



# Second Independent Progress Review of VSO's Strategic Grant Agreement with DfID

Executive Summary

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## Executive summary

This is the second of two Independent Progress Reviews (IPRs) of DFID's four-year £100 million unrestricted Strategic Grant Agreement (SGA) with VSO. The IPR1 covered the period from the SGA start in 2010 until October 2012. The IPR2 covers the period from November 2012 until November 2014. For the sake of continuity and consistency of approach, DFID asked VSO to contract the same external consultant ('I', from now on) to conduct both IPRs. This report draws on the findings of both reviews, and covers the entire four year SGA period.

### *Overall conclusions*

In the past four years, VSO has utilised a significant portion of its SGA funding to invest in a number of change trajectories. Collectively, these trajectories have had a significant and positive impact on VSO's identity, culture and focus, as well as on its underpinning processes, policies and systems. The investments and their positive impact have accelerated in the IPR2 period, and are likely to outlive the pain and frustration that rigorous change processes inevitably cause.

Despite the progress made, it remains insufficiently clear what sustainable impact VSO is achieving, and there is very little evidence that VSO's innovative work is being replicated and scaled up by other stakeholders. In the next few years, VSO should consolidate its new systems and processes; more fully utilise the data it is gathering; strengthen its impact focus; and more thoroughly assess and communicate its achievements.

The sections below summarise the IPR2 findings in relation to each of the issues covered in the intervention logic of DFID's PPA-related Theory of Change.

### *VSO's programme-related evidence*

In 2012, both the SGA logframe and the data that fed into this logframe were weak, and VSO had only just started to develop its M&E capacity. Then, in the past two years, VSO has invested heavily in its M&E function.

Among the results are an SGA logframe that is much stronger than the 2012 version had been, and the introduction of a data protocol that improved VSO's data quality (and that vastly reduced the number of reported beneficiaries.) This data protocol is supported by an internal data quality assurance system and an external data verification system, both of which require further development. The organisation is increasingly utilising its data to strengthen programme delivery, and its internal and external evaluations are no longer limited to, or exclusively inspired by, donor requirements.

Building on this progress, organisation-wide consultations could further strengthen VSO's data protocol, and VSO could more systematically utilise the insights provided by better data and evaluation findings. When planning for future evaluations, VSO could usefully prioritise post-closure evaluations ('what results are still visible five years after a programme ended?') and long term evaluations ('what have been the lasting results of 50 years of work with this ministry?'). Such evaluations, more than the standard mid-term and end-of-project evaluations, would enable VSO to identify the types of VSO work that 'work best.'



## *Accountability*

At the time of the IPR1, large parts of VSO's reporting to DFID were vague, incorrect, unverifiable, exaggerated or misleading. Since the 2012-13 annual SGA report, this is no longer the case. DFID acknowledges this: "The [2012-13] report is more relevant, logical, focussed and gives a better picture of what VSO is doing and where. It is also easier to read, more technical and is overall a more professional report than that submitted last year."

Internal accountability has improved as well. Specifically:

- It has become easier for functions to be accountable, as it is clearer what these functions are accountable *for*.
- Strengthened data facilitate the verification of accountabilities, and such verification is happening more regularly.

In the coming period, VSO should prioritise its accountability towards the people and communities that VSO seeks to support and empower, so that:

- Focus communities and people know their rights and entitlements, have access to relevant information, and participate in decisions that affect them. Currently, this is not consistently the case.
- Focus communities and people have access to safe and responsive complaint mechanisms. I have not seen evidence that this is currently the case in any of VSO's programmes.

## *Value for money*

The IPR1 report stated that "VSO's performance [in the field of Value for Money] is inconsistent, and not systematically monitored and documented." This has improved. In the course of this assessment, I have come across achievements in each of the 4Es. Specifically:

**Economy.** By far the biggest gain has been the move of VSO's Head Office from London to much more affordable premises in Kingston.

**Efficiency.** VSO's biggest gain has been VSO's closure of a number of offices, as a few substantial country programmes are likely to be more efficient than a large number of smaller country programmes. However:

- As a percentage of overall income, the 2010 and 2014 salary costs are roughly the same. This is unexpected and probably unnecessary, considering the various efficiency gains. It is also at odds with VSO's stated aim of working towards reducing the salary costs as a percentage of overall income.
- VSO would benefit from a formalisation and streamlining of a range of internal processes.

**Effectiveness.** During three brief country visits I have seen work that has been successful and inspiring; work that does not appear to be achieving anything at all; and work that is somewhere in the middle. At the moment, VSO has no evidence-based insight in the distribution of its programmes across this effectiveness spectrum.

The incomplete evidence I have gathered during the IPR1 and IPR2 processes suggests that VSO performs particularly well in areas where:

- VSO utilises its international volunteers to introduce country-level innovations that are strongly aligned with the interests of key decision-makers; provided that
- these innovations cannot be sabotaged by those with conflicting agendas; and that

- these innovations solve problems that are obvious and immediate, in ways that simplify or enrich rather than complicate the lives of the people who need to use the solution.

