



STRATEGIC PLAN 2014-2017

**RIISING TO THE
GLOBAL CHALLENGE,
GOING TO THE NEXT
LEVEL OF IMPACT**

ODI MISSION

The Overseas Development Institute (ODI) is a leading independent think tank on international development and humanitarian issues. Our mission is to inspire and inform policy and practice which lead to the reduction of poverty, the alleviation of suffering and the achievement of sustainable livelihoods.

We do this by locking together high-quality applied research, practical policy advice and policy-focused dissemination and debate.

We work with partners in the public and private sectors, in both developing and developed countries.

Over the next three years, ODI will seek to make a difference from the ‘global to the local’ in five key domains:

- 1 eradicating absolute poverty and equalising opportunity
- 2 promoting effective action on climate change and managing resources sustainably
- 3 protecting people threatened by conflict, disasters and insecurity
- 4 building accountable and inclusive institutions
- 5 increasing productivity and creating jobs through transformative growth.

We will do this by working intelligently with partners to: conduct original analysis and research; convene policy debates; and communicate compelling messages into public debate.

There will be some significant changes in the focus of our work. The growing focus on global public goods such as climate-change mitigation and the decreasing relevance of ‘old’ categories such as the North/South divide mean that we will work increasingly on policy in developed (OECD) countries as well as ‘developing’ countries. As private investment becomes an ever more important part of the overall picture on development finance, we will increase our engagement with private-sector actors to promote sustainable development and poverty reduction. We will focus increasingly beyond the ‘aid’ debate, seeking to promote solutions to global development through influencing rules, policies and practice in areas such as tax, trade, migration, climate change and global governance in ways that benefit the poorest people.

Introduction

International development is at a critical juncture. Over the next few years the international community will come together at summits that could frame an ambitious set of post-2015 development goals, address the challenges posed by dangerous climate change, and create a more inclusive and effective humanitarian system. Globally and nationally, governments, communities and businesses could build on the development gains of the past decade to combat extreme inequalities, develop more inclusive societies, enable sustainable low-carbon growth and deepen the governance reforms that give people a say in the decisions that affect their lives.

For each of these opportunities there are, however, related threats. Failure to underpin a post-2015 framework with a strengthened global partnership on development finance will undermine efforts to eradicate extreme poverty. The drift towards rising inequality in many countries could accelerate, with governments failing to tackle disparities associated with wealth, gender and other markers for disadvantage. The concentration of wealth among elites could undermine democratic governance and the politics of inclusion, as well as eroding the global tax base. If the 2015 climate summit fails, the already visible risks associated with global warming will intensify, with potentially devastating consequences for human development. Weaknesses in the humanitarian system could limit the ability of the international community to respond to the threats associated with conflict, natural disasters and extreme climate events.

As one of the world's leading think tanks on development, ODI is well placed to inform and influence the policies, practices and public debates that will shape the future. In an increasingly complex, fast-moving and uncertain world, there is a premium on evidence-based research that offers practical solutions to real problems. At what is a watershed moment in international development, ODI will seek to develop the partnerships, generate the research, identify the solutions, and formulate the ideas that can make a difference.

This strategic plan is framed by one single proposition and one overarching institutional challenge.

The proposition is that ODI has both the capacity and a responsibility to make a difference. Eradicating poverty, supporting global climate action, combating extreme inequality and alleviating humanitarian suffering are all at the heart of our mission.

The institutional challenge is to ensure that we deliver. ODI staff want to be part of an organisation that inspires change and makes a difference to the prospects of some of the world's poorest people and countries – an organisation that is recognised as a global leader, a collaborative partner, and a change-maker in the world of ideas on development.

The current strategy builds on a period of great achievement. ODI has come a long way over the past few years. But we need to be alert to changes in the external environment and agile in our response. Keeping ODI at the forefront of the debates that will shape development will require a strengthened focus on shared goals and priorities, continued excellence in research, and more effective strategies for engagement with policy-makers, the public, the private sector and partners in developing countries.

