A Changing Landscape for Partnerships: The Australian NGO experience

Chris Roche, La Trobe University, Melbourne; Linda Kelly, Praxis Consulting

Introduction

In 2013 the Australian Council for International Development (ACFID) commissioned research to better understand the changing landscape for Australian NGO (ANGO) partnerships and the emerging challenges and opportunities. The research looked at the way ANGOs were responding to the current context, the lessons to be learned and the areas for further development. This paper outlines the findings of this research and proposed several recommendations to support partnerships for effective development within the changing context for aid and development. We believe this to be of particular relevance given the current debate on the need for 'renewed global partnerships' in the post-2015 development agenda.

The Changing Landscape for Partnerships

Today, almost three-quarters of the world's poorest people — up to a billion people, or a 'new bottom billion' — live in largely stable, non-fragile middle-income countries such as India and China. These middle-income countries retain high levels of inequality in income, educational attainment and health, despite their economic success. This suggests that the root cause of poverty in middle-income countries is not a lack of economic development in a country as a whole, but rather the political, economic and social marginalisation of some groups in countries that are otherwise doing quite well.

However, some estimate that by 2025, the number of income poor in stable, middle-income countries could be as low as 18 per cent of the world's poor. Conversely, the concentration of the poor in fragile or conflict-affected states could increase, particularly as energy, water and food become increasingly scarce due to the impacts of climate change.

Alongside the changing location of poverty, new donors and new sources of development funding are challenging long-established aid industry actors such as OECD-DAC donors, and arguably International NGOs. Furthermore, the debate associated with the post-2015 development agenda is raising important questions about the universal nature of the problems that need to be addressed, including those related to persistent levels of poverty in many countries, inequality and sustainability.

Finally, many of the problems that development is normally concerned with, such as poverty and inequality, international immigration, HIV/AIDS, human rights, food security and climate change, are now understood as 'wicked' problems. That is, they are complex, politicised, unpredictable and global. The complexity of linkages between development actors means that no single perspective, or agency, can hope to capture the complex reality. Multiple perspectives and collective action are thus required to address such issues.

Implications for NGOs and Partnership

These shifts in the development landscape should affect with whom NGOs are partnering, where they are partnering and how they are partnering. For the next decade at least, most poor people — the traditional target group of NGOs — will be living in places that have increasing domestic resources to address their problems over time. In these cases, NGOs will need to move beyond 'traditional' aid relationships and projects and continue to find alternative means of supporting poverty reduction and associated inequality. This might include:

- Increasingly engaging with local NGOs and civil society organisations which address exclusion and inequality more squarely;
- A shift to policy agendas that promote empowerment and political voice as well as the transfer of resources and investment in public services;
- Supporting domestic policy processes that favour the redistribution of economic, social and political power; and
- Building middle-class political support for more inclusive policy interventions.

The emergence of new types of donors and alternative funding sources may also alter the power dynamic that underlies many partnerships, putting greater pressure on more traditional international NGOs to demonstrate their added value given that local organisations may have greater choice in who they work with.

NGOs will need to develop a range of new skills and competencies in learning, bridging, mediation, dialogue and influencing to support these roles and relationships. NGOs will need to move beyond unique partnerships as bilateral relationships with a single 'partner' or counterpart, but rather become simultaneously engaged with multiple actors through networks, coalitions and alliances.

The pressure on INGOs from their donors, and increasingly from their own boards and management, to demonstrate results and value for money is not going away. At the same time the complexity of the development process makes simple definitive statements about 'results' and 'what works' highly problematic. This situation is often compounded by INGOs' fundraising and advocacy imperatives to keep their messages to the public accessible and straightforward.

Partnership Typologies

ACFID research undertaken in 2013 identified that over the last 10 years of Australian NGO work, a range of relationships has begun to emerge, in part to respond to this changing aid and development landscape. These partnerships serve various purposes, including:

- Building the capacity and independent ability of local organisations to function as effective development agencies;
- Contributing to the development of civil society;
- Working with various actors in order to leverage a range of capacities to address complex development situations;
- The fostering of learning and interaction for the purpose of better quality development work;
- Membership of alliances and networks that contribute to the creation of new paradigms of development.

