

# Management

## 03

### Donor relationships

Donors are increasingly embracing ideas about systems thinking, adaptive management, flexibility and facilitation. Yet they also need evidence to legitimise operations and engage with their own parliaments/congress. As such, they require a certain degree of control and predictability. It's a tricky balance to strike but acceptable compromises can be reached if open communication is maintained.

There are two prevailing trends in development which both stem from perceived failures of the sector to live up to promise. The first trend – market systems approaches – relates to an agreed understanding that social systems are complex, interconnected and adaptive.

The other trend has been labelled 'the results agenda', 'transparent aid' and 'evidence based decision making'. This has developed from arguments that development was failing to achieve expected results, and that this failure stemmed from a lack of evidence. Donors face growing pressure to become more transparent and accountable to a wide range of stakeholders such as parliaments, the media and government agencies.

#### **Evidence-based policy and systemic change: conflicting trends?**

Addresses two competing ideas within development programmes

There are a number of ways that implementing organisations can keep communication strong. One is for programme managers to absorb this pressure, manage the donor relationship, and not pass on the frustration or stress to staff. To do this, project managers must avoid talking about 'targets', and instead maintain a

manager having a strong relationship with the donor, and managing expectations about when and how systemic change tends to emerge, and convincingly explain why the project needs to maintain the approach it is taking.



### **Building blocks of learning organisations**

Guide on managing a learning organisation, and donor relationships.

Another way to improve communication is to have contractual mechanisms in place that promote flexibility. For example, targets and budgets that are not tied to outputs or activities, but instead focus on poverty impacts and widespread behavioural change. Forums like **MaFI** and the BEAM Exchange are avenues to share with donors and influence evolving practice.



### **Complexity, contracting and courage: Changes for USAID to embrace**

Interview with Amir Allana on changing the culture of conversation and action in organisations.

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