Increasing the effectiveness of multi-stakeholder initiatives through active collaboration
Important not to just dance to the tune of Washington, must meet the needs of the average man on the street.
Increasing the effectiveness of multi-stakeholder initiatives through active collaboration was held from April 28 to 30, 2014 at Wilton Park, an international forum for strategic dialogue. The meeting was convened to bring together multi-stakeholder initiatives (MSIs) in a forum where practitioners could creatively challenge the barriers to their organisations’ impact and share ideas in a safe space.

The conference was organised by Wilton Park in partnership with the World Bank and Reos Partners, and with the support of the Transparency and Accountability Initiative and the Hewlett Foundation. The meeting was facilitated by Reos Partners. It brought together stakeholders from civil society, business, government and the facilitation community from 16 countries. To encourage open discussion and full engagement, the meeting followed the Wilton Park Protocol of having non-attributable, non-affiliated discussions amongst peers.

The dialogue was designed to be participant-directed, based on the recognition that the knowledge and energy needed for collective action reside with the individual participants. The initial objectives of the meeting were:

- To connect to and learn from other multi-stakeholder initiatives
- To build a common understanding of the landscape and the impact such initiatives are having
- To share effective processes and tools for increasing the impact of multi-stakeholder initiatives
- To identify opportunities for leveraging and building upon the existing portfolio of initiatives and supporting practitioners to deepen their work

In support of these objectives, the meeting followed an interactive format mixing plenary sessions for explanation and context, and small working group break-out sessions for analysis and action plan generation. The working groups formed organically, in response to participant identification of challenges and opportunities.
Key take-aways and consensus points from the meeting were:

- While MSIs have become increasingly popular, it does not mean that they are necessarily the better way to govern. MSIs are, to an extent, an expression of crisis: they are born from the reality that existing models are not sufficient to meet the challenge. However, MSIs can be effective and for complex large-scale problems; they may well be the best hope of identifying and supporting lasting solutions. Experience of MSIs to date suggests that leadership, entrepreneurship and adaptability are all critical to lasting success.

- To date, there has been no common platform for the secretariats (or funders) of MSIs to share learnings, consider common elements of success and failure, or pinpoint areas of research or services from which they might collectively benefit. Those in the trenches of running MSIs often feel isolated even though MSIs tend to face a similar set of obstacles, such as a lack of capacity among members, global-local tensions, the struggle to evolve governance structures, or demonstrating impact and value to citizens. One conclusion of the meeting was that MSIs could benefit from a joint platform or community of practice to share learning and insights around these challenges.

- Facilitation is key to any successful MSI. MSIs deal with power dynamics and conflicts and have to integrate diverse perspectives and motivations. Good facilitation can help with these dynamics. A good facilitator brings a group of diverse people into a space where they feel able and willing to listen, to create and to innovate together. Capturing and codifying facilitation methodologies and tools for MSIs could be a first step to enhance facilitation of MSIs.

- For MSIs to be meaningful contributors to change, MSI approaches and processes need to be analyzed, especially to understand how they fit within a broader governance ecosystem. MSIs entail opportunity costs as their processes may substitute for other avenues of pursuing change, such as efforts to mobilize democratizing citizens’ movements or to create broader coalitions of pro-reform actors across multiple scales of governance. The point is to urge more critical thinking about the role of MSIs in contributing to democratic governance. Systematic, politically-informed analysis will help all to understand the role of MSIs better, how to best leverage them, and what additional approaches might be necessary to achieve meaningful and sustainable impacts.

At the end of the meeting participants committed to collaborative actions to leverage MSIs more effectively. These included developing an MSI “starter kit”; strengthening local facilitation capacity in selected countries; producing webinars and joint learning activities; determining how best to measure impact; and increased sharing of information and knowledge. After the meeting, participants continued to work together to advance these leverage points. Participants also agreed that they would like to re-convene this group. Options and proposals for the establishment and coordination of a community of practice for MSI practitioners are now being developed.
# TABLE OF CONTENTS

1. **INTRODUCTION** .......................................................................................................................... 1
   1.1 Background ................................................................................................................................. 1
   1.2 Process of the Meeting ............................................................................................................... 2
   1.3 Report Structure ....................................................................................................................... 2

2. **MEETING REPORT** ...................................................................................................................... 3
   2.1 Opening Discussions ................................................................................................................. 3
       COALITIONS FOR CHANGE ........................................................................................................ 4
   2.2 Significant challenges to effectiveness and impact of an MSI ............................................. 5
   2.3 Blocks to resolving challenges and key observations from the session ......................... 8
   2.4 Prioritization of challenges ..................................................................................................... 9
   2.5 Offers and needs session ......................................................................................................... 13
   2.6 Key leverage points to support more effective and impactful MSIs .................................. 13

3. **CONCLUSIONS** ......................................................................................................................... 17

4. **APPENDICES** .............................................................................................................................. 19
   4.1 Appendix 1- Key Challenges .................................................................................................... 19
   4.2 Appendix 2- Offers and Needs .................................................................................................. 20
   4.3 Appendix 3- Are MSIs the right approach? ............................................................................. 21
1. INTRODUCTION AND CONTEXT

1.1 BACKGROUND

Over the past decade there has been a proliferation of multi-stakeholder initiatives that bring together diverse actors from the public, private and civil society sectors to solve pressing governance challenges, such as enhancing transparency and improving accountability for better and more sustainable development outcomes. The Extractive Industries Transparency Initiative, the Construction Sector Transparency Initiative, the Open Government Partnership, and the Open Contracting Partnership are just a few examples of MSIs that aim to solve governance problems through collective action. They build on a longer history of initiatives focused on particular social and environmental concerns, ranging from fair trade to sustainable sourcing of products.

