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Exit strategies and sustainability

Lessons for practitioners

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INTRODUCTION

This document is a compilation of blog posts on exit strategies and sustainability of civil society organisations and their work, published by INTRAC from 2014-16. The reflections are based on phases one and two of INTRAC's longitudinal evaluation of EveryChild's responsible exit process (2014-16), and an Action Learning Set on exit strategies with five UK-based organisations (2014-15). Both initiatives offered valuable insights into how international NGOs and donors approach exit. Recognising the demand in the sector for guidance on exit processes and support for sustainability after withdrawal, the authors have compiled the posts into one resource for practitioners who are planning, going through, and assessing exit.

All posts are also available online at www.intrac.org

NGO EXIT STRATEGIES: ARE PRINCIPLES FOR CLOSING PROJECTS OR ENDING PARTNERSHIPS NECESSARY?

By Rachel Hayman and Sarah Lewis

18 July 2014

Numerous non-governmental organisations (NGOs) are facing the challenge of closing projects and programmes and withdrawing from countries and partnerships. This might be driven by changing organisational priorities, strategic decisions to reduce support in middle-income countries, or funding cuts from donors. Whatever the reason, exiting from a project, programme, country, or partnership is no easy task for anyone involved.

In February 2014, INTRAC began facilitating an action learning set – a group that meets regularly with the express goal of tackling common challenges around exit strategies through supporting and learning from each other – involving five UK-based NGOs (British Red Cross, EveryChild, Oxfam GB, Sightsavers, and WWF-UK).

At the latest meeting on 3rd July, we debated the issue of **principles underpinning exit processes**, i.e. the practices and values which guide an organisation from design of the exit strategy to behaviour throughout the process. Such principles might be formalised or be implicit.

The existing literature and guidance materials on exit strategies in international cooperation frequently recommend principles for good practice. Examples include:

- Plan for exit from the outset
- Think about sustainability early on
- Consult with partners and stakeholders regularly
- Communicate constantly

In the action learning set we wanted to reflect more deeply on whether and how principles for exit are developed and how they play out in practice.

We looked at the example of EveryChild, an organisation which is winding down its operations while supporting the development of Family for Every Child, a member-led global alliance. This major transformation means ending funding relationships with many partners. EveryChild developed three broad principles (Morris, 2015) to inform responsible exit processes, complemented by exit criteria (to inform decisions about when and how soon to withdraw), and exit indicators (to monitor the process). The three principles are:

1. As far as possible, ensure that the work we have done is sustainable – this could be continuation of services or lasting changes in children's lives.
2. Ensure the exit does not have a detrimental effect on the children and communities where we work.
3. As far as possible, ensure that expertise and momentum for change in the country is not lost.

The EveryChild example sparked discussions around the need for principles, how 'exit principles' relate to other principles, values or guidelines that the organisations promote, and when is the right time for developing principles.

The literature emphasises that exit strategies should be built into the design of programmes and projects – hence, principles for exit should also exist from the outset. However, this does not seem to be the reality. Instead, it seems that many organisations develop principles only once the decision to exit has been made, and suddenly staff are tasked with designing how exit will happen. This was felt by the group to result in retrofitting, with the establishment of principles for exit coming too late (if at all), effectively creating an additional stress point in an already demanding situation.

However, perhaps the reason exit principles are often not developed early on is because it is not realistic to have these in place at the start of a project or programme; things change, contexts differ, and what was developed at the start becomes outdated. This is not to say that organisations shouldn't have an exit strategy– or at least a clear picture of what success would look like, an idea of when the job would be considered done, or a roadmap towards sustainability and a reduction in external support. But perhaps it is only when an organisation makes the **final** decision to exit that the question of **how** it should happen arises. It is only if the organisation wants exit to be grounded in particular values and ways of working that the need for **principles** then arises.

