Organisational Development and Institutional Reform

The Primary Sources of lessons in this document are projects within DFID's Rural Livelihoods Programme (RLP). The evidences for these lessons mainly come from evaluations of the projects carried out by the Rural Livelihoods Evaluation Partnership (RLEP). The evidences in this document are included as key findings. The Thematic Lessons Paper (TLP) series documents are available in many formats based on stakeholder demand for product style identified through a communications needs assessment survey. This document is the 'Master' or full version of TLP, which includes more detailed lessons clustered under key issues and their evidences recorded as key findings. The TLP series also has available a two page policy brief or 'Summary Sheet' both in English and Bengali. All the documents produced under TLP series are accessible at www.lcgbangladesh.org/rlep.

Thematic Lessons Papers (TLP) are intended for stakeholders who are involved in policy/programme design and influencing, in order to assist them in making informed decisions in the future.

The TLPs draw together experiences of livelihoods programme in a particular thematic context. This paper focuses on the Organisational Development and Institutional Reform theme. The lessons in this document are grouped under the following key issues:

- The Four Capitals of Organisational Development
- Organisational Culture and Management Structures
- Strategic Planning
- Pro-Poor Governance
- Impact Monitoring

8 PROJECTS WITHIN DFID'S RURAL LIVELIHOODS PROGRAMME (RLP)

1. Fisheries Training and Extension Project- II (FTEP II)
2. Agricultural Services Innovation Reform Project (ASIRP)
3. Research and Extension in Farm Power Issues (REFPI)
4. Poverty Elimination Through Rice Research Assistance (PETRRA)
5. Support For University Fisheries Education and Research (SUFER)
6. Fourth Fisheries Project (FFP)
7. CARE Rural Livelihoods Programme (CARE RLP)
8. Community Based Fisheries Management (CBFM2)
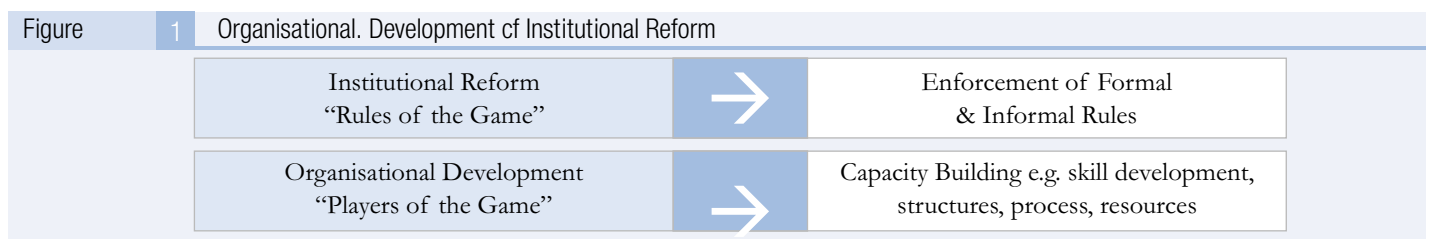
KEY LESSONS SUMMARY

1. The DFID supported Rural Livelihoods Programme (RLP) projects endorsed that decades of development through projects principally concerned with infrastructure development and capacity building (mostly formal training) cannot be transformed into vehicles of change to the 'rules of the game' requiring support at higher levels of government and macro-level policy reformation.

2. Shift from tangible capital to organisational capital development not supported by existing structures and mutuality of vision. New approaches are required for organisational capital development. (see Way Forward)

3. Where the opportunity arises the best opportunity to ensure sustained institutional reform and organisational change using the project approach may be; i) aligning a project within an apex international organisation (expertise pool and raising profile), ii) engaging a national consultant who is an influential and highly respected 'champion' (to promote new institutional values and concepts within national organisations) and, iii) support with a communications strategy integrated into the programme. [But must be concurrently implemented with a higher level public service reform process].

4. Strategic planning exercises can be of immense help in the process of "de-projectisation" in particular and re-integration of organisational capital. They stimulate forward analytical thinking, exposure to the strategic planning process and promote ownership.

5. Since most organizations lack in-house expertise in policy development and change management, projects that engage national Research & Development institutions e.g. Bangladesh Institute of Development Studies (BIDS), Centre for Policy Dialogue (CPD), etc. early in the project period progress faster and more effectively because national specialists can be influential, well respected, have good access and well versed with local norms.

6. Donors and projects must be ready for 'policy windows' and move fast. Immediate results are likely when reform is requested by government. The key challenge for donors is to find ways to respond quickly before the 'window' closes. Evidence from RLP indicates that projects and programmes must have in-built flexibility to respond to these 'windows'.

7. Policy influence will be more successful if a comprehensive communications strategy is integrated into the programme from the start. Projects should all have "good stories" to tell. Good strategic communication of these 'stories' is essential. More thought has to be given to the means of communicating findings to policy makers.

