

**ActionAid International**

**Taking Stock Review 3**

**Synthesis Report**

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**with**

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**ActionAid International  
Taking Stock Review 3 Synthesis Report**

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**Executive Summary**

This Review is designed to assess progress over the last five years on the Rights to End Poverty (RTEP) Strategy of ActionAid International (AAI). The Review also seeks to identify lessons learned in this process and to provide concepts and analysis that will inform the process of strategic planning for future AAI work. This synthesis report is not intended to repeat the conclusions or analyses of the other TSR 3 reports; it is an effort to assess strategic performance in general terms and to identify AAI strengths and areas of concern that emerge across the various reviews of the External Review Team (ERT).

On the whole the ERT believes that AAI has made substantial progress in implementing the ambitious goals of the RTEP Strategy. While this report will attempt to provide a balanced assessment of that progress, we will focus particularly on areas of concern that need attention if the promise of RTEP is to be fulfilled in the coming years.

The report uses a framework for strategic analysis to identify five areas for analysis: (1) AAI's identity and strategy; (2) its legitimacy and support context; (3) the value it seeks to create; (4) its operational capacity; and (5) its organizational learning systems and processes. For each topic we summarize AAI's experience and identify strengths and areas of concern from RTEP performance.

For identity and strategy, the focus is on AAI's transition from service delivery for child-focused community development to advocacy for rights-based development. Strengths identified included AAI's commitment to taking sides with the poor and excluded and its commitment to the rights-based strategy itself. Areas of concern include the lack of an identity narrative that persuasively links AAI's mission with its strategy, fundraising and activities, the lack of a well-developed social change theory to guide program design and resource allocation, and a tendency to make opportunistic rather than strategic decisions about growth and program choices.

With respect to legitimacy and support, most stakeholders have favorable impressions of AAI, though governments and donors are less enthusiastic than other civil society organizations and movements. The transition to a rights-based strategy and the internationalization of the federation create both opportunities and challenges in the legitimacy and support area. Strengths include AAI's loyal donors, its partnerships and reputation with social movements, its favorable reputation with wider publics and the rise of new affiliates as national organizations. Areas of concern include a disconnect between the narratives of fundraising and value creation and a restricted and lopsided conception of accountabilities.

AAI's value creation activities cover a wide range, including rights-based themes, community development programs, policy and campaigns, and contributions to strategic poverty eradication goals. Strengths in value creation include the development of the rights-based approach, especially as it applies to women's rights, actions on themes and theme combinations to foster access to rights, the impacts of community development programs, and the development of tools from AAI experience. Areas of concern include the lack of a comprehensive narrative that explains the links among value creation elements, the incomplete transition from community development services to rights-based partnerships in many countries, the emergence of horizontal and vertical silos that restrict cooperation across levels and across themes, countries and functions, and the tendency toward role and work overload for staff.

For operational capacity, a major theme of the past five years has been the internationalization of AAI through the creation of national affiliates and architectures for international governance and fundraising. RTEP also identified six organizational goals. Staff assessments of progress on those organizational goals are somewhat less positive than their assessments of progress on strategic goals. Independent reviews of finance, fundraising /communications, and governance/human resources/organizational development identified a wide range of strengths, such as creating new financial architectures and policies, meeting targets for fundraising growth, and building a new governance architecture. These reviews also identified areas of concern, such as low standards and weak implementation of financial management, problems of accountability to child sponsorship donors, and failures to build the leadership and organization culture needed for future success.

The last element of the framework, organizational learning, is critical for organizations like AAI that face rapidly-changing environments . AAI strengths include committing resources to learning, launching innovations in joint learning and downward accountability, and providing support for performance review. Areas of concern include difficulties in extracting valuable lessons from information generated by its reviews, a tendency to a slow and costly “announce-flounder-learn” approach to learning, and a lack of clear standards and criteria for assessing performance.

Overall, AAI has made significant strides in reorganizing itself as an federation of autonomous national organizations and in shifting from a focus on community development to a rights-based strategy at multiple levels. It is recognized by external stakeholders and by its staff for taking stands on behalf of the poor, for building relations of mutual respect and trust with social movements, and for making progress on some of its ambitious goals for rights based change. AAI’s ability to “do what we said we would do” in RTEP has been greater in some countries and regions than in others; its actual impacts have often been less than its hopes; and much remains to be done to fully carry out RTEP’s strategic and organizational aspirations. But the capacities built, the relationships established, the impacts achieved and the lessons learned from the last six years position AAI to have increased influence on reducing poverty and empowering poor and excluded groups in the future—particularly if it can expand and consolidate the progress made to fully realize its potential.

The synthesis report then turns to describing underlying forces, factors and dynamics that help to explain the strengths and areas of concern identified. These factors include:

- The lack of an identity narrative that links fundraising, rights based advocacy and community development, internationalization, and other aspects of AAI’s values and purposes.
- The role of a rights-based theory of change that guides strategy implementation;
- The dynamics of managing the implications of internationalization;
- The importance of building a more agile organizational leadership culture;
- The need to invest in effective organization development; and
- The critical nature of systems for organizational learning and accountability.

The next section focuses attention on lessons that AAI might learn from the RTEP experience. The lessons are organized according to concepts from the framework for strategic analysis:

- Lessons on identity and strategy:
  - AAI should explicitly link its identity with its strategies and organizational capabilities
  - AAI needs to balance innovation with consolidation to manage strategic changes
- Lessons on legitimacy and support:
  - AAI needs to reframe child sponsorship in terms that fit its rights-based approach.
  - AAI must balance brand management with movement credibility.
  - AAI needs legitimacy with many stakeholders to support poor and excluded groups.

- Lessons on value creation
  - AAI should clarify how community development services can advance rights-based development goals.
  - Rights-based approaches and campaigns must adapt to local, national and regional contexts
  - Rights-based themes can be combined for larger impacts in particular national contexts.
- Lessons on operational capacity
  - AAI needs to mobilize change management plans, resources, staff and political clout for major organization transitions like internationalization.
  - Leadership styles and organizational cultures must evolve to meet the demands of new strategies and architectures
  - Building bridges across silos and differences is central to managing advocacy campaigns as well as international federations.
  - AAI needs to invest more resources in capacity building for partners and alliances.
- Lessons on organizational learning
  - AAI needs reflection processes that produce interpretations and learning to enhance future performance.
  - AAI can use explicit social change theories to enhance learning from rights-based work.

The final section focuses on future opportunities and concepts that might inform AAI's strategic planning for the next five years. In brief the section suggests that:

- AAI has a unique position and potential to influence local, national and global movements for social justice and solidarity.
- AAI will need to balance innovation with consolidation in order to reap the promise of RTEP as well as to launch effective new initiatives. It should consider replacing its "Announce-Flounder-Learn" (AFL) style with an alternative "Pilot/Plan-Announce-Implement-Learn" (PAIL) style.
- AAI needs to clarify its identity narrative and its theory of change to provide the bases for maintaining legitimacy and support, enhancing value creation, building operational capacity and facilitating more effective organization learning.
- AAI could articulate a range of future roles and identities, including (but not limited to):
  - Facilitator of global social justice and solidarity movements
  - Mediator for rights-focused partnership across levels, sectors and regions.
  - AAI rights Catalyst for linking Northern and Southern constituencies
  - Enabler of active citizenship at many levels.
- Rights-based themes in the next strategy can be organized for more impact. AAI should consider adding just and democratic governance to women's rights as both a stand-alone and cross cutting theme, and it should encourage countries to focus on a limited number of themes or combinations that are particularly relevant to their national contexts.
- AAI should focus global campaigns to generate both national and international results.
- AAI should consolidate and build operational capacities to improve on RTEP results, including strategic communications about identity narratives and change theories, reframing fundraising and donor accountability, enhancing financial management capacities and strengthening organization development resources.
- AAI should invest in monitoring, evaluation and interpretation to guide operational improvement and strategic innovation.

## Glossary

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AAI	ActionAid International
AAISL	ActionAid International Sierra Leone
AAG	ActionAid Guatemala
AFL	“Announce-Flounder-Learn”
ALPS	Accountability, Learning and Planning System
CEO	Chief Executive Officer
CP	Country Program
DA	Development Area
ERT	External Review Team
GMF	Global Monitoring Framework
HF	HungerFree Campaign
IASL	Impact Assessment and Shared Learning
INGO	International Nongovernmental Organization
IPD	International Partnership Development
IS	International Secretariat
KPI	Key Performance Indicators
OD	Organizational Development
PAIL	“Pilot/Plan-Announce-Implement-Learn”
PLWHA	People Living with HIV/AIDS
RBA	Rights Based Approach
RTEP	Rights to End Poverty Strategy 2005-2010
SMT	Senior Management Team
SRG	Staff Reference Group
TSR 3	Taking Stock Review 3
WR	Women’s Rights
WWW	Women Won’t Wait Campaign

**ActionAid International Taking Stock Review 3  
Overview Report, Draft 10/21/10**

**L. David Brown with Siham Bortcosh, Stephanie de Chassy, Wendy Crane, Alan Fowler, Kate Gilmore, Ayesha Imam, Jagadananda, Matthew Sherrington & Gina Vargas**

**1. Introduction**

This Review is a product of an international review process designed to assess progress over the last five years on the Rights to End Poverty Strategy (RTEP) of ActionAid International (AAI). The Review also seeks to identify lessons learned in this process and to provide concepts and analysis that will inform the process of strategic planning for future AAI work.

As the name implies “Taking Stock Review 3” (TSR3) is not the first strategic review of ActionAid’s work. The first two reviews provided information and analysis that informed two prior five-year strategic plans. This Review, drawing in those prior experiences, has encouraged more synthesis across reports on various aspects of the organization in order to identify underlying patterns that affect many aspects of ActionAid’s functioning. This report consolidates information and ideas from reports focused on a wide variety of issues relevant to AAI’s strategic performance. The Review process has also been designed to link review information closely to the strategic planning process that will build on its findings. So the Staff Reference Group charged with managing the strategic planning process has also been heavily involved in designing and commenting on the Review.

On the whole the External Review Team (ERT) believes that AAI has made significant progress in implementing the ambitious goals of the RTEP Strategy. While this report will attempt to provide a balanced assessment of that progress, we will focus particularly on areas of concern that need attention if the promise of RTEP is to be fulfilled in the coming years.

This synthesis report is not intended to repeat the conclusions or analyses of the other TSR 3 reports or the dozens of reviews of programs, countries, themes, functions, and activities that have been made available to the ERT. The ERT is keenly aware of the intense interest of many AAI staff in the Review and we have been deluged with questions and topics on which staff, Board members or outside stakeholders are eager to focus attention. The synthesis is an effort to assess strategic performance in general terms and to identify AAI strengths and areas of concern. It will develop ideas about factors and dynamics that underlie those strengths and weaknesses and that will affect the achievement of organizational and strategic goals in the future. The synthesis will identify lessons that have been (or could be) learned from the experience of the last five years and suggest concepts and principles that might underpin strategies for the next five to ten years. The synthesis is in short an effort to articulate and integrate perspectives that will be useful in formulating future strategies for AAI.

The External Review Team has been recruited from many regions and specialties. Eight team members participated directly in the integrative analysis that has produced this synthesis report. They include:

- L. David Brown. Team leader and primary author of this report. Co-coordinator of the Self-Review and Stakeholder Survey elements of TSR3.