Alternatively, it may be only after difficult experiences of exit – when (or if) organisations take time to reflect and learn from these experiences – that organisations are able to develop principles to build into future programming. The question, of course, is whether those principles are actually used in the next round of exits, or whether they are no longer deemed to be relevant and the cycle begins again.

The broader question is whether we need such principles at all. The action learning set participants felt that exit principles do hold value. These should not be operating instructions for exit, but can help to guide behaviour, act as valuable reference points for reviewing exit progress, guide decision-making, and be useful resources for holding organisations and their partners to account during the exit process.

A key thought we took away from the meeting was that the absence of principles to guide exit should not result in angst about not having developed them earlier, but rather as a good moment to dig deep into the organisational culture and architecture in the following ways:

- To challenge thinking about how to go about exit in a way that respects underlying values of the organisation
- To dust off the ideas on the shelf around exit, guidelines and values
- To involve partners in the process

More importantly, developing exit principles, even near the end of a programme or project, is an opportunity to get senior management engaged in the daily realities of staff who are tasked with seeing through exits from projects, programmes, countries, regions or partnerships.

CAPACITY BUILDING, PARTNERSHIP RELATIONS AND EXIT STRATEGIES

By Rachel Hayman, with inputs and insights from action learning set participants

16 October 2014

Over the past few months my colleague Rick James has produced a series of posts on capacity building. Capacity building, organisational development, and relationship management with partners was the topic of the latest meeting of our action learning set on exit strategies (to learn what an action learning set is generally and about this one in particular, see my last blog post with Sarah Lewis, 'NGO exit strategies: Are principles for closing projects or ending partnerships necessary?')

I re-read all Rick's blog posts as I prepared for our meeting and dug back into my own work and that of other colleagues at INTRAC on partnership. International NGOs (INGOs) are subject to a lot of criticism when it comes to capacity building their partners – their rhetoric never quite reflects the reality. Reading through Rick's posts, key concepts that jumped out for me included: leadership, trust, conscience, character, being self-critical, cultivating not building, cultivating not controlling, making it personal not mechanical, thinking long-term not short-term, and being ruthless where a project, programme, or organisation needs to die.

This reflects quite closely the way INTRAC has long thought about partnership. Running through our publications and commissioned reports on partnership over the years – back to some of the seminal work done by Alan Fowler and Vicky Brehm (among others) in the early 2000s and through to the present day – is the deep concern that INGOs too often treat partners in an instrumental way. They consistently struggle to develop deeper, intrinsic relationships based on trust, conscience, solidarity, and equality. Too often there is significant pressure for organisations to concentrate their relationships with partners around the project, around programme management and monitoring and evaluation (M&E), or around exits when they occur.

So this was going through my mind as I listened to the action learning set group debate how they manage relationships with their partners as they withdraw financial support; and how they tackle capacity building and organisational development as part of the process. In his first blog post, Rick observed that too often international agencies start thinking seriously about capacity building as they are preparing to leave a country, programme, or partnership. This is probably pretty accurate in many instances.

But our action learning set is all about how to make exit strategies better in the future, striving to counter an often negative picture. So in our meeting we spent time reflecting about where capacity building comes when thinking of exit. Does it drive decisions on exit – i.e. exit decisions are made because an organisation has reached a stage where it can better stand alone? Is it a necessary process as part of exit – i.e. to ensure a responsible exit, specific capacities of organisations need to be built up so the partner has a better chance of survival after support is withdrawn? Does the type of capacity building change when the decision to exit has been made – i.e. a shift in focus towards fundraising or leadership training? Does capacity building become an ad-hoc afterthought that we think we could have done better and promise we will do next time – or does it not feature at all? Could it be that we overplay our own importance as INGOs and struggle to let go?

Two presentations fed our debates: from British Red Cross and from Sightsavers.