Based on the ideas and perspectives of ODI staff, our strategic plan defines our collective ambition, sets out our priorities, and identifies some of the organisational changes needed for effective delivery. It reflects a determination to ensure that the impact of ODI as a whole is greater than the sum of its parts. Recognising that we are at a watershed in international development, the strategic plan outlines five core and inter-related areas where we aim to support meaningful 'global to local' action:

- 1 eradicating absolute poverty and equalising opportunity
- 2 promoting effective action on climate change and managing resources sustainably
- 3 protecting people threatened by conflict, disasters and insecurity
- 4 building accountable and inclusive institutions
- 5 increasing productivity and creating jobs through transformative growth.

There are immense challenges to be addressed in each of these areas. The impact of a lone think tank, on its own, can only be modest – but by combining intelligently with partners at many levels, and being clear about our strengths and limitations, we believe we can make a difference. Through a series of 'signature programmes' and flagship publications, ODI will seek to make a distinctive contribution, harnessing our research, communications and convening capabilities to play a catalytic role as a force for change. Our ambition requires that we think carefully about how to convert the evidence that we generate into ideas and practices that make a real difference.

The rest of this strategy examines:

- the changing context for our work and mission, and the rationale for the five core goals listed above
- ODI's distinctive approach to achieving development impact
- the changes we need to make and the actions we need to take to achieve our mission and deliver on our goals.

A changing context: backdrop to the strategy

A changing ODI

ODI's strength is evident from the record of the past three years. We have been through a period of rapid growth, with the number of research posts increasing from 111 in 2011/12 to 135 in the current financial year. We have well-recognised expertise in areas ranging from development finance, social protection, agriculture, water and economic growth to climate change, humanitarian action, gender and governance. Our staff are in demand as a source of technical and policy advice to governments in some of the world's poorest countries, to donors, business, investors, civil society organisations and to international institutions. Through the ODI Fellows (106 of whom are in post this year) we support the development of capacity in 24 developing countries. All of this adds up to a unique blend of assets.

Our turnover has increased from £18.5 million in 2010/11 to £28 million in the current financial year. We have moved into new premises in central London that are already enhancing our capacity for high-quality convening and events.

These outcomes reflect the strength of ODI's 'brand' as a trusted source of independent research and policy analysis. And behind the brand is our most valued asset: the professionalism and commitment of our staff.

However, we also have to prepare for future challenges. ODI is one actor in an increasingly global – and increasingly competitive – market for ideas and advice. To succeed in that market, we need not only to maintain world-class quality standards, but also to build the right partnerships in developing countries, and to exploit to the full the opportunities created by an effective communications strategy and our capacity to convene.

Within ODI, growth has created potential threats as well as opportunities. The scope of our expertise in international development is unrivalled in the think-tank world. But while we are diversifying our funding base, we remain heavily reliant on a small group of donors. This carries obvious financial risks. At the same time, our business model, with its reliance on team-based planning and delivery, can constrain our ability to deploy resources across teams and incentivise cross-organisational work for maximum impact. Implementation of the new strategy will require a renewed emphasis on the development of a more diverse funding base and on increasing the resources available for strategic cross-organisational work.

The think-tank world of which ODI is part has been affected profoundly by global changes. There has been a steep increase in the number of think-tank institutions in developing countries. Grounded in their own societies, these institutions are responding to demands from their own policy-makers, civil servants and the public and the very best are producing high-quality evidence on what works for national development. Their emergence provides ODI with an opportunity to develop broader and deeper research partnerships, to link global to national debates, and to establish a stronger policy presence in developing countries through our research connections.

A changing world

Globally, a crisis of authority and confidence in public institutions at all levels is undermining the capacity of the world to achieve durable progress. Over the next three years, there will be major global summits on the post-2015 goals, on financing development, on climate change and on the humanitarian architecture. The outcomes will have a material bearing on prospects for reducing poverty and inequality, avoiding climate catastrophe and alleviating suffering. Beyond these high-level summits, governments, development agencies and the private sector are struggling to identify ‘what works’. They are looking for practical, evidence-based solutions to real problems. ODI is well-placed to identify these solutions and to inform the wider policy dialogue.