8. Support for the development of tangible capital remains a valuable entry point to senior decision and policy maker engagement but balancing the high investment cost with value in terms of exposure to new ways and actually influencing policy change remains unknown.

9. If an overarching reform process is in place the organisational component HRM/D may be the easiest to reform because many Departments have HRM/D specialists, facilities, resource persons (for technical training) and training resources. Its impact may be underestimated in terms of raised human capital to deal with many other facets of the reform process.

10. All RLP projects successfully demonstrated that organisational culture and management structures can be modified and improved but only within the formal project boundaries and duration. Embedding cultural reform in the organisational context (which will influence management structures) may only be realised over a much longer timeframe.

11. Projects' work in empowering the poor to demand a better level of service may be their most significant contribution to sustainable rural livelihoods, particularly when they help local civil society organisations to emerge and become stronger. Agriculture provides an effective entry point for developing and empowering self-help groups.

BACKGROUND

The expressions organizational development and institutional reform are often used interchangeably, but it is becoming increasingly common to differentiate between them. Institutions tend now to be defined in terms of the constraints people have devised to structure human interaction i.e. "the rules of the game". These consist of (a) formal rules (statute law, common law, and regulations), (b) informal constraints (conventions, norms of behaviour and self-imposed rules of conduct), and (c) the enforcement characteristics of both. Organisations tend to be seen as players in the "game": administrative or business concerns constructed to achieve a particular set of objectives (see figure 1)

The projects supported by DFID's Rural Livelihood Programme (RLP) have focused their work on policy processes mainly through capacity building and strategic planning to bring about organizational development, rather than institutional reform.

All RLP projects tasked with improving service provision prioritised new ways of working with their various stakeholders, partners and beneficiaries by developing delivery mechanisms, creating access, promoting equity, forming partnerships and building strategic links. Key to this is working with the host organisation to streamline their structures to improve delivery of their mandates.

Figure	1	Organisational. Development cf Institutional Reform
	Institutional Reform "Rules of the Game"	→	Enforcement of Formal & Informal Rules
	Organisational Development "Players of the Game"	→	Capacity Building e.g. skill development, structures, process, resources

ORGANISATIONAL DEVELOPMENT

Key Issue	1	The Four Capitals of Organisational Development

Overview: The development of organisations relates to improvement to the four inter-connected forms of capital: i) Tangible Capital, ii) Human Capital, iii) Organisational Capital, iv) Social or Political Capital.

This paper deals primarily with *Organisational Capital*. Human resource development and management is the subject of a separate report in this series and therefore deals with most issues relating to *Human Capital*. Important lessons regarding the status of this capital are highlighted herein as this underpins advancement of other capitals. None of the evaluations draw lessons on *social/political capital***.**

Figure	2	Four Forms of Capital
	Tangible	Land, research stations, libraries, laboratories, offices, equipment and financial assets.
	Human/Intellectual	The skills, professionalism motivation creativity and degree of problem-orientation of the staff.
	Organisational	The appropriateness of the institution's mandate, the quality of its internal management procedures, and its policies and decision-making procedures assessed in terms of their contribution to the creation and improvement of research outputs.
	Social or Political	The political and economic support the institution is able to muster, which in turn is largely a function of its reputation and prestige in the eyes of its stakeholders.

Tangible Capital

The provision of this capital varied widely across the programme; FFP invested significantly (through World Bank funding) in refurbishment of facilities and infrastructure development, PETTRA mainly equipment and ASIRP only minor office equipment (project to essentially reform management of service delivery).

Lessons Learnt

- The provision of equipment, refurbishment of facilities and infrastructure development is still regarded by many government officials as the most significant attribute of a project. If projects support this development a solid platform for senior decision-makers may be formed to engage influential persons in the reform debate but is dependent on the nature of linkage and individuals engaged and involved with both (e.g. compare PETRRA with FFP).

- As staff become more computer literate they are able to access more information for their own self-development which indirectly contributes to human resource capacity building; likely to lessen necessity for expensive formal training intervention. Supporting computer literacy in organisations may reduce capacity building costs over the longer term.

Key Findings

- ASIRP provided computers and software to a large number of DAE offices and set up computerised systems to handle a range of management and other tasks, so that many of the Department's field offices are now quite computerised. This is also the case for FFP and the DoF.

- Equipment procurement and infrastructure development is successfully completed in most RLP projects. DAE staff criticised ASIRP for not providing books and material on technical issues (not a project function).

Human or Intellectual Capital

For further details refer to the TLP entitled Human Resource Management and Development. This section highlights lessons from the institutionalising or internalising the process of building human capital.

Lessons Learnt

- The human capital building process is still strongly linked to project prescribed activities (by the very nature of project design) and cannot be formalised into an organisational human resource development plan. Thus the development of institutionalised HRM/D structure cannot be achieved through an isolated project located at Department level.

- If an overarching reform process is in place this organisational component may be the easiest to reform because some Departments have HRMD/D specialists, facilities, resource person (for technical training) and training resources.

