fully the implications of emphasising one over the other.

Partially agree, discuss, and decide which action is appropriate.

### **Review and resolve trade-offs between short-term incubator initiatives and long-term impact pathways.**

A related strategic dilemma surfaced during the review discussions. This centred on the relative added value of supporting many diverse incubator initiatives ('letting many flowers bloom') versus investing in fewer but more focussed and synergetic longer-term engagements. The latter strategy in particular would require more proactive linking and networking across different silos of work within IIED. This trade-off needs to be debated and resolved as IIED (re)defines its 'unique selling point' (USP).

Agree to discuss the implications of a possible trade-off between incubators and longer-term initiatives

## **IIED management response and actions**

IIED welcomes the perception in the review that we operate as a boundary organisation in the accepted sense of the term (a bridge between evidence generators and decision-makers - enabling their necessary separation and accountable to both). However, we do not always operate as such.

Depending on context we may strongly defend the necessity and practicality of evidence generators and decision-makers being one and the same. We believe that IIED's added value and distinct characteristics can be found in our varied and well established ways of working.

As recognised in the report, these ways of working are rather different from the usual expert-led model of similar type of institutions. On that basis, we only partially agree with recommendation 2.A because working at different levels from grassroots to global regional levels is what makes IIED unique and distinct from the ways of working of other think tanks.

We fully agree with recommendations 1.B, 1D.2, and 2B. We will address them as part of the strategy update process to sharpen up the explanation of ways of working, to ensure we use them more astutely, and to define our strategic focus more clearly:

- We agree on the need to update our strategy to reflect the universal commitments under recent agreements (Paris, the SDGs, Addis Declaration for Financing for Development, the PACT from the World Humanitarian Summit and New Urban Agenda) as well as the challenging geopolitics, such as Brexit and Trump's election.

The four impact pathways will be useful in informing this thinking about how IIED can most effectively shore up ambition and amplify the voices of the poorest.

- We will continue to actively pursue different types of partnership, routinely assessing them for their qualities and strengths, and always with the intention to consolidate and favour those which prove themselves to be strategic. We will also do what we can to support our key partners

in pursuing their strategies and operating effectively. In this we will be well guided by our partnership policy, which will be updated and published on our website by the end of 2017.

- We are keen to ensure that the range of initiatives we pursue evolves into fewer, bigger, longer-term engagements. However, this will not happen without continuing to support incubator initiatives – which are often needed to respond to new events and insights. We will endeavour to limit the number of incubator initiatives such that their collective impact does not diminish the chances for longer-term initiatives to emerge.

**Actions:**

- We anticipate that the next two years will entail substantial further changes in the environment and development landscape. Our efforts to track and engage with these shifts will intensify, so that potentially more profound changes in the focus and balance of our work can be developed. These will be captured in a new IIED strategy from 2019 onwards.
- IIED is deeply committed to supporting Southern partners in building their capacity to research effective solutions to development-environment challenges, and to build a rigorous evidence base and improve their skills in influencing for impact. Through the final two years of this strategy period, we will strengthen our approaches to growing the capabilities of our partners and to have a more deliberate strategy for institutional capacity building. We will explore our approach to strategic partnering at IIED’s meeting with core funders in June 2017.
- The recommendation is that we engage our donors in a strategic discussion around the balance IIED has between its work to support grassroots action and global voice. Before IIED engages in this conversation with donors, an internal prior discussion is needed to understand the implication of different ways of working which privileges one level over another.

To this regard, it is worth noting that the ‘pathways to change’ suggest that both aspects are integral to IIED success. Hence the questions to be addressed are the following: *Does IIED have the balance right? How can this be tracked to ensure the balance remains appropriate? What level of consistency across IIED is needed?*

IIED undertakes to raise this at the Donor Dialogues in June 2017.

IIED’s funding portfolio looks likely to change significantly in the near future. It may become more challenging for us to retain sufficient capacity to innovate and take risks with new ideas. This potential shift requires IIED to think more carefully about our assets, along the lines the external review team have set out, and to continue to use strategic funding to support exploratory initiatives. IIED commits to using the remaining two years of the current five-year strategy to develop a more synergetic approach to existing relations, applying this logic only in contexts where it makes strategic sense.

## Addressing gender

### External review recommendation

**Review progress in mainstreaming gender-sensitive research and policy advocacy across the teams.** A strategic decision has been made by IIED management to invest in gender training across the organisation. This needs to be monitored, including assessing how effectively teams have integrated gender into their intervention design and implementation. Moreover, gender impact indicators, analysis methods and interpretive frameworks need to be developed for IIED’s future outcome and impact assessments.