What are the factors that can enhance their effectiveness? This was the underlying question that brought together over forty leaders and participants in MSIs from around the world to the UK at the end of April 2014. Participants represented secretariat staff, public, private and civil society representatives as well as in-country practitioners from leading MSIs and experts in multi-stakeholder process management.

The meeting was convened by Wilton Park, the World Bank, and Reos Partners, with support of the UK Government, Transparency and Accountability Initiative, and Hewlett Foundation.

Over 40 MSI experts were brought together,

Multi-stakeholder initiatives are generally established to form and adopt new norms for their respective sectors. Whilst broad, they have several key functions: to act as a space for dialogue, to set and diffuse norms, to implement and monitor rules, and to support capacity building within their sector.

There is real benefit in continued cross learning to support the evolution of MSIs. There are now many examples of matured and sophisticated MSIs from which participants are able to learn. Many MSIs can provide insight into what achieves traction and what doesn’t. By sharing experiences and learning from more advanced initiatives, participants were encouraged to think creatively about how best to shape and develop initiatives through their lifespan.
1.2 PROCESS OF THE MEETING

Given the complex nature of MSI governance and collaboration, and the range of stakeholders involved in and affected by the structures created when developing a multi-stakeholder initiative, a different type of meeting was necessary. The World Bank Institute and Reos Partners therefore designed a participatory, open and action-oriented dialogue that could spark substantive collaboration and innovation among participants. The majority of group discussions were participant-led and took place in small, self-determined break out groups. Over the 48 hours of the dialogue, using the technique of ‘diverging, emerging and converging’ facilitation, participants examined common and discrete barriers to the effectiveness and impact of MSIs and how collaboration across organisations could foster better outcomes within. Participants initially identified the internal and external challenges their organisations faced, grouped them into thematic categories and attributed specific needs in each area, which were then matched with offers of assistance from other group members. Finally, ‘leverage points’ of influence to change the challenges were articulated and again, offers of action and assistance were attached to each area of need in order to build an ongoing and living community of practice.

1.3 REPORT STRUCTURE

This report is structured around the process of the dialogue. It demonstrates the iterative facilitation process of diverging, emerging and converging discussion, leading to concrete and mutually agreed actions that could deliver improvements in the effectiveness and impact of MSIs, starting with the participant-generated content around internal and external barriers to effectiveness, prioritisation and deeper dives into the challenges, needs and offers linked to the challenges and finally identification of the leverage points most likely to remove or reduce the barriers to effective MSI engagement. Finally, it highlights the action points and practical offers made by participants to take the process of leverage forward over the coming six to twelve months. It includes direct quotes from participants to help reflect the discussions.
2. MEETING REPORT

2.1 OPENING DISCUSSIONS

The meeting began with an introduction by Reos Partners, sharing their approach to developing high-impact multi-stakeholder initiatives focused on addressing complex social issues to provide a common frame of reference.

The core idea of the approach is that fostering collective innovation, using collaborative and creative approaches, is one of the most powerful ways to address complex problems. Much of the opportunity for innovation and problem solving comes from the potential of re-combining already existing ideas. The core task of any multi-sectoral initiative is to work across traditional boundaries — to foster, connect and nurture these new combinations of resources, ideas and people. This is done through the seamless integration of the following:

- a. Developing a robust container for the “re-combination” to happen and for the innovations to mature beyond the initial stage. Within such a container conflicting and divergent views can be productively used to enable deeper understandings of the system.

- b. Supporting stakeholders in having new experiences and in creating a shared view of the challenges and opportunities of the system they are trying to shift.

- c. Building new sets of capacities within each of the participants that allows them to work and collaborate across the traditional sectoral divides.

- d. Encouraging a creative and entrepreneurial approach to be taken when dealing with complex and overwhelming challenges and to use rapid cycles of action and reflection to learn by doing.

“Having a seat doesn’t necessarily equal influence or legitimate representation.”
The group was committed to removing obstacles to frank, honest and constructive discussion, and everyone participated actively in the “inviting play” section of the workshop, where they learned how to break down hierarchies and understand that suspending judgement of a methodical, “birds-eye to microscope” approach to unravelling the challenges faced would yield the most productive results, regardless of their own personal views on the process. The use of space in the physical sense was very important throughout the meeting—utilising the gardens, parkland and internal spaces, as well as working creatively with the main conference room to foster collaboration amongst the ensemble in order to encourage them to consider how best to take the spirit of collaboration back to their respective organisations.
2.2 SIGNIFICANT CHALLENGES TO EFFECTIVENESS AND IMPACT OF AN MSI

Participants were asked to brainstorm as many barriers to impact and effectiveness as they could – both external and internal to MSIs. The challenges that emerged were then grouped together by the participants under the following thematic headings:

• **SAFE SPACE FOR CIVIL SOCIETY:** The existence of MSIs may change the way that civil society working outside of the MSI framework is treated by the government, whom in many situations already control what the authorising environment looks like. Members of civil society may initially be enthused by the involvement of MSIs but once this excitement has worn off it can be a challenge to keep people at the table. This challenge is enhanced by the anxiety caused by working, acting and being in the ‘emerging space’ (e.g. decisions around divisions of roles and power).