Key Findings

- Whilst the development of strategic HRM/D plans were completed successfully in DAE and DoF and exposure to the process was beneficial to staff involved, the plans were never implemented because these were not supported by overall organisational plans and Ministerial backing.

- As part of the reform process significant time and effort was invested to establish central HRM/D coordinating and planning units (Training or HRD Wings) in both DAE and DoF. Without full organisational ownership (mainly tacit support) the Wings never fulfilled their intended roles as strategic HRD planning units and HRM components remain documented plans only. The DoF training Wing has continued to operate semi-autonomously but mainly through a FFP mandate.

- A fully autonomous Divisional HRD strategy was implemented successfully (although guided by the FTEP-2 project) and demonstrated that DoF could implement the principles of the HRD process at certain staff levels. However this was not internalised as a sustainable process in the absence of an overarching organisational strategic HRD reform programme.

- Most human capital building was linked to project activities and prescribed objectives. One livelihoods course was successfully sustained by integration into fisheries related courses at one university through the SUFER programme. This was achieved through personal commitment by key individuals in the university rather than a formal institutional process led by the apex body, University Grants Commission.

Organisational Capital

Turning to organizational capital, this is without doubt the most difficult of the four forms of capital to enhance, as attempts to do so tend to challenge a potent mixture of tradition, vested interest and inertia. However, it is also the most important form of capital an agency can possess and the one that will largely determine success of efforts to enhance the other three forms.

Of the four forms of capital, organisational capital received the most attention in the evaluation reports of RLP projects. The nature and extent of the challenge is determined by the status of the agency, and quite a wide range was represented in the host agencies of the eight projects (Table 1)[1].

Table 1 Host Organisations of the Projects

Organisation	Organisational	StatusProject(s)
Department of Agricultural Extension	Government department	ASIRP
Department of Fisheries	Government department	CBFM2, FFP, FTEP2
Bangladesh Rice Research Institute	Semi-autonomous public sector institute	PETRRA
University	Autonomous public sector	REFPI, SUFER*
International NGO	Self-governing	CARE-RLP

*SUFER is located within the University Grants Commission, but works with a range of universities as its primary partners

The table is arranged vertically in increasing order of autonomy. The most difficult organisation in which to initiate significant reform is a government department, not least because so many of its rules are set at a higher level and cannot be changed unilaterally. The semi-autonomous research institute has relatively more freedom, although in Bangladesh the degree of autonomy is not great. Universities have a much greater degree of self-government, while the NGO clearly has the greatest degree of organisational autonomy. It is not surprising that the reports on the two government departments tended to dwell most on the issue of deficiencies in organisational capital, and the following analysis reflects this.

Key Issue 2 Organisational Culture and Management Structures

The culture of an organisation is often referred to as the norms of an organisation, the way things are done and management structures relate to the more formal structures and processes in place (which are influenced by the 'culture'). Projects try to influence changes in the way things are done to deliver outcomes more effectively; essentially to enhance organisational performance.

Key lesson for 'better practice'

All RLP projects successfully demonstrated that organisational culture and management structures can be modified and improved but only within the formal project boundaries and duration (e.g. research management and partnerships in PETRRA, REFPI and SUFER, strategic HRD at Divisional level by FTEP-2, extension approaches and community management developed by ASIRP, FFP and CBFM2). Best results were with administrations based at the District or Divisional level e.g. District Partnership Initiative Funds and Divisional HRD strategy. The RLP experience reiterates the notion that working at the meso-level at the same time as a coordinated approach to reform at the macro-level is possibly the better practice lesson for influencing organisational culture and management structures.

Lessons Learnt

- The clustering of projects in an organisation, particularly one whose organisational capital is largely exogenously determined, in itself hampers prospects for reform. Therefore donors and partners need to take stock and at the very least redefine the roles of projects working at this level in GoB and identify more realistically their most appropriate locus and function to support organisational development, especially when complementing a higher-level multi-donor policy forming initiative.

- While a full sectoral approach is inappropriate for institutions with the mandates of DAE and DoF and must await action at higher government levels, major progress towards a more programmatic approach is still possible, but the issue needs to be prioritised. To this end, donor agencies must make clear their own policies by offering direct support to encourage organisational reform and sector strategies.

---

[1]Most of the projects worked with organisations beyond their host agencies, but these are the subject of a separate report on partnerships in this series.

- Organisational development and reform projects can take a lot longer, cost a lot more, and have much less effect than the donors may expect and where changes are achieved in organisational set-ups, doubts often remain as to their post-project sustainability.

- Embedding cultural reform in the organisational context (which will influence management structures) may only be realised over a much longer timeframe as individuals most involved in today's RLP project activities become future senior players in the development and implementation of the 'rules of the game'. But government will need to set the enabling environment.

Key Findings

- Government departments are host to a multitude of projects supported by a wide range of donors with different rules and expectations.