The immediate backdrop to our strategy is a decade that has witnessed dramatic gains in many areas. While progress towards the 2015 Millennium Development Goals (MDGs) has been uneven, and many countries will miss the targets, poverty has fallen to unprecedented levels. Wider human development indicators – from child survival to school participation – are improving. Democracy is spreading. The voice of citizens is an increasingly powerful driver of change. Protests around violence against women in India, against poor-quality service provision in Brazil, and against autocracy in the Arab world have changed the political landscape dramatically. New technologies – driven by private and public investment – are pushing back the frontiers of what is possible in development, in areas that range from data collection and dissemination, health and education provision, and political mobilisation. Despite the global recession many middle- and low-income countries have achieved strong rates of economic growth – outstripping OECD averages.

Set against these advances, the MDG agenda remains unfinished and new challenges are emerging. Monetary measures based on measuring household consumption tell a partial but important story. There are still more than one billion people living on less than \$1.25 a day and another three billion – at least – living on less than \$2.50 a day. It is easy to forget that the median person in the developing world still lives on just \$3 a day – well below the level associated with the prospect of any permanent escape from poverty. Progress in reducing malnutrition has been limited. In other areas – education being a case in point – there is evidence that progress has slowed.

Prospects for overcoming these very large development deficits will depend in large measure on the success of the poorest countries in sustaining transformative growth – growth that raises productivity, generates jobs, underpins the growing tax base needed to extend services, and that provides a basis for shared prosperity.

Inequality is another concern. Globalisation has driven a convergence in income between countries, driven by the rise of emerging markets. While this trend drives global inequality down, the best and latest evidence suggests that the rapid growth of elite incomes is simultaneously driving global inequality up to around the same extent. Therefore, global disparities in wealth and human development remain unacceptably large. The poorest 40% of the world's citizens account for just 5% of global wealth. Within many countries the story of the past decade is one of divergence in both wealth and in wider life chances. Rising inequality has slowed the pace of poverty reduction, while already extreme disparities in health, education and other dimensions of human development are, in many cases, on the rise.

At the heart of these inequalities are the disparities associated with wealth, gender, ethnicity, and other markers of disadvantage. And while democracy is spreading, active citizenship and engagement in political processes is often restricted by social attitudes, cultural barriers and power relationships, notably those that curtail the political participation of women. There is a risk that the growing concentration of wealth will distort the political process as political institutions become undermined and governments increasingly serve the interests of economic elites to the detriment of ordinary people.

Furthermore, many countries and communities still experience restricted progress as a result of endemic conflict and violence. People without voice and social status (women, children, minorities and marginalised social groups) continue to face the greatest risks of losing their lives, their health or their livelihood because of conflict and social violence. Where societies have appeared to be either on the brink of positive political change (Syria, Egypt) or in the process of consolidating gains in political freedoms (Mali) they have, on occasion, fallen into appalling states of civil conflict. Development gains are often more fragile than we like to think.

Looking ahead, the international community faces a number of challenges that will define development prospects. No challenge is more pressing than climate change. Failure to agree an ambitious global plan in 2015 could set the world on a pathway that leads to major reversals in human development in our lifetime. The warning signs are already evident. Creating the conditions for a global climate deal will require change in fundamental systems and relationships – in particular, we need to break the link between economic growth and carbon. The vast carbon reserves (estimated at \$20 trillion in value) that need to stay in the ground to avoid dangerous planetary warming present a political economy dilemma of epic proportions. Even with effective decarbonisation of the global economy, the climate change effects that are already locked in will require urgent action to build resilience and strengthen disaster preparedness.

Our strategic priorities

Our five strategic priorities reflect the changing context in which ODI works. In each area, ODI will bring to bear its research, communication and convening capabilities, working with others to make a difference.



Eradicating absolute poverty and equalising opportunity

The international community is framing a post-2015 agenda to eliminate \$1.25-a-day poverty and other forms of extreme deprivation by 2030. But going the final mile will be more difficult than the mile just travelled. Sustained poverty reduction will require patterns of growth, employment creation and public spending that extend opportunities to the world's most marginalised people – to those who have been left behind. This implies a far stronger focus in national policies on the most disadvantaged, and on the underlying drivers of disadvantage rooted in gender, wealth, ethnic, regional, religious and other identity-based inequalities.