For British Red Cross (BRC), the way in which the exit – and more importantly the partnership – is conducted has profound implications. If the partnership and processes of transition and exit do not take into account the ambitions of the partner, they may focus on the short term – the survival and continuation of certain programmes and services of the organisation – over longer-term strategy. Formal partnership review mechanisms are a key way to work towards more equitable partnerships. They can prevent local partners being treated as instruments, they create time to examine whether partnerships align with the organisations' mandates, and they contribute towards the partner's local relevance.

The BRC presentation highlighted the importance of integrating organisational development into partnership management. BRC is beginning to develop a more nuanced understanding of organisational development and capacity building throughout the phases of the partnership, not just at exit. This stems from the recognition that support aimed at improving organisational functions (e.g. human resources) or enhancing programme capacity may be very different from support required in exit, which often focuses on financial sustainability. Organisational strengthening may also require specific skill sets, resources and entry points. In providing organisational development assistance, BRC has to consider the capacity of partners to absorb the many technical inputs, as well as the relevance and timeliness of support, in often volatile, unpredictable contexts.

Sightsavers and their partners in one geographical region embarked on what some may consider a long exit process. It combined an increased focus on capacity building with a gradual reduction of funding over an eight-year period. The main drivers for exit were the need to diversify partner income streams and the knowledge that partners could sustain their own programmes in the medium term. This was underpinned by a willingness to change the nature of relationships.

The early stages of exit planning involved people at many levels of all organisations including CEOs, finance, programme, communications and fundraising staff, and even occasional input from board members. As the exit moved forward, relationships become more defined and a few key people now guide the process.

Grant funding early in the process was key to what is likely to be a successful exit. One objective of the funded project was specific capacity building support to improve partner skills, systems and processes. Other project activities were designed to enable partners to develop and manage viable income generating initiatives.

The exit process is guided by Sightsavers' programme partnership policy, with regular assessment methods employed at various stages, including capacity and financial assessments and project evaluation. Challenges with a long-term exit include maintaining focus on capacity building, ensuring organisational continuity, and understanding and managing external relationships that may affect the exit process and the partnerships.

These are two positive examples of how organisations are taking both partnership principles and capacity building for the long-term sustainability of their partners seriously. Here we have experiences of long-term, well-managed exit processes, real investment in income generation, responsiveness to current and changing needs, and systems in place that allow country managers and directors to learn from each other. They demonstrate how much is going on within organisations that are managing exit processes; and the value of sharing and comparing across the sector to ensure good practice is built on by others.

Our discussions demonstrated the need for better engagement within organisations that brings together thinking around exit processes and thinking around:

- How partnerships are defined, entered into, reviewed and managed
- How sustainability is understood and capacity building support is provided to achieve sustainability – when does an INGO's responsibility end and when is it time to let go?
- How organisational development is integrated into partnership relationships

- How much an organisation is willing to invest in the process of withdrawing financial support

Finally, personalities and personal interaction really matter. Within all five organisations, we have seen how staff changes on both sides of partnerships have strongly affected exit or transition processes. And leadership is crucial on the INGO and partner sides. This is something we will be coming back to in more depth in future meetings.

IS THERE SUCH THING AS RESPONSIBLE EXIT?

By Rick James

4 February 2015

'Exit' is a harsh reality for many aid agencies today. As a result of budget cuts and hard strategic choices, many international agencies are prioritising different countries and programmes. They are withdrawing from regions and ending partnerships. Aid withdrawal is a fact of life. The question is not so much whether it is happening, but how. Some leave quickly, hiding their shame at departing mid-way through a process with the task unfinished. Others are trying to take a more principled approach.

In a previous post, Sarah Lewis and Rachel Hayman asked: 'NGO exit strategies: Are principles for closing projects or ending partnerships necessary?' They highlighted the example of EveryChild, who, in order to increase the long-term impact on the lives of children, decided to close down as a traditional UK NGO and transfer its income and assets to a new global alliance, Family for Every Child managed and governed by its national NGO members. This ambitious decision meant that EveryChild had to shut down its operations and end its partnerships in 15 countries.

