

Designing the Development Agency of the Future

ODI

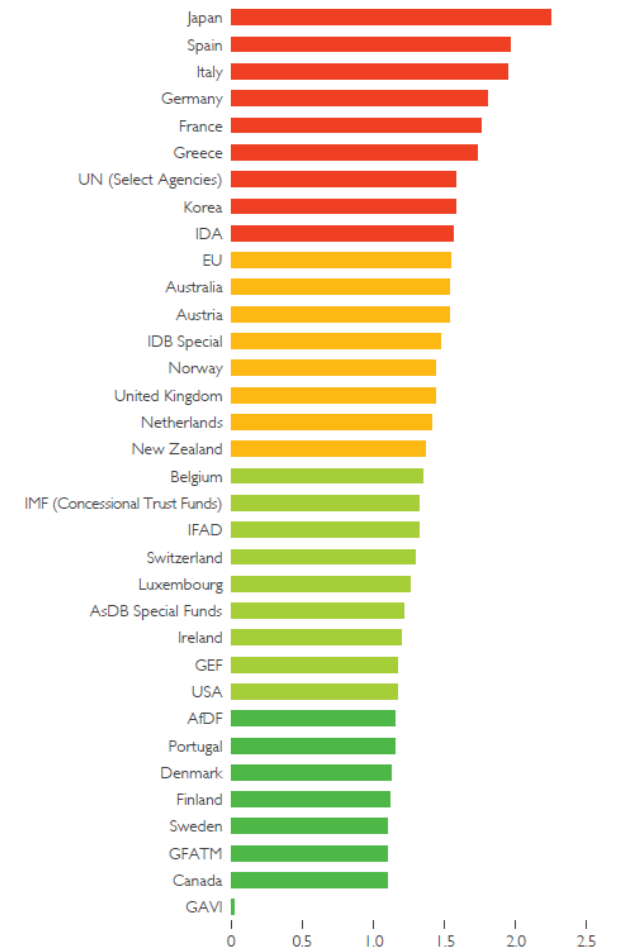
8 April 2014

1. Introduction: this is not a new issue and many are thinking about it
2. (Not for substantial discussion) The changing development agenda
3. Background thinking
 - a. Organisational cultures and structures
 - b. Whole of Government approaches
4. The organisation and resources of development cooperation
5. Principles and options
6. Next steps

This is not a new issue . . .

- Establishment of DFID
- The EU 3Cs (Coordination, Complementarity, Coherence)
- Triple – D thinking
- DAC
- Kharas and Rogerson stress-test