ODI will seek to materially influence the post-2015 agenda at several levels. We shall strengthen our data and analytical capabilities to inform approaches to tackling poverty and inequality (including gender inequality), identify best practices on social protection, and – critically – engage in the national and international debates that matter.

One of our central priorities is to provide effective support for the dialogue on post-2015 development financing. If the new goals are to have any traction, they will have to be underpinned by a new global partnership that goes beyond aid to encompass domestic resource mobilisation, national and international tax policies, private investment, and a range of concessional and non-concessional financial flows. ODI will seek to help the global community to address the current fragmentation in policy approaches by developing integrated approaches to development finance, humanitarian provision, and climate finance, with a special focus on fragile states. We shall also engage more actively with the private sector, reflecting its central role in investment, employment generation, international trade and finance.

While one global process (the post-2015 debate) has focused on eradicating extreme deprivation, there is a clear and rising concern in global policy debates about rising global inequality – driven largely by the rapid growth of elite incomes and wealth. This debate touches all countries, at all levels of wealth and income. In this context, it is important to strengthen ODI's voice in debates on poverty and inequality above and beyond the debate about development goals.

2

Promoting effective action on climate change and managing resources sustainably

The systemic threat of climate change to human development could reverse hard-won development gains and close escape routes from poverty for millions of the world's most vulnerable people. Pressure on natural resources is growing, threatening the welfare of future populations, amid fears that today's already disadvantaged groups may lose out to economically powerful and politically connected rivals.

Working in partnership, ODI aims to inform and influence the debates that will determine the outcome of key events, such as the United Nations Secretary General's 2014 climate change summit, and the COP21 climate summit in Paris. Our analysis will seek to increase awareness and understanding of the links between climate change and poverty, drawing on the best evidence to argue for more effective approaches to disaster-risk reduction and building resilience.

Current energy trajectories could drain the 21st Century carbon budget (as calculated by the Intergovernmental Panel on Climate Change, IPCC) over the next 30 years. This requires new approaches to climate finance, stronger international cooperation on energy, and green growth strategies that combine a resource-efficient and pollution-minimising transition to job creation, inclusive urbanisation and universal access to energy.

ODI will focus on climate finance and strategies for the institutional and fiscal reforms needed for a green economic transition. We will explore ways for public policy to leverage private investment in a way that accelerates financing for renewable energy in developing countries. But tackling global policy challenges – such as reducing emissions – cannot happen in developing countries alone. Our work to challenge the perverse practice of subsidising fossil fuels will be global, seeking to change bad domestic policies in both OECD and developing countries.

Competition for natural resources is intensifying in many countries, with demography, economic growth, urbanisation, growing use of biofuels and concerns over food prices all playing a role. International concern has focused – with some justification – on 'land grabs' in poor countries by those from rich countries. There has been less focus on competition for resources in poor countries themselves, and how domestic consolidation of assets may affect livelihoods. Growing conflicts over land and water raise fundamental questions about how to balance competing claims. ODI will address these through engagement on water security, land rights, resource governance and wider entitlements.





3

Protecting people threatened by conflict, disasters and insecurity

The impact of the crisis in Syria and of typhoon Haiyan in the Philippines have been powerful illustrations of the suffering associated with humanitarian emergencies in very different contexts. They have also illustrated the weaknesses of the current humanitarian architecture. With evidence pointing in the direction of increasing human exposure to emergencies associated with conflict, climate and natural disasters, the international community needs to develop a more effective and inclusive system for humanitarian response as a matter of urgency, and to invest in disaster prevention and preparedness.

The prevention of complex emergencies requires global collective action to address trans-national drivers of conflict – as well as development action at the country level that avoids inflaming tensions and, as far as possible, encourages peaceful resolution of social and political conflict.

ODI has an impressive track record of policy engagement and influence on humanitarian reform. Our partner network – recently expanded through a systematic strategy of building regional relationships, particularly in Asia – is a tremendous asset for policy influence. Building on that record, the new strategy will prioritise making the case for the development of a more inclusive and effective humanitarian system. In that context, we shall seek to engage beyond the humanitarian sector with a wider foreign policy audience. We will seek innovative ways to empower communities to reduce their vulnerability to conflict and violence. Recognising that violence against women is a systemic threat to human security in many countries, we shall also seek to inform dialogue on the scale of the problem and potential solutions.