• **MULTIPLE ROLES:** MSIs have multiple contexts (divergent, emergent and convergent) and they may desire to be both transformative and mainstream at the same time. All of this needs to be achieved whilst retaining integrity and MSIs need to recognise that there are risks of being portrayed as ‘sell-outs’ simply for participating. It is necessary for the secretariat to retain the ability to critique the work of their MSI whilst continuing to make progress and actively partaking in issues.

• **GLOBAL / LOCAL TENSION:** It is challenging to meet the expectations of ‘Washington’/Western donors whilst also fulfilling the needs appropriate to the local context. Members have a desire to set achievable standards, whilst the MSI and its beneficiaries have an interest in setting aspirational standards. It was also highlighted that creating a standard which is relevant to different contexts and countries is very challenging and perhaps not possible.

• **SUSTAINABLE FUNDING:** Ensuring consistent and sustainable funding is a constant challenge as donor support is often fragile and MSIs need to make sure that they are not overly dependent on one source of funding. A tension exists between the need for membership fees and setting and enforcing standards.

• **LACK OF CAPACITY:** Local secretariats may have limited capacity or be unreliable, and capacity may vary dramatically across stakeholders. In cases where local capacity is capable it may face multiple demands from multiple MSIs, which stretch the organization’s limited resources and risk engendering MSI fatigue. It is often difficult for individuals working within MSIs to find the time to read, learn and listen as they are stretched to full capacity.

• **MOVING TOGETHER:** Bringing stakeholders together can be extremely difficult as the starting point is often one of conflict and complexity and existing power imbalances enhance challenges. In the case of MSIs working across regions, there may be competition among different countries, due to various countries having a desire to be the leader in the region;
language and transaction costs; cultural and organisational differences between and among stakeholders (including the timescales they work to); and a difficulty in building a common understanding across actors (e.g. what is meant by implementation?). In addition to having a dependence on political will, MSIs have to judge whether or not consensus is appropriate and acknowledge that it is hard to find shared priorities between constituencies.

- **EVOLUTION WITHIN:** It is difficult to predict how MSIs should best evolve as circumstances are continuously changing, and “mission creep” can occur, moving the finish line further away. Therefore, MSIs need to look to the future and consider how they may be criticised in retrospect and utilise this long term perspective to ensure continuous improvement. MSIs need to be pragmatic, looking for solutions and compromise rather than being norm-driven and need to be able to scale up in a manageable way.

- **COMPLEMENTARY VS. COMPETITIVE:** There is a certain amount of overlap between the work some MSIs do and this needs to be addressed to ensure that MSI practitioners work together rather than competing unnecessarily.

- **DATA AS LEVERAGE:** Management systems can be very poor, which can make obtaining information and getting it into one place very challenging. MSIs need to identify how to use data strategically and effectively: what information should be disclosed; and how best to provide access to data (is the right language being used? Is the information available online?). There is also an issue regarding the countries they work in as different countries impose and enforce different data protection rules.

- **VALUE TO CITIZENS:** Challenge of ensuring that MSI actions are relevant to citizens, who may struggle to see the purpose of MSIs and therefore become uninterested. MSIs need to ensure that they link supply and demand and act to inform citizens about the respective roles of civil society and government.

- **IDENTIFYING INCENTIVES:** A diversity of incentives and objectives exists, and in order to be credible MSIs need to make an effective business case to reduce the ‘filler’ in action plans. Initiatives need to be meaningful, and although this does not necessarily mean that the initiative has to be the end result, it needs to be a means to an end. Public pressure may act as a powerful incentive and appropriate incentives are required in order to drive engagement and attract new participants.

- **DEMONSTRATING IMPACT:** Successfully identifying impact is very difficult and requires setting solid parameters at the outset. The problem needs to be defined through gap analysis and risk assessment, including mitigation strategies. Throughout the process, MSIs need to continually ask if they are investing enough in the evidence base and remember to think about how to retain legitimacy if/when the external environment changes. Changes in
government may lead to changed priorities which in extreme cases may prevent access to funding or result in MSIs being harassed. MSIs need to ensure that they demonstrate their benefit to the general public and governments, and how to do so is something which needs to be determined as it will assist in MSIs demonstrating their purpose to benefactors.

- **CONTINUITY OF PARTICIPATION:** Many MSIs suffer from the issue of representatives in companies, governments and civil society changing and this undermining the continuity of stakeholder support. They may also suffer from a turnover of staff themselves, which can result in a loss of institutional memory in relation to the original drivers for the MSI’s formation.

- **ENGAGING THE PRIVATE SECTOR:** There are benefits to mobilising the private sector and the potential risks involved can usually be overcome through transparency. However, the private sector may be concerned about alienating governments and consequentially be reluctant to take part in MSIs. It is necessary to stop talking about mandatory versus voluntary standards. Voluntary standards do not prevent laws being developed, e.g. although there is mandatory disclosure in the U.S. it is ultimately voluntary as some companies can choose not to be listed on the Stock Exchange.
2.3 BLOCKS TO RESOLVING CHALLENGES AND KEY OBSERVATIONS FROM THE SESSION

Participants were asked which were the most commonly and readily identified blocks to resolving the challenges they had agreed upon and determined that it was necessary to let go of stereotypes and to carry out more actual action rather than just discussing issues. It was acknowledged that a major block to resolution was that actions and decisions are usually urgent, which leaves little time for reflection, making prioritisation difficult and overwhelming even the most capable. Stakeholders will often have their own agendas which are difficult to reflect when MSIs need to go beyond consensus points whilst maintaining positive relationships. Whilst old institutions may no longer work, it should be recognised that MSIs themselves may become institutions and no longer have relevance. MSIs are ultimately made up of individuals who may hold back from sharing their full opinion out of fears that what they want to say may be career limiting.