- Ayesha Imam. Reviewed the Africa Region and work on the Women’s Rights theme.
- Jagadananda and Stephanie de Chassy. Reviewed the Asia Region, work on social movements in Asia, and work on the Governance theme.
- Gina Vargas. Reviewed the Americas Region and work on Latin American movements.
- Alan Fowler and Wendy Crane. Reviewed Internal Governance, Human Resources and Organization Development.
- Matthew Sherrington. Reviewed Fundraising and Communications.

Several other reviews of special areas contributed to our discussions in the Johannesburg syntheses meeting and to this report:

- Siham Bortcosh. Reviewed the development and performance of the Finance function.
- Kate Gilmore. Reviewed the development and performance of AAI Campaigns.
- Jessica Bingham. Summarized Self Reviews from countries, themes and functions.
- Mark Leach and Elizabeth Collins. Administered and analyzed the Stakeholder Survey. They also did some comparative analysis of the qualitative responses to the Survey and the Self-Review.

The External Review Team has also benefitted from close support and consultation with David Archer and Catherine Rodgers of the Strategy Planning Group and with Laurie Adams of Impact Assessment and Shared Learning Group (IASL).

The data collection and analysis process for the Review has included the following elements. Most ERT members participated in some combination of these elements designed around their particular topics:

- An initial planning meeting in the London office in July;
- A Self-Review Process in which countries, themes and functions assessed their performance on strategic and organizational goals;
- A Stakeholder Survey in which 47% of almost 900 external stakeholders identified in the self-reviews assessed AAI’s performance;
- Review of dozens of documents, such as country strategies and reports, theme reviews, and so on;
- Interviews with key AAI staff and Board members;
- Country visits to key countries to see AAI programs and activities on the ground, including;
  - Africa: Nigeria, Sierra Leone, South Africa, Uganda;
  - Asia: Nepal, Bangladesh, India, Cambodia;
  - Latin America: Guatemala, Brazil;
  - North: Netherlands, United Kingdom, United States.
- Draft initial reports on different regions and aspects of AAI’s activities;
- Discussion of those reports with the Staff Reference Group for feedback;
- External Review Team discussions to identify issues for the Synthesis Report;
- Feedback from management to revise this Report for use in the strategic planning process.

This process has produced an enormous amount of information in an organization that is already, according to many of its members, overwhelmed with information. This report seeks to identify critical issues and priorities to help the Strategic Planning Group in particular and AAI in general follow the lesson identified by one thoughtful AAI self-review: “Prioritize, prioritize, prioritize!”

This report is organized into six sections. The next section provides a brief overview of the concepts of strategic analysis used to organize this synthesis. We have used a strategy framework that identifies



critical issues to organize our findings. Then we turn to summary findings about various aspects of RTEP generated by the Review. These reports will focus on what we saw as important strengths and key areas of concern. The fourth section focuses on forces, factors and dynamics that underlie and help to explain those strengths and areas of concern. The fifth section examines lessons learned from RTEP experience that have implications for future strategies. The last section articulates ideas about future possibilities that emerge from both our understanding of AAI's current dynamics and our views of the contexts and demands that are likely to emerge in the coming decade. Again our intention is to identify analyses and concepts that will help position AAI to develop strategic plans for the future.

## **2. Framing the Strategic Analysis**

ActionAid international is a very complex organization. It carries out diverse activities in many different countries with a wide range of partners. It is very easy to focus on the wide range of interesting trees and wildlife in the ActionAid forest—and lose sight of the forest as a whole. But the mandate of this report is to provide analysis and insight about the AAI forest rather than focus on its elements.

One way to maintain a focus on critical issues is to use a framework to guide presentation and analysis of data and ideas. We will focus here on five aspects of AAI: (1) its identity and strategy; (2) its legitimacy and support context; (3) the value it seeks to create; (4) its operational capacity; and (5) its organizational learning systems and processes.

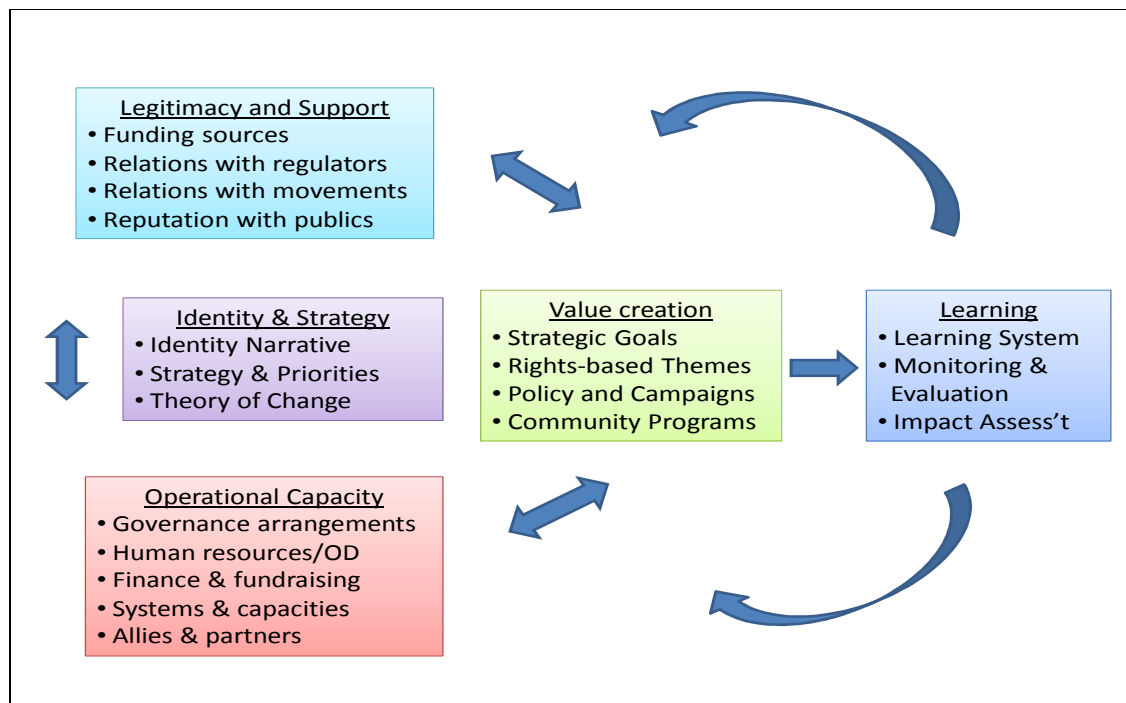
Organizational identity refers to the organization's mission, purpose and core values, such as AAI's concern with working with and for the poor and excluded. This identity is central to the meaning of the organization to both staff and external stakeholders. Its strategy is a set of concepts that guide how it carries out its mission and expresses its identity, such as AAI's adoption of a rights-based approach. Strategy enables the organization to allocate resources or choose and implement programs. Identities and strategies shape organizational answers to the three questions posed by the "strategic triangle" framework for thinking about public and nonprofit organization strategy that has been developed and taught at the Harvard Kennedy School over the last two decades (Moore, 1995; 2000).

The strategic triangle framework argues that effective nonprofit and public organization strategies must integrate answers to three questions: (1) What public value will be created by the strategy? (2) What legitimacy and support can the strategy generate? and (3) What operational capacity is required to implement the strategy? Effective strategies provide mutually supportive answers to those three questions. RTEP, as a major strategy innovation, would be expected to raise questions in all three areas as well as about their interactions with each other.

The fifth aspect of the framework focuses on organizational learning, which is a critical aspect of organizational functioning for organizations engaged in innovative work or dealing with rapidly changing contexts (Senge, 1992; Swieringa and Wierdsma, 1995; Brown, Moore and Honan, 2004). For a host of reasons, organizational learning is critical to AAI – and an activity to which it devotes many resources, including support for this Review.

These five aspects are summarized in Figure 1. The interdependence among value creation, legitimacy and support and operational capacity is represented by the double-ended arrows connecting them. The activities that implement value creation goals potentially lead to organizational learning that can be used to improve operational capacity, build legitimacy and support, enhance value creation, and alter organizational strategy and identity over the longer term.

**Figure 1. Concepts for Framing Strategic Analysis**



### 3. ActionAid’s “Rights to End Poverty” Strategy

We will use these categories to organize our discussion of AAI’s “Rights to End Poverty” (RTEP) of the last five years. We will briefly assess each category, drawing on materials from the various reports and analyses available. We will identify what the ERT has come to see as important strengths and areas of concern in each category. We will also begin to develop an analysis of underlying dynamics and factors that explain the strengths and areas of concern that will be expanded in the system-wide analysis of the following section.

#### 3.1 Identity and Strategy.

AAI’s identity has been evolving during the last decade. Beginning as a child sponsorship organization, AAI gradually evolved toward child-focused community development. The change from a child-focused community development approach to a rights-based strategy, with an emphasis on national and international policy advocacy, is a very substantial strategic shift. It has implications for the kind of value that will be created (from service delivery to children to support for social movements and rights holders), for the nature of the legitimacy and support context within which the organization operates (from a focus on donors concerned with children and legitimacy through service provision to support from donors interested in rights and legitimacy with targets of rights and policy campaigns), and for operational capacity needs (skills for local community development projects to skills for national and international policy advocacy). Even the demands of organizational learning shift, as measuring

program outcomes for children is replaced by assessing hard-to-measure changes in the access to rights and impact on policy-making.

**Identity and Strategy Strengths.** The Review Team found a number of strengths associated with AAI's identity and strategy. There is strong continuing support, for example, for AAI's identity as an organization committed to empowering and taking sides with the poor. The self reviews regularly listed commitment to the poor and to women's rights as a feature that made them proud to be part of the organization. More than 80 external stakeholders wrote comments that a key AAI value and principle to be preserved in the future was its commitment to participatory approaches, empowerment and siding with the poor. As one non-partner NGO in Africa suggested, AAI should preserve:

*"Solidarity with the poor and marginalized people (and) integrated attack on the causes of poverty and injustice..."*

Staff and external stakeholders both affirmed AAI's mission to reduce poverty and inequity as an important identity feature.

The shift to rights-based strategy as an approach to development also has a great deal of support. The staff self-reviews strongly support continuing rights-based work across all the regions and functions, though different regions argue for emphasis on different rights and themes. The survey of external stakeholders also generated many comments about preserving rights based approaches in future work. More than 50 respondents wrote answers identifying rights-based approaches as AAI principles and values to preserve. As an African NGO partner put it, AAI should preserve:

*"Rights-based approach to all ActionAid activities, particularly in relations to women rights and dignity in the face of HIV/AIDS."*

While the shift from earlier identities and strategies focusing on child-focused community development is not complete in many countries, the commitment to an identity as a partner rather than a donor and to strategies focused on rights-based and advocacy approaches rather than service delivery and community development has a great deal of support throughout the organization.

**Identity and Strategy Areas of Concern.** The Review Team has also identified a number of areas of concern associated with AAI's evolving identity and strategy. For example, while staff members are highly committed to the identity of AAI as an agency committed and taking stands with the poor and excluded, the organization has not yet developed a narrative that persuasively links its mission and core values to its fundraising and program activities. The lack of an explicit narrative that explains AAI's identity to donors, target groups and allies creates a risk of important tensions or conflicts among them. The fundraising report comments extensively on the risks of raising funds by child sponsorship appeals while arguably allocating those resources to fund programs that do not deliver services to children.

A second important area of ambiguity is the lack of a well-developed, explicitly-articulated social change theory that defines how organizational activities can catalyze change, guides the design of programs, and clarifies indicators of success and failure. This omission undermines the potential for consensus on strategies and tactics within AAI and with external allies; it creates uncertainties about which programs to support and why; and it undermines the capacity to assess or learn from experience. The current framing of the rights-based approach also suffers from a tendency to narrowly define duty-bearers as government agencies, and so distracts attention from other relevant constituencies or the importance of multiple levels for some changes.