Figure 4: A traffic light approach



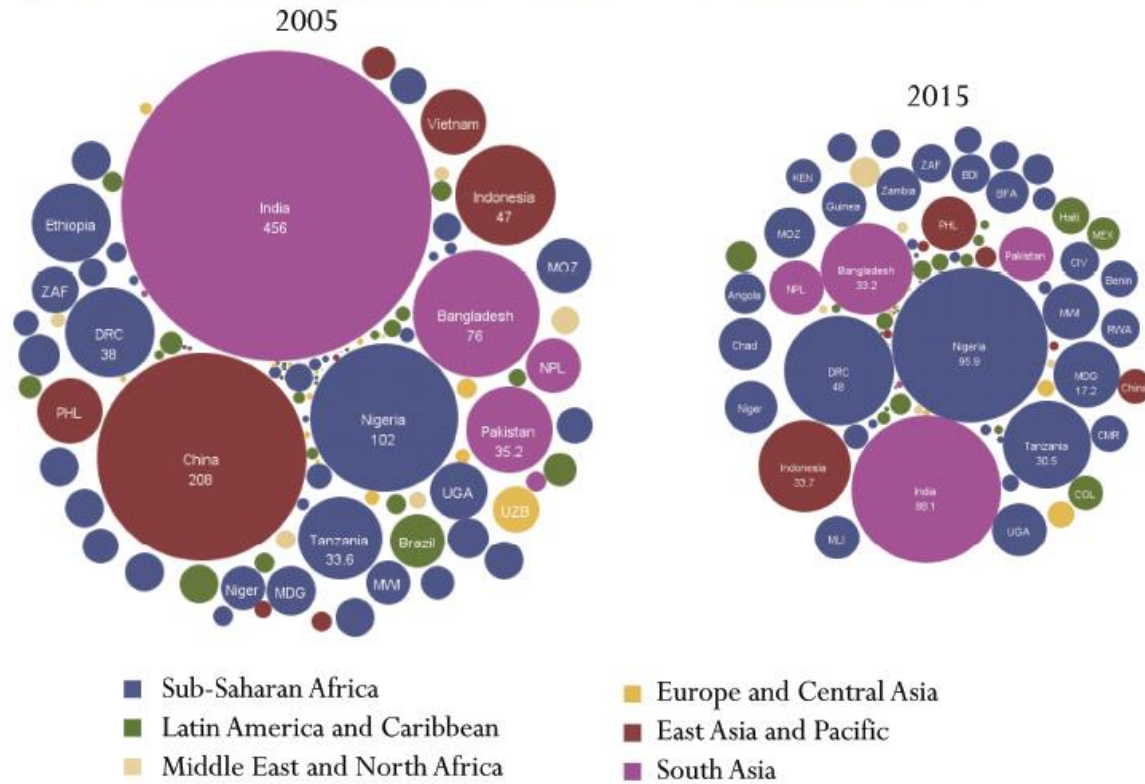
Source: Authors' calculation.

Many agencies thinking about this