These many different types of partnerships or relationships illustrate that defining and identifying the purpose of the relationship is important. Not all development partnerships

operate for the same purpose. The complexity and diversity of partnerships has emerged as a critical issue in the research, with ANGOs identifying a critical link between partnership purpose and effective partnership management.

Partnership Management and Implementation

The research highlighted two areas of interest and concern for participating NGOs. The first was the development of tools and approaches for more effective management of the emerging diversity of partnership; and the second, better assessment and identification of the value of these various relationships.

Partnership Practice

Many of the existing tools for partnership management were largely developed in the late 1990s and early 2000s. Most of these tools are based upon a transactional approach to partnerships. The research identified that many NGOs find these tools to be inadequate and that they fail to support new types of partnership. Overall it appeared that the associated management and business practices to support new types of partnership are still under-developed.

Some of the features that require further consideration are identified below.

Organisation approach

New understandings of how change happens are shifting some organisations' approach to development practice, which in turn requires new ways of managing partnerships (see case study 1).

Partnership objectives and values

Partnerships can have different objectives and values than those of each individual organisation respectively. Research participants suggested that it was important to identify the individual

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Case study 1: Anglican Board of Mission (ABM) — Working with the Episcopal Church in the Philippines

ABM describes its project work with different Church partners as a means to a more long-term goal: that of supporting the church to become an actor for development in their local context.

ABM has worked to develop systems to support this long-term approach to partnership. For example, it has developed different types of MoUs, and is currently developing new partnership frameworks for different types of partnership. Significantly, it is fostering an approach within the organisation that identifies its need to change and grow internally, in the same way that it expects to see change in its partners.

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organisation objectives for entering into a partnership, and those of the partnership itself. Are there differences between what could be achieved by working together, as distinct from each individual organisational mandate?

In the past, shared values were often the 'glue' that held together many partnerships. In current situations, however, organisations are moving into partnership with other agencies where there may be common objectives, but where values are not necessarily the same. While there may be some overlap and a degree of respect for each other's values, it is clear that NGOs are entering into relationships, for example with private business and governments, where there can be considerable difference in significant organisational values. Negotiation in these situations requires honest and realistic identification of differences, due diligence, and in many cases, the creation of a working arrangement that respects differences, but creates a shared way of working that both or all partners can negotiate.

Identifying differences in values and objectives may not be possible at the start of all relationships, and objectives are likely to change over time as partners develop a sense of trust, as well as a common understanding of problems and solutions. It is important that agreements between organisations are able to accommodate this flexibility and learning. It is also important that the NGO as an organisation is able to identify both risks and opportunities within partnerships, and be able to manage these as they emerge (see case study 2).

Case study 2: Oxfam and BHP Billiton — A Changing Relationship

The relationship between Oxfam and BHP Billiton (BHPB) is an interesting example of a relationship that has evolved over time.

Oxfam's initial relationship with BHPB was largely centred on activist-led campaigns against the mining company's social and environmental activities in developing countries. In response to the negative publicity and criticism surrounding the mine, BHPB approached Oxfam and other Australian-based NGOs in the late 1990s to examine the social, economic and environmental dilemmas they faced in their mining operations. This approach coincided with recognition from Oxfam that engagement with multi-national corporations such as BHPB was becoming an important policy consideration for NGOs. This engagement led to the establishment of the Forum on Corporate Responsibility, which now has a permanent place within BHPB's broader stakeholder engagement program.

These efforts towards collaboration were accompanied by increased 'constructive engagement' and 'dialogue' between the two organisations. Although challenging, such engagement did result in opportunities for mutual learning and positive outcomes.

While generally positive, the increased engagement between Oxfam and BHPB left Oxfam feeling that in some cases, there was a "risk of opening the engagement door too far."[1] As a result, Oxfam has recently pursued a policy of more strategic engagement and 'critical collaboration' with BHPB and other mining industry players.

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[1] *Phillips, R 2003, Stakeholders on the Periphery of Citizenship in NGO/Corporate Engagement, Paper presented at the Australian Social Policy Conference, July 9-11 2003, Sydney.*

Partnership agreements

International research around development partnerships suggests that these agreements have often been problematic, in particular because they fail to address power differences, and indeed may even exacerbate them. There are issues with hidden power relationships in typical partnership arrangements between international and local organisations, which often limit the opportunity of local partners to influence the fundamental approach and purpose of the relationship.