A third area of strategy concern is the tendency to make opportunistic rather than strategic decisions. While AAI leadership have talked about strategic criteria for growth that range from program expansion, to enhanced resources (affluence), to increased policy leverage (influence), actual decisions about expansion do not seem to be driven by a clear consideration of such criteria. Strategic program decisions may also be taken in the absence of assessments of organizational capacity to carry them out. The RTEP strategy document did not include an analysis of AAI’s capacity to carry out the proposed strategy, and at least some country and theme strategies replicated that omission. Plans that do not include analysis of capacities and resources are statements of aspirations rather than practical arguments for implementable strategies.

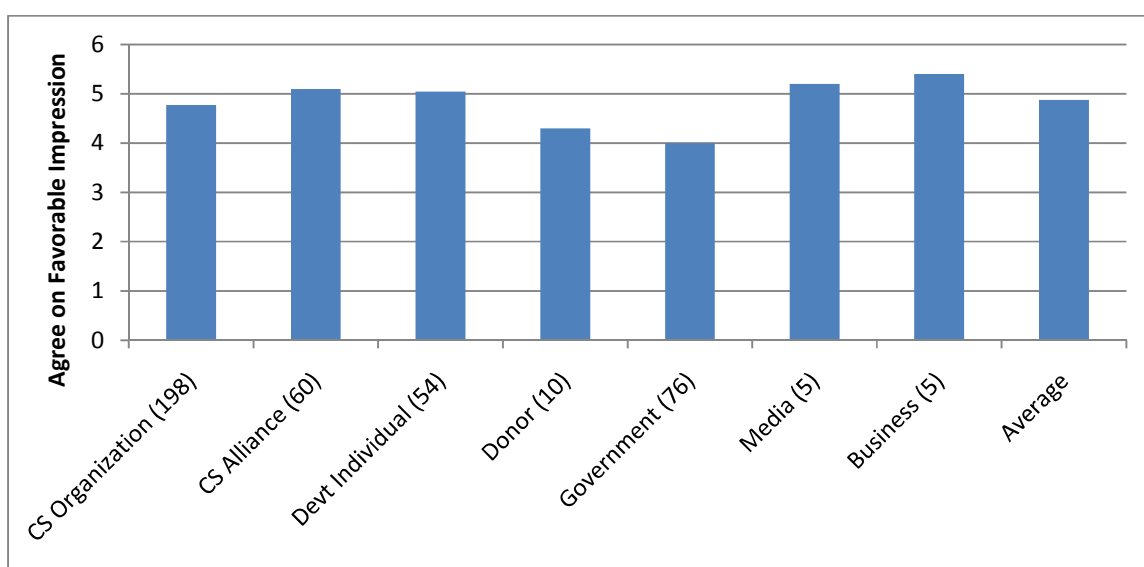
In short, while there is support from the broad outlines of the RTEP strategy as a basis for moving forward into the second decade of the 21<sup>st</sup> Century, there are a number of indicators that suggest hard-headed analysis of the challenges experienced in RTEP would be wise.

### 3.2 Legitimacy and Support

The legitimacy and support context provides to public and nonprofit organizations both the “license to operate” that establishes them as legitimate social actors and the kinds of resources they need to create value. The issues of support become more important the usual sources of funding and other material resources dry up. The issues of legitimacy become increasingly salient as organizations become more visible and controversial. Often as NGOs engage in more political activity and advocate for causes against powerful interests, questions are raised about their legitimacy to carry out campaigns. AAI’s decision to shift its strategic focus to rights-based advocacy for poor and excluded groups has the potential to create problems with both support and legitimacy.

AAI currently enjoys a favorable reputation with the external stakeholders who responded to the internet survey. Figure 2 reports the extent to which external stakeholders report a “favorable view” of ActionAid. The Stakeholder Survey has to be treated with some care, since the answers come from volunteers in a sample created by staff who answered the self-review. The sample probably represents people who have generally positive views of AAI.

**Figure 2. Stakeholder Impressions of Action Aid**



There are several interesting results in this Figure. First, the overall level of favorable views of AAI is quite high. The average score for most stakeholders indicated a favorable view of AAI (“5” means “Agree” with the statement). Second, there are substantial variations across stakeholder groups. Civil society organizations, business and media tend to be most favorable. It is interesting that donors and governments are the least positive stakeholders (“4” means “Slightly Agree” with a favorable view).

While the donors are a small sample, the 76 government representatives are the second largest group as well as the least positive. This may reflect a tendency for AAI to treat governments as opponents that stands in the way of rights fulfillment. As one African NGO put it:

*“Though they [ActionAid] are very vocal in on issues of justice and democracy in my country..... they appear as if they are in direct conflict with the government.*

Since AAI is explicitly concerned with taking a stand on behalf of the poor and excluded, it is likely to be at odds with governments that are not responsive to those constituents. On the other hand, if AAI generally tends to see governments as opponents rather than as potential allies, it could miss opportunities to improve rights performance, especially with governments that need support to do better. The donors in the Survey were probably institutional partners rather than the individual donors that continue to be the primary source of AAI funds. But it is not reassuring that institutional donors view AAI less favorably than other stakeholders, since AAI hopes for more institutional donor funding in the future.

The decision to democratize the governance of AAI has also had significant implications for its legitimacy and support in the developing world. As national organizations have moved from program and associate to affiliate status, they have created National Assemblies and National Boards that root affiliates in their own contexts and potentially enhance their legitimacy with their own and other governments. The Board of Action Aid International Sierra Leone (AAISL), for example, believes that it can influence the national government, and the Board of Action Aid Guatemala (AAG) has close ties to indigenous groups that are important allies in advocacy campaigns. National staffs sometimes have mixed feelings about the shifting responsibilities from the international federation to national organizations and Board, but there is little question that internationalization is affecting the legitimacy and support contexts of those national affiliates.

The move to rights-based strategies has raised the stakes for AAI to develop legitimacy and credibility with allies in policy campaigns. In particular, AAI has sought to build relationships with social movements concerned about rights issues. AAI has been particularly successful in building trust and mutual respect with movements in Latin America, in part because their history of service delivery and child-focused community development has been shorter there and social movements are more likely to be active in that region (Vargas, 2010) and in Asia, where movements have also emerged as major actors (Jagadananda & de Chassy, 2010). But we heard social movement representatives in all the developing regions express their appreciation for AAI’s solidarity, resources, and willingness to be a good partner.

**Legitimacy and Support Strengths.** From the vantage point of legitimacy and support, AAI’s loyal group of 450,000 individual donors is an important strength. As will appear later, there are some drawbacks to the fact that this constituency produces so much reliable revenue – but the viability of AAI as an institution would be a very different proposition without them. As the fundraising report notes, AAI came very close to meeting its goal of doubling its income during the RTEP period (Sherrington, 2010). A good deal of that increase came from new Northern affiliates as well as from increased income from the traditional Northern donors – but nonetheless the increase in overall income was substantial.

The development of strong partnerships with social movements is a second important strength in the legitimacy and support context. While good partnerships with NGOs to deliver community programs are valuable, the engagement with social movements is vital to developing rights-based initiatives at the national level. So the unanimity with which movement representatives expressed respect, trust and appreciation for AAI's contributions as a partner and a campaign ally is an important asset.

The general favorable reputation of AAI with wider publics and constituencies, as indicated in the external stakeholder survey, is also an important resource for future legitimacy and support purposes. The fact that informed external stakeholders recognize and support AAI's shift to a rights-based strategy is important and encouraging.

Finally the rise of new affiliates as independent national organizations, potentially raising some of their own funds and building national credibility for lobbying their governments has important implications for future legitimacy and support. While the rise of independent organizations potentially poses brand risks for AAI as it becomes vulnerable to criticism for the actions of affiliates it cannot easily control, third development also potentially enhances AAI's legitimacy and viability as a voice for national constituencies that might not otherwise be heard.

**Legitimacy and Support Areas for Concern.** The legitimacy and support area of analysis also presents areas of concern. First, there is a serious disconnect between the narratives of value creation and fundraising (Sherrington, 2010). AAI has not successfully linked the rights based advocacy approach with the fundraising model of child-focused service delivery, so it is vulnerable to criticisms that highlight the differences between donor expectations for services to "their children" and the rights-based campaigns that increasingly occupy resources and staff in the field.

A second but related area of concern is a restricted and somewhat lopsided conception of AAI's accountabilities. AAI is internationally known for the Accountability, Learning and Planning System (ALPS) that is used to engage local constituencies in planning, assessing and learning from program experience. It has worked hard and successfully to develop its "downward accountability" to those it serves. At the same time, the fundraising report makes clear that AAI has been less successful in developing its accountability to donors – indeed it appears to be substituting restrictions on funding and letters from children for really substantive and well-managed accountability to those donors that might create more value even in the eyes of those donors (Sherrington, 2010). More generally, current analyses of accountability suggest that INGOs should build accountability systems to respond to claims of a range of stakeholders that are critical to their missions. AAI appears to have focused most of its attention on downward accountability to local constituents rather than to balancing the accountability claims of local constituents against those of other legitimate claimants such as donors, government agencies, allies, or staff.

### **3.3 Value Creation**

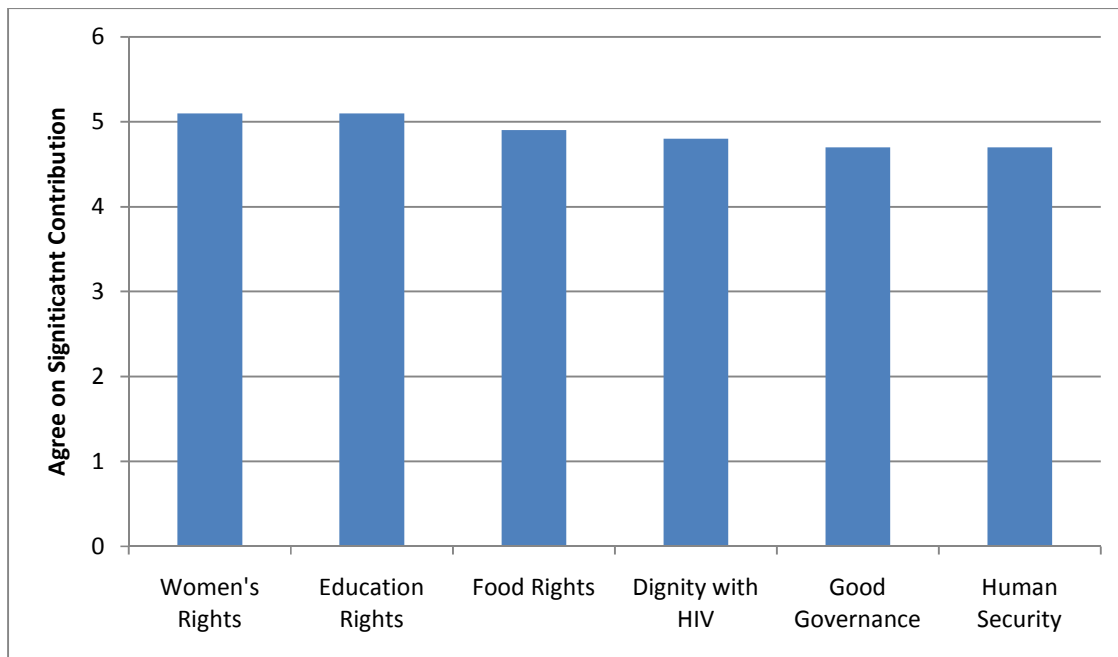
AAI's value creation activities include a range of activities. We focus here on four areas of value creation: rights-based themes, programs in development areas, campaigns, and strategic goals. We will summarize findings of reviews of each area and then discuss their strengths and areas of concern.