**Equity.** Some of VSO's work focuses explicitly and deliberately on the priorities of the most disadvantaged people and communities, but this does not (yet) happen consistently across all programmes. As a first step towards a more equity-focused programme portfolio, VSO should assess and be explicit about the equity implications of its programme choices. Currently, VSO does not systematically conduct this type of analysis.

### *Sustainability*

Achieving sustainability is core to the philosophy of VSO, and volunteers go quite out of their way to maximise the potential for sustainability of results. And it is possible, too, as is illustrated by the incorporation of an HIV function within the staff structure of the Malawi Prisons System and today's teacher payment method in Cambodia.

Still, evidence that confirms the sustainability of VSO's impact is largely anecdotal. This is partly because not all work *has* sustainable impact (or at least partners I interviewed were rarely able to identify sustained improvements that previous volunteers had effected) and partly because VSO has never yet truly *assessed* the sustainability of the impact of its work.

### *Partnerships*

VSO's approach to partnerships has changed in the course of the past decade. Seasoned volunteers and longstanding counterparts both see a strengthened sense of purpose to VSO deployments, and a better use of networks. In the best cases, this sense of purpose gives VSO credibility and influence, and enables the organisation to engage with stakeholders from the districts to the highest levels of national authority.

However, there is a countertrend as well. VSO's change trajectories and increasing reliance on restricted programme funding mean that VSO country offices face heavier and more diverse pressures than they have faced in the past. First, the sheer number of voices has increased. There used to be a partner and a head office. Now, there are also increasingly vocal host governments, regional offices, and a multitude of donor agencies. Second, the work is subject to guidance documents and manuals that are no longer easy to ignore. As a consequence, partnerships in general and the monitoring of volunteer placements in particular receive less attention than they have received in the past. In some countries, partners have very little contact with VSO, beyond the individual volunteers who have been placed with these partners.

In the next phase, VSO should shift its focus back to its relations with volunteers and partners. Minimum monitoring tools such as placement reviews after three months and biannual partner visits should never be skipped. These tools can make or break volunteer placements, which continue to be the fundamental building blocks of VSO's programmes and overall performance.

### *Learning*

The IPR1 report noted that: "VSO has [...] all the usual learning tools and systems such as staff surveys, appraisal processes [...], some sector benchmarking, learning retreats and training. In addition, intensive learning underpinned a change programme that was fuelled by research, pro bono corporate support and new people with new fields of expertise and ideas." These observations still apply.

In addition, VSO has invested in a few new learning initiatives. The most prominent of these initiatives is the very participatory 'People First Programme Architecture' (PFPA). This initiative has achieved remarkable results:

- Within VSO Africa in particular (where the first PFPA workshops have taken place), PFPA has created a broad awareness of and consensus on VSO's direction of travel. I had seen no such awareness and consensus during the IPR1.
- PFPA links in with both VSO's fundraising (through the identification of flagship focus areas) and M&E functions, and has given direction to both.
- PFPA addresses two key organisational weaknesses which are that, traditionally:
  - Volunteers and local staff have considerable freedom to design their work but few opportunities to contribute to and benefit from organisational learning; and
  - VSO guidance has often been produced centrally, with limited local involvement in the development process and few grassroots-level incentives to actually utilise this guidance. Such centrally-produced guidance has often been ignored.

### *Innovation*

VSO's key asset may well be its ability to bring new and helpful ideas to countries, and show their usefulness. I have come across several examples of a partner's uptake of such innovative ideas.

VSO's most impressive innovations amount to 'development shortcuts.' Such shortcuts do not *overcome* but, to an extent, *bypass* multiple and mutually reinforcing constraints. VSO's tablet-based learning programme in Malawi's primary education is a good example of this. This programme has the potential of making a positive difference, even in schools that suffer from large class sizes, low teacher motivation and abilities, non-interactive teaching approaches, an inability to work productively with diverse learning abilities, and all sorts of other challenges that many schools around the world are struggling with. In essence, teacher competency will never be *irrelevant*, but tablet-based learning is *less* dependent on competent teachers than traditional school-based forms of learning.

As VSO is too small to bring useful innovation to scale by itself, its ability to innovate is most powerful if VSO is able to inspire other stakeholders to replicate and scale up VSO's innovative practices. I have not come across examples where this has happened. However, I *have* seen a growing awareness of VSO's potential as an innovator, and of efforts to increase the visibility of VSO's work through conferences, publications and a range of other mediums. Such initiatives are not new, within VSO, but they are increasingly *encouraged* rather than *permitted*. When it is time to conduct the final Independent Progress Review, it will be clear whether this enhanced visibility leads to replication of VSO's innovative practices.

### *The role of SGA funding*

For VSO, the SGA grant continues to be crucially important. This funding is being used to cover a broad range of costs (e.g. overhead costs, change trajectories, new functions such as fundraising and M&E, programme costs and pilots). Throughout the past decades, VSO's very existence depended on DFID's unrestricted contributions. This may no longer be the case, but without SGA VSO would certainly look very different and be very much smaller.