- Project culture is embedded in government Departments to such an extent that they focus on a set of activities unrelated to or duplicating with other projects.

- Multi-project departments are fragmented with little coordination and lack of consistency in strategy and methodology.

- Projects are often seen within departments as opportunities for a selected few rather than institutional functions.

- Projects attract key staff away from the development and implementation of new policy processes, thus reducing the influencing potential of an organization's greatest asset; its people.

- Even where projects are multi-donor funded, inconsistencies between these donors' rules can lead to sub-optimal performance on the ground (e.g. synchronising the funding of CG schemes under ASIRP, interpretation of institutional development in FFP).

- Despite its best efforts, ASIRP's attempts to improve DAE's institutional capital have largely failed, for reasons connected with the organisational culture of the Department. The DAE itself admits to failings in this area in its SP 2002-2006 (ASIRP).

- Reports on numerous interventions involving DoF have highlighted the need for change within the organisation if desired outputs are to be achieved in a sustainable manner. The current organisational structure of DoF is around projects, funded from both the development budget and from external donors. This structure does not permit the DoF to provide a standard core of extension services in a continuous manner (FTEP2).

- The management structures within DoF are not appropriate to take over the extension programme developed by the project (FTEP2). The extension capacity building process should have been initiated after the reform of extension management structures through the FFP led National Aquaculture Extension Strategy (NAES), although implementation of the action plan for this strategy remains stalled.

- What is seen from outside as organisational inertia may be regarded from within the system as a merit. Senior management at the DoF have a sense of being responsible custodians of natural resources and feel that it is their role to consolidate on good practice uninfluenced by outside fashions, which experience suggests are often ephemeral (FFP).

- The closest thing to organizational reform is that achieved under FTEP 2 and FFP, where a Training Wing was initiated with the mandate to develop and implement a Human Resource Development strategy that cuts across project boxes within DoF. The EoP review of FTEP2 project (June 2003) noted the strategic importance of this change, but questioned the sustainability of the new arrangements. FFP has continued this work developing a training policy but evidence The attitudinal change necessary to support such reform is, as yet, limited at the Headquarters level, but this is not necessarily the case outside Dhaka (FTEP2).

Key Issue   3   Strategic Planning

This relates to what an organisation wants to become, where it wants to go and, broadly, how it means to get there. Projects with outputs relating to organisational reform have tackled the issue of more detailed strategic planning to attain national and organisational development goals.

Key lesson for 'better practice'

Lengthy developmental process for strategic planning involving many groups and working committees (meetings, workshops, discussion groups) consisting of individuals maintaining key posts throughout the departments (and not just project personnel) is an expensive but essential approach to stimulate forward analytical thinking, provide exposure to strategic planning and promote ownership [However without requisite organisational backing, support at Ministerial level strategies are not implemented].

Lessons Learnt

■ Strategic planning exercises can be of immense help in the process of "de-projectisation" in particular and re-integration of organisational capital, but to date even the most advanced and self-critical of these (DAE's SP 2002-2006) is weak on implementation specifics, illustrating the need for reinforcement from a higher level in order to make reforms effective.

■ Evidence is clear that there is little commitment or even resources to implement the plans, and thus the development of such plans must be part of a wider reform process with wider sectoral linkages. Also projects do not have the necessary timeframe to successfully develop and implement the plans.

■ Efforts to promote collaboration among organisations must pay serious attention to the reasons people collaborate. Incentives and rewards must be considered, although this does not necessarily mean that people need to be paid extra in order to motivate them to work together.

■ If contrasts between goals of host organizations and donors were acknowledged at the outset and interventions designed to address or accommodate these then implementation of strategic initiatives would be easier and less likely to fall foul of rumours and suspicions of 'alternative agendas'.

■ If the whole process is kept simple and implementers ensure that the processes of organizational analysis and subsequent reform are well understood by all (especially the most senior) stakeholders then there is increased likelihood of making sustained progress.

Key Findings

■ DAE has the most advanced system of strategic planning, however the language in SP 2002-2006 is tentative, with words like 'should' instead of 'must' or 'will' and suffixes the directives with 'where possible' (emphasis added). This clearly allows for alternative arrangements and is non-committal i.e. the status quo may persist.

■ The timeframe for strategic planning is too long for projects such that completion is close to project end e.g. SP 2002-2006 took 22 months; NAES for DoF has still not been approved more than one year after completion of the final draft document; the FTEP2-supported HRM/D 2020 vision and 5 year plan were never formally approved by the Ministry.

■ The lengthy but inclusive process of strategic plan development introduces a new departmental- wide dialogue from which all middle ranking to senior staff support appear to benefit. This may contribute to more meaningful strategic initiatives in the future.

■ The capacity for change management is scarce, and high quality external advice will be essential to any reform process.

