

# Policy Brief

*Particip GmbH*  
January 2015



## Norwegian flexibility vs. structure: a balancing act

**Recognized as having less rigid systems and procedures than most, Norway surfaces as a most flexible donor.**

While Norway's worldwide reputation for flexibility may have created more genuine friendships than mere donor recipients, pliability is not synonymous with progress. Flexibility can be seen as a two-edged sword: while nimbly cutting through red-tape, convention and patronization, the sabre can suddenly return to piercingly demand the reasons behind the yielding, the analysis that guided the adjusting or simply, proof of the learning. Needless to say, donors escape accountability for their undocumented intended overall outcomes.

**Is Norway up to the task of balancing their flawless flexibility with suitable structure?** This policy brief applies lessons learned in Haiti to explore the characteristics of Norwegian aid and to identify optimal approaches to deliver impactful aid in flexible ways.



**A balance is  
needed:  
flexibility and  
structure are not  
incompatible**

## **FLEXIBILITY: a two-edged sword**

### **EDGE 1**

- Fosters healthy client-donor relationships;
- Cuts through red-tape, convention and patronisation.

### **EDGE 2**

- Loses force if not held accountable with strong and explicit analysis, documentation and proof of learning;
- Gains strength with structure.

### **There is a growing call among development practitioners to adopt flexible ways to deliver aid<sup>1</sup>.**

More appropriate responses are needed to confront the complex, diverse and dynamic environments that characterise development co-operation. The 2013 OECD Peer Review noted Norway's "*flexible approach...to allocating bilateral aid, choosing channels, instruments, sectors, and partners*".

The evaluation of Norway's support to Haiti after the 2010 earthquake confirmed that flexibility remained a central and consistent feature of its support. Norway established a dedicated team quickly after the earthquake to accompany the substantial upscaling of its co-operation with Haiti<sup>1</sup> and organised a response specific to the country's context. The support evolved over the years, but decision-making remained consistently swift and nimble. Norway relied on a diversity of partners ranging from Norwegian and local NGOs to UN agencies and regional entities. Most praised Norway for its flexibility and its "open partnership" spirit.

Variety in partnership allowed Norway's portfolio to evolve over the years to eventually cover a wide array of thematic areas ranging from humanitarian action, natural resource management, energy, democratic governance and social protection.

Yet, while flexibility brought clear advantages, Norway's approach is characterised by a number of weaknesses linked to lack of structure. This includes a loose strategic framework without clear overall objectives, an institutional set-up that relied too much on individuals and the lack of systems that promote learning. Based on evaluation findings, this policy brief explores the need to balance flexibility and structure, highlighting that the two concepts are not incompatible in development practice. It underscores both where Norwegian flexibility is an asset, and where a suitable dose of structure will make it an even stronger one.



## Flexibility: suitable to the fragile context of Haiti

### **Institutional set-ups that adjust to the evolving context and nature of support**

The absence of an embassy or other permanent presence in Haiti was overcome by assembling a network of Norwegian institutional actors around a small, dedicated "Haiti team" that consisted of representatives from the main MFA and Norad sections and a Senior Special Advisor based in Haiti. Under the leadership of the appointed "Special Envoy to Haiti", MFA officials enjoyed a high degree of autonomy. The organisational set-up was allowed to evolve in a flexible way adjusting to the changes in the nature of the response and to the length of support. Fast decision-making was a priority for both the political leadership and the "Haiti team". Humanitarian allocations were in place within weeks, and overall priorities for longer-term engagement defined within months. Norway was one of the first donors to disburse pledges to humanitarian response as well as to the Multi Donor Trust Fund. Flexible decision-making also allowed re-allocating funds during implementation, reallocating from inefficient activities to more promising efforts.

### **Funding decisions that enable the exploration of out-of-the-box solutions**

Norway's Haiti programme tested creative solutions. The Norwegian Refugee Council used civil defence equipment for soup kitchens at the request of WFP. IDEA (a Stockholm-based NGO) explored new approaches to work with political structures; UNDP developed a new agro-ecological model to tackle deforestation in the *Département du Sud*.