Participants also made a number of observations with regard to this session: it was very difficult to distinguish between internal and external challenges as they overlap; there is a need to close the space that exists between different types of stakeholders; summing up MSIs is challenging due to their diverse nature; competition exists for resources and political attention; scepticism over the effectiveness of MSIs is gaining momentum; and, it is unclear as to where MSIs will be in the immediate future.

“Can MSIs help people vote with their feet/rise up?”
2.4 PRIORITIZATION OF CHALLENGES

Participants were asked to identify which of the challenges they felt had most resonance and significance for their own work, grouped themselves accordingly and discarded the challenges that were not felt to be priorities. Participants prioritized the following challenges:

• **PROTECTING CIVIL SOCIETY AND CIVIL PARTICIPATION:** Without the involvement of citizens, the theory of change breaks down. However it is difficult to identify who the affected community is. MSIs need to consider if the community can have one voice; if selected community representatives are enough; and what can be done with issues of power imbalance/financial constraints. It is also necessary to acknowledge that government fatigue is not the only issue for MSIs, but community fatigue can also occur. MSIs need to take into consideration, how much civic space is enough. As the ability to assemble/protest/challenge is becoming increasingly restricted, should MSIs allow governments to become members? In some circumstances, governments have assumed that joining one MSI means automatic entitlement to join others, and they may try to ‘game’ between MSIs in order to make sure they get maximum benefit and control.

A perception exists that engagement is time-consuming, costly and complex. However, if it has not been done before there will not be any inspiring success stories yet. Collaboration is an iterative process involving learning by doing, and can be helpful in silo-busting as it brings together people who may not communicate otherwise.

Participation should be about co-creating the future, which requires authentic neutrality. It can be difficult for stakeholders to stay loyal to their organisations, but at the same time tailor messages appropriately for different audiences. What is viewed as important can rest on the particular roles that the representatives hold.

• **VALUE TO CITIZENS:** MSIs need to ensure that the norms are relevant to the context of the country they are working in. Do the norms of northern countries always fit the developing country context? How do transparency, governance and accountability get transferred to the local level?

It is necessary to be aware that demonstrating value to citizens can take time, and few mechanisms exist to get feedback from citizens or to help them become actively involved, making it difficult to determine the value of actions to citizens. It is necessary for MSIs to be aware that showing benefits can be difficult - it is often difficult to demonstrate value because of the timescales involved in bringing projects to fruition - and that as technical problems require technical solutions they can be difficult to explain.

• **CAPACITY / RESOURCES / SKILLS:** How an MSI chooses to structure itself poses questions of neutrality and ownership. MSIs need to determine where to use existing structures and where to develop new structures. It is necessary to consider their legitimacy to act. In many countries there are very few ‘capable’ non-governmental organisations; therefore those that are capable may become overwhelmed with requests for assistance.
Coalition ownership of initiatives can generate real traction if a process can be set up and worked through effectively. However, initiatives and organisations may compete with one another. For example, an MSI which has made a contribution to a positive outcome may try to own it completely.

Another issue may be that private sector people may be in the wrong roles and consequently will have a lack of understanding about what skills are required.

• **POLITICAL ECONOMY:** The political value of the MSI is important; it cannot be assumed that the MSI model will cope with any political economy. Whether or not MSIs can influence power relations is an important factor to consider and there is a political economy element in civil society.

It is important to be aware that everything MSIs do is political - should they engage in the political process or pull away? As the work of MSIs is inherently political, they may need to hide this element from donors so as to prevent them from being hesitant in getting involved. Carrying out a certain amount of self-censorship in the same manner as the private sector might if they are worried that they might prejudice themselves in a government tendering process.

It is a false assumption to think that the political economy can be ignored, especially in a situation with deliverables. MSIs often to do not have the political economy skills necessary in order to accurately analyse and act, as MSIs funding or programmes often do not incorporate funding or expertise around political economy (although funding allocated for something else may be used). MSIs designed in recognition of political economy constraints often will highlight exactly why an MSI approach is needed. For example, the UK’s Gangmasters Licensing Authority is an example of an MSI which was set up to address a failure of government to develop a solution.

Governments may view the MSI as a threat, especially if foreign, with some suggesting that they are “neo colonialist”. For example, the South African government refused to join EITI. This demonstrates the risk of MSIs becoming political footballs.

• **SUSTAINABLE FUNDING / DONOR RELATIONS:** Donors can change the priorities given to issues by the way they allocate their resources, meaning that an important issue may not be addressed in order to fulfil donor requirements and ensure sustainable funding. Sometimes foreign funding may be prohibited for advocacy/political work out of a fear that ‘foreigners’ will influence political development. Organisations’ cultures, accountability chains and systems can clash – all factors that can undermine donor relations.
• **DEMONSTRATING IMPACT:** You need to know what success looks like before you can measure it, but success can be difficult to identify in the early stage. MSIs need to be able to determine where to set the goal posts; perfunctory auditing is not sufficient. For example Rana Plaza, which is a factory in Bangladesh used by suppliers with certifications, was audited just before it collapsed in April 2013.