**Rights-Based Themes.** In RTEP Action Aid committed to rights-based action on six strategic themes: (1) women's rights, (2) the right to education, (3) the right to food, (4) the right to human security during conflicts and emergencies, (5) the right to life with dignity in the face of HIV/AIDs, and (6) the right to just and democratic governance. These themes offer arenas in which rights-based work can be implemented with support from international resources and expertise. While it was not required that

affiliates, associates and country programs carry out activities on all themes, it was expected that all would do some work on women’s rights and most countries did carry out work on several themes.

External stakeholder perceptions of the AAI’s contributions to advancing the themes are summarized in Figure 3. From these data it appears that the women’s rights and education themes have been particularly successful (“5” represents “Agree” with the statement that AAI has made “significant contributions” to the theme). This perception is shared by many internal observers and external reviewers as well. The external stakeholders characterize all the themes as making positive contributions, with relatively small differences across regions.

**Figure 3: Stakeholder Perceptions of AAI Contributions to Themes**



The women’s rights theme was at once a “stand-alone” program and a cross-cutting theme intended to shape AAI’s work across many different activities. The ERT found that work on this theme had produced important results in community programs, important national policy results and some effective national, regional and global campaigning. There were positive results on this theme in all the regions, with impressive results in communities and in national level work on legislation and policy initiatives. Campaigns have also had impacts at regional and international levels, such as the Women Won’t Wait Campaign and influence on the African Union Land Policy. But there remains ambiguity about the centrality of women’s rights among some country staff and progress on integrating women’s rights into the attitudes and practices within AAI has been slower than many had hoped. The women’s rights theme has benefitted from long-term staff commitments and support from informal alliances to build its program (see Imam, 2010).

A second theme that received explicit attention from the ERT was the right to just and democratic governance. This theme was selected for special review because of its close ties to the rights-based approach. As a relatively new theme in the work of AAI, it has been important to develop understanding of the links between rights and governance among AA staff. This theme has developed valuable training

systems, such as programs for economic literacy and budget monitoring (ELBAG), which enable citizen engagement with local authorities. The arrival of MS as an affiliate has brought valuable experience in governance work that can be utilized as more resources become available to the theme. The ERT sees the just and democratic governance theme as an area for expanded investment in the future (Jagadananda & de Chassy, 2010).

The education theme has a long history at AAI, since it has been a central part of the development area programs from the start. It was clear from country visits that developing schools has been a powerful intervention in the lives of rural poor, particularly when the country team has been able to integrate building local schools with rights-based interventions that mobilize village groups to campaign successfully for government support for schools. Village groups in Sierra Leone, Uganda and Guatemala reported that they had increased substantially their children's participation in education as a consequence of such combinations of service delivery and rights-based mobilization. Like the women's rights theme, education has had the benefit of stable and effective leadership over a long period. The 2009 review recognized the breadth and responsiveness of the education program but questioned its links to the global strategy and its ability to connect service delivery with rights-based work.

The right to food security theme grew out of a number of initiatives prior to RTEP. It has been able to build links to a number of social movements, such as Via Campesina, to advocate for policy changes. It has been particularly effective as a focus for advocacy and campaigning in the Americas (Vargas, 2010). Since 2007 it has shifted to more work in communities, sometimes converging with the work of women's rights activity. It has been criticized for responding too slowly to the food crisis and for failing to find ways to work effectively with the HungerFree Campaign. But it has also been able to combine with other themes, such as women's rights, to build energy grounded in local concerns such as property rights for women.

The right to dignity in the face of HIV/AIDS also grew out of AAI pioneering work on HIV/AIDS prior to RTEP. Under RTEP the focus has moved to organizing PLWHA, particularly women. This theme has also sometimes been combined with work on women's rights to build women's networks and campaigns, such as the initiatives of Positive Women in Guatemala, Uganda and Sierra Leone (Imam, 2010). The program has produced valuable tools and programs for awareness raising and organizing groups, such as Stepping Stones and STAR. The 2010 external review commended AAI work on building PLWHA organizations and the tool development, but criticized the theme's advocacy work, its leadership at regional and international levels, and the limitations imposed by staffing and resource constraints.

The right to human security in conflicts and emergencies is also a relatively new theme, starting with RTEP. It has been among the most successful themes in raising funds, as emergencies often generate large flows of resource. Its 2007 review recognized as strengths its disaster risk reduction work and its invention of programs like the Participatory Vulnerability Analysis (PVA). The review called for more attention to national advocacy, conceptual clarity for work in conflict situations, more capacity building for country staffs, and more consistent responses to emergencies. While there are often funds available for this theme, it has been difficult in some countries to link it to ongoing rights-based activities.

**Community Development Programs in Development Areas.** The RTEP Strategy document notes that in the 1980s and 1990s the primary focus of AAI programs was working with communities to address immediate needs in what might be called a "participatory community development approach." These programs were launched in development areas scattered through participating countries and funded with resources from donors committed to child sponsorship. But RTEP focuses almost entirely on the "rights-based approach" that has been the focus of the last five years; the role of participatory



community development is subordinated to the concept of rights-based development, albeit the strategy does refer to community programs and to “addressing immediate needs” as one of a list of seven core interventions. The role of children is not discussed in any detail in RTEP.

So it came as something of a surprise to at least some ERT members that much of the country program work continues to be dedicated to programs in the rural development areas, funded by child sponsorship donors who expect letters from the children they sponsor. These community development programs generate the majority of AA funds in most countries. In many the largest proportion of staff is involved in managing community programs and the relations between children and the donors that support them.

In some countries the management of the community programs is carried out by NGO partners rather than implemented directly by AAI staff. But this practice varies considerably across countries: In Guatemala and Uganda most community programs are largely managed by local partners. In Sierra Leone only one community program is managed by local partners, so AAISL has many staff teams residing and working in the field.

Reports from Asia, Africa and Latin America suggest that these programs have major impacts on their participants. Children report gaining opportunities to go to school that were not previously available; women report opportunities to generate income and to understand and realize their rights; men describe enhanced livelihoods and opportunities; villagers celebrate the availability of health services and meeting spaces that are direct results of AAI programs. But these community development programs are sometimes not well integrated with the rights-based frameworks that emphasize policy advocacy at the regional and national levels. Not all staff members of the community programs have made the transition from the donor perspectives of participatory community development to the partner perspectives of rights based campaigning.

**Policy and Campaigns.** In addition to work on rights based themes, which sometimes involves participation in local or national campaigns to influence policies, AAI has also engaged in campaigns organized across countries and regions. The review of campaigns and policy (Gilmore, 2010), while recognizing a wide range of campaigning activities at different levels, has focused on two international campaigns—the HungerFree Campaign (HF) and the Women Won’t Wait Campaign (WWW)—that have had impacts at the international, national and local levels.

The HF campaign is a global campaign launched in 2007. It was expected that all parts of AAI would participate in this campaign as a signature AAI global effort. The HF campaign has had most impacts in countries in Africa and some countries of Asia in delivering tangible changes for rights holders. The campaign has had difficulty in gaining traction in other Southern countries or in the North and in creating bridges within regions or between North and South. It has not been able to build on its success within countries to create the global campaign that AA intended in spite of the food crises that have emerged in recent years.

The WWW campaign in contrast is a partnership campaign in which countries can choose to engage. It has had more success in building international coherence and influence with intergovernmental organizations and international forums. It appears to have had less impact in terms of concrete benefits to poor and excluded groups at the local and national levels, however, focusing so far more on consciousness raising and capacity building there.

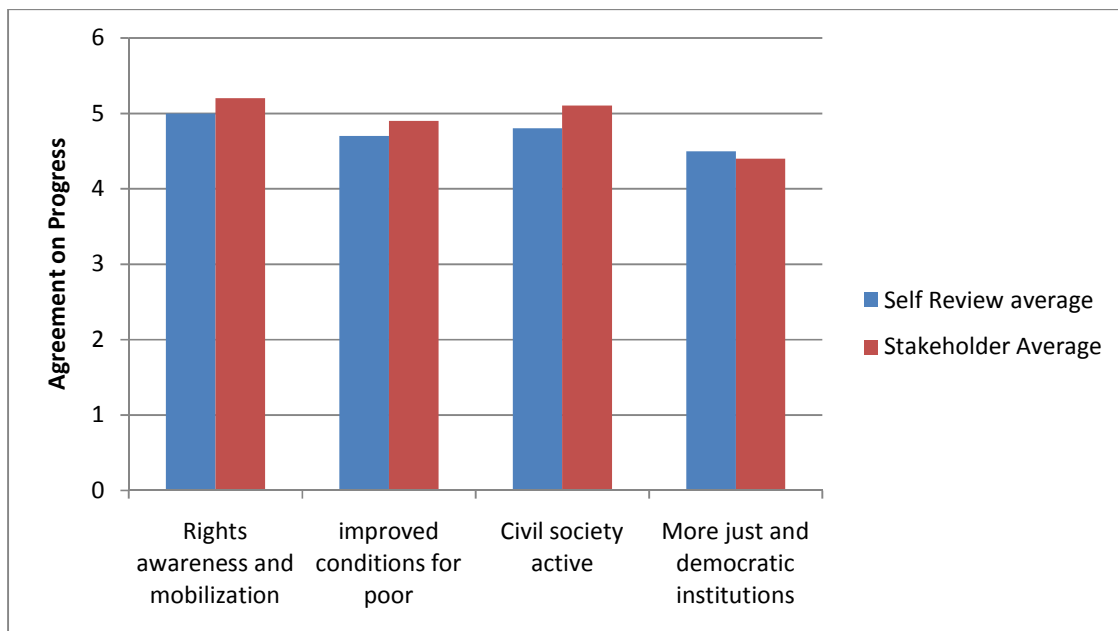
While RTEP has produced local and national campaigns that have made a difference for local groups and international campaigns that have influenced international policy-making, the goal of catalyzing

campaigns that feed off multiple levels to produce local, national and global successes has remained elusive. But even with these drawbacks there is reason to believe that AAI’s campaign initiatives are challenging duty bearers to meet their obligations, enabling rights holders to better claim their rights, and benefitting rights holders far beyond those directly involved in the campaigns. On the other hand, the progress in campaigning remains uneven. Success at the country level does not translate into success on global problems, and some country programs feel that AAI campaigns are imposed on them rather than integrated with their concerns. AAI has not yet become the catalyst for South-to-South engagements envisioned by some that aggregate into international campaigns to shape local and national outcomes as well as international policies.

**Strategic Goals.** Ultimately RTEP envisions that ActionAid value creation activities—rights-based theme work, participatory community development, policy and campaigns—will have long-term and sustainable impacts on four strategic poverty eradication goals: (1) expanding rights consciousness, capacity, organization, mobilization of poor and excluded people; (2) improving the conditions of poor and excluded people,; (3) enabling the organization and mobilization of civil society in support of poor people, and (4) improving the policies and practices of state and non-state institutions.<sup>1</sup>

Figure 4 reports the extent to which the respondents to the AAI Self Reviews and the External Stakeholder Survey agreed with the statement that AAI had made “significant progress toward this goal” (a rating of 6 would mean “Strongly Agree”). AAI staff self-reviews on the average agreed with that statement for all four goals, though they were more positive about the results on the “process” goals of awareness/mobilization and civil society activism than the “outcome” goals of improved conditions and more just and democratic governance. AAI external stakeholders were even more positive than AAI staff, and they also saw more progress for process than for outcome goals.

