Organisational Development and Institutional Reform

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 way 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 and Development institutions e.g. BIDS, 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 the resultant 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.

*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)
Way Forward?

1. 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.

2. 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.)

3. 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.

4. 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.

5. 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.

6. 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.

7. 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).

8. 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.

9. 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.

10. 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.

11. 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.

More details on each of the lessons can be found in TLP master document on Organisational Development and Institutional Reform Produced under the Thematic Lessons Paper Series-1. It is accessible at www.rlep@betsbd.com.