Very few mechanisms exist to enforce and measure the standards set by MSIs which do not risk limiting the reach of the organisation. However, the OGP has had some success in effectively demonstrating its impact, as its development occurred in a structured manner. Action Plans were translated into commitments which were backed up by clear accountability chains (e.g., self-assessment reports, independent reports and civil society reports).

Challenges to measurement are linked to the range of tools available, and evaluating if an intervention has worked can be difficult especially when the outcomes are qualitative. MSIs may be solving problems which are not measurable in which case demonstrating impact may not be possible.

Does this mean that MSIs should change their approach? Should programmes be structured in a way that produces correctly structured data? Is there a need to focus on ultimate impact or on intermediary steps? Ends versus means?

• **DATA AS LEVERAGE:** There are intrinsic challenges with encouraging local organisations to collate data and with helping those organisations to understand the implications of the data and where it fits in the bigger picture. There can be a lack of budget allocation for data collection and, in situations where data is supplied but not used, it can lead to reluctance to provide data again. There may be cultural fears around supplying data because of anecdotal stories.

Yet data can be critical to success if harnessed well. Data and accountability are likely to be key themes of the Post-2015 Development Agenda.

How reports are designed needs to be informed by the way in which data is going to be used; data may not only be used for reports. For example, a lot of data is required in order to design Monitoring and Evaluation (M&E) processes.

As data capture is typically not standardised, getting information and education to flow between different MSIs can be challenging. Inter-operability which allows the performance of different MSIs to be linked needs to occur and will help inform thinking about wider reforms. However, it is hard to retrofit data requirements, as EITI found; it is better to build them upfront.
• **Involving the Voice of Communities:** As the community is the key stakeholder, involving them brings credibility and MSIs need to determine who the community they are representing actually is: just the individuals who benefit, or other citizens or countries as well.

MSIs cannot presume to act on behalf of citizens without asking them; however it can be difficult to identify the affected communities and language barriers may exist, limiting understanding. Whilst local communities reflect local needs, the underlying issues are international. It is also necessary for MSIs to be aware that the group can be dominated by a small range of voices who do not truly represent the community.

• **Identifying Incentives:** Incentives are important because MSIs are often all about making organisations sign up to extra obligations. It is often easier for governments and companies to avoid the scrutiny that MSI membership entails.

Fundamental agreement that a problem exists needs to be present and that a sustainable solution can be found, which becomes harder if a ‘burning platform’ does not exist to generate urgency (media coverage may or may not act as an incentive).

If an MSI cannot talk about incentives it loses potential members (companies and countries). Incentives may be commercial, reputational, political (pre-election or post-scamandal), aid-related, or designed to increase expertise. However, the most important incentives will be determined by the stakeholders as different actors/MSI sectors have different incentives. It is relatively easy to define the incentives of donors and civil society, but it can be harder for others. An important incentive for some stakeholders may be greater communication with competitors, getting to know their inside track. Government incentives may centre on better expenditure/management. Governments need particularly strong incentives because they may need to implement legislation or a regulatory process if they are required. For this reason, it can be good to speak to governments at times of political transition, after an economic crisis or immediately after a corruption scandal.

**ARE MSIs THE RIGHT APPROACH?:** What would be, in an ideal world, the way to go about conceiving, creating, developing, scaling, governing and even potentially dismantling an MSI? There are different definitions of what an MSI is, although to some degree MSIs tend to mimic each other – they may be part of the solution, but not the whole solution. In fact we could be retrofitting the wrong solution onto the problem! MSIs should not be governance of last resort - it is important to exhaust other options before resorting to an MSI. MSIs are suited to problems which are complex, involving big picture issues such as changing societal context, rather than technical problems which often have solutions.¹

¹ See Appendix 3
2.5 OFFERS AND NEEDS SESSION

Participants were asked to think of their personal needs as a member of an MSI and any offers they were able to make to help other participants at the conference. Offers and needs were matched and small groups formed to identify the needs and crystallise how the offers would meet those needs.²

2.6 KEY LEVERAGE POINTS TO SUPPORT MORE EFFECTIVE AND IMPACTFUL MSIS

Focusing on the challenges identified and prioritised in the deeper dive, participants identified several high payoff intervention points that might lead to significant progress in demonstrating effectiveness and impact of a multi-stakeholder initiative. The group was divided into smaller sets and was asked to think of three key leverage points – areas of change/least resistance/most gain for least effort – around the priority challenges. In their smaller groups, they were asked to develop a name for each leverage point, assess how working on the leverage point could progress an individual MSI or the wider ensemble to increase impact and identify the key activities, milestones and actors needed to move the leverage forward. Finally, participants were asked to volunteer their expertise – if they were willing and committed – to work on specific actions within a specific timeframe. The leverage points identified were as follows:³

- **BUILDING / CAPTURING EFFECTIVE METHODOLOGIES AND EXPERIENCE:**
  There is a lack of good practice between MSI practitioners despite there being lots of experience, because the community is often time-poor. Codification is important and the following aspects need to be codified:

  - Which governance structures work for MSIs?
  - What are the incentives for governments and corporations to join?
  - How can achievement be ensured?
  - How can local civil society organisations and communities influence the agenda?