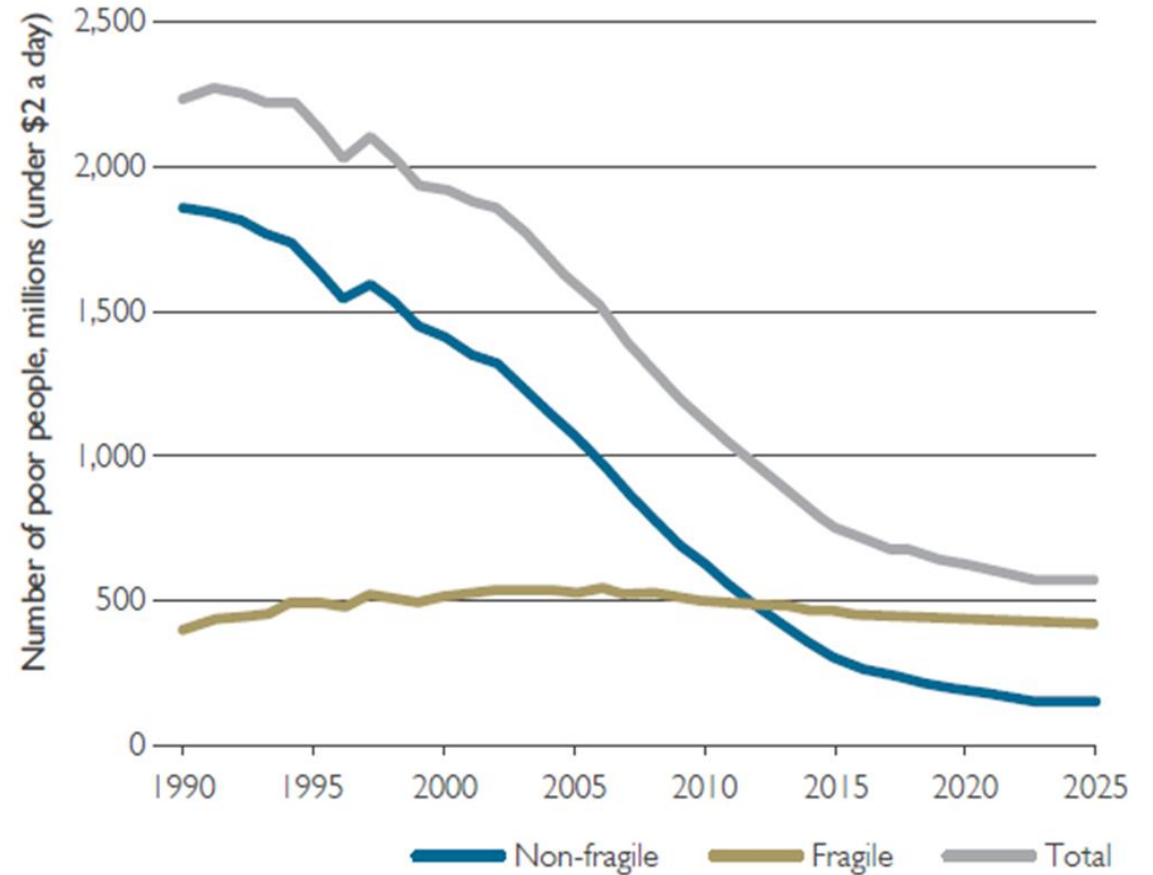
- UK
- Netherlands
- USA
- France
- EU
- Japan
- Germany
- Australia
- Canada