### **Financing instruments that respect partners' systems and procedures**

Non-bureaucratic financing mechanisms permitted working through a variety of partner types (multilateral, NGOs, regional partners). They expressed satisfaction in working with Norway. In particular, the low administrative burden created by the limited requirements of Norway's grants mechanism allows partners to focus their efforts on navigating in a particularly challenging environment.

### **Flexibility as an asset:**

- Institutional set-ups that adjust to the evolving context and nature of support;
- Funding decisions that enable the exploration of out-of-the-box solutions;
- Financing instruments that respect partners' systems and procedures;
- A vital technique for complex contexts, such as fragile states.

# Structure: an old friend you can lean on

Norway's programme in Haiti was characterised by the absence of a documented and structured strategic framework with clear overall objectives, the extensive use of global financing mechanisms and an institutional set-up strongly reliant on individuals. While epitomising the flexible approach of Norway's aid, challenges included: coherence, accountability and learning. Rather than resisted, structure should be seen as an old friend Norway can lean on to meet these challenges head on.

## **Structure leads to realistic goals, increased synergy and wider mainstreaming**

Several interventions in Haiti pursued overly ambitious goals, without a detailed risk analysis. Many failed to link up with wider efforts in relevant sectors both vertically and horizontally. In particular, interventions in the *Département du Sud* registered very little synergy.

## **Structure to strengthen flexibility:**

- Leads to realistic goals, increased synergy and wider mainstreaming;
- Promotes accountability;
- Enables organizational learning;
- Makes flexibility more effective.

A number of strategic priorities seem to have been diluted: support to state building, a focus on the most vulnerable population and capacity building (only partially mainstreamed). The programme would have benefitted from a structured strategic framework linking the interventions and defining clear overall objectives, while explicitly recognising risk and opportunities. Observations made in the 2013 OECD Peer Review of Norway's development co-operation efforts highlighted that "Norway could benefit from a more rigorous approach to planning and prioritising its interventions in fragile contexts, helping it to take a consistently realistic approach (...) and analysing trade-offs between risks and opportunities" and further note that "the move away from country strategies has eliminated a useful tool for analysing disaster and crisis risks at country level, and ensuring that development programmes appropriately include cross-cutting issues."

## **Structure promotes accountability**

The evaluation underlined the weak systematic approach to results. Given no explicit overall strategy, it is difficult to provide a rigorous assessment of Norway's action. The M&E framework used in the specific interventions was of varying quality, characterised by confusion between outputs and wider/longer-term effects. The focus on outputs led several stakeholders to highlight very positive "results", but multiple evaluations point to major difficulties in achieving stated higher-level objectives (outcomes or impact).

In addition, Norway relied on global financing mechanisms (i.e. contributions to UN-led actions and framework agreements) and channelled

a substantial portion of support via multilateral organisations<sup>2</sup>. This has clear advantages for aid effectiveness and can be justified by the lack of a permanent presence. However, it poses undeniable problems for accountability. External reviews remained ad hoc and only covered part of the portfolio. The 2013 OECD peer review reinforces this fact: "Despite Norad's quality assurance and advisory roles, it is not mandatory for programme units (...) to consult Norad about results frameworks agreed with their partners. (...) As the responsibilities for measuring results largely rest with partners in the field, Norad could give higher priority to supporting partners' capacity to integrate effective results management".

Above all, Norwegian aid needs to be accountable to national needs / priorities. While it is rare that national development strategies in fragile states reflect a genuine consensus of the people, Norway has not avoided this pitfall in Haiti. An explicit strategy of Norwegian development in Haiti, complete with a thorough political economy risk analysis would be a first step towards that accountability.

## **Structure enables organisational learning**

While there is a learning culture in Norway to improve and "do the right thing", there are practically no systematic mechanisms to document or share lessons learned. There are indications that individuals have consistently adapted programming based on what they learn, but learning is not done at the level of systems.



In terms of stocktaking, several status reports were produced by MFA throughout the years. However, they only partially covered Norway's portfolio and they didn't address wide strategic issues nor update risk analyses.

While regular field trips were made to Haiti, no evidence was found on exchanges or suggestions made or on how the learning was transferred or shared.