**Figure 4. Progress on Strategic Goals Seen by Self-Review and External Stakeholders**



<sup>1</sup> These are the Global Monitoring Framework’s simplified versions of the goals articulated in RTEP

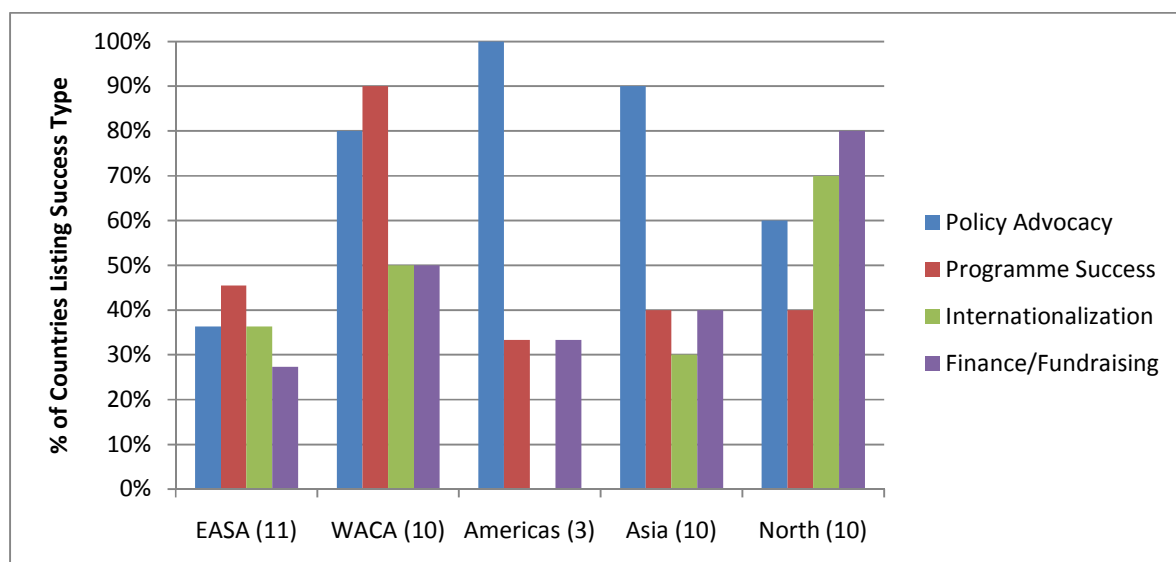
So both internal and external audiences believe that AAI is making significant progress toward its strategic goals, though progress is more on awareness and activism than it is on improvements in material conditions and institutional behavior (see Bingham, 2010 and Leach, 2010 for more details). To be fair, advances on process goals are probably easier than changing conditions and institutions and advances on the former may be preconditions to advances on the latter.

While the different regions assessed progress toward the strategic objectives quite similarly, they responded differently to an open-ended self-review question about their “most important successes” in the course of RTEP. Figure 5 charts the percent of countries in each region that reported important successes in the four most common categories of written responses. The four categories included important successes in (1) policy advocacy, (2) program development, (3) internationalization, and (4) fundraising/finance.

The Latin American and Asian regions were most likely to report successes related to policy advocacy; the African regions were most likely to report program development successes; and countries from the global North were most likely to report successes in fundraising/finance and internationalization—though almost all regions reported some of each category. This pattern of qualitative result is consistent with the findings of country visits and regional reviews (Imam, 2010; Jagadananda & de Chassy, 2010; Vargas, 2010). The visiting teams thought that advocacy campaigns and rights based initiatives were more central in Latin America and Asia for a variety of reasons, and that participatory community development remained a stronger element of AAI programs in the African regions.

Not surprisingly, fundraising is a hotter issue in Northern countries where most of that work occurs. The Northern countries may also be more focused on and sensitive to internationalization processes since they are turning over organizational power and decision-making to the affiliates and associates emerging in the global South. These differences in emphasis can help to explain some of the challenges facing AAI as it seeks to coordinate activities and programs across affiliates, associates and country programs with quite different perspectives and priorities.

**Figure 5. Important Successes Described by Regions**



**Value Creation Strengths.** A major strength of AAI's value creation work in RTEP has been the commitment to and development of the rights based approach, particularly as it applies to women's rights. The evolution of the rights based approach, though uneven across countries and themes, has made important differences to campaigning on policy issues, to reframing development projects in communities, and to making a real difference in the lives of many poor and excluded populations—as envisioned by the strategic goals.

Another value creation strength has emerged from the intersection of themes and campaigns around local, national or international issues that have enabled synergistic results and strengthened capacities to influence policies and practices important in national contexts. The convergence of work on violence against women and HIV/AIDS in Guatemala, for example, strengthened advocacy for both women's rights and dignity in the face of HIV/AIDS themes.

The community development programs have been a strength of AAI for many years. They have provided a base of knowledge and legitimacy with poor and excluded populations that has been central to building relations for other kinds of work, such as rights-based awareness raising, mobilization, capacity-building and campaigning. At their best the community programs interact with rights-based work to strengthen both outcomes at the community level and the persuasiveness and legitimacy of policy campaigns that reach well beyond those communities. To the extent that Sierra Leone's Handicapped Action Movement becomes a model for organizing disabled workers in other towns, regions and countries, for example, AAI support for developing the resources of one group can create models that can be used for many others.

A fourth strength of AAI's value creation has been the articulation and elaboration of a variety of tools that enable others to benefit from AAI's expertise and experience. Tools like Stepping Stones, REFLECT, STAR and ELBAG make it possible for many other groups to benefit from AAI's work, including partners and community groups that may have few or no direct dealings with AAI itself. Such materials and programs can have multiplier effects well beyond the immediate periods, places and populations for which they were created.

**Value Creation Areas of Concern.** There are also a number of reasons for concern about AAI's value creation. For example, AAI lacks a comprehensive narrative that links together the different value creation elements to explain the comparative advantage of combining rights based themes with child-focused participatory community development, why it is important to link local, national and international campaigns and empowerment, or how to understand the complementarities of work on immediate needs and work on long-term policy agendas. Without such narrative it is difficult for both AAI staff and external stakeholders to understand why AAI takes on so many diverse activities or when it is time to shift from one set to another.

Linked to this lack of a comprehensive narrative is an incomplete transition in many countries, particularly in Africa, from an emphasis on service delivery and community development projects to an emphasis on advocacy and rights-based development. The two are not automatically incompatible, but the transition to locate community development within a rights-based approach calls for quite different theories of change and roles for AAI staff. The former casts AAI staff as donors or deliverers of benefits while the latter frames AAI as a partner in a joint initiative to engage duty bearers. The former leads community groups to ask for more community centers, wells, schools and health clinics from the donor AAI; the latter encourages communities to work with AAI partners to craft self-help initiatives or policy campaigns to engage duty-bearers to fulfill their obligations.

While some countries have found that combining rights-based themes can lead to unexpected synergies and benefits, others have experienced different elements of AAI's value creation activities as vertical silos that separate resources, allies and activities without many opportunities for integrating resources or capturing synergies. Although in some cases country teams have found synergistic combinations of themes, such as the violence against women issues and link to HIV/AIDS, others have found that different themes compete with each other for resources and staff time. It can be difficult to build joint initiatives across those boundaries unless cross-boundary interaction and trust is explicitly encouraged. The synergies of integrating across themes to respond to emerging national needs seem to have been relatively uncommon.

While the six rights-based themes offer resources and expertise to country programs that might otherwise not be available, they also invite staff members to take on too many responsibilities and activities. While AAI did not require countries to take on all the themes, many countries have succumbed to the lure of extra resources that might be used to respond to expanding demands from their constituents. Too often the proliferation of themes and programs produces work overload and loss of focus as staff work on too many activities and so lose touch with overall priorities that might guide more effective effort.

A similar problem has been identified with respect to what might be called horizontal silos, in which local, national and international programs and initiatives fail to integrate with each other or to capture synergies, influence and learning that might come from better engagement across levels. Both the WWW and HF campaigns suffered from different versions of this problem, and neither achieved all that might have been accomplished by their initiatives as a consequence (Gilmore, 2010).

### **3.4 Operational Capacity**

RTEP has required building operational capacity to carry out the human rights based approach as well as implement internationalization. The internationalization of AAI has involved building independent organizational affiliates in many countries as well as creating a federated governance structure that includes country units in key decisions, an International Secretariat (IS) charged with coordinating across the federation and supporting the transformation of country programs into associates and affiliates as well as regional offices to support region-wide initiatives.

The internationalization initiative proposed to create a unitary federation with fully democratic governance across its members – an innovation that has not been attempted by other INGOs. The expectation is that country programs and associates will evolve into full affiliates and that those affiliates will together govern the federation. The federation now includes 14 affiliates, 10 Associates and 23 country programs (most in Africa and Asia). Several pre-existing INGOs have joined the federation as either affiliates or associates.

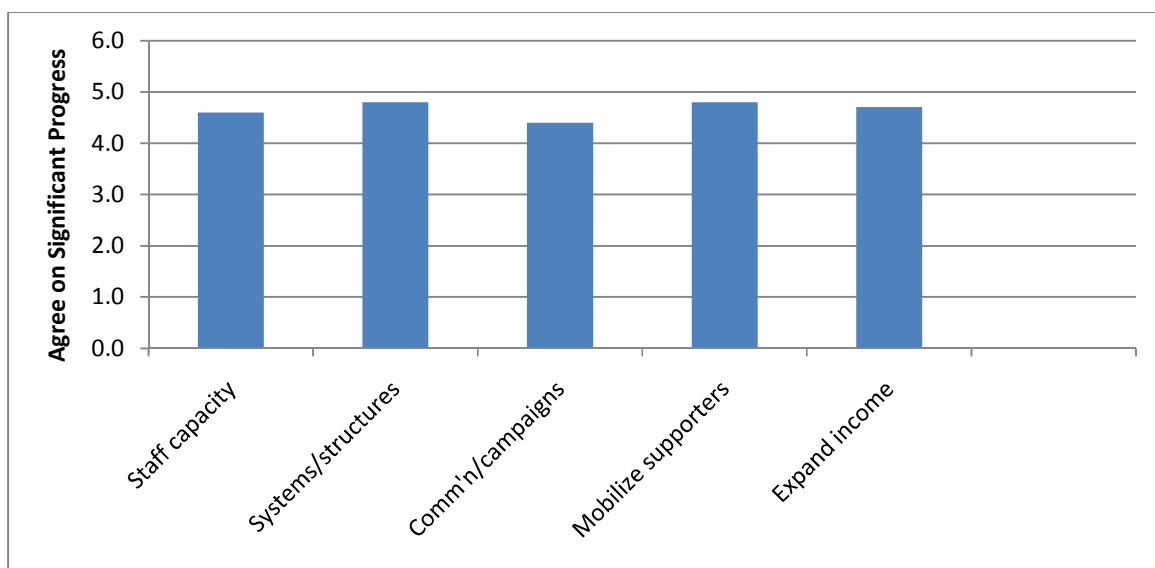
The IS includes five regions, six themes and five functions, all with their own strategies and reviews. The Governance review points out that these structures interact within a “culture of competition” that reinforces their tendency to operate out of silos rather than to build horizontal collaboration and integration. But the review characterized the creation of a democratically governed international architecture as a “breathtaking” achievement (Fowler & Crane, 2010: 13).