Agree, support and commit to act

## IIED management response and actions

Gender equality and gender equity are fundamental to achieving IIED's mission of building a fairer, more sustainable world using evidence, action and influence in partnership with others. Our investment in capacity development on understanding, assessing and working towards gender equality in our research is a key vehicle for integrating gender more strategically into our institutional ways of working. We agree with the need to monitor and assess institutional effectiveness in this process at the levels of both research design and implementation.

### Actions

IIED's Strategy and Management Team will continue to prioritise a strong focus on gender issues in how the organisation operates and in the focus of our work. Our gender programme is coordinated through the cross-institutional Gender Equality Champions Network (GECN). The commitment to gender equality is reflected in the strategy update and in a separate gender strategy to deliver upon the promises made in IIED's gender manifesto in 2016.

A gender tracking system is currently under development which will allow us to monitor and assess: 1) our capacity to integrate gender in research, 2) the gender ambition of research proposals, and 3) the actual integration of gender in project implementation e.g. through gender analysis, specific gender-focused studies, and our partnerships related to research on gender.

Specific indicators have been developed and data will continue to be derived from a range of sources including the forthcoming enterprise resource planning system, customer relationship management system, the institutional results framework and results reporting system, the annual stakeholder survey, publications and communications data, and bespoke assessments related to capacity. We also envisage a follow-up gender audit towards the end of the strategy period to review progress. This will enable us to assess the progress made since 2015 on integrating gender fully into the heart of IIED's ways of working.

## Strategic communication

### External review recommendation

#### **Integrate policy research with communication for social change and innovation.**

There has been an encouraging growth in size and capacity of communications work in IIED. The external review surfaced and confirmed the crucial role of effective communications in IIED's intervention model, in its internal cross-organisational strategic positioning and in projecting externally its institutional profile and brand. The External review team recommends that IIED should redouble its efforts to build on its achievements in strategic communications during the review period.

**Agree, support and commit to act**

### IIED management response and actions

The emphasis on "strategic" communications made by the external review team is helpful. We are now in a position to move away from an 'output'-focused production model to a more outcome-focused one which supports our desire for strong, strategic communications that are well targeted and meet the needs of the audiences they are designed to serve. This means more strategic conversations about targeted outcomes at the start of a project or during the concept development. This supports a strong stakeholder analysis asserted by our theory of change. Our increased focus on monitoring, evaluation and learning and the impact pathways put forward in the external review will help us further refine the communications strategies that would support each of these pathways. Also, our current work to improve concept development is encouraging this more nuanced conversation about strategic communications.

**Actions**

We endorse the recommendation to redouble our efforts in strategic communications and, as demonstrated above, have already been taking more purposeful steps in this direction. Key approaches and mechanisms that we will employ to achieve this include:

- Working out ways to retain flexibility in how communications in projects are funded. By developing a strategic communications value for money statement we aim to provide donors with confidence at concept development stage, while retaining some flexibility in implementing the strategic communications activities during the project so that they are responsive and appropriate to the project findings.
- Building a strong institutional profile demonstrating leadership in our sector. This kind of strategic institutional communications is important but challenging to fund. We have identified good opportunities for different ways of leveraging cross-organisational strategic communications activities and are currently working on possible ways to ringfence core support for this work.
- Working across the organisation to build consistency and training in communications to allow a more strategic approach to concept development and implementation.
- Unpacking our funding model to allow time to prioritise good strategic communications work (networking, development of responsive outputs for particular audiences, working on more creative outputs, convening and engaging). This approach will have the added benefit of raising the profile of IIED staff and move us into a more strategic space.
- Agreeing a shared definition of what improved strategic communications means for the organisation and prioritising these efforts to further improve the strategic nature of our communications activity.

## Enhancing quality of IIED research

### External review recommendation

#### Review IIED's use of research in its boundary role.

IIED's strength and reputation as a boundary organisation provide it with an important comparative value and opportunity to renew its knowledge brokering role between and within North and South.

An essential aspect of this, for instance, would be to redouble its emphasis on setting and promoting quality standards and guidelines for rigorous and inclusive applied research.

Agree, actions already ongoing

### IIED management response and actions

We recognise that the quality of IIED's research is a fundamental asset: in terms of ensuring the credibility of the institute's advice and advocacy; providing global thought-leadership on sustainable development; enhancing the value IIED provides to projects and partnerships; and contributing to lasting impact. The knowledge and expertise of IIED's staff is an essential part of this, as is the process of collaboration that takes place within and across the research groups. The review recognises that there is already an emphasis on rigorous and inclusive research – and calls for this emphasis to be redoubled. We agree with this assessment – ensuring quality requires continuous reflection and action – and several activities contributing to this were already under way at the time of the review.