Broader research suggests that what is required are approaches to agreements and working arrangements that build on and enable the emergence of local solutions, which are politically acceptable and technically feasible in a given context. The implication is that international NGOs need to "*take partners as they find them,*" and try to work with them, rather than trying to make them work in fundamentally different ways. Finding a 'good fit' with locally driven change is more important than the inappropriate introduction of alien 'best practice' (Booth, 2013).

Recognising this, various agencies are experimenting with reinvigorated approaches to partnership interaction. For example, Caritas Australia has a revised set of principles from which it manages its various partnerships. Likewise, ACFID has proposed a principled-based approach for ANGOs wanting to work with Australian indigenous organisations.

These approaches represent important shifts from what have become increasingly transactional or contractual approaches to managing partnerships in recent years, and can provide for some more respectful and diverse engagements.

Some agencies are also examining their use of finances and are trying to separate **financial**

agreements and accountabilities from the partnership process, in order to delink financial power from the relationship negotiations (see case study 3). This is of course easier for larger and more powerful agencies like BRAC. These cases can also perhaps serve as examples for how others might try and structure their partnership relations.

Case study 3: Australian Government Partnership with BRAC

The Australian Government together with the UK Department for International Development has a large-scale partnership with BRAC, focused around enabling and supporting BRAC to grow as an organisation and continue to make effective development contributions in Bangladesh.

It was identified through partnership negotiations that even for a large NGO such as BRAC there can be problems in negotiating ongoing working arrangements with international donors. To this end an additional paper was developed to guide the partnership that outlines the terms of engagement for donors. This holds the two current and any future donors to account for their behaviour, and provide some empowerment for BRAC in ongoing partnership management.

The partnership is reviewed annually, with attention given to the quality of relationship as well as the outcomes of working together.

Partnership implementation

Probably the most significant challenge identified in partnership management is the process of implementing the partnership.

Effective partnerships take considerable effort and work, particularly in the early months of initial partnership negotiation. This requires considerable skill and a wide range of tools and resources, in order to facilitate between individuals and organisations the kind of communication necessary for an honest engagement. Some organisations have existing long-term relationships and/or international structures that provide some framework for these negotiations. But in other cases, particularly for non-traditional partners, this process can take considerable time.

For example, the Australian Government Department of Foreign Affairs and Trade (DFAT) has estimated that a recent partnership negotiation in South Asia, bringing together local NGOs, as well as donors and regional organisations, required a seven-month establishment process. This period included time for developing the skills of each organisation to be able to effectively negotiate for their needs and interests as well as establishing the core objectives and principles that would guide the partnership.

The skills required to facilitate these processes are considerable, and can potentially change the role of the typical Australian based NGO program manager. Being an effective partnership manager may require them to be highly skilled in multi-stakeholder facilitation, cross-cultural mediation and negotiation, as well as being able to mediate across differences in power, gender and other divides. Program managers ideally would also be highly competent in adaptive management skills.

Some agencies are working to specify and develop these skills within their organisations. For example, Caritas Australia has identified a series of core competencies for their program managers that include a focus on competency in relationship building and management. Plan International Australia is currently researching the types of skills that program managers require for effective partnership implementation.

Research participants reported that they often had to create new space in their organisations to accommodate new types of relationships.

Some participants suggested that partnerships that were about capacity building of local actors, and/or relied on multiple actors to achieve change, could be contrary to the public identity and messaging of their organisation. That is, for some agencies it was still difficult to explain to some Board members, as well as the public, that they were working to facilitate others to achieve change, rather than directly achieving the change themselves.

The research suggests that ultimately the business processes, including agreements and financing arrangements as well as agreements around communication and reporting, need to be developed to suit the partnership. Partnerships, particularly those emerging between non-traditional partners and those designed to facilitate partners' creative responses to complex problems, should not be driven by organisational systems (see case study 4).

Case study 4: Australian Red Cross — Measuring and Evaluating Partnerships

Australian Red Cross has adopted and adapted a partnership assessment tool developed by a consortium of Red Cross national societies in Africa (led by the Netherlands Red Cross in 2008). The tool is structured around a number of core values: equality and respect, relevance, integrity, transparency, mutual responsibility, achieving expectations, harmonisation, flexibility and communication, and has been adapted for use in different contexts. Criterion and indicators are attributed to each of these values, and a numeric rating is also possible.