The poverty landscape is changing

FIGURE 3: THE CHANGING LANDSCAPE OF GLOBAL POVERTY (MILLIONS OF POOR)

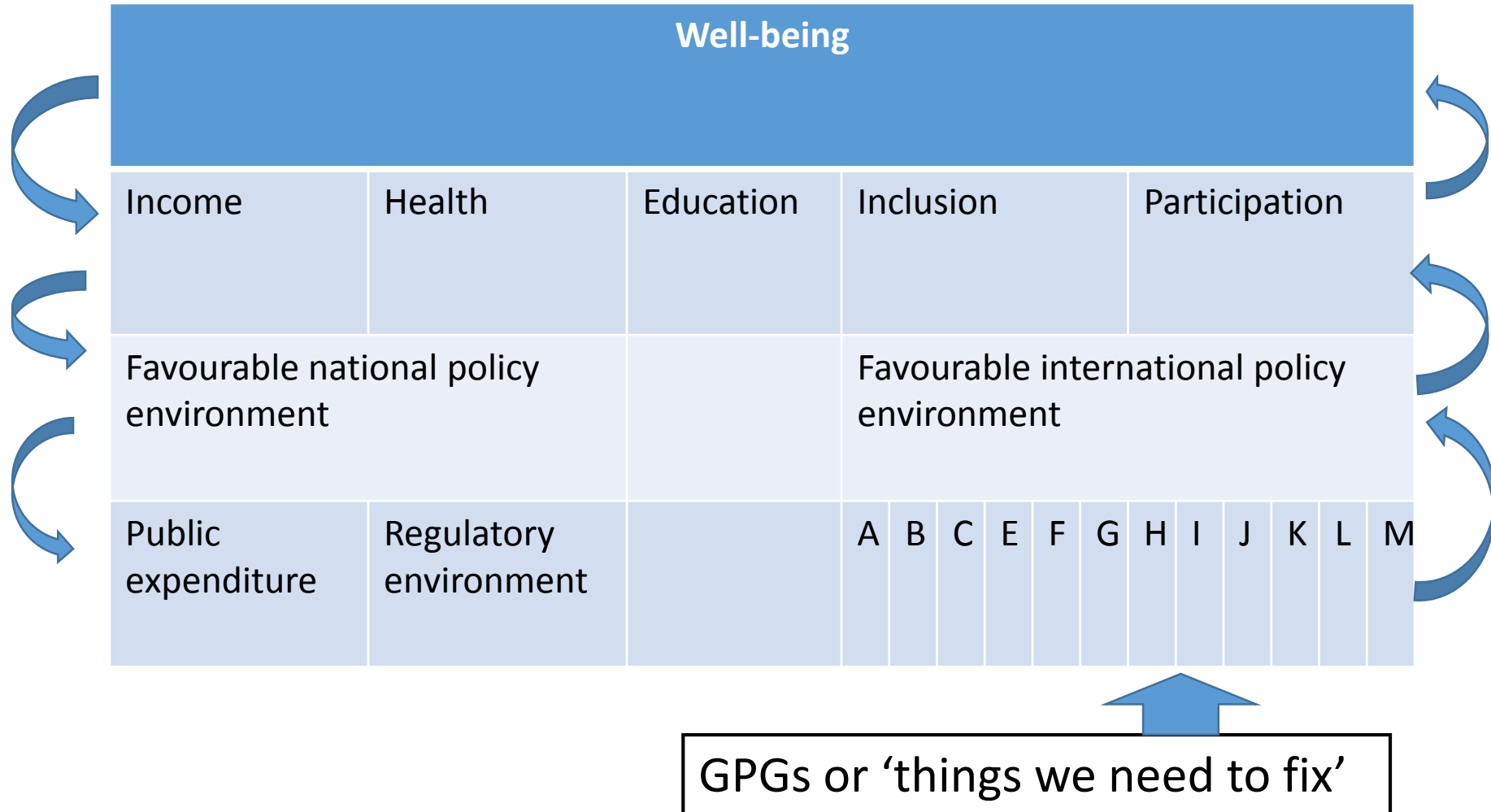


Source: Authors' calculations

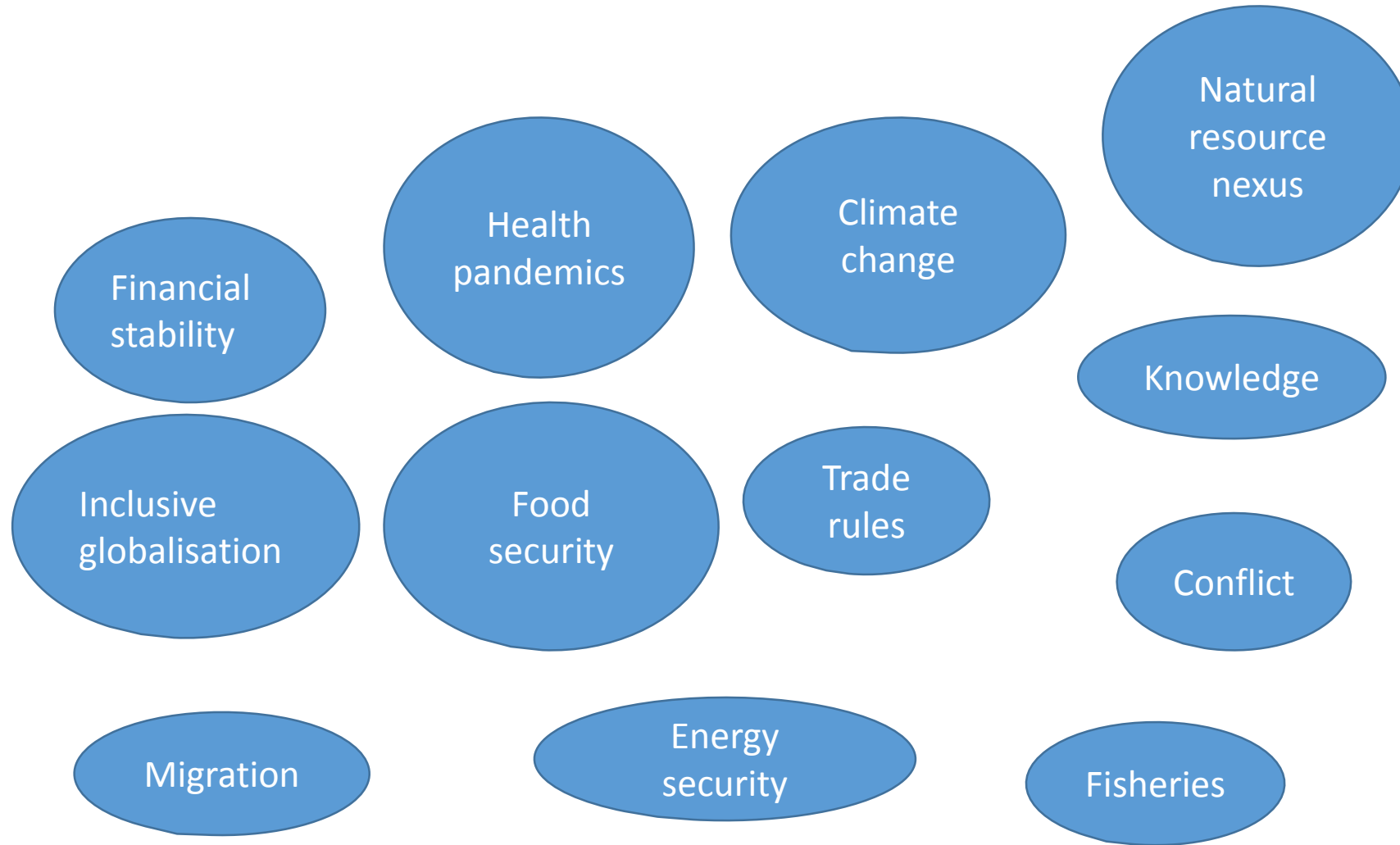


Source: Authors' estimates

The development agenda is changing



Things we need to fix globally



What needs to be done – and by whom?

- Help frame international normative frameworks (e.g. post-2015), standards (e.g. R2P) and conventions (e.g. WTO, UNFCCC)
- Design and deliver development and humanitarian aid, including in partnership with civil society and the private sector
- Shape and oversee the international system
- Negotiate humanitarian access
- Change incentives facing warring parties
- Peace-making and peace-keeping
- Global financial coordination and rules (G20)
- Help manage impact of shocks (e.g. food, natural resources)

There are implications for the future of 'development cooperation'

Less	More
<ul style="list-style-type: none">• Poverty• Poor countries	<ul style="list-style-type: none">• Global public goods• Poor and middle income countries
<ul style="list-style-type: none">• Aid• Aid departments	<ul style="list-style-type: none">• Policy• International development departments
<ul style="list-style-type: none">• Single ministries• Bilateral	<ul style="list-style-type: none">• Whole of Government• Multilateral
<ul style="list-style-type: none">• Government-to-Government	<ul style="list-style-type: none">• PPPs and civil society partnerships
<ul style="list-style-type: none">• Aid effectiveness	<ul style="list-style-type: none">• Entitlement and Partnership

Implications for development agencies?