#### Actions

The main mechanism for responding to this recommendation is the Research Strategy Team (RST). RST is one of IIED's three leadership teams, and has a mandate to "act as a high-level forum for issues affecting research strategy and performance across the Institute." The composition and role of RST were revised in 2016, and the team has been given a clear mandate and suitable resources.

RST recently oversaw the creation of a comprehensive research ethics review process (which will be launched in April 2017), which clearly sets out an ethos and approach for research ethics that has inclusion at its centre. In the coming months, RST will be reviewing current quality standards with a view to strengthening these in a way that recognises the different types of work that are undertaken. This will build on previous work (such as pamphlets on research quality, and work undertaken on 'better evidence' during the transition grant) in order to devise and implement appropriate frameworks for quality assurance.

## Monitoring, evaluation and learning

### External review recommendations

#### Strengthen impact-level learning.

IIED's recent direction of travel has been strongly influenced by the SDGs and the elevation of sustainability to a higher level of global commitment and collaboration. This puts IIED and its partners' shared agenda of environment and development centre stage. Within IIED, there is an operational focus on reporting outcome level changes in policy and practice while having ambitions at a much higher level of transformational change in local-to-global systems. Becoming better at impact-oriented M&E of its own portfolio will help IIED strengthen itself as a learning organisation, while strategically moving it to a more central role in the global SDGs impact learning agenda.

Agree, support and commit to act

#### Move impact M&E to the centre of a learning organisation.

There is an underpinning opportunity for higher level impact assessment to strengthen IIED as a learning organisation in which M&E has a more central role, working with impact pathways as dynamic theories of change to test, reflect and share within and across teams. This shift might also prompt a more systemic approach to cross-group sharing and synergy within an organisation that strives to be both effective and more than a sum of its parts.

Agree, support and commit to act

### IIED management response and actions

We see an increased focus on monitoring, evaluation and learning (MEL) as an opportunity to improve our understanding of the impacts of research, as well as effective policies and practice for sustainable development. Hence we agree with the reviewers' challenge to move beyond a focus on assessing our effectiveness in terms of changes in policies and practice towards a more ambitious assessment of changes in local-to-global systems.

For this reason, we think it is important to make a shift from the biased question: *are we making a difference?* to more humble and searching questions, such as: *what is making a difference? what has changed, for whom, under what circumstances, how and why?* This shift will entail an even stronger focus on systemic impact MEL, which will enable us to be considered a hub for South-South and South-North discourse.

We will use this approach to assess not only IIED's contribution to social and environmental change, but also to generate valuable evidence for influencing the development of effective



sustainable development policies and practice. To improve the use of findings, it will be vital to enhance the strategic use of learning by investing in practices that inform key Institutional decision making processes. This approach will facilitate the sharing of lessons learnt and uptake of evidence about the most effective ways of working to accelerate the implementation of the SDGs.

### **Actions**

IIED has already developed robust monitoring and evaluation systems to assess its effectiveness in terms of: a) changes in the body of evidence, b) changes in interactions, liaison and power dynamics; c) changes in the capacities of our partners to generate and use evidence; and d) changes in policies and practice. To move beyond these more immediate/intermediate outcomes, and get better understanding of the local-to-global systems we will:

- Improve our institutional capacities in monitoring evaluation and learning by investing in a small team of MEL specialists in the Strategy and Learning Group (SLG) as well as by developing further MEL capacities within each research group. We will further develop strategic capabilities in impact assessment, value for money and cost-benefit analysis, monitoring mechanisms, performance and process evaluation. This skillset will enable us to investigate transformational change in local-to-global systems.
- Further develop the body of work to use MEL as an effective tool for research and influence. As part of this effort, we will invest in methodological innovation to better investigate causality in complex systems. This body of work will build on the success of previous initiatives such as the Tracking Adaptation and Monitoring Development framework, the Social Assessment for Protected Areas methodology, the urban crisis MEL framework, the impact evaluation of sustainable fisheries in Bangladesh, and the implementation of innovative evaluation methodologies for impact evaluation, e.g. process tracing and Bayesian updating.
- Play a leading role in advocating for better use of monitoring and evaluation practices for the SDGs. We will further develop international partnerships to foster the use of effective evaluation for the SDGs to inform and accelerate the implementation of the SDGs at the local, national, regional and global levels.