■ A clear understanding of incentives and how incentives may be directed are critical to fostering sustained organisational change. Improving the personnel performance will only happen if staff have incentives to improve. This will require changes in the way organisations reward staff performance (ASIRP, SUFER).

■ Organisations find it very difficult to change from within. There is a need to identify key change agents which will create demand for meaningful reform from both higher up the hierarchy (e.g. Ministry level) and lower down the system (farmers/fishers organizations) (ASIRP, FTEP2, CBFM2).

Key Issue 4 Pro-Poor Governance

Many donor agencies now embrace poverty reduction/alleviation/elimination as their overarching goal. This is often reflected in their efforts to assist in the process of organisational reform, but experience indicates that the extent to which this has impacted on organisational capital of host institutions is variable.

Key lesson for 'better practice'

Projects' work in empowering the poor to demand a better level of service may be their most significant contribution to sustainable rural livelihoods, particularly when they help local civil society organisations to emerge and become stronger. However there are opportunity costs to the poor in organising, because for them more than most time is money, and they will see these costs as worthwhile only if the organisations are structured around activities that raise returns to labour (e.g. by improving and augmenting human capital) so as to deliver economic benefits.

Lessons Learnt

- Decentralisation can be achieved on a small scale in the short term but it is not clear to what extent this can be scaled-up and mainstreamed. Greater emphasis from project and programmes is needed to define workable mechanisms for scaling up and mainstreaming initiatives like the decentralisation process.

- Inter-agency collaboration improves service delivery and increases access to services for communities in closer contact with local NGOs and private sector agents. Ways need to be found to sustain collaborative arrangements.

- The use of Competitive Grant Scheme or Value Based Research, applied field-based research in partnership with other agencies is effective, under certain conditions, in targeting benefits towards poor people and women but the lessons on overall socio-economic impact are incomplete and sustainability by implementing agencies unclear.

- Agriculture provides an effective entry point for developing and empowering self-help groups. Pond farming, homestead gardening and poultry rearing enable programmes to focus attention towards women. The demand of services has greater impact and more likely to succeed if from a group.

- If pro-poor drivers for organizational change are identified from within the entire stakeholder community (farmers groups, government officials to politicians), evidence suggests that the more effort invested into this part of the process then greater returns for driving change are likely but the fragmented nature of projects and donors make it difficult to coordinate this.

Key Findings

- Decentralisation of research funding processes and the promotion of Competitive Grant Schemes (CGS) through GoB agencies has encouraged demand-led, participatory and livelihood research in collaboration with partner organizations (NGOs and private sector). Similarly, decentralization of extension processes (fund, plan and implement) driven by projects (FTEP, FFP and ASIRP). More autonomy through the ASIRP UPIF approach.

- The implementation of field-based pro-poor research has stimulated popular reform (among the research fraternity) in implementation of university research programmes (SUFER and REFPI) but does require increased funding and collaboration with local NGOs and private sector agents. More emphasis on social development impact of technical-based research is required.

- The CARE RLP has demonstrated that field level governance exemplified by developing empowerment of self-help groups to demand better services from national service providers. A rights-based activity promoted by the project is part of empowerment process.

- Cluster committees established across CBFM2 project sites, appear to be regarded as important, needs-driven institutions that add clear value to problem-solving processes.

- PPG REFPI stakeholder participation (inclusive of community level) has resulted in relevant outcomes focused on real needs of the poor (REFPI).

Key Issue 5 Impact Monitoring

Measuring impact of organisational development could quite simply be no more than monitoring milestone events such introduction of new management systems, structures, policies etc. but measuring the causal links between changes and outcome in terms of improved organisational performance is less easy and commonly the appraisal monitoring process for this is not in place.

Key lesson for 'better practice'

Logframes and project guiding documentation (e.g. Project Memorandum) can be a stumbling block to impact monitoring unless they are designed from the outset with this in view. In cases where Objectively Verifiable Indicators (logframes and workplans) are structured around a participatory monitoring process by the target group (including government senior officials) which allow the beneficiaries to gauge impact and suggest modifications then the change process is accelerated.

Lessons Learnt

- One of the more compelling reasons for shifting from a project mode to a more programmatic approach is unification and standardisation of impact monitoring systems but it is essential that this process does not result in acceptance of the lowest common denominator in monitoring, i.e. the target based monitoring that characterises GoB systems. Monitoring must be viewed in terms of impact on intended beneficiaries.

- In order to gauge such impact, participatory monitoring systems are essential, but for participants these must be empowering, rather than extractive with best examples found in the CARE-RLP which has its own livelihood monitoring impact unit.

- Impact assessments tended to be incomplete across many of the RLP projects and missing vital social-economic elements of change in the analysis. Future projects need to integrate social development analysis into a process monitoring approach with far more 'interactive' participation (rather than the commonly noted 'functional' participation) by stakeholders.