EveryChild wanted to do this in a responsible way. But what does that really mean? For EveryChild it meant developing three principles to guide all decision-making about exit:

1. As far as possible, ensure that the work we have done is **sustainable** – this could be continuation of services or lasting changes in children's lives.
2. Ensure the exit does **not have a detrimental effect** on the children and communities where we work.
3. As far as possible, ensure that expertise and **momentum for change** in the country is not lost.

International NGOs at the INTRAC Conference on Sustainability in November 2014 asked a number of questions about this EveryChild experience:

1. How did they do it?

- When did they involve the partners and how?
- What did they do to strengthen local partners? In what fields?
- How did they make sure it was what was demanded and needed?
- Did they follow a checklist of issues to consider for a 'responsible exit'?

2. What have they learnt?

- What was it about the exit process that led to success or failure?
- What would you not have done-in hindsight?
- How long do you need for exit? Does length of relationship matter?

EveryChild is keen to hold itself to account, to know whether or not it has lived up to its principles. It has asked INTRAC to undertake a longitudinal evaluation of this responsible exit focusing on six countries. As well as highlighting learning about what works, we will be asking what is left behind after exit has taken place – not just the aspirations but the actual legacy in 18 months time.

As a first step, we surveyed the 20 partners in 15 countries in Africa, Asia, CEE/CIS countries and Latin America. We found EveryChild has worked with a wide diversity of organisations: some were local partners, others were localised field offices and three were still EveryChild Country Offices. There were two broad groups of partners – ones they had worked with for one to five years and another group they had partnered with for more than 10 years. For the shorter relationship group, exit was more straightforward and took between 3-12 months. The older partnerships were more complex and responsible exit took two to three years. While they are still at different stages, 90 percent of respondents felt that their time scale was about right. Partners were particularly appreciative of the advance warning of closure. Although there were initially some mixed messages, they all found the exit principles helpful and the majority of respondents are either completely or mostly satisfied with the EveryChild exit.

I have not come across any NGO that has approached exit in such a considered and careful way. We can learn a lot from this example. Over the next few months, we will continue to feed back our reflections and insights from the field work.

THE HUMAN SIDE OF THE EXIT STRATEGY: STAFF CARE AND PERSONNEL MANAGEMENT

By Rachel Hayman

16 February 2015

“Who signs the last leaving card?” A jocular question during an otherwise serious discussion at the January 2015 meeting of the Action Learning Set on Exit Strategies around duty of care for individuals in headquarters, country offices and amongst partners during exit processes. EveryChild holds leaving parties as their staff numbers diminish in line with planned exits, and we agreed that addressing the psychological and personal pressures of playing “the graveyard role” (the term used to describe the team dealing with exit at WWF-UK) was a key aspect of developing exit strategies.

The existing literature on exit strategies is very slim on this topic. A passing reference may be made to communication with staff, notice periods, incentive payments and legislation. But there is not a lot of solid guidance available (the GrantCraft report aimed at supporting funders who are pulling out provides a bit more reflection).

Building on presentations from WWF-UK and EveryChild, we pulled together some tips for other organisations designing exit strategies:

1. Supporting the managers

Human resources departments in NGOs are generally small and their role is to advise managers, ensure that due process is being observed, and offer training and services to staff. It is the managers who are the main contact point for staff, so managers need to be equipped to support the emotional well-being of staff facing change because of exit processes. But managers may themselves be at risk, so will require support.

Some suggestions:

- Provide adequate guidance and training for managers well ahead of time
- Provide emotional support, including resilience and stress management training
- Remember that managers will be balancing staff changes as well as delivering on programmes that are coming to an end

2. Balancing continuity and change in staff

Is there a perfect mix of old hands and new blood during exit processes?

WWF-UK set up a special unit with staff on fixed-term contracts to see through recent exits. New people had a clear goal and enthusiasm, and balanced unhappiness and demotivation amongst existing staff.