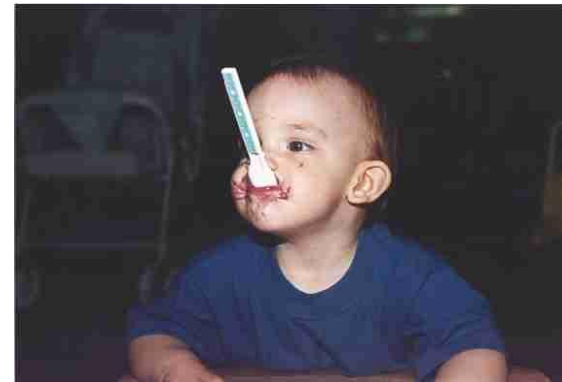
(a) Spring



(b) Spigot



(c) Spoon



(d) Spanner

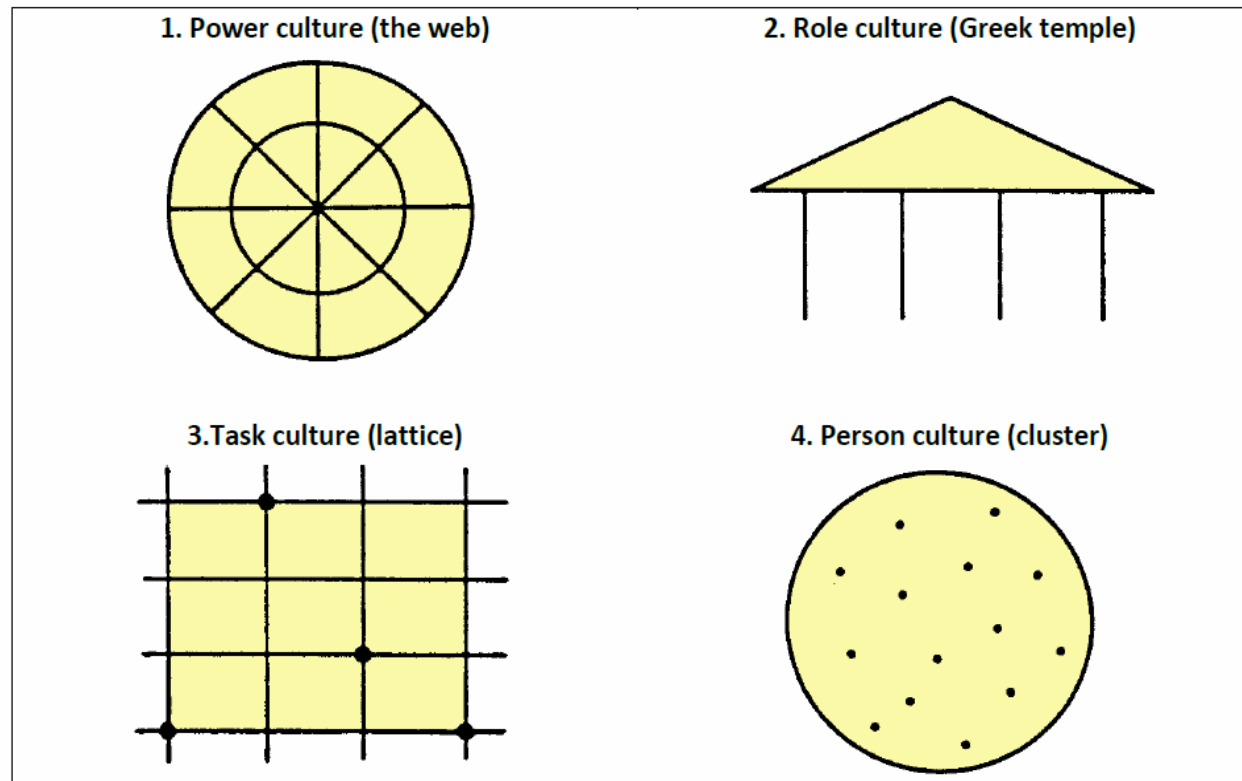


Thinking about 'Whole of Government' approaches

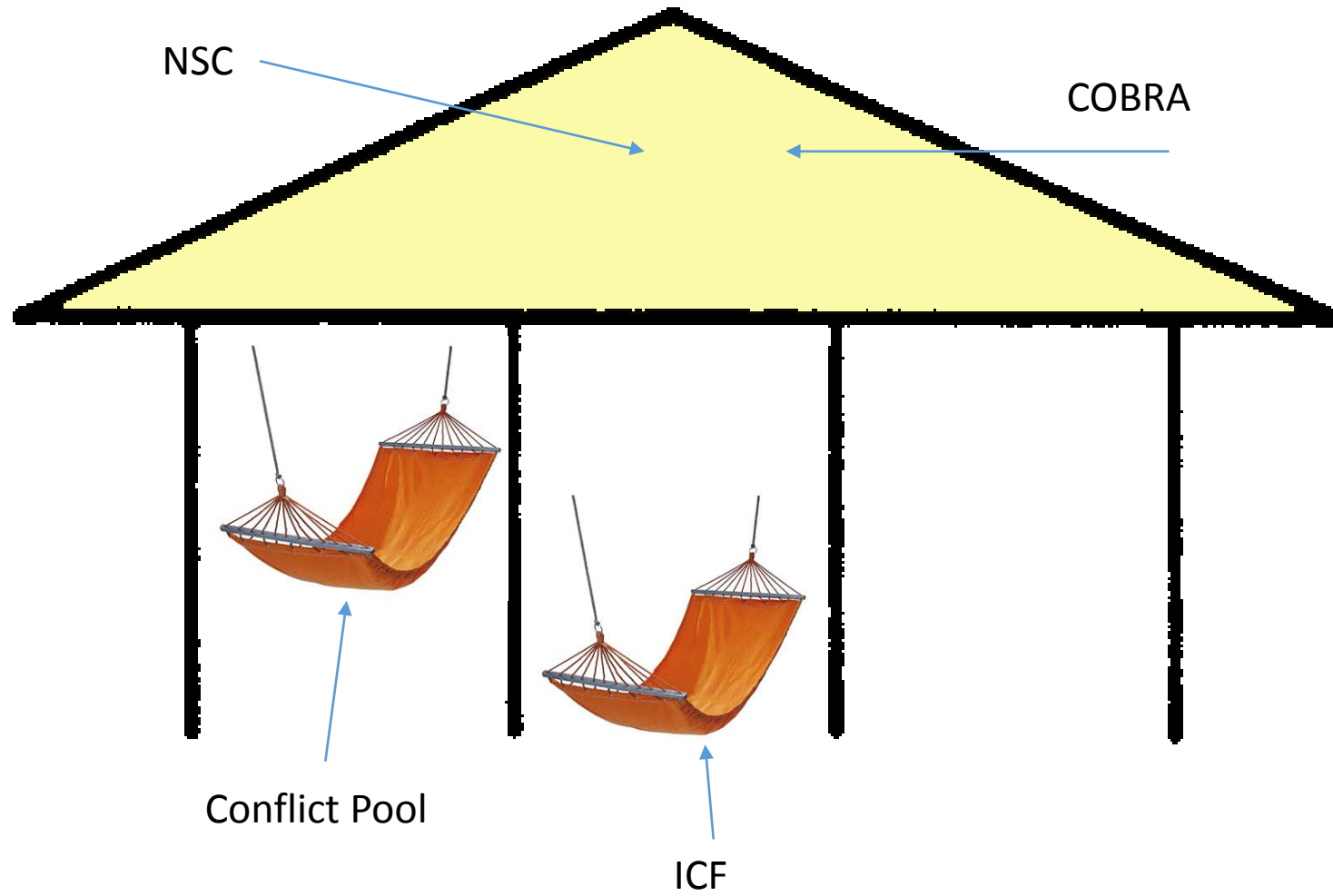
- Step 1: *Independent decision making by ministries.* Each ministry retains autonomy within its own policy domain.
- Step 2: *Communication to other ministries (information exchange).* Ministries keep each other up to date about what issues are arising and how they propose to act in their own areas. Reliable and accepted channels of regular communication must exist.
- Step 3: *Consultation with other ministries.* A two-way process. As well as informing other ministries of what they are doing, individual ministries consult other ministries in the process of formulating their own policies, or position.
- Step 4: *Avoiding divergences among ministries.* Ensuring that ministries do not take divergent negotiating positions and that government speaks with one voice.
- Step 5: *Interministerial search for agreement (seeking consensus).* Beyond negative co-ordination to hide differences, ministries work together, through, for example, joint committees and project teams, because they recognise their interdependence and their mutual interest in resolving policy differences.
- Step 6: *Arbitration of inter-organisational differences.* Where inter-organisational difference of view cannot be resolved by the horizontal coordination processes defined in levels 2 to 5, central machinery for arbitration is needed.
- Step 7: *Setting parameters for organisations.* A central organisation of inter-organisational decision-making body may play a more active role by setting parameters on the discretion of individual organisations. These parameters define what organisations must not do, rather than prescribing what they should do.
- Step 8: *Establishing government priorities.* The centre of government may play a more positive role by laying down main lines of policy and establishing priorities.
- Step 9: *Overall governmental strategy.* This case is added for the sake of completeness, but is unlikely to be attainable in practice.