4

Building accountable and inclusive institutions

Institutional development is a critical part of the wider development process. While ‘governance and institutions’ may appear to be abstract concepts, they are at the heart of the social contract between citizens and states. It is through institutions and their associated rules and norms that governments, businesses and other actors deliver public goods and basic services. It is through institutions that citizens express their democratic rights and claims, engage in collective action to address common problems, and exercise oversight. And it is through institutions that governments mobilise and spend public money.

ODI has helped to pioneer new thinking that emphasises practical problem-solving, rather than formal institutional appearance. Our strategy envisages the development of ODI’s distinctive approach, with a focus on three areas: the delivery of services to marginalised groups, budgeting and public finance management, and the participation of citizens in political processes.

A particular focus will be to build a multi-year, integrated ODI-wide initiative of research, policy engagement and public affairs on the politics of reform: improving service delivery for all. This will involve thematic programmes on: the service-delivery agenda for middle-income countries; improving outcomes and reducing inequalities through political and institutional reform in water/sanitation, health, education and security; and delivering services under stress – focusing on selected rapidly expanding cities and fragile/conflict-affected contexts.





5

Increasing productivity and creating jobs through transformative growth

Economic growth is one of the most powerful drivers of poverty reduction and development. Without growth, countries cannot build shared prosperity. Yet growth alone is not enough. Genuinely transformative growth is about raising productivity, generating jobs, developing skills and building inclusive societies.

Our strategy envisages an increased focus on transformative economic growth. At an international level, our research and policy engagement will focus on global economic governance in institutions such as the World Trade Organization, the European Union, regional trade groupings and international financial institutions. ODI will seek to identify the rules and practices in international trade and finance that create an enabling environment for growth in developing countries. Our work at the national level will concentrate on using research to identify strategies to raise productivity, build skills, generate jobs and attract high-quality investment. As in the climate space, an important issue for delivery over the coming five years will be to work to ensure that ‘blended’ public/private finance instruments that are rapidly becoming very significant in donor toolkits – particularly to support infrastructure – are deployed effectively.

The wider environment – major trends that will shape prospects for development

Each of our five priority goals will be affected by wider changes in the global environment. The future cannot be predicted on the basis of past trends. The tectonic plates that underpin an increasingly interconnected global economy will continue to shift under the weight of powerful social, economic and demographic forces. Building on our current research base, ODI will strengthen its capacity to analyse and communicate evidence on the trends that will define the future. Five themes stand out:

Urbanisation: the world's urban population is forecast to grow by about 1.4 billion to 5 billion between 2011 and 2030. Non-OECD countries will account for well over 90% of the increase. One prominent feature of this urbanisation will be the rapid growth of small and mid-sized cities alongside the development of urban clusters. The number of 'megacities' worldwide – those with more than 10 million inhabitants – will rise to 37 from 23 in the same period.

Urbanisation will touch on every aspect of development and some of the consequences could be negative. Where urban growth is informal and driven by distress, there is a high risk of incoming 'arrival' populations crowding into risky spaces where they are vulnerable to a range of hazards – from crime to natural disasters. The IPCC's work on extreme weather hazards has highlighted uncontrolled urbanisation as a factor that is increasing the numbers of people exposed to the negative effects of climate change. Badly planned urbanisation can also lock in high-carbon, resource-intensive development paths for decades to come. In the humanitarian policy

domain, urban centres are increasingly reception zones for traumatised refugee populations.

Other aspects of urbanisation hold out the promise of more positive changes. Cities can also emerge as centres of opportunity and political change. Infrastructure investment will create opportunities for employment and economic growth. Increased growth will, in turn, generate the revenues needed to expand access to basic services. Governments and firms will invest in skills development. A rising middle class will demand more accountable and effective governance. Elected municipal bodies can play an expanded role in responding to the demands of citizens and take the lead, nationally and globally, in promoting sustainable development and low-emissions growth paths.