EveryChild, however, were concerned with maintaining continuity so that institutional memory, contextual knowledge, and relationships of trust continued through the transition process. Turnover in the UK office was unsettling for country offices. Although many of the programme managers overseeing this process were relatively new, they had been in post long enough to have sufficiently fresh eyes, but had also built relationships with staff and partners and had a good understanding of programmes before the exit process began.

Organisations need to decide whether they want to invest in incentivising staff to stay throughout the exit process, for example by offering enhanced redundancy packages or other forms of incentive.

3. Risk assessments: managing difficult people

Grievances can bubble to the surface during times of change. People who are passionate about what they do may be disruptive during the exit period, particularly if they fundamentally disagree with the decisions being made.

A good risk assessment, proactive communication policy (internal and external), and establishing an independent complaints procedures are some suggested ways to head off problems.

4. Supporting staff: legal requirements and going the extra mile

Knowing the legislation on redundancy and redeployment in the different country contexts where staff jobs may be at risk is an obvious first point. But do you just do what is required, or something more?

Mechanisms used by ALS members at HQ and country levels include:

- Robust consultation processes with staff
- Career development support: offering training opportunities, the opportunity to move into new/more senior roles, participation in meetings or conferences, access to mentoring, CV writing and interview skills
- Redeployment options, including trial periods in other roles
- Flexible working hours to retain staff while allowing them to explore future options
- Redundancy packages, which might include incentive payments to stay through the transition process
- Non-financial incentives for country staff (books, computer equipment when offices close)
- Focusing on staff wellbeing and staff responsibility for their own wellbeing (the CUSP framework was a recommended tool)
- Regular staff satisfaction surveys and acting on feedback

To maintain staff trust, uncertainty needs to be minimised. An overlong consultation period can sometimes undermine, rather than build trust. EveryChild's policy of 'no surprises' and transparency about exit is perhaps a useful way to think about this.

5. Responsibility for partner staff

What responsibility does an exiting INGO have for the staff of partners if the exit process jeopardises their jobs? Where does the line fall between legal responsibilities and moral obligation?

In earlier meetings we discussed principles underpinning exit, and relationships with partners and capacity building. Good communication with partners and country offices around mutual responsibilities, expectations and commitments relative to staff needs to be part of a responsible exit strategy.

Some suggestions for support include:

- Based on knowledge of local legislation for staff, decide where additional technical support might be required
- Build capacity on staff management as well as organisational change processes
- Explore opportunities to help staff and volunteers to move into new jobs, including providing training

- Transfer assets to partners in-country
- Favour the personal touch through visits from CEOs or directors to country offices or partners

6. Celebrate success, don't drown sorrows

Maintaining motivation and morale amongst staff is one of the biggest challenges. Staff need to buy into the future vision that necessitates the project, programme or country exit. A strong message emerging from our meeting was the need to nurture a positive dynamic.

Some ideas:

- Celebrate the contributions of staff rather than bemoaning their departure
- Present the delivery of a successful exit process as a skills-building opportunity (skills which will always be needed in the sector), and a chance for personal growth
- Get trustees to approve a special leaving fund, so that staff are not continuously expected to contribute to leaving presents.

Concluding thoughts

The discussion reinforced two issues that have emerged at each ALS meeting:

- You need to **invest** in the exit process; staff care during exit may require additional resources
- **Leadership** from senior staff and trustees is essential to motivate staff and provide additional support

The ALS members all seem able to come at this question with caring and compassion, often going beyond statutory requirements to support staff caught up in the exit process. Many NGOs dealing with exit might not have such flexibility, just as partners dealing with reduction in funds may not. It would be interesting to explore how experiences of staff care differ in organisations for whom exit is about crisis management rather than strategic choice.

Finally a question: what learning about exit do staff take with them into their next job? Do they build on their knowledge to help develop responsible exit strategies, or leave it behind them in the excitement of a new role?