Key Findings

- DAE's lack of effective outcome or impact monitoring makes it very difficult to link activities and inputs on the one hand, with outcomes and impact on the other; this is symptomatic of problems with organisational capital (ASIRP)

- The CARE-RLP appears to be designed to carry out certain activities, rather than achieve certain goals. M&E has therefore focused on those activities and their outputs (e.g. short-term adoption of recommended agricultural practices) rather than longer-term outcomes and impact. To this extent the project appears to be doing an improved and generally acceptable job of documenting accomplishments. Field offices are tracking activities and outputs and the M&E unit is able to aggregate basic information about numbers and locations of FFSs assisted, characteristics of members, degree to which members have accepted the attitudes and behaviour promoted, extent of "secondary adoption" etc. For the most part, this data can be disaggregated by gender and some comparisons are possible between male and female respondents (CARE-RLP)

- The monitoring demands imposed by donor agencies impose a near intolerable burden on fields staff who have to cope with the activities of a range of projects in their areas, seriously eroding the time available for core responsibilities (ASIRP on DAE, but probably true of DoF as well)

- Currently participatory M&E activities exist both as a tool of the Field Trainers and as part of the programme's M&E systems. The Field Trainers conduct participatory needs assessments and planning exercises with the pre-selected members of each FFS and, recently, have introduced a participatory self-evaluation (PSE) tool. At least one of the tools managed by the programme M&E unit the Service Access Inventory is a participatory group exercise, conducted with FFS members and some non-members deemed to be especially knowledgeable about service deliverers in the area. Although some good things are happening, the OPR team was concerned that the methods applied serve mostly to extract information and are not empowering to the groups (CARE-RLP).

INSTITUTIONAL REFORM

Overview: The lessons learnt on Organisational Development indicate that, especially in the case of GoB departments, the rules of the game will have to be changed in order for there to be a meaningful shift in the way they fulfil their mandates. This basically means a set of policy shifts and the development and deployment of an integrated range of policy instruments to give this effect. Only two of the projects had a remit to operate at the policy level. PETRRA's logframe has two policy-related outputs, which require it effectively to communicate its findings to policy makers. The CBFM2 remit extends rather further, with the Project "required to execute research that produces accurate and well-documented evidence in support of pro-poor policy formulation" Perhaps reflecting this rather strong set of requirements, the CBFM2 evaluation is particularly strong on recommendations for supporting policy change.

Key lesson for 'better practice'

Aligning a project within an apex international organisation (e.g. IRRI) and engaging as a national consultant an influential and highly respected 'champion' to promote new institutional values and concepts within national organisations (Ministry of Agriculture, BRRI) which is supported with a concurrent communications strategy integrated into the programme represents the best opportunity to ensure sustained institutional reform and organisational change using the project approach (PETRRA). [But must be linked to a higher level puic service reform process]

Lessons Learnt

- The better practice lesson is unique to an organisation like BRRI which has obvious links with IRRI and may not be relevant for wider institutional reform of other government sectors but this kind of link strengthens the potential to reform by having access to an international reservoir of knowledge and experience (e.g. DoF with WorldFish or NACA)

- The RLP projects endorsed the now well known fact that decades of development through projects principally concerned with infrastructure development and capacity building (mostly formal training) cannot be transformed into vehicles of change to the 'rules of the game' requiring support at higher levels of government and macro-level policy reformation.

■ Incremental change has its value and has delivered benefits, but the time is now ripe for more substantial institutional change and donor agencies should make their policies and funding approaches very clear to client institutions.

■ High-level exposure is important by setting communications as a project output and integral part of project activities, but it does not necessarily lead to sustained macro-level policy reform. PETRRA developed more awareness of the need to reform and why (mainly research management approaches to benefit poor rice farmers) at high investment cost (events and materials) but policy reform (not a specific project output) did not occur and the short term likelihood of reform in research management processes appear quite remote.

■ More thought has to be given to the means of communicating findings to policy makers. PETRRA's approach has much to commend it, but may not be easily replicable. Another vehicle would be to produce very short (e.g. 2 page) briefs in Bangla aimed at busy decision makers. High level policy makers normally have an informal advisory group, and it is important to create linkages to them.

■ It is essential to engage strategic research and development institutions (eg CPD and BIDS) for specific guidance on influencing policy processes in primary theme areas. The role of these institutions and how best they may be supported to bring about change needs to be part of the design process.

■ Given the understandably sensitive issues surrounding questions of national sovereignty, it is essential to be clear what is meant by "policy influence". Policy analysis, communicating the findings of this and encouraging policy dialogue may all be legitimate objectives of a project, but a requirement to sway national policy formulation is not. Related to the point regarding being open with the strategic planning agenda.

■ The current process of developing the PRSP and the three year rolling plan process may open some windows of opportunity for meaningful institutional reform in specific sectors. RLP projects have contributed to its development which is an important example of attribution not often credited to the programme.