Several ANGO respondents discussed how difficult it is to explain effective partnership implementation to official donors. They particularly identified the time it takes to negotiate and manage good quality partnerships alongside the need for partnerships to be mutually accountable. People pointed out that donor systems, including the current Australian Government process of NGO accreditation, largely fail to appreciate these elements of effective partnership. It was further noted that donor funding systems and requirements generally failed to give the space or the time required for good partnership implementation.

Finally, it is clear that most people working in NGO partnerships understand the importance of mutual accountability as an aspect of the partnership. There remains, however, some tension in some organisations as to whether accountability is about partnership outcomes, attention to accountabilities between partners, and/or accountability for the quality of partnership implementation.

In the past, organisations appear to have relied on the quality of the relationship between individuals and organisations to provide accountability for partnership outcomes. While international research suggests that this focus on relationships often masked considerable inequality in power and control between partners, it did provide some form of oversight for development outcomes.

In more complex partnerships where individual relationships are not necessarily a feature of the partnership and where the ANGO is not 'in control', accountabilities need to be negotiated and problems and differences need to be identified and solved. This context requires good quality conflict resolution and mediation skills. Ideally, there should be regular independent assessments to ensure that the accountability of all partners — both mutual accountability and accountability for the outcomes of the work — is addressed and understood. It also requires that organisations assess their risk appetite and the degree to which they are willing to enter into partnerships where they are likely to be even less in control — if they ever were — of the progress and outcomes of those relationships.

Monitoring and Evaluation of Partnerships

It is clear that in the more simple transactional partnerships of the past it was easier to identify the value each partner bought to the project. However, once we turn attention to some of the new forms and modalities for partnership and the purposes that they seek to achieve, the complex nature of these multi-stakeholder partnerships makes them much more challenging to evaluate. Perhaps for this reason, there are few evidence-based evaluations of partnerships available, other than a few empirical studies.

Current accountability requirements within partnerships often fail to allow for the complex and political nature of partnerships, and therefore may not be sufficient to capture value and impact. INGOs, following the requirements of back-donors, including private donors, often rely on linear, cause-effect and results-based monitoring and evaluation tools and frameworks in order to measure the success of relationships. Many of these tools and frameworks are designed for simpler, grassroots-based direct-action or service delivery organisations, rather than processes or practices intended to change power relations, including those that may exist between partners. The focus on risk and financial accountability within partnerships can crowd out other less quantifiable aspects of partnership, and underestimate the importance of inter-personal relationships.

It is increasingly recognised that in complex non-linear systems adaptive learning mechanisms and feedback loops are critical in helping partnerships evolve in a positive manner. The new 'transparency and accountability movement' that has emerged in the development sector, alongside initiatives such as the Keystone Development Partnership Survey, which allows independent feedback to be collected from the partners of International NGOs and then be compared, are attempts to build stronger independent and collective feedback. These initiatives complement moves by individual agencies to build greater accountability to the people and partners they support, as well as to conduct research into their approaches to partnership (see case study 5).

In order to more effectively demonstrate the value of partnerships, International NGOs will first of all need to be much clearer about the assumptions and hypothesis about why and how working through partnerships should be adding value. Second, it will require a better ability to assess the changing nature of partnerships and relationships over time. Third, it will mean enhancing agencies' ability to assess development outcomes — an ongoing challenge. And finally it requires a clearer delineation of the role of different partners and how they have contributed to those outcomes. There are innovations in monitoring and evaluation that are proving to be promising1 in engaging stakeholders more effectively and providing more real-time feedback.

The experience of NGOs and government agencies working on complex leadership programs also provides some useful pointers and lessons on some key aspects that inform innovative monitoring and evaluation.[2]

Having a Theory of Change that provides an explanation for the program

'Complex' program environments require an analysis of political and social relations and processes as well as careful study of influential stakeholders and the relationships between them.

This kind of analysis can provide an informed starting point for program strategy (or what some call a theory of action) and effective partnerships. This provides a useful basis for partners to *collectively* decide what should be measured and assessed over time.

Capturing short-term process and results in a long-term program

For many programs – particularly in their early days – short-term 'results,' focused upon changes in individual and organisational relationships, can provide crucial early learning about whether the foundations of an effective partnership are being built. Tools and methods such as Outcome Mapping[3] are particularly helpful in focusing attention on changes in the behaviour of what have been called 'boundary partners,' i.e. those stakeholders in a direct relationship with a given program.