EXIT: THE END OF THE ROAD?

By Rick James

4 March 2015

One community leader in Malawi likened EveryChild's exit to: "the end of the tarmac road… But the dirt road continues. It will be slower and bumpier in future, but we will get there all the same… And we may go even further." Of course, communities may also find a dirt road easier to maintain.

Exit is incredibly hard to do well. EveryChild had learnt this the hard way. Previous efforts in some countries in the Former Soviet Union had left ill-feeling and distrust. An attempt to leave quickly and cleanly from a Country Office in Latin America was rushed and underfinanced – so actual exit dragged on for years with costly legal fees, tax complications and extra staff time required.

In 2012, EveryChild took the momentous decision to close down as a traditional UK NGO and transfer its income and assets to a new global alliance (Family for Every Child) managed and governed by its national NGO members. This meant that EveryChild had to shut down its operations and end its partnerships in 15 countries. In the light of its past experiences, EveryChild decided to take a very considered and careful approach – they called this Responsible Exit.

Responsible exit meant they took sustainability really seriously. Exit can force NGOs beyond the ever-present jargon-filled paragraph about sustainability in proposals into practical and risky actions. In the EveryChild example, one of the most obvious differences was that exit improved engagement with local stakeholders. As one respondent said: "Different community structures will be there for ever and so we have to be responsive and reactive to them, focusing on how to strengthen them." In the exit phase, programmes continued to focus on investing in building good relations with local communities and government.

In India, EveryChild decided not to just pass on their NGO partners to other international donors, but to actively encourage them to link up more with local government and local fundraising. Consequently, many programmes and activities (such as Child Activity Centres) are at least part funded by local communities. As one respondent said: "community fundraising was particularly successful and partners came to feel very proud of this". Furthermore, this has resulted in increased community ownership. As another respondent said: "It would have been good to involve the community and ask for contributions from the beginning of the project. If this had been done, activities would be sustainable by now".

Responsible exit is risky. It requires 'responsible entry' of others. Local stakeholders will need to step up into new levels of responsibility. As one Malawian Government official said: "We have a workable exit strategy, but the challenge is on the government, chiefs, MPs and communities to ensure activities continue". Exit focuses the mind on what really matters: on what will be left behind as a legacy after you are gone. Exit forces a focus on genuinely sustainable development. Sustainable development enables exit – not the other way round.

We may do partners a disservice when international agencies focus too much on exit. As one EveryChild partner bluntly put it: "one side's 'responsible exit' is the other side's ongoing struggle for survival, sustainability and impact… Exit is their process, not ours". International NGOs should not see themselves at the centre of the picture. It is not all about 'our' exit.

Unless 'exit' is done in an inclusive and contextually specific way, it will never be locally owned. The real challenge for international NGOs is to get others to own their departure – something that EveryChild seems to have done remarkably well. How have they done this? See blog 'Which way to sustainable exit?'

LEADING BY EXAMPLE? WHY LEADERSHIP BUY-IN IS CRUCIAL TO NGO EXIT STRATEGIES

By Sarah Lewis and Rachel Hayman

1 April 2015

NGOs have not been good at designing or implementing exit strategies, and have been notoriously weak at sharing their experiences with others. The Action Learning Set (ALS) was formed in March 2014 in response to this problem.

During our meetings, we repeatedly came up against the need for appropriate direction from senior staff and strong leadership[1] as critical points in the exit process. Again and again, we found our discussions revolving around the need for investment in the exit process, investment of both staff time and financial resources. Without senior buy-in, such investments will not happen. This begs the question of whether poor leadership around exit may be one of the causes of the problem the ALS set out to address.

So what difference and impact do supportive leadership make in exit processes? Does a lack of leadership cause particular problems in certain stages or aspects of exit? And what level of engagement should senior managers have after the decision to exit has been made?