■ Opportunities may suddenly open for initiatives to be adopted (a 'policy window'). Such windows occur due to changes in the political stream, such as a change in government or a national mood swing, but they close quickly. It is crucial that a project: (a) can identify such a policy window and (b) have ideas and proposals in place to solve the problem well in advance of the window's opening. Project and programmes must have in-built flexibility to respond to these 'windows'. Two relatively minor but nevertheless important examples in RLP were requested assistance to FFP to draft a Training Policy for MoFL and to SUFER to develop a Quality Assurance scheme for universities.

■ Although the validity of many policy narratives is questionable, they persist because they simplify complex development processes, and thus often form the basis of policy decisions. Projects should all have "good stories" to tell. Good strategic communication of these 'stories' is essential.

■ Policy networks can be a useful way for participants to build alliances, share discourses and construct consensual knowledge from which policy change advocates can work. Care must be taken to engage a wide range of stakeholders, encourage more openness in the dialogue process, provide easy exit routes for participants and establish early institutional home for a network or forum if sustainability is intended.

Key Findings

■ Many radical policy changes have been the result, not of any rational analysis, but of close proximity of the advocates to the centres of power. This is not a sustainable system and must be replaced by some kind of rational reorganization (RTEP)

■ The strategic positioning of government project managers (e.g. mid-level ranking project managers of FFP, FTEP-2, CBFM-2, ASIRP, REFPI) is not conducive to influencing higher levels of government or to promoting inter-agency cooperation. In contrast the fact that PETRRA's PSC is headed by Secretary of MoA generated greater influence for reform of BRRI and affiliated institutions, particularly in advancing VBR-CGS.

■ One of PETRRA's strengths is the fact that it has identified and worked with a key champion of change (a senior figure at IRRI who is both a consultant to the project and an influential figure with many in government). This has provided a PETRRA with a route to higher decision-making levels and helped attainment of its Output 3.

■ A weakness of PETRRA's policy work is that it did not give attention to gender, nor did the institutions participating in the dialogues cover this area.

■ The policy-making process is itself sometimes fractured, resulting in an unworkable disjuncture between processes. Examples include (a) the issuance of a National Agriculture Extension Policy three years before the National Agriculture Policy, when logically

the sectoral policy should have come first; (b) development of sub-strategies in DoF without an approved overarching National Fisheries Strategy or clear organisational mission. One RLP project had strategy development as an output but was unable to secure the necessary high level contacts to develop the strategy.

■ Policy change can move in two directions: there has been significant watering down of the iPRSP between the April 2002 and March 2003 versions. The former states: the capacity of the Department of Fisheries will be strengthened in order to bring a fundamental shift in its role from regulation and control to participation and cooperation with local communities and the private sector; importantly, the latter version omits the phrase underlined in the above quotation (CBFM2)

■ Other than above the statement of intent in an early iPRSP version, there has been no indication of high level support for the types of reform required within DoF to drive forward broader, pro-poor rural development policy (FTEP)

■ Policy transfer is a process by which policies developed in one setting are borrowed to develop programmes and policies in another. When international agencies such as WorldFish and IRRI are involved in projects, they can have an important role to play in creating exposure to experiences and policies from other countries. There may be a role here for some well-targeted high-level exposure visits.

■ It is necessary to consider what type of policy change is expected from projects. CBFM's Goal "relates to improved policy (policy impact) and policy processes (policy influence), while the Purpose relates to policy processes only. This is an important distinction as it relates to how the project tries to verify its impact. Policy influence constitutes what have been called 'intermediate influences' influences on policy-interested stakeholders and policy-making processes rather than the actual development and implementation of new policies (i.e. policy impact)." (CBFM2 Second OPR)

■ There is evidence of an improvement in the macro policy environment through the PRSP trickling down to fisheries planning documents (ibid). Similarly, GOB policy spells out the necessity of the involvement of local government bodies and NGOs in the grass roots level developmental process. Thus, the GOB macro-policies have the potential to support the type of institutional arrangements that were used and tested in the PETRRA model.

■ There is a clear message that concerted donor influence through the LCG and through projects with carefully considered strategic aims can, over time, influence the policy process. This was emphasised by the Deputy Chief for Fisheries in the Planning Commission who anticipated that reforms and plans in the fisheries sector would now be derived with reference to the FSRFDS (FTEP)

■ The recent formation of a Parliamentary Standing Committee (PSC) for fisheries, and searching questions from the Prime Minister are contributing to opening a window for policy change, which the donor community should be able to utilise via the FSRFDS. The PSC has already demanded an issues paper on fisheries, providing another opportunity to push the policy message home. (FTEP)

■ Many projects have found their scope for policy influence enhanced by having a clearly stated communications strategy (PETRRA, CBFM2). The REFPI management team, on the other hand, now recognize the project has had limited success on influencing key decision makers at the policy level, partly do to the lack of such a strategy from the outset.

WAY FORWARD?