More specifically RTEP identified six organizational objectives required to implement the strategy effectively: (1) strengthen governance and deepen accountability, (2) strengthen staff capacity, (3) strengthen structures and systems, (4) strengthen communications and campaigns, (5) increase supporters and their mobilization, and (6) increase and diversify income.

Performance against these organizational goals has been the focus of the reports on fundraising and communications (Sherrington, 2010), finance and financial systems (Bortcosh, 2010), and governance, human resources and organization development (Fowler & Crane, 2010). In addition the self-review process invited respondents to assess progress on five of these organizational goals.

Figure 6 reports that self-review respondents saw AAI making progress on these five organization goals during RTEP. The averages for all the goals are between 5 (Agree) and 4 (Slightly Agree). So respondents reported some progress on organizational goals, but less than they saw on the strategic goals discussed in the last section. This finding fits with concerns raised in reports focused on operational capacity issues.

**Figure 6. Progress on Organization Goals Seen by Self-Reviews**



Operational capacity also emerges as an issue from the analysis of qualitative answers to questions about shortcomings in AAI's work by self reviews and by external stakeholders. Content analysis of these answers identified seven themes that were mentioned by 10% or more of either self-review or survey respondents. Table 1 reports those themes ranked by the frequency with which they were mentioned. The first column provides frequency rank orders and number of appearances (in parentheses) in self-reviews; the second provides the rank orders and number of appearances from external stakeholders.

**Table 1. Shortcomings in AAI Work seen by Self-Reviews and Stakeholders**

Type of Shortcoming	Self-Review Rank (N=43)	Stakeholder Rank (N=442)
Fundraising (amounts, approach)	1 (28)	5 (22)
Staffing (diversity, quality, leadership, turnover)	2.5 (20)	4 (35)
Monitoring and evaluation	2.5 (20)	7 (4)
Partnership and capacity building problems	4 (13)	3 (37)
Management (coordination, slow delivery, top down)	5 (11)	2 (46)
Advocacy problems (lack capacity, poor govt relations)	6 (10)	6 (19)
Ineffective programs (quality, focus, visibility)	7 (3)	1 (57)

While most of these shortcomings are identified by both self-reviews and stakeholders, the rank orders suggest that the two groups have different perceptions of the most important shortcomings. Staff members identify fundraising, staffing, and monitoring and evaluation as the top three shortcomings. Stakeholders identify ineffective programs, management, and partnership/capacity building as the top three shortcomings. While it is difficult to explain these differences without more information, they suggest some interesting interpretations. Do these differences, for example, support the hypothesis that AAI staff is so internally focused that they are blind to problems that are visible to external audiences? Do the differences reflect a tendency for managers to see problems in terms of support functions (fundraising, staffing, M&E) rather than to recognize managerial shortcomings (ineffective programs, management problems, problems of partnership and capacity-building)? Do these differences reflect a lack of shared performance standards that contributes to discrepant perceptions by insiders and outsiders? Perceptions within AAI are quite different from those of external audiences—an issue to which we will return later.

**Operational Capacity Strengths.** We begin with a brief discussion of the internationalization process and then comment on the strengths and areas of concern identified by reviews of finance (Bortcosh, 2010), fundraising and communications (Sherrington, 2010), and governance, human resources and organization development (Fowler & Crane, 2010).

The internationalization process is seen by many staff, stakeholders and reviewers as a remarkable achievement. The concept is itself an innovative response to the challenges of empowering the poor and excluded and creating an international federation that is itself democratically governed across members from the Global South and Global North, some of them net contributing entities and some net spending entities. Since RTEP began six country programs have become affiliates and eight others have become associates; two independent organizations have joined as affiliates and two others as associates. While the progress has been uneven across the federation, there is evidence that there has been movement toward the fundamental internationalization objectives of growth, enhanced legitimacy, increased accountability and more diversity.

During RTEP the AAI global finance function has supported the dramatic growth of affiliates and associates during the internationalization process and the decentralization of financial management to associates and affiliates. It has worked on improving internal control environments, improving financial management reporting, and developing regional finance functions. By the end of RTEP AAI had a functioning financial policy and process framework in place across the federation, although with differing levels of performance in different regions and countries.

The fundraising and communications review identified the internationalization of fundraising as a “key achievement” of the last five years. Funding has been diversified and increased by 60% over the five years, driven by the New Market strategy, funds from new affiliates, and expanded voluntary income from Italy and Greece. Public fundraising has been piloted in several Southern affiliates, and Brazil is recruiting its own child sponsors. The International Partnership Development (IPD) team has begun to support in-country official funding initiatives, though so far without major growth in funding. The IPD may need further development if local resource development is to be a priority for the future. Initiatives to improve the experiences of sponsored children and communications with sponsors have been launched through training AAI and partner staffs. Communications capabilities have been improved at AAI as well as in several country offices, but communications are still managed functionally rather than strategically.

The governance, human resources and organizational development review focused particularly on the internationalization process. The review identified AAI's commitment to building equity into its culture and governance and its establishment of an international institutional architecture as important strengths of the last five years. It noted as strengths AAI's pursuit of a rights-based approach, its commitment to organizational learning, and its commitment to and respect for its staff. A passionate and inspired staff constitutes another strength as does AAI's enhanced reputation and respect among external stakeholders. The review also identified AAI's commitment to and action on integrating women's rights into its human resource policies and practices as a valuable asset.

These reviews suggest that much has been done on the organizational priorities of RTEP in terms of implementing the vision of an international federated organization of autonomous national agencies and the commitment to rights-based development work. But the reviews also suggest that much remains to be done to deal with various areas of concern.

**Operational Capacity Areas of Concern.** Areas of concern have been identified in connection with the various areas of operational capacity as well. The internationalization process, as might be expected, offers many continuing challenge. The development of affiliates from associates and country programs has been slower than expected, and some programs are encountering legal barriers to their progress. It is not always clear that countries meet the same standards in becoming affiliates: Countries in the North, for example, have become affiliates without forming Assemblies while countries in the South have been expected to do so. New affiliates sometimes adopt local practices that are violations of core AAI values and positions: The ERT noted that several new affiliate Boards have adopted the practice of beginning meetings with prayers—a clear violation of AAI's secular and non-sectarian principles that could damage AAI's reputation and legitimacy with other religions inside and outside the countries involved. The International Secretariat provides resources to country organizations, but the silo-ed quality of those resources encourages the proliferation of demands on the time and resources of field staff. Regional offices in RTEP have provided line supervision to country programs on behalf of the IS, but in the future other regional functions may become more important.

The finance review identified many specific concerns and issues. The review emphasized that the non-directive management culture contributed to a climate of ambiguous standards and monitoring. Those factors in turn led to control breakdowns and reactive management in response. The non-directive culture also contributed to inadequate planning and monitoring to deal with financial challenges and a lack of appreciation of the importance of financial management in the wider organization. Lack of financial accountability is reinforced by the "assured" income from child sponsorship, low-key leadership from the global finance function, and the non-financial background of AAI managers at all levels. The internationalization process has tended to blur accountabilities as well, producing low expectations for financial management that constitute a reputational risk and undermining the internationalization goal of producing affiliates that meet high standards of financial management.

Areas of concern from the point of view of fundraising and communications also include a range of issues. AAI's core identity and theory of change are not clearly articulated and future fundraising growth requires a persuasive narrative about AAI's identity and its case for support. AAI's non-directive leadership culture does not produce clear priorities, transparent decisions or effective performance management. Child sponsorship dominates fundraising and program implementation but does not occupy an explicit place in AAI's identity narrative. Self-imposed restrictions on the allocation of sponsorship income substitute for more direct and substantive accountability to donors and constrain managerial responsibility for allocating resources and building organizational capacity. AAI tends to take supporters for granted and new fundraising product development has increased flexible funding at the



expense of making donors unhappy. There has been some progress in mobilizing Northern supporters for rights-based campaigning. In the absence of systematic analysis of objective data, AAI works from an internally-focused culture and makes decisions based on anecdotes, shared assumptions and informal processes that can produce choices based on myth and relationships rather than realistic analysis.

The governance, human resources and organization development review identified issues associated with internationalization, such as unclear boundaries between governing and managing at the international level, an overly fragmented design for the International Secretariat, and complex matrix management arrangements that are difficult to implement at a time of great organizational change. The review noted that RTEP suffered from poor anticipation of its organizational consequences. It was also characterized by personalized and informal leadership that was collectively inconsistent and created high transaction costs for getting things done. AAI was also hampered by inadequate performance management, inconsistent application of agreed policies and standards, weak internal accountability, and low capacity to distill knowledge on which to base realistic action from the vast amounts of information generated by the organization.

While these reviews looked at operational capacity from different standpoints, they have identified some common patterns—strengths and areas of concern—to which we shall return later in this report

### **3.5 Organizational Learning**

Organizational learning is an important challenge for organizations that face novel circumstances and rapidly changing contexts, since effective strategy implementation and performance turns on responding to changing contexts and innovating in the face of new challenges. Organizational learning is particularly challenging when impacts are hard to measure, depend on many other factors and actors, and are remote in time from organization activities. In shifting its emphasis from service delivery and participatory community development to advocacy and rights-based campaigns, AAI has substantially increased the difficulties of assessing impacts and learning from experience. Nonetheless, organizational learning remains critically important in guiding operational activities and strategic choices for rights-based strategies as suggested in several reports (Fowler & Crane, 2010; Sherrington, 2010).

**Organizational Learning Strengths.** AAI has committed resources to organizational learning for many years. This Review is the third in the series, and prior reviews have informed AAI's strategy formulation processes in the past. AAI also commissions a wide range of efforts to assess its work—generating an avalanche of information about themes, countries, functions, and initiatives. Indeed the ERT has often felt inundated with reports and reviews—so many that we despair of being able to make sense of them all. The resources and energy that AAI puts into generating information about its work is unrivalled by other organizations in the experience of the ERT.

AAI's Accountability, Learning and Planning System is widely recognized as an important innovation in "downward accountability," enabling partners and program participants to engage with AAI staff in learning from experience in the field. AAI's Program Review and Reflection Process (PRRP) enables participatory reviews of work in cooperation with a wide range of actors. These initiatives contribute to the flood of information available to staff and partners for understanding the organization's work and impacts, though the lack of commonly-accepted metrics and standards makes comparison or aggregation across the various development areas and programs very difficult.

The Impact and Shared Learning Department (IASL) provides support to a variety of learning processes, from creating and disseminating the Global Monitoring Framework to providing Reviews of Reviews to the TSR3 process. The Global Monitoring Framework offers a frame for understanding key elements of

RTEP as a strategy that is a substantial improvement over the global goals of the original RTEP strategy document. The new process for program monitoring and evaluation is only becoming available at the end of RTEP but should be an important asset in the future.

**Organizational Learning Areas of Concern.** While there is little question about whether AAI generates information about its experience, it is less clear that the organization can extract value from that information. While the ALPS process produces lots of information about how local programs have evolved and developed, aggregating the results of hundreds of ALPS discussions into interpretations and conclusions that are valid and useful across contexts is a Herculean task that depends greatly on how much the organization is operating out of an explicit and widely-shared theory of change. So while specific programs may learn from these processes, the organization-wide ability to convert discussions and reviews into results that shape future actions is limited.

AAI's learning from its experience takes a form of described by one respondent as "Announce-Flounder-Learn." The initial RTEP document announced poverty eradication goals such as: "poor and excluded people... will exercise power to secure their rights" (RTEP: 7) as well as a variety of strategic themes and organizational priorities through which it would accomplish the goal. These goals are very ambitious, particularly given the departures they require from previous strategies. The ERT country visits found widespread confusion about what implementing the rights-based approach required in the field. AAI has now created an implementation manual for rights-based work on the ground—but it has not yet been published, nearly six years after the strategy was announced. The tools for program monitoring and evaluation are also only becoming available now. Systematically developing plans, pilot tests, manuals and monitoring and evaluation tools prior to adoption of new strategies could dramatically reduce "flounder" time and enhance effective implementation.