In reality, the outcomes will, in most cases, fall between these extremes. But it is increasingly clear that aid agencies and think tanks will have to pay far greater attention to urbanisation as a force that shapes development.

Demography: There has been insufficient recognition of the power of demography as a factor in development. The global population is projected to reach 9 billion by 2050 – an increase of 4 billion over the level in 1990. Behind this global number are diverse regional trends. Populations in Europe and the United States are ageing gradually. Many middle-income countries (MICs) – most notably China – will have populations that are ageing rapidly, and that could put massive strains on their social fabric, economies and service delivery. But many of the poorest countries have yet to embark on a demographic transition. For example, the 49 least-developed countries (LDCs) are projected to experience a doubling of their population – to 1.7 billion – by 2050.

Behind these headline numbers are some fundamental challenges. Demography in many of the poorest countries points towards potentially worrying food-security scenarios. The combination of rapid population growth, modest gains in agricultural productivity, environmental pressure and climate change raises questions about whether food systems will be able to meet growing demands. Job creation is another concern. In a decade, the proportion of Africa's population between 15 and 29 years of age may reach 28%. That could

produce a demographic dividend, but only if education systems deliver the skills, and economies deliver the jobs that are needed. The alternative is a potentially destabilising rise in youth unemployment.

Migration: International migration is one of the forces that constantly re-shape the politics, societies and economies of the world. Evidence suggests that the net effects on both sending and receiving countries are positive in terms of growth and poverty reduction, but the political challenge of managing migration is immense. OECD countries (without immigration) will have 200 million fewer people of working age in 2050 than they had in 2010 – so there is likely to be a continuing increase in gross numbers of international migrants. The challenge is to ensure that it happens in a humane way, where the rights of migrants are respected, both sending and receiving countries gain benefits, political risks are managed and the egregious physical dangers that many migrants without formal rights now face are reduced. The alternative would be a worsening of the current situation where criminal human trafficking networks draw strength and profit from a regulatory regime designed primarily to repulse would-be economic migrants.

Global governance and the shifting development environment: The development environment that ODI and others work in has changed dramatically over the past decade.

Globally, the balance of economic power continues to shift from North and West to South and East. This reflects the way that growth in MICs has outpaced rates in OECD countries over a sustained period. Yet the international community has been unable to reform and develop multilateral institutional arrangements that reflect this shift. The difficulties evident in negotiations on world trade and climate change, the weaknesses of international standard-setting organisations in areas such as taxation and finance, and emerging market concerns over the legitimacy of the International Monetary Fund and the World Bank governance arrangements are all emblematic of weaknesses in the global polity. There is a very real sense in which the global governance vacuum constrains the supply of global public goods, including financial stability, fair taxation, a secure investment climate and a benign planetary environment.

ODI's approach – promoting change and achieving impact

ODI has a distinctive identity. That identity is rooted in our history, the diversity of our programmes, and the professionalism of our staff. Our mission is to inform and inspire change that contributes to poverty reduction, the alleviation of humanitarian suffering and sustainable livelihoods. Operating at the interface of research and policy, we seek to inform public debates, engage constructively with governments, aid agencies, the private sector and non-government organisations, and influence policies and practices.

This package is what distinguishes ODI from consultancy firms, universities and campaigning organisations.

As an organisation we work to promote change at many levels. Our reputation as a source of independent, evidence-based research is our primary asset. But our ability to leverage that asset is contingent on an understanding of policy-making processes and engagement with policy-makers. It is contingent also upon our ability to generate compelling narratives, strong propositions and practical recommendations. Looking ahead, ODI's ability to contribute to change will be shaped by the partnerships and alliances that we build across the world.

In striving to take ODI to the next level of impact we need to reflect carefully on how best to act on our mission in a fast-changing global environment. Our strategy sets out an ambitious set of goals. We shall only achieve those goals if we work effectively across the organisation to:

- deliver research that interacts intelligently with the timelines and critical moments in the policy processes and debates that we seek to influence: cutting through complexity to deliver a clear narrative without lowering quality is one of our primary responsibilities as a think tank
- strengthen our ability to communicate our research to the policy community and the wider public: joining up our research and communications effort is vital if we are to take ODI to the next level of impact
- develop our role as a strategic convening agency: bringing key actors together and acting as an 'honest broker' can help to position ODI in the key debates that we seek to influence.