■ If projects located within government departments are to be effective in bringing about institutional reform and organisational change then a national level committee headed by the Minister should be established as a minimum requirement to provide guidelines for strategic reform and reorganisation e.g. National Fisheries Committee headed by the Minister of Ministry of Fisheries and Livestock (MoFL). For projects that have a policy and strategy development agenda clear links must be made to this committee and the key role of a 'champion' is to build links between the two.

■ Internal policy analysis units within government departments should be established to implement National Committee directives for policy change and institutional reform. These units may draw on the best of internal staff, national policy think-tank units and top grade external implants. Greater involvement of strategy research and development institutes may supplement the activities of these units (e.g. Centre for Policy Dialogue, Bangladesh Institute of Development Studies etc.)

■ New and novel ways of working at the departmental level must be sought. Projects or defined programme elements (i.e. intrinsically linked to a bigger programme) operating at the departmental level can only be effective if critical elements are in place e.g. government ownership of the process, donor coordination, capacity enhanced, institutional accountability and a clear coherent strategic plan endorsed by all major stakeholders. For example, projects coordinated through multi-donor and GoB liaison (e.g. Local Consultative Group) located at the departmental level could function as a 'programme element' supporting an integrated macro-level reforming initiative. The RLP projects, among others, have defined project approach value and limitations to function at the departmental level.

■ If a more holistic approach were to be taken, whether it is through Programmes, Sector Wide Approach (SWAP), or the Integrated Agricultural Development Programme (IADP), this should lead to more attention being given to the processes that have made the greatest difference over the past 25 years: (a) improvements in the regulatory environment, (b) access to inputs, farm equipment and credit and (c) improved functioning of the marketing system.

■ The reform agenda can only be driven by key individuals who understand the need for reform, articulate a strategic vision and able to implement the reform process. The intellectual capital building process is essential at all key levels of public administration linked to the creation of new positions for Institutional and Human Resource Development specialists.

■ Empowerment of grass roots organisations and local government for community development through a decentralisation process should start with small incremental changes to ensure the capacity building process for skills, knowledge, attitudes and resources maintains pace with change and expectations of outcomes.

■ Gearing up for organisational development and institutional reform takes time. The best short to mid-term project approach is through a programme of empowering the poor to demand better services but this must be structured around activities that raise returns to labour (e.g. homestead gardening and empowerment programme delivered by CARE-RLP).

■ A radical overhaul of monitoring systems must complement the institutional reform and organisational development process. A more standardised and uniform process and participatory monitoring approach would generate improved feedback on stakeholder outcomes and can become empowering for beneficiaries rather than extractive.

■ Inter-agency collaboration improves service delivery but need to build on some of the ways developed in RLP to harness win-win or 'pull' relationships rather than 'push' ones cemented by money.

■ Donors need to integrate their funding cycles and policy priorities to provide the necessary momentum for change, optimize 'policy window' opportunities and coordinate programmes across the wider policy stakeholder matrix targeting all tiers of government.

■ Although support to Local Government (LG) should undoubtedly be a major focus, the benefits delivered to the poor will only be sustained if their natural resources are effectively sustained and managed. In a country where both inland and marine resources are facing clear threats, the oversight roles of coordination, planning, monitoring, regulation, research and management cannot be addressed piecemeal through the patchwork of LG. There are differing institutional roles to be allocated and support provided (especially through strategic planning mechanisms) must be carefully targeted vertically and horizontally across the sector and minimise capacity imbalances within institutional frameworks.

FURTHER READING

ASSP & ASIRP (2003): Agricultural Extension with the Department of Agricultural Extension Bangladesh. A Ten Year Review (1992-2003). Vol. 1. November 2003. Dhaka, Bangladesh.

DFID (2001): Making Government work for poor people building state capability. "Strategies for international development targets" series. 36p.

DFID/DGIS (2002): Key Sheets for Sustainable Livelihoods. Policy Planning and Implementation. 11. Decentralisation and Governance and 12. Decentralisation and Political Accountability.

Duncan, A. et al. (2002): Supporting the Drivers of Pro-Poor Change. June 2002. Dhaka, Bangladesh: DFID.

Keeley, J. E. (2001): Influencing policy processes for Sustainable Livelihoods strategies for change. Lessons for Change in Policy and Organisations, No.2.

Muir, J. [Eds. (2003)]: Theme Studies: Institutional Frameworks. Legal and Regulatory Frameworks, Policy Framework, Economic Performance, Livelihoods, Social Development and Environment. Fisheries Sector Review and Future Development Study in collaboration with DANIDA, DFID and USAID. The Future for Fisheries. June 2003. Dhaka, Bangladesh.

RLEP (2003-2004): End of Project Reports of FTEP II, ASIRP, REFPI, PETRRA, SUFER and Output to Purpose Reports of CBFM2, CARE RLP and Aide Memoir of FFP. Dhaka, Bangladesh.

More information on these themes and issues can be found in project Output to Purpose and End of Project Review documents accessible at www.lcgbangladesh.org/rlep.