  The three main users of these codifications would be governments, corporations and civil society and they would be provided through: written materials; video libraries (cross-cultural experiences and anecdotes); training; experts giving monthly talks; events; original research.

- **MAKING THE CASE (RESEARCH AND CASE STUDIES):** A better understanding of the relationship between MSIs and national governments is needed, where do MSIs fit into the international architecture? In what conditions do MSIs emerge and flourish? What is the

---

² Further details of this session can be found in Appendix 2
³ There are a number of appendices which have detailed information on this session
nature of downward accountability towards citizens? Or has downward accountability been replaced by upward accountability to donors?

Research is needed to deepen understanding of the lifecycle of MSIs: are they achieving what they set out to do? Do MSIs operate effectively within the global and political economy processes? Under what conditions do they emerge? Do MSIs weaken national institutions? Is there a risk of undermining fledgling national initiatives?

It was emphasised that case studies about countries that are saturated with MSIs would be particularly helpful and that one of the benefits of case studies/interviewing people is that you are indirectly enrolling them, automatically building their interest in what you are doing. You are tapping into a deeper level of commitment. If individuals have the same personal and professional personas it should be easy to engage them on issues which are clearly important, e.g. around health or education.

• **EVIDENCE-BASED RESULTS AND IMPACT:** It is necessary to be aware that MSIs may resist assessment of their impact out of concern over the implications of it for their funding; however mature MSIs need to consider ongoing impact and commit to independent impact assessments. In order to do this more effectively, the terminology needs to be defined and best practice needs to be documented.

Also, it is important to acknowledge that media references to impact might not be evidence-based.

• **GLOBAL ADVOCACY; WORKING WITH POWER AND POLITICS:** There is a need to understand the environment in which you work. The work needs to be done locally as locals have the knowledge that is needed, and they are the ones who must live with the consequences. Solutions should not be imported. MSIs need to carry out due diligence on contributors and resources (locally embedded staff). Local knowledge needs be used to prevent unsuitable people being involved with the MSIs.

Whilst ganging up on the private sector may be fashionable, governments are often to blame. It is important to let go of assumptions in relation to the private sector. A much better approach is to leverage the relative strengths of the diverse range of stakeholders.

• **GREATER UNDERSTANDING OF INCENTIVES:** MSIs need to have a better understanding of the incentives that are needed. South Africa has lots of transparency because it was necessary to help assure the white minority business people that the economy would not be ruined when there was a change in power. This is a good example of a hidden incentive.
Countries may wish to be leader in their regions, which is an example of an incentive. For example, Ghana is in the process of joining the Voluntary principles on Security and Human Rights.

Incentives vary between the original implementers and later supporters who are more likely to be commercially driven.

- **COLLABORATION FOR NATIONAL IMPACT AND GLOBAL INFLUENCE:** It may be helpful to cross leverage MSIs, linking up in common areas in order to have an international impact. For example the cross cutting issue of open contracting. However, for this to happen there needs to be greater awareness within the community. Momentum needs to be generated and norms need to develop.

It may be helpful to identify government champions but MSIs must take Political Economy into consideration, including whether the country is in transition or whether there is a willing government.

There is a need to identify the people who want to be coordinators, and map initiatives, activities and actors. It was noted that other MSIs could take the approach of Making All Voices Count by incentivising local feedback to government using innovative tools and processes – which gives government the opportunity to respond to clear information.

- **PROCESS FACILITATION:** Improved processes should increase performance. A process is not a one-off event; it is a continuous chain. A good process is one which creates space where participants can speak freely, and which constructively manages failure. There must be experimentation, but this requires permission to fail as well as to succeed, and recognition that failure can also be a process of learning (although this can be particularly difficult for governments if the perception is that taxpayers’ money has been wasted).

Use of skilled facilitation techniques can create trust and cohesion which will improve the chances of successful processes, as will creating an MSI which is perceived to be neutral, separating content from process so that participants can freely express themselves and feel safe.

MSIs and their stakeholders need to accept that delivery may not be immediate.

- **SHARED LEARNING:** Shared learning should reduce ineffectiveness, repetition and isolation. It should increase support and collaboration. It is important to learn about failures as well as successes. Ensuring shared learning will support capacity and allow innovation to surface.
Ways to share need to be found (e.g. a wiki, online platform, webinars or peer-to-peer learning activities, or existing mechanisms like GOXI⁴).

Those who are the first adopters of national standards have a lot to offer newer candidates.

⁴ GOXI is a broader multi-stakeholder effort, currently led by the World Bank Institute and African Development Bank. The vision of GOXI is to create a collaborative space for extractive industry practitioners for learning and problem solving.
3. CONCLUSIONS

By the end of the conference, participants had confirmed the value of exchange of experience, shared learning and collaboration as essential in delivering impact and improving the effectiveness of the MSI movement more generally as well as within individual initiatives.

Key take-aways and consensus points from the meeting were:

• Just because MSIs are increasingly popular, it does not mean that they are necessarily the better way to govern. MSIs are, to an extent, an expression of crisis: they are born from the reality that existing models are not sufficient to meet the challenge. However, MSIs can be effective and for complex large-scale problems; they may well be the best hope of identifying and supporting lasting solutions. Experience of MSIs to date suggests that leadership, entrepreneurship and adaptability are among critical qualities for lasting success.