Several ERT reviews have commented on the lack of clear standards and assessment criteria. AAI lacks explicit theories of change that can guide activities and resource allocations and performance measurement systems and management that holds staff accountable for delivering on expectations. So even when there appears to be agreement on what should be done, failures to implement those agreements create no consequences and decisions can often be undone by the right coalition. Again this problem may be helped by the dissemination of the new program for monitoring and evaluation.

Ambiguity about standards and assessment combines with non-directive management culture and lack of systematic learning systems to foster decisions based on anecdotes or strongly held beliefs rather than realistic data analysis. So AAI decisions can become focused more on internal expectations and preferences than on assessments of hard data (see Sherrington, 2010, Fowler & Crane, 2010). This emphasis on self-referential analysis can lead to very different perceptions of problems and causes, as suggested in the divergence between self-review and stakeholder survey perceptions of AAI shortcomings.

As in the other elements of strategic analysis, organizational learning presents a mixed picture of strengths and areas of concern. How can we summarize this complex list of strengths and areas of concern, indicators of progress and incomplete transitions, and evidence of successes as well as continued challenges?

### **3.6 Assessing the Rights to End Poverty Strategy**

Overall, the ERT believes that AAI has made significant strides in reorganizing itself as an international federation of autonomous national organizations and in moving from its past focus on community development to implementing a rights-based strategy at multiple levels. It is recognized by external

stakeholders and by its staff for taking stands on behalf of the poor, for building relations of mutual respect and trust with a variety of movements, and in some cases at least for making substantial progress on its ambitious goals for rights based change on themes and strategic goals.

At the same time, AAI's ability "do what we said we would do" in RTEP has been greater in some countries and regions than in others; its actual impacts have often been less than its hopes; and much remains to be done to fully carry out RTEP's strategic and organizational aspirations. But the capacities built, the relationships established, the impacts achieved and the lessons learned from the last six years position AAI to have greatly increased influence on reducing poverty and empowering poor and excluded groups in the future—particularly if it can expand and consolidate the progress made to fully realize its potential.

#### **4. Underlying Forces, Factors and Dynamics**

The analysis so far has focused on identifying strengths and areas of concern in how RTEP has been conceived and implemented. In this section we discuss what we believe to be forces, factors and dynamics that underlie and contribute to causing these patterns. These ideas should be treated with some caution, since they are hypotheses rather than established conclusions. But they have emerged from a systematic effort to understand AAI that draws on experience with a broad range of other international NGOs as well as immersion for several months in an effort to understand various aspects of AAI. These kinds of conceptualization can offer ideas for taking advantage of strengths or resolving areas of concern in the future.

Several ERT reports have emphasized the importance of an AAI identity narrative that explains the links among child sponsorship fundraising, rights-based advocacy and community development services, the internationalization of the federation, and other critical aspects of AAI's purpose and values. The lack of such a compelling story about AAI's identity puts the organization at reputational risk with key donors, creates ambiguities for staff about central and peripheral values and concerns, and raises questions about the federation's role and identity with a wide range of external stakeholders and publics. The great opportunity of a massive organizational transition like RTEP is that it can position AAI to make huge and innovative contributions; a related challenge is to articulate a persuasive description of what the organization is becoming to inform staff, donors, allies and other stakeholders about the contributions and the challenges that can be expected from the transition.

A related underlying factor is role of a rights-based theory of change that can guide staff and others in implementing strategies and linking them to prior approaches to development. Confusion about the differences between rights-based and community development approaches has resulted in some cases in uneasy combinations or relabeling programs without changing their substance. More clarity about the theories of change that guide work at local, national and international levels would help staff and allies think through different approaches, develop appropriate alliances, craft capacity-building and policy-advocacy strategies, and identify indicators and approaches for assessing results. Widely shared theories of change for countries and programs would help country staff identify which strategic themes and combinations are relevant to their contexts as well as facilitate organization learning across levels and country contexts. Without a shared theories of change, staff members tend to adopt their own preferences and ideas about how to achieve desired outcomes. Such "local option" approaches can produce an increasingly incoherent patchwork of approaches across countries and regions.

A third set of underlying dynamics involves managing the implications of internationalization. Several ERT reviews have emphasized the radical nature of AAI's internationalization and the challenges and

contributions of work done during RTEP. It is clear that RTEP underestimated the difficulties of this transition and the time and resources needed to implement it effectively. Further resources are required to create the financial management capacities needed to meet world standards; more attention to change management and organization development theory and resources is necessary to prepare associates and country programs to become affiliates. It remains unclear whether internationalization will include more fundraising in the South and more movement engagement in the North rather than reinforcing the donor roles of Northern countries and the recipient status of Southern countries. It is clear that many implications of the internationalization transition remain to be explored and managed.

Most of the ERT reviews have identified areas of concern that fall under the general heading of building a more coherent and agile organizational leadership culture. AAI has a history of democratic and inclusive leadership that has sometimes become sufficiently non-directive or laissez-faire to largely abdicate responsibilities for insisting on high standards or holding staff accountable to organization wide policies. We believe that this is a feature of AAI's culture rather than the result of individual leaders. This style may have been adaptive for a Northern-led and –funded organization that wanted to empower country programs to innovate and adapt to local contexts; it is a style that has been characteristic of many international development NGOs other than AAI. Whatever its roots, this organizational culture at AAI encourages non-compliance with settled policies, remaking decisions, ambiguous standards, power lodged in informal coalitions, high transaction costs for getting work accomplished, and lack of accountability to performance expectations—patterns identified in many of the ERT reviews. In the federation of national affiliates emerging from RTEP, organizational coherence and agility in national and international contexts will be critical to coordinating effective advocacy and campaigning as well as integrating local community programs into rights-based approaches. Laissez-faire leadership and cultures of non-compliance and low accountability can seriously handicap AAI as an agile and cohesive player in national and global campaigns.

Creating a more effective leadership culture will require investing in organization development. The organizational challenges identified by ERT reviews—changing organization leadership cultures, building affiliate governance and management systems, strengthening appreciation and capacities for financial management, bridging vertical and horizontal organizational silos, enhancing equal rights for women within AAI, building and implementing better performance management systems, increasing staff and organizational accountability—call for increased organization development activity in an organization that has been very short of appropriate resources and largely ignored the RTEP change management and effectiveness plans. Recruiting and resourcing organization development capacities was difficult during RTEP; AAI paid a price for failing to do so. It should not pay that price again.

Finally, a sixth underlying theme is the importance of enhancing organizational learning and accountability. Organizational learning may always involve some elements of “announce-flounder-learn,” but the flounder period might be substantially shortened and minimized. Accountability questions include fundraising and accountability to donors, financial management and accountability for resources, and staff accountability to organizational policies and performance expectations. More generally, ambiguities about change theories and results indicators raised questions about accountability to organizational missions and strategies as well as capacity to learn from experience. Accountability was a central question for RTEP, and AAI has made substantial strides in response. The ALPS is justly famous as an innovation in downward accountability, but AAI has not yet figured out how to convert micro-level learning to more aggregated interpretations and conclusions. It also needs to balance its primary accountability to poor and excluded populations with accountabilities to other key stakeholders, such as donors, governments, allies and staff. Managing relations with multiple

stakeholders is essential to scaling up programs and impacts for national and international impacts. Further work in learning and accountability can convert AAI's capacity for transparency and data collection to enhanced abilities for data analysis and learning about impacts. Those abilities can be used to set new standards for accountability and learning as well as to broaden AAI's impacts well beyond current levels.

We believe these six factors are themes that underlie the findings of the ERT reviews of RTEP. They do not, of course, explain all the issues raised or all the areas of concern. But we believe that they provide foci for action that can help AAI respond to many of the concerns identified by the Review. We will return to some of these issues in the discussion of the future below.

## 5. Lessons from RTEP

The TSR3 Terms of Reference focus attention on lessons that AAI might learn from RTEP experience. In this section we examine a series of lessons that we see emerging from the various areas of strategic analysis identified above. We focus on lessons that seemed particularly important to the ERT during our synthesis discussions.

### 5.1 Identity and Strategy Lessons.

Major changes of strategy such as RTEP can raise issues about the mission and identity of the organization as well as about its strategy and theories of change. . Several lessons stand out as important for the AAI work on identity and strategy in the future.

- **AAI should explicitly link its identity with its strategies and organizational capabilities.** AAI major shift in strategy to a rights-based approach calls for a revision of the identity narrative that links its mission and identity with its fundraising approaches and its program activities at different levels. AAI strategies also need more explicit change theories that make use of organizational capabilities. Grounding strategies in realistic assessments of operational resources and capabilities makes implementation more feasible as well as enhancing organizational coherence and credibility.
- **AAI needs to balance innovation with consolidation to manage strategic changes.** RTEP underestimated the time and resources required to carry out the internationalization of AAI and the implementation of rights-based approaches. "Sailing the boat while building it" is a risky approach to organizational transformation, particularly when prework is needed to lay out the course to be sailed or to design the boat to be built. AAI has the courage to innovate and undertake new visions; it could balance that courage with more practicality about implementing and consolidating the gains of radical new initiatives.

### 5.2 Legitimacy and Support Lessons.

Major changes in strategy can pose significant threats to established bases of support and legitimacy. Such changes may require creating new sources of support and building legitimacy with new stakeholders.

- **AAI needs to reframe child sponsorship in terms that fit its rights-based approach.** It is easy to become addicted to the stable source of support offered by child sponsorship donors. But dependence on child sponsorship income that is used for rights-based work without an articulated benefit to children creates potential problems with donors and risks to organizational legitimacy.

- **AAI must balance brand management with movement credibility.** Sharing credit (or giving it away) with movement allies may be more important than having AAI's logo in prominent positions in campaign literature. Pursuit of brand visibility can be destructive to movement credibility, and balancing the two is critical to effective rights-based work and to AAI's legitimacy with other actors critical for expanding influence.
- **AAI needs legitimacy with many different stakeholders to support poor and excluded groups.** . Challenging government and corporate actors is appropriate for some campaigns; cooperation may be appropriate for others. AAI may want to build legitimacy with government agencies, businesses and many other stakeholders as well as with social movements.

### 5.3 Value Creation Lessons.

As AAI has gained experience with rights-based approaches and themes, a lot of potential lessons for creating value through rights-based strategies have emerged.

- **AAI should clarify how community development services advances rights-based development.** Community development services are not contradictory to rights based approaches, but they are not automatically complementary to them. AAI leadership and field staff need to better understand how the two can be mutually supportive, as in work with villages in Sierra Leone to plan advocacy with Ministries to staff new schools and MCH clinics started by an AAI program.
- **Rights-based approaches and campaigns must adapt to local, national and regional contexts.** AAI rights-based work may have similar goals across countries, but different contexts often require adapting strategies and tactics. Rights-based campaigns may have to be adjusted to fit a range of factors, such as regime fragility, regime repressiveness, civil society levels of organization, and national expectations of advocacy campaigning.
- **Rights-based themes can be combined for larger impacts in particular national contexts.** Experience with rights-based themes indicated that some combinations of themes were particularly potent as responses to context concerns. Women's rights and education themes were combined in programs to deal with violence against girls in schools; HIV/AIDs and women's rights were integrated in supporting Movements of Positive Women; and women's rights and food rights converged to support campaigns for women's property rights in several contexts.