The changes we must make to deliver this strategy

As described above, the strategy is built on five strategic priorities. These define the broad goal areas where we aim to make a difference. This section outlines the organisational changes we need to make to deliver that ambition.

The change directions

Change directions are agreed directions of travel for the Institute that can be implemented at multiple levels on an ongoing basis. For example – decisions that deliver a more diverse funding base are taken at every level – from the Business Development Unit, which gathers intelligence and coordinates effort, through to individual researchers who make choices on a regular basis about which ‘leads’ to pursue, through to the Senior Management Team, who can use their contacts and senior position to seek large multi-year grants. The ‘theory of change’ for the change directions is, therefore, based on the proposition that we will be more effective if we can align ODI-wide action at multiple levels following a shared script.



Change Direction 1 (CD1): making it count

This is about strengthening our contribution to development by ensuring that we use our research, convening and communications capacity to make the strongest possible contribution to addressing development challenges. It is about building awareness of the ‘extra’ elements (beyond the day-to-day activity of ODI research delivery) that can make a huge difference in achieving impact. These include the following:

- spotting opportunities to turn a piece of work produced for a client into the basis of an influential public debate, or a dialogue with policy-makers
- aligning the incentives within ODI (including strategic use of core resources) to support researchers to achieve impact where the potential to do so with small amounts of extra effort is high
- ensuring that all teams within ODI can access the necessary communication skills and resources to achieve impact in line with the goal framework
- making celebrating impact part of our organisational culture – this entails innovating and improving in how we share our success stories
- improving our capacity to track the successes and failures within our own work and act on the learning points – integrating the lessons into our project and work-planning practices.

An important part of CD1 will be to maximise the potential of the ODI Fellowship Scheme to enhance our impact and influence. It is fundamental that ODI Fellows work for the governments they are posted to – and it is vital to avoid any impression that Fellows are being expected to work for agendas driven by ODI or its partners. However, it should be possible to gain more synergy between ODI and the Fellowship by making better use of ODI Fellows in numerous ways – including as sources of analysis, information on country contexts, and contacts. In the course of the strategy period we will also develop a formal alumni network to engage former ODI Fellows more closely in our work.



Change Direction 2 (CD2): branching out

The changing geo-politics of development influence is a constant challenge to a northern-based think tank such as ODI. Until now, we have not established formal offices in other countries – although we do have staff members based in a range of locations including Jakarta, Nepal, New York, Washington DC and Paris. Some of our programmes have developed partnerships that reflect the changing geo-politics of delivery. Our work with regional humanitarian actors based in, for example, Brazil, China, Indonesia, Russia and Turkey, is of growing significance. We are exploring new landscapes of development delivery with work programmes on impact investing, social enterprise, Direct Finance Institutions and emerging donors.

Looking ahead, the change we seek to encourage with CD2 includes the following key elements:

- establishing a High-Level Advisory Group for ODI comprising heads of think tanks in a range of important locations (including significant MICs), and other opinion leaders within major development agencies and research institutions: members would be selected with a view to opening up contacts with key institutions with which we can build effective partnerships for policy influence
- developing a range of funding partnerships that are more diverse (improving our resilience) and that help us to innovate and to have impact in our key arenas – including a broader range of sources of multi-year funding partnerships
- building stronger links with private-sector actors – businesses and investors – to match the excellent contacts/partnerships ODI has in the public, research and voluntary sectors
- exploring the potential to increase the extent to which ODI sells services direct to developing-country governments – building on the success of the ODI Fellowship Scheme
- developing a stronger set of delivery, research and policy partners in low- and middle-income countries – institutions that match our research strength and bring access to different policy arenas and areas of dialogue
- continuing to use recruitment to bring in staff with strong contact networks in regional institutions in Asia, Latin America, the Middle East and Africa.