• To date, there has been no common platform for the secretariats (or funders) of MSIs to share learnings, consider common elements of success and failure, or pinpoint areas of research or services from which they might collectively benefit. Those in the trenches of running MSIs often feel isolated even though MSIs tend to face a similar set of obstacles, such as a lack of capacity among members, global-local tensions, the struggle to evolve governance structures, or demonstrating impact and value to citizens. One conclusion of the meeting was that MSIs could benefit from a joint platform or community of practice to share learning and insights around these challenges. It was agreed that experiences need to be turned into shared knowledge and used/updated by the stakeholders regularly in order to build such a community of practice.

• Facilitation is key to any successful MSI. MSIs deal with power dynamics and conflicts and have to integrate diverse perspectives. Good facilitation can help with these dynamics. A good facilitator brings a group of diverse people into a space where they feel able and willing to listen, to create and to innovate together. Capturing and codifying facilitation methodologies and tools for MSIs could be a first step to enhance facilitation of MSIs.

• For MSIs to be meaningful contributors to change, MSI approaches and processes need to be analyzed, especially to understand how they fit within a broader governance ecosystem. MSIs entail opportunity costs, as their processes may substitute for other avenues of pursuing change, such as efforts to mobilize democratizing citizens’ movements or create broader coalitions of pro-reform actors across multiple scales of governance. The point is to urge more critical thinking about the role of MSIs in contributing to democratic governance. Systematic and politically-informed analysis will help all to understand the role of MSIs better, how to best leverage them, and what additional approaches might be necessary to achieve meaningful and sustainable impacts.
Perhaps unusually, it was a consensual view that a lot could be learned from failed MSIs and a commitment to explore that was undertaken by a small working group. It was agreed that more work is necessary to uncover which governance structures work best for MSIs. It was also recognised that MSIs working in countries with weak government or a lack of democratic systems will have to reflect and respond in kind to those environments in order to have even a small impact, let alone a significant one.

There was a shared sense of commitment and enthusiasm among participants to remain engaged to continue the work began at the meeting. Participants also agreed that they would like to re-convene this group. Options and proposals for the establishment and coordination of a community of practice for MSI practitioners are now in development.

Kathryn Hingston, Alexandra Craven and Elizabeth Richards
Wilton Park | June 2014
4. APPENDICES

4.1 APPENDIX 1- KEY CHALLENGES

COLLABORATION:
Participants identified the need for MSIs to work together through building a common understanding of their ecology and landscape. It was highlighted that they could benefit from learning from each other’s best (and worst) practices. This entails utilising the learning to build upon existing best practice and to maximise the transformative achievements of MSIs; and turning experiences into shared knowledge. It was however, recognised that relationships cannot be forced and collaboration needs to develop in an organic way and evolve through time.

MEASURING IMPACT AND EFFECTIVENESS:
It was determined that in order for MSIs to understand the extent of their impact and what they are doing successfully, they need to identify where, how and why they are having the most impact. This means understanding what is meant by impact and how best to measure it (e.g., understanding what makes an initiative effective in communities). Participants highlighted that this could be done by sharing effective processes and tools for increasing impact between MSIs and using their increased understanding to learn how to make MSIs work more efficiently.

ENGAGEMENT ACROSS MULTIPLE STAKEHOLDER GROUPS:
In order to encourage engagement with MSIs between MSIs, civil society, the private sector and government it was emphasised that MSIs need to make a number of adaptations. These included: advancing the advocacy asks of civil society; bringing themselves closer to the private sector; ensuring that they provide value to donors, utilising their financial and knowledge input in order to make MSIs work better; ensuring participation at the local-level; and making sure that all stakeholders are winners. It is necessary to acknowledge that bringing governments on board can be particularly challenging, although possible with the right engagement. The Open Government Partnership, the Kimberley Process and Extractives Industry Transparency Initiative (EITI) have all been successful in this regard.

TOOLS NEEDED TO CREATE A COMMUNITY OF PRACTICE:
It was recognised that there was a need to capture and codify MSI approaches and tools, so that MSIs know what has worked and how to increase the chances of success, creating an effective community of practice. Participants discussed the issue of determining the best governance structures for MSIs, asking if a technocracy was the best approach or if an MSI’s governance structures should reflect those of its environment (e.g., an MSI working in a country with a weak government should have a loosely structured and adaptive governance structure). Other aspects discussed included:

• How to best carry out silo-busting, the occurrence of which can be limiting to an organisation’s growth

• The necessary supporting infrastructure for MSIs to carry out their operations and how to best develop this

• Building a better understanding of how to harness data as an individual organisation and as a collective, so as to compare and contrast impact and approaches
4.2 APPENDIX 2- OFFERS AND NEEDS

NEED: DEVELOPING CASE STUDIES
Offer / solution / advice: Have to identify who is going to be your hero, and remember that case studies may not be used for their original purpose.

It would be helpful for MSIs to identify commonality of their research needs. A record of the story of MSIs will be particularly important if they go out of fashion, because it will be important to ensure the same mistakes are not repeated.

In order to build case studies it was suggested that key reformers could be interviewed, spending a lot of time speaking to them and individuals at the lower levels. It is however necessary to be aware that they may be surprised when they are first contacted and may require lots of upfront information, e.g., about whether their interview is going to be tape recorded or whether they are going to be given questions in advance. The people who have lost out as a result of the initiative should also be interviewed.