### 5.4 Operational Capacity Lessons.

The RTEP experience has generated a lot of lessons about building operational capacity to cope with strategic change. The examples below seemed particularly important to the ERT.

- **AAI needs to mobilize change management plans, resources, staff and political clout for major organization transitions like internationalization.** While AAI has succeeded to a large extent in creating a new international architecture, implementation has been slower and more problematic than hoped – in part because the change management plan was abandoned, because the role of OD in the change management process was poorly understood and under-theorized, and because resources to support the changes (such as organization development staff) were not available.
- **Leadership styles and organizational cultures may have to evolve to meet the demands of new architectures.** The non-directive and inclusive leadership style that fit a UK-based child sponsorship

organization needs to change if it is not going to generate high transaction costs, cultures of non-compliance, ineffective decision-making and low performance standards in a federation of diverse and increasingly autonomous national organizations.

- **Building bridges across silos and differences is central to managing advocacy campaigns as well as international federations.** AAI is increasingly called to work with other civil society actors (and potentially with government agencies and interested businesses) to build effective policy alliances and advocacy coalitions. It also must cope with vertical and horizontal silos within AAI itself. So capacities for working across differences and creating partnerships of diverse actors are increasingly central to organization effectiveness.
- **AAI needs to invest more resources in capacity building for partners and alliances.** For many rights-based initiatives, partners and allies play central roles. AAI's most important contributions may be helping them to develop their capacities for effective action. Partner "graduation" from dependence on AAI may be a cause for celebration even when the partner decides it no longer needs to depend on AAI for support or advice.

### 5.5 Organizational Learning Lessons.

RTEP has presented a wide variety of opportunities for AAI to operate at the edge of its competence and to learn from its experience. Enhancing capacities for organizational learning is critical to meeting the challenges that can be expected in the future.

- **AAI needs reflection processes that produce interpretations and learning that enhances future performance.** AAI invests heavily in review and reflection, but there is a ritualistic quality to the current reviews rather than a sense that they are driven by urgent desires to use results for operational improvement or changing strategic priorities. More focus on getting and interpreting data about impacts and consequences and more use of results in staff appraisals might increase the influence of the learning process.
- **AAI can use explicit social change theories to enhance learning from rights-based work.** While the policy adoption and implementation that affects the conditions of the poor and excluded may take years to assess, social change theories can identify intermediate indicators, like alliance building or media attention, that mark achievements or milestones on the path to success. Change theories can facilitate assessing experience and enhance both operational and strategic learning.

The ERT reports articulate a wide range of lessons and recommendations focused on more specific issues and problems. The lessons discussed about have emerged from analysis across those reports that emerged from discussions in the synthesis workshop.

## 6. Future Opportunities and Concepts.

What ideas can be drawn from analysis across the ERT reviews to inform future initiatives and strategies for AAI? Our intention in this section is to provide stimulating possibilities that can be used by the Strategic Planning Team as it considers options for the future. We think the role of the ERT is to catalyze wide-ranging discussions and explore possibilities rather than to propose detailed strategy options at this stage. From that perspective we propose eight ideas about future concepts and opportunities.

1. **Unique positioning and potential.** AAI’s experience and work with RTEP over the last six years has placed it in a unique strategic position. It has developed credibility as a respectful and trustworthy partner that has valuable resources to contribute to a wide range of local and national social movements. At the same time, the internationalization of governance of the federation and its creation of autonomous national affiliates has enhanced AAI legitimacy and presence in many countries. AAI has also demonstrated the capacity to carry out effective operations at local and national levels and it is developing similar capacities for regional and international action. Few if any other international NGOs occupy similar positions of potential influence for local, national, regional and global movements for social justice and solidarity.
2. **Balance innovation with consolidation.** Much of the implementation of RTEP, both in rights-based initiatives and in its internationalization process, fits the “Announce-Flounder-Learn” (AFL) process described in interviews. There are arguments in favor of taking on big, “stretch” goals to gain attention and mobilize energy. But AFL processes are expensive in energy, resources, time and credibility. The ERT believes that AAI will be working out the organizational implications of the innovations launched by RTEP and internationalization for years to come. We recommend that AAI invest in consolidating unfinished elements of RTEP—such as supporting the development of affiliates, managing the transition to a more democratic federation and building field capacity to support rights-based initiatives—before it invests all its energies in radically new strategic innovations. For major new innovations, we would argue for PAIL (Pilot Test/Plan-Announce-Implement-Learn) as an alternative to AFL, so that tools and techniques needed to carry out the innovation in the field are ready and staff resources are prepared to implement the innovation. More attention prior to launch can explore the implications of innovations for AAI identity and change theories, their consequences for fundraising, and their demands on organizational capacity. Such attention can enable more systematic and less costly implementation.
3. **Clarify the AAI identity narrative and theory of change.** An identity narrative can tie AAI values and mission together with its strategy, fundraising initiatives and program activities. Such narratives help donors, staff, and other stakeholders understand how the organization’s mission and work fulfills the aspirations of supporters, partners and program targets. Theories of change explain how deployments of AAI resources and competencies enable organizational activities and outputs, program outcomes and new behaviors by program targets, and longer-term impacts on mobilization and conditions for the poor and excluded as well as shifts in institutional policies and practices. Social change theories can be crafted at different levels of analysis: AAI might have a general theory that identifies the concepts and relationships of rights-based approaches to development, while more specific theories at the country and program level would be tailored to contextual conditions, program emphases, local power relationships, and time periods and define locally-relevant milestones and indicators. Current AAI identity narratives and change theories are subject to multiple interpretations and so may lead to diverse decisions about implementation and little accountability for the results. More clarity and shared understanding of AAI’s identity and theories of change will enable more effective leadership and more agile organizational response to changing contexts.
4. **Future AAI identity and role possibilities.** Staff and external stakeholders have many ideas about “big ideas” around which AAI might focus its future efforts. The ERT is not in a position to choose which of these ideas is most appropriate, but we can describe some intriguing options for consideration in the strategic planning process. These are not mutually exclusive—it is quite possible that AAI will develop a set of ideas for the future that blends these ideas with many others.



- a. **AAI as a facilitator of global social justice and solidarity movements:** AAI is not itself a movement, but it could become an important resource to many national and international movements. It can offer a range of expertise, capacity-building, access to policy research, and other resources. AAI would need to clarify what it can and cannot offer to social movements and how it will engage with them to carry out this role. A larger analysis of the emergence of social movements, their future roles and the resources that AAI might bring to them would be important to developing such a facilitator role.
  - b. **AAI as a catalyst for linking Northern and Southern constituencies:** AAI today works with rich donor populations in the North and poor populations in the South. Some would like to see AAI link poor rights-holders in the North with their Southern counterparts and rich Southern donors with their Northern counterparts, fostering engagement and potential joint action across the North-South divide. Global alliances of rights-holders and donors might be able to accomplish changes that are not possible when AAI is focused on extracting resources from the North to support rights-based work in the South. Emphasis on this role would put a premium on more global analyses and philosophical bases for AAI work, but the move toward internationalization helps position AAI to play such a role.
  - c. **AAI as an enabler of active citizenship.** Recent research on scores of cases of citizenship engagement found constructive outcomes emerging from links to social movements and local associations, even under regimes unfriendly to democratic process (Gaventa and Barrett, 2010). AAI is well-positioned to foster active citizen engagement with local associations and social movements on a variety of themes in both Northern and Southern contexts. In particular AAI could focus on linking youth across the world as active citizens, perhaps drawing on the possibilities of new media and information and communications technology. The current emphasis on rights-based approaches might evolve into a broader concern with helping citizens take on both rights and responsibilities in the context of local associations as well as more widely-organized movements.
  - d. **AAI as a catalyst for rights-focused partnerships across levels, sectors and regions.** While some conceptions of rights-based approaches focus almost exclusively on government agencies as duty-bearers, other broader conceptions see many different stakeholders as potential actors in the delivery of rights to poor and excluded populations. AAI has the capacity and credibility to work at local, national and international levels, with stakeholders from government and business as well as civil society organizations. This capacity could be used to craft alliances and partnerships to respond to a wide variety of rights-based themes, from implementing legislation on violence against women to fostering improvements in government, business and civil society participation in governance.
5. **Rights based themes in the next strategy.** At the country level we believe that adopting too many themes contributed to staff overload and the culture of overwork. But we also recognize that the themes provided ways for countries to focus on and get international support for work on critical issues. Despite a variety of shortcomings, the emphasis on women's rights as both a "stand-alone" and a "cross-cutting" program contributed to its impacts on both countries and on AAI. The ERT believes that just and democratic governance is another theme that is intimately bound up with access to rights and so should be a second cross-cutting as well as stand-alone theme in the future.

Many other themes have been recommended as additions to the current six, including health, climate change, youth, water, citizenship, and urban development. While AAI might provide international resources to support a larger list of themes in the future, we believe that countries should be encouraged to adopt and combine a few that are particularly relevant to their contexts in order to reduce role and work overload and focus resources on nationally relevant concerns.

6. **Focus global campaigns to generate both national and international results.** While RTEP campaigns produced some valuable results, neither the internationally driven HungerFree campaign nor the more locally-driven Women Won't Wait Campaign generated the combination of energy and impacts at both national and international levels that was desired. Careful assessment of these experiences can be used to design future campaigns to have impacts at multiple levels while they build AAI relationships and credibility for future campaigns.
7. **Consolidate and build the operational capacities required for improving on RTEP results.** We have described a wide range of strengths and areas of concern for AAI's operational capacities. Which capacities deserve most attention will turn in part on strategic choices made for the next period. Some of the capacities that seem to the ERT to be most in need of attention include:
  - a. **Strategic communications about identity narratives and change theories** that tie together engagement, innovation, campaigning and AAI's stance on the North and the South.
  - b. **Reframe fundraising and donor accountability** in terms of rights-based impacts to enable more managerial leadership and reduce reputational risk. The reframing should be closely integrated with enhanced clarity about AAI's identity and change theory as well as its emerging strategy.
  - c. **Enhance financial management capacity and commitment** by continuing systems development, leadership awareness and staff training to foster awareness of its importance, conformity to high standards and consistent accountability.
  - d. **Strengthen organization development and leadership** to build organizational culture and systems that enable management that is consultative and decisive, sets clear priorities, holds staff accountable for performance, and is widely accepted as legitimate.
8. **Invest in monitoring, evaluation and interpretation to guide operational improvement and strategic innovation.** AAI already invests significant resources in reviewing programs and activities, but we believe that more useful interpretations and ideas for change might be generated in the context of a clearer identity narrative, a better developed theory of change, and more effort to convert information to actionable learning and focused priorities. More emphasis on learning might also reduce the tendency to focus on internal anecdotes and assumptions as a reality test and so reduce the tendency to act on the basis of AAI myths rather than data-based assessments of options.

This review has focused more on areas of concern than on strengths, more on RTEP's shortcomings than its achievements. The ERT is aware of AAI's values on democracy, transparency, accountability, and its commitment to poor and excluded people around the world. In spite of performance that sometimes fall short of aspirations, we recognize the staff's commitment to effective implementation of strategies and programs. In spite of our complaints about endless reports, reviews and requests for yet more information, we know that AAI places a high value on learning from experience. In this review, we have come to believe that AAI has remarkable, perhaps unique, potential for catalyzing rights-based action for change and for contributing to local, national, and global realization of human rights and social justice in the future. We hope that TSR3 in general and this synthesis report in particular will help AAI realize those potentials.

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