Change Direction 3 (CD3): supporting each other

We recognise that our biggest asset is our staff, and that we need to continually improve our efforts to develop a supportive culture. We are committed to develop an environment with a strong work-life balance, as well as one where staff can actively plan their career development.

The change we need to make this happen includes the following elements:

- making mentoring happen more effectively within ODI – both formally and informally
- establishing spaces in the working schedule where staff can meet, socialise and share experiences
- providing senior leadership for priorities of work-life balance
- encouraging, incentivising and supporting the sharing of skills and knowledge across ODI
- making better use of the range of knowledge and capabilities of our support staff
- adjusting our human-resource systems to maximise flexibility and minimise unnecessary stress
- exploring the potential to strengthen project and general work-planning skills within ODI as a way to reduce stress levels.

A strong element of achieving the change we need will be achieving transitions in our business mix that enable more team-working (including work that crosses programme boundaries) and that ensure the appropriate pairing of more and less experienced staff on research tasks to enable on-the-job learning and skills transfer. Continuing to strengthen our range of multi-year funding partnerships is also an important instrument to help staff to manage the workload. There are real advantages wherever the flow of work is predictable and long-term.



Change Direction 4 (CD4): transforming and innovating

We need to make space for substantive innovation, and develop a stronger capacity for horizon scanning. One of the challenges with current donor-funding models for analytic work and research is that it tends to discourage risk-taking. ODI needs to be able to run with an idea that has a substantial chance of, in practice, failing to deliver much – and an equally substantial chance of offering breakthrough learning or insight.

ODI's business model depends mostly on selling researchers' time – either through grants or contracts. We need to innovate to find new ways of funding our work that enable us to focus on delivering on our goal framework. We also need to expand the best business models existing within the Institute and learn better how to replicate them, and seek to implement efficiencies in our business process wherever they can be found.

The main change needed is to find ways to invest in innovation – in both our thought leadership and business model – through the strategic use of small amounts of internal resources and by developing partnerships that enable us to do this at a larger scale.



Change Direction 5 (CD5): building quality

Achieving a high quality of research, analytic and communications practice throughout our work programme is fundamental to achieving our goals. The current environment of support from some donors places a strong – and reasonable – emphasis on value for money. This is, however, often measured in relation to efficiency criteria (i.e. focusing on output cost) rather than effectiveness (assessing whether ODI is delivering reasonable positive impact for its costs). In this context, we need to be vigilant that we are doing everything possible to ensure the highest possible quality standards throughout our work programme.

The changes needed here involve building on progress we have made over the past three years in the following areas:

- strengthening of formal and informal review procedures at all stages of research and analytic work – and promoting a culture of challenge: ODI has implemented a peer-review policy based on the principles that peer review should be rigorous, accountable and documented – we need to build on this to ensure more challenge and review throughout the research process
- energetic, targeted recruitment of high-level expertise – particularly to find the skills and leadership needed to deliver on our goal framework
- increasing our ability to tailor outreach and messages to specific audiences.

Action areas

Action areas involve either one or a small number of decision points (e.g. the office move in the last strategy) where significant decisions are taken and then implemented. So they have the character of choices (often with trade-offs) that need to be made, and that therefore involve an element of top down executive action informed by wider deliberation.

In this strategy period, we can identify the following major action areas that need to be addressed. We will:

- **decide** on the structure of management and substantive teams we need to deliver our goals
- **identify** a new group of ‘signature’ programmes and associated products to give momentum to the five goal areas
- **develop** a communications strategy that will assess the current configuration of communications expertise within ODI and arrangements for delivering strategic communications work – and identify an appropriate set of forward arrangements to raise our game. This will involve a review of product-line categories and monitoring arrangements.

Looking to the future – keeping the strategy alive

ODI has developed a detailed planning framework to build cross-organisational coherence around the strategic priorities. This will be updated regularly to ensure that we remain focused on a relevant set of activities and partnerships to take forward our shared outcome goals. We will also review our structures and procedures continually to ensure that we are as efficient and effective as possible. Across our full agenda of actions and activities, we will assess progress every six months to report back to both our staff and our Board on progress and deliberate on how we can most effectively achieve our goals and pursue our mission.



Shaping policy for development

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