Interviewing can pose ethical dilemmas, e.g. if interviews reveal that a policing strategy was effective but at the same time breached human rights.

A potential limitation is that the key people might not be prepared to speak because they maybe too scared or they may have moved on. In these circumstances a case study might not be possible.

NEED: MOBILISING AND ENGAGING CORPORATE STAKEHOLDERS
Offer / solution / advice: MSIs often go where the private sector goes.

The private sector wants solutions in areas such as how to inspire their employees. They want to build a business case, but this can be difficult or uncomfortable for NGOs.

Taking money from the private sector can lead to criticism of ‘selling out’ because of a presumption that the private sector will only give money for a tangible advantage of some type. However the private sector often gives start-up funding to MSIs, and 84 corporations cover about a third of the cost of the EITI Secretariat.

Transparency can be the answer to a lot of these criticisms. Financial caps can also be helpful and some MSIs make it clear that they can terminate relationships with private sector donors at any time.

NEED: HOW TO ACT AS AN ENSEMBLE
Offer / solution / advice: An ensemble is the opposite of a hierarchy.

Ensembles are more likely to create results than teams. Ensembles tend to be creative whereas teams tend to be driven by performance and deliverables.

It can be helpful to find exercises which force colleagues to get to know each other, e.g., by encouraging the sharing of personal information. The intention is less about getting people out of their comfort zones, and more about giving the space they need to discuss things.
4.3 APPENDIX 3- ARE MSIS THE RIGHT APPROACH?

Participants added an extra challenge – the intrinsic nature of an MSI and what would be, in an ideal world, the way to go about conceiving of, creating, developing, scaling, governing and even potentially dismantling an MSI.

• Do MSIs perpetuate their own crisis?

• There are different definitions of what is an MSI, although to some degree MSIs tend to mimic each other

• MSIs may be part of the solution, but not the whole solution. In fact we could be retrofitting the wrong solution onto the problem

• It is important to exhaust other options before resorting to an MSI

• MSI is simply a new technology, but it won’t work to its optimum level unless we get rid of old assumptions. For example, the financial crisis has put into doubt the assumption that the International Monetary Fund is the world’s leader on public financial management

• MSIs are suited to problems which are complex, involving big picture issues such as changing societal context, rather than technical problems which often have solutions. Technocrats may find participative and organic processes difficult

• Stakeholders tend to have much to gain, but also much to lose. They want to avoid failure because it would lead to wasted costs (including opportunity costs), and potentially create conflict or damage the reputation of other MSIs. For these reasons it is appropriate to promote caution

• Ideally there would be a diagnostic tool to predict whether an MSI is likely to succeed

• MSIs may not be the catch-all solution, so think twice before you go down this path

• MSIs are more likely to be forced and ineffective if civil society is seen as a nuisance, the private sector is limited and government has a strong agenda

CONDITIONS FOR MOST EFFECTIVE MSIS

• Governance gap

• Complex situation (not just a project)

• Multiple actors are required

• Need for long term continual engagement

• Absence of accepted shared norms

• Contested space
DYNAMICS AND OBJECTIVES OF MSIS

• Can be formed because of the success of another MSI, or because of a report or a crisis

• Objective is to encourage alignment, allowing entrepreneurial energy but working together

• The first step is usually the coming together of creative and entrepreneurial people, and the second step is the creation of a container which allows them to work together

• A different type of developmental vehicle, which operates using the theory of change

DESIGN OF MSIs

• There is often a lot of time in incubation

• Necessary to move into a creative space, otherwise known as ‘open space’

• Any hierarchy must be removed in order to allow commitment to action without gain, and this can be encouraged by inviting ‘play’

• It is important to let go of status, but this can pose challenges in certain cultures, e.g. where it is customary to thank the Minister for giving somebody else an opportunity to speak

• The space must not be politically charged and everybody must start with the same level of data

• Standard practice should be: reduce status; commit to action without gain; check assumptions

• Need for the MSI to always stay true to its original mandate, although elements may be added. The initial design must allow for this evolution

• Need a long-term ultimate goal, as well as the interim achievable goals which will form the journey

• Longevity is an issue. Companies also don’t want a long term commitment, and limited time frames allow NGOs to exert pressure.

• The timing of the launch or other milestones may be affected by elections

• There should be robust internal governance structures

• The design must be robust enough to deal with catastrophes
**DELIVERY OF MSIs**

- Use a structured method which is consistent and predictable
- Over time standards can grow from their original intended coverage
- Build capacity
- Learning by doing
- Build social capital across the system
- Stages in creation of an MSI
  - Understanding the context (being in touch with the base) as well as understanding the wider system
  - Need to be different from the existing or traditional inter-institutional arrangements
- Selecting stakeholders and getting them on board
  - One way of mapping stakeholders is to work out who are partners, beneficiaries and donors. Another is to measure along the two axes of interest and capacity.
  - Stakeholders can have different levels of participation, on a spectrum from just being aware through to active participation.
- High capacity and high interest are optimum.
- The best balance of representation depends on the outcomes you want achieve
- Transformation requires cognitive and rational thought generated through dialogue, and if leadership and passion are added the result is action

"Scepticism about whether MSIs are effective is gaining momentum."
If MSIs make a difference to citizens, how do we articulate this?
A good process is one which creates space for participants to speak freely and which constructively manages failure.