

**External Review of IIED 2011**  
(Executive Summary)

Submitted by

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## **Acknowledgements**

The Review Team would like to thank the many people who contributed to this Report. The staff of IIED have engaged in discussion, debate and frank critique with team members, and greatly enhanced the value of our findings. The Board members provided thoughtful and constructive insights that have found their way into our analysis and recommendations. The Donor representatives were open to our questions and testing of various theories, and responded thoughtfully and with keen interest.

We hope that the Review will be useful to all, and that the recommendations will make IIED stronger, more resilient and poised to address its future with renewed confidence.

We take full responsibility for the text of this report. The views expressed in this report do not necessarily represent those of IIED or the individuals consulted.

The Review Team, which enjoyed working together over the past year, was composed of:

- Aban Marker Kabraji, Team Leader, Regional Director, IUCN Asia (Thailand)
- Bart Romjin, Director of Warner Strategy & Fundraising (the Netherlands)
- Melissa Leach, Professorial Fellow and Director of ESRC STEPS Centre, IDS (UK)

and, was assisted by Kent Jingfors (independent consultant - Canada).

## **Executive Summary**

The International Institute for Environment and Development (IIED) is 40 years old and its origin and history reflect much of the development and history of the environmental movement since the Stockholm Conference in 1972. As such, the Institute plays a pivotal and iconic role in the work of sustainable development and environment. Its founders, Barbara Ward and Richard Sandbrook were both pioneers, innovators, visionaries and leaders that inspired a generation of policy makers and practitioners in government, academia and civil society, and who drew the roadmaps that still guide much of sustainable development thinking in the world today. Therefore, the Institute carries both a legacy and a responsibility to continue to demonstrate relevance and leadership to address the challenges we presently confront on a global basis. It is with this sense of the history and responsibility that IIED carries, that the Review Team began its assessment of where the Institute finds itself today, and where it might go in the future.

The External Review was undertaken under the mandate of the multi-donor Joint Framework Agreement that has been in place with IIED since 2005 and covers relations with the governments of Sweden, Denmark, Norway and Ireland. In addition, the UK and Netherlands have also indicated interest and support for the Review.

The objectives of the Review were to assess 1) the relevance and impact of the Institute's work (including strategic positioning and sustainability of IIED's operating model); 2) institutional structures and governance with a focus on program "systems" (including M&E, learning, communications and results based management) and on assessing progress since the last External Review (2006-7); and, 3) the academic quality and impact of its research. The overarching theme that guided our assessments was to look at how IIED was positioned in the world of policy institutes, presently, and its potential to continue to play a relevant and leading role in the future. A detailed set of conclusions and recommendations is summarized in Section 7 (Synopsis).

## **Positioning**

Having established that the frame donors were generally satisfied with the performance of the Institute and investing in its immediate future, the Team assessed IIED's current position and its longer term future. The arguments for maintaining status quo vs. making an aspirational leap back on to the global stage were reviewed and discussed with staff, Board members and donors, and the recommendations made on the basis of what IIED could achieve.

The IIED mission, strategy and value proposition which together aim to demonstrate how participatory practice with science, communications, and advocacy can bring local concerns to the global development table, is unique. Most stakeholders agreed that the programs of work are largely relevant although there is a divergence of views on how strategic and focused the current Strategy is, and whether the quality of outputs could be more uniform in value.

The Review makes a number of references to the shift in time from IIED's origins where it was firmly positioned on the global stage to the current focus more on local and

national levels. This is not to say that IIED is not a player on the global stage, it manifestly is, especially through the presence of its Director, Senior Fellows and senior staff. It is to challenge the Institute to move beyond the individual presence, or indeed even the individual sectoral presence, to an institutional presence where the IIED brand, so easily identifiable in the past, can be recognised.

The arguments to justify a more ambitious role come from within IIED and its Board, and are supported by some of the donors. They include a recognition that policy institutes need to establish intellectual global leadership and that such a role is not being fulfilled in a collective sense of 'critical mass'. This is a role IIED is well placed to assume. Stakeholders have expressed support for IIED reclaiming 'lost ground' on a global stage by leveraging its intellectual capital, its local partnerships/knowledge, and building on bodies of 'local' work to bring these to international debates, events and decision making forums. However, this will require a 'culture shift' within IIED and some changes to organizational structures which are discussed in greater detail in the report.

### **Institutional Governance & Strategic Guidance**

In the years since the last External Review, the role and responsibilities of the Board have advanced greatly. The Team's findings are that apart from its legitimising role, the Board provides both strategic and financial oversight and is challenging IIED to move into more effective and efficient ways of working (e.g. faster implementation of decisions, a tighter and more corporate culture), and to work more with the private sector. There are areas where the Board still expresses some frustration with the pace of change, but the role played is vastly improved, as are IIED's systems and practices, since the last assessment made in 2007.

The IIED Strategy 2009-2014 is considered targeted and relevant with a good balance between thematic and institutional results. The preparation of annual Workbooks and Results Reports have substantially geared up internal capacity for Results Based Management but could be better "packaged" for external audiences (especially donors). There are two points to note for the future: Firstly, prioritization in terms of objectives and the necessity of moving away from past programs and redeveloping human and financial resources to support these changes. Secondly, strategies for revenue generation and partnerships are lacking. We believe the mid- and long term financial and fundraising perspective should receive serious attention and be integrated with other strategic, institutional and programmatic perspectives.