Understanding contributions to longer-term change

When trying to assess significant and longer-term social change, it is usually more realistic to use monitoring and evaluation systems to identify a program's or partnership's overall *contribution* to change, rather than trying to directly attribute changes to their inputs. Rather than asking "did it work?," it is often more helpful to ask "did it make a difference?"

Monitoring and analysis that is timely and responsive

Development programs and partnerships need to be flexible, adaptive, and able to readily test their continuing relevance. Monitoring in this environment needs to be nimble and focused upon the actions at hand. At the same time, it is important that monitoring and evaluation continue in a systematic way, enabling programs to collect the regular data they need for reporting and communicating with stakeholders. Reserving the time and the space for analysis and reflection can be a critical component of this process. It can enable partnerships to flexibly manage, systematically document, and maintain a common understanding about changes to the program rationale and direction.

Resourcing effective communication and feedback

If monitoring and evaluation are going to meet the demands of multiple stakeholders, as well as lead to program and policy adaptation, then the effective communication of what are often complex processes needs to be a central consideration. Supporting partners and coalitions in 'telling their own story' can not only provide some concrete and verifiable examples of achievements, but can also allow the primary actors to determine which of these they choose to make public. In this sense the process can simultaneously strengthen partners in their ability to promote change and provide donors with some of the evidence of change that they need to satisfy their constituents.

Integrating and resourcing monitoring and evaluation (and related research)

It can also be important to separate out some longer-term research or evaluation work from more immediate monitoring. The complex, non-linear nature of the change processes involved may require a more research-oriented approach to tracking and explaining change over time.

Conclusions

ANGOs are not standing still. They are evolving towards an uncertain future in a variety of ways based on their own circumstances, the changing context and institutional pressures and demands. The ACFID research suggests that partnerships are likewise evolving. The challenges lie in understanding the various purposes of these partnerships and shaping implementation and assessment practices to support and enhance these innovations.

There is widespread recognition that unusual alliances, reform coalitions and multi-stakeholder partnerships will all be needed if the post-2015 agenda is going to produce the real transformation required to address poverty, inequality and sustainability issues. Partnerships, coalitions and networks will thus form an essential component of the effective collective action required to address these global challenges. Australian NGOs have a range of new opportunities available to them in terms of who they partner with, where and how they partner, and the types of partnerships that they engage in. Whether they seize these opportunities will depend on remaining relevant in a changing world, being reflective about current practice and relationships, and ongoing adaptation.

Endnotes

1   The full report of the research can be found at http://www.acfid.asn.au/resources-publications/files/partnerships-for-effective-development/view

2   A number of authors also see the failure in many countries to achieve the Millennium Development Goals as a function of inequality. Owen Barder, in his analysis of the 2010 UN Summit on the Millennium Development Goals (MDGs), argues that one of the main narratives emerging in development is the idea that "The challenge is increasingly inequality, not absolute poverty".

3   This paper deliberately focuses on International NGOs rather than the broader notion of Civil Society Organisations

4   This study focused mainly on long-term development and advocacy work, not humanitarian programming

5   Clearly one could argue that such relationships are not partnerships at all. However, for the purposes of this exercise we have a taken a broad definition of partnership which includes cooperation between agencies and looser alliances for change.

6   Booth, D 2013, Facilitating Development: An Arm's Length Approach to Aid, Politics and Governance Group, Overseas Development Institute, London.

7   ACFID, Effective Development Practice with Aboriginal and Torres Strait Islander Communities, 2013, Available: http://www.acfid.asn.au/resources-publications/publications/practice-notes/effective-development-practice-in-aboriginal-torres-strait-islander-communities

8   Roche, C 2009, Promoting Voice and Choice. Exploring Innovations in Australian NGO Accountability for Development Effectiveness, Australian Council for International Development, Canberra

9   See for example BOND's work in this area http://www.bond.org.uk/data/files/Effectiveness_Programme/comparative_study_of_parterships_final.pdf

10 See UNDP (2013) Innovations in Monitoring and Evaluation, UNDP Discussion Paper, New York

11 See Roche, C and Kelly, L 2013a, Monitoring and Evaluation When Politics Matter, DLP, Canberra.

12 See http://www.outcomemapping.ca/