These questions were brought to the fore at the March 2015 meeting of the Action Learning Set on exit strategies, where senior managers and staff at different levels were invited to join the regular group of participants to debate the issue of leadership during exit from programmes, projects, and partnerships.

Here are a few lessons emerging from our meetings around leadership:

1. Communicating with those heading for the 'departure lounge'

Leaders are the ones who make the all-important decision to exit because the job is done, the strategy has changed, or finances are squeezed. Communication with partners, staff in country offices or programmes, and those who will manage exit, is crucial. This might include:

- Undertaking a consultation process **before the final decision** to exit, if appropriate
- Providing a clear, consistent rationale and consulting on how the process will take place at the **decision to exit**
- Updating those affected on progress **between the decision point and the moment of exit**

Timely communication can help staff at all levels to align themselves with the process and help to implement the exit smoothly. This will help ensure that professional relationships and organisational reputations are not damaged. As one participating organisation put it, "there is always a chance that you will see your partner at a party in the future".

Overall, and arguably most importantly, strong and appropriate communication shows respect for those affected by exit, respect for staff and partners, respect for the work that has been done, and respect for communities or beneficiaries in areas where interventions are coming to an end.

2. Supporting staff during the exit process

Beyond providing financial resources to support the process, leaders need to give their time, status and thinking to those responsible for carrying out exits. This links back to our earlier

[1] We used the term 'leadership' broadly to cover key decision-makers in organisations. This includes CEOs, Senior Management, Boards/Trustees, Regional Management or Country Directors.

discussion on staff care and personnel during exits, and reinforces the importance of providing support for managers implementing exit so that they feel recognised, guided and motivated. If staff do not feel supported or incentivised to stay, the organisation risks losing them before the end of the process, with negative implications for continuity and learning. As one participant observed, leadership also starts with each individual staff member feeling responsible for the process.

Suggestions for support include:

- Increasing contact points and checking in with staff at key moments in the process
- Facilitating peer-to-peer support. For example, EveryChild's India and Malawi Country Directors visited one another to exchange their experiences during the closure of their offices as part of planned exits
- Ensure that those responsible for exits do not feel isolated
- Have a positive mindset, see exit as an achievement not a failure, be motivated, champion decisions, and lead by example

It is essential that leaders find the most appropriate way to provide support at the right times, in a way that is proportional and considered. Our discussions highlighted the need to balance being flexible, such as extending the timeframe for exit when appropriate; while being directive, including pushing back to see through exits as planned.

3. Embedding learning on exit into organisational systems and practice

The exit processes that the participating organisations in the ALS came together to share have all been rooted in strategic decisions to reshape, reframe or realign priorities and programmes. A huge amount of knowledge about the exit process and ideas for what could be done differently next time is built up by the individuals and teams involved. But there is a risk that this learning gets lost or disappears altogether if the team are too insular, key people move on, or the entire process is not seen as an important investment.

Ways to embed learning include:

- Make sure that exit is built into the next programming cycle and organisational strategy, not in a tokenistic way but seriously, building on the wealth of learning available. If it is clear from the outset when and how exit might happen – with a written record that changing teams can refer back to – then the exit should be expected and easier when it happens
- Build monitoring of, planning for and learning about exits into mid-term and strategy reviews
- Ensure the team carrying out exit are sharing their experiences widely and continually, for example by integrating them into different teams at key moments
- Recognise that a responsible exit is an important investment, and allocate resources for the time to stop, reflect, evaluate and learn

All of the above needs to be supported and driven by senior staff and leaders. If this does not happen, organisations are at risk of repeating mistakes or reinventing the wheel, rather than building on best practice. We know that exit is hard to do well, but as one Action Learning Set participant said, "Given the challenges and potentially painful experience of exit, it is worth learning to do it well".