### **Program Relevance and Impact**

The Review Team took the view that Research is core to IIED's foundation and remains a central part of how it seeks to achieve its mission. All stakeholders emphasise the centrality of IIED's research and production of knowledge, which distinguish IIED from being simply an NGO, advocacy organization or think tank. Integral to this view is the ability to communicate such knowledge. The Team therefore placed the assessment of the quality of IIED's research, its knowledge products and their communication as the foundation of its *raison d'être*.

IIED has many streams of work that are of high relevance and having important impacts on thinking, policy and practice (particularly in the Climate Change and Human Settlements Groups, as well as particular programs in other Groups). Appropriate definitions of research quality for IIED need to combine attention to rigour, process, results and relevance. While the current core text on research quality is an excellent starting point, this thinking now needs to move to a higher level within IIED and externally. Most of the research outputs reviewed showed strengths across all Groups with respect to process, results and relevance; however, rigour (of methods, data collection, analysis and argument) was more patchily present. If IIED is to continue to present itself as an intellectual leader, pursuing forms of research excellence that emphasise academic rigour and values is essential. This could be facilitated by building a stronger culture of research leadership across all Groups, encouraging more external and internal peer reviews of carefully selected pieces of IIED's research (involving the Communications Team), and sharing examples of effective pathways to impact and influence.

Significant progress has been made on M&E and learning related to both programmatic and organizational aspects of IIED's work and we noted a genuine strive towards continuous improvements. The Institute has responded to the previous External Review by ensuring greater emphasis on results orientation, learning and sharing experiences across IIED. In addition, the Research Groups, the Strategy and Management Teams (ST and MT), and the Proposal Improvement Group (PIG) have emerged as important forums for focusing and harnessing cross-institutional lessons learned. Despite this notable progress, there is still need for further improvements in M&E and learning, especially as these relate to cross-Institutional coordination and compliance.

Considerable progress has also been made in Communications. These have become better integrated into programs and projects, and the Communications Team is symptomatic of the excellence associated with IIED. Having said that, there is still a need to mainstream communications as a standard practice across the Institute and to see it as this External Review does, as integral to both the early design and the implementation of initiatives that lead to the delivery of knowledge products. Key IIED staff also need to be more assertive and in the forefront of ventilating opinions on behalf of IIED as a "champion" bringing local evidence and convincing ideas to stages that matter.

### **Supporting Structures and Processes**

The Human Resource policies and guidelines continue to meet good organizational standards. The organizational structures that support the operations of the Institute are generally working well, although there is room for improvements in efficiency, effectiveness and speed of decision making processes. These improvements could also help address concerns about work related stress often expressed by IIED staff and should include rewarding good performance (and vice versa), applying greater discipline and efficiency in implementing agreed actions, and being clear about work priorities (not just adding priorities to existing workloads). Some restructuring and streamlining is proposed as a means of liberating more time for strategic engagement by the Director and Group Heads.

IIED has good financial systems in place and it continuously pursues further improvements in financial management and supporting systems that deserve greater attention and compliance across the Institute. The Review Team observed that the sense of urgency about future funding was not fully shared in IIED and also noted divergence on future directions and priorities regarding revenue generation. Both external contexts and internal imperatives call for an explicit institutional strategy and organisational vigilance regarding future revenue generation. We believe a revenue generation strategy is urgently needed and provide some considerations in developing this strategy.

## **Partnerships**

Whilst collaboration with partners has a central position in IIED's mission statement and, indeed, does form a distinctive asset and key pillar under its work, it is not guided by an institution-wide Strategy on partnerships. Many internal and external factors argue for IIED strategically revisiting its partnership approach. Parallel to this External Review, IIED instituted a review of its partnerships. The conclusions of that Review should be complemented by this one, especially in our recommendation for IIED to forge and lead a global alliance of primarily Southern Policy Institutes.

## **Options for the Future**

Two parallel sets of approaches have guided this Review. The first was to assess IIED's current status and the merits of maintaining status quo. This is an option that minimizes short term risk, keeps IIED in the "safe" zone and allows it to grow within its current human and financial resources. If IIED chooses this scenario, it will need to enhance resilience, defined as the Institute's capacity to proactively adapt to perceived risks and strategic opportunities.

The second approach argues that maintaining status quo will not serve the Institute well in the longer term (5-10 year) as rapidly changing externalities require IIED to gaze into the future and position itself to be a more assertive part of it. Based on its core strengths, its program, and its history of leadership among policy institutes, we challenge IIED to fill the vacuum in global leadership on sustainable development and green economy issues that we believe the Institute is well-positioned to occupy. IIED can do so by building and leading a coalition of the best policy institutes (focusing on the South) to provide the critical mass and global voice needed on key issues that impact future sustainability. We suggest the thematic focus be an integrated umbrella program (e.g. on "Well Governed Green Economies") that, if implemented, would lead to transformative change by filling the current intellectual and policy vacuum, and identifying pathways for the future.