Valuable structures and tools present in Norway were ineffectively channelled. Norwegian investment in dozens of high-level policy documents is proof of a thorough digestion of lessons learned that are not put to good use in country programming in any systematic or visible way.

Norwegian support to Haiti suffered from a disarticulation of the portfolio that translated to weak synergy between interventions. Flexibility has allowed various projects to evolve freely in their own environment, resulting in fewer opportunities for cross-fertilisation across the activities and actors. Greater effort could have been made to create space for sharing experience, to build bridges between interventions operating in geographical or thematic proximity.

## Finding the Norwegian balance

Norwegian decision makers can choose to step up to the challenge of balancing flexibility and structure. The flexible processes already mastered can also thrive inside a structure that promotes learning and greater accountability. A few avenues to explore are as follows:

### Develop country strategies

Developing a documented and structured strategic framework does not presuppose that changes are linear and can be "engineered" following a logical path and applying predetermined solutions. The strategy should evolve. An adaptive approach is still possible and required, especially in fragile country contexts. A country strategy could include:

- A clear overall goal;
- A mapping of how priority issues could be mainstreamed throughout the portfolio;
- An initial risk analysis (built on a political economy approach);
- A plan for evaluation and a mechanism to ensure learning;
- A handover plan to the government;

- An explicit application of overarching guiding frameworks (Norwegian policy papers).

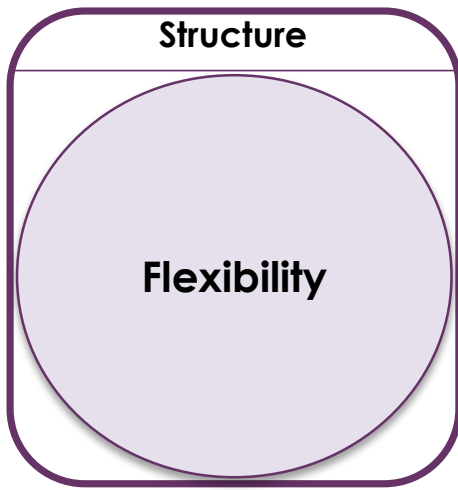
Such a structure should in no way prevent Norway from remaining flexible to engage stakeholders in collaborative solution seeking, to support dynamic, cross-functional, networked governance and learning or to enable innovation with space for iterative and spontaneous change.

### Stay results-oriented and measure outcomes, while tracking unintended consequences

In situations where simple cause and effect relations do not hold and levels of unpredictability are high, it becomes even more necessary to measure the eventual outcome and not the outputs, since outputs cannot be automatically associated with outcomes.

### Develop and promote mechanisms that provide incentives to document and share decisions and learning

In moments of stress many valuable tasks go unfinished due to competing priorities. Innovative systems must be developed that both incentivise and archive the sharing of learning, from missions to meetings, in order to save knowledge produced on crisis and complexity for future generations.



## Flexibility within a structure

Flexibility and structure are not incompatible concepts. On the contrary, in the case of international aid and especially in the case of fragile states, a combination of both may be ideal:

**flexibility** to be a genuine learning, non-paternalistic partner and **structure** to choose the appropriate overall impact to measure (with quintessential iteration, allowing for evolution), reporting on and sharing what has worked, and regularly rectifying what hasn't.

### Notes & References

de Weijer, F. (2012): *Rethinking approaches to managing change in fragile states.*

OECD (2013): *Peer Review of Norway's development co-operation efforts.*

Moriniere, L, Smail, T., Pollakowski, M., Thermil, A., and Laegreid, T. (2014): *Evaluation of Norway's support to Haiti after the 2010 earthquake. Particip GmbH.*

Ramalingam, B. (2013): *Aid on the Edge of Chaos: Rethinking International Cooperation in a Complex World.*

<sup>1</sup> Funds disbursed by Norway's in Haiti during the period 2010-2012 amounts (more than 800 million NOK) represent a five-fold increase compared to the period 2007-2009.

<sup>2</sup> Multilateral channels represent no less than 75% of Norway's portfolio in Haiti between 2010 and 2012.



**Particip, GmbH**

**Germany**

**Developed for NORAD**

**Oslo Norway**