Final thoughts

Over the past year, we have observed real changes in the participating organisations' approaches to exit; concrete action has been taken by many participants based on their learning. Their leadership have supported this individual and organisational learning by allocating time and resources to the Action Learning Set. The group opened themselves up to scrutiny and challenged one another due to their common desire to do exit better in the future. The critical test for all the participating organisations will be in embedding that learning into organisational systems and practice, not just at this moment in time, but into the next strategic plan or major programme cycle.

Organisations need to look at the space they provide for learning on exit. This is something that happens continually in the life-cycle of organisations, not just in the wake of a financial crisis or major strategic review. Leadership engagement is important at many levels and at different points in the process. Its absence can have negative consequences on the communities and partners that are 'left behind', the legacy of the work of the exiting organisation, and its reputation.

We know that there are many organisations facing the same challenges every day, looking for guidance and support. If exit is to be done responsibly and well, then leaders have not only to buy into the process, but to lead by example.

WHICH WAY TO SUSTAINABLE EXIT?

By Rick James

15 April 2015

Sustainable exit – it's the holy grail of development. It's something we all aspire for. Yet few of our programmes and partnerships ever get close. The worst partnerships exit in crisis. But many of the 'best' go on and on for years with an endless succession of new projects. This may not be far from unhealthy dependence.

EveryChild would not claim to have reached the grail either. Yes, they have successfully exited from 15 countries. Only time will tell how sustainably. The recent INTRAC evaluation of their exit process found that they have taken a more considered, intentional and well-resourced attempt than most international NGOs. They took six main steps in their quest for sustainable exit.

1. Participatory planning for exit

Exit is not about you. It's the response of the partner or community that matters. Because this response is all-important, the way in which we communicate about exit is vital. It is almost never appropriate to simply write an email. EveryChild found they sometimes had to make a series of face-to-face visits before a negative denial of exit changed into a positive ownership of sustainability.

EveryChild supported partners and communities to develop their own sustainability plans. During visits EveryChild staff played a facilitative role, asking difficult questions but leaving it up to partners to make decisions and prioritise. The sustainability plan took a fresh look at outcomes, not just continuing existing activities. Partners translated the resulting strategy into annual operational plans and budgets split into six-month intervals.

2. Rigorously sustainable programming

Healthy exit is all about sustainable programming. After the planning, partners implemented the difficult decisions about:

- Unsustainable programmes to stop – Most NGO strategies are good at identifying new activities to start, but are notoriously poor at identifying which activities to stop. The exit process forced partners to be rigorous
- Sustainable programmes to handover to communities or local authorities and governments – Each of the partners also looked at which of their existing activities could be taken on by local stakeholders
- 'Not yet' sustainable yet critical activities which NGO partners and communities need to fundraise for if they are to continue

3. Capacity development of local partners

To enable effective handover of activities during exit, EveryChild focused even more on strengthening the capacity of partners, communities and local stakeholders. Because they were leaving, capacity development genuinely focused on what partners and communities needed – not what the funder needed for smooth grant management. Some of the most important initiatives included: participatory action research with beneficiaries, leadership, strategy, resource mobilisation, and financial management.

4. Influencing wider stakeholders at community, district and national level

Greater attention to advocacy is part of the shift towards sustainability. EveryChild has tried to build broader coalitions for change with wider stakeholders at community, district and national levels. It is these stakeholders who are left behind. They are the legacy.

5. Systematic learning, documentation and sharing of good practice

Partners monitored their sustainability plans relentlessly. Partners discussed progress every three months and updated the plans every six months. EveryChild provided external oversight to ensure the exit strategy was implemented properly and adjusted in the light of learning.

As part of its healthy exit, some country offices have invested in analysing and documenting programme learning. Some contracted external consultants to document achievements, lessons and best programme practices. One even commissioned a video documentary to distribute to key government officials and international NGOs.

In addition, in two countries, EveryChild hosted 'closing ceremonies' – a one-day Legacy Conference to share learning with local stakeholders from Government and NGOs.

6. Institutional/partnership closure activities

The final step towards exit involved closure activities. As well as final reports, EveryChild developed a