Managing cross-cutting issues: thinking about organisational culture and structure

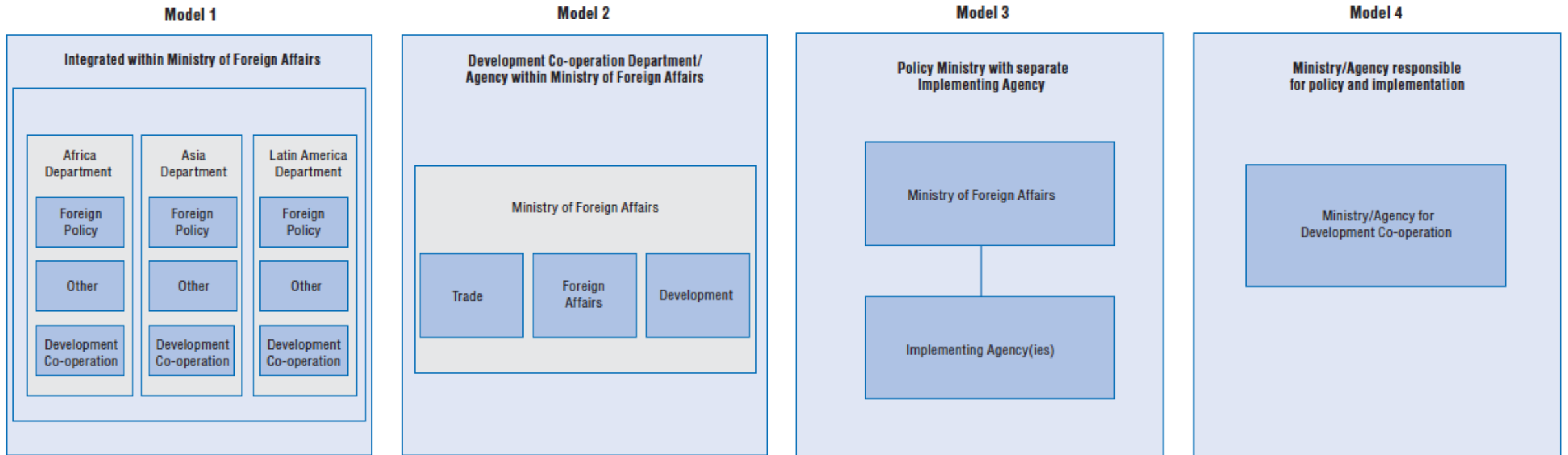
Figure 3. Handy's four organisational cultures



Source: http://www.lindsay-sherwin.co.uk/guide_managing_change/html_overview/05_culture_handy.htm



Existing models of development cooperation organisation



Source: OECD, (1999), *A Comparison of Management Systems for Development Co-operation in OECD/DAC Members*, OECD, Paris.

Principles

There is no single right answer, but core principles are;

1. A joined-up approach is needed
2. And needs to be articulated
3. Different instruments need to be integrated, recognising special character of each;
4. Strong leadership is needed from the centre;
5. The necessary skills are needed; and
6. There should be constant assessment of performance

Options

(each has pros and cons)

- A Foreign Office – led model
- A Development Ministry-led model (Ministry of Global Affairs)
- A network model

In networked organisations, Ramalingam concludes 'the role of managers and leaders is not to come up with quick fixes for thorny issues such as structure or culture, but rather to accept the inevitable lack of control inherent in . . . organisational life' (Pgs 325-6).

'Agencies', he says, 'should aim to be a poised network, with some clear areas of focus and stability and some scope for flexibility and adaptation' (Pg 325).

Next steps

- Refine the framework
- Case studies
 - A complex political emergency
 - A global normative/legal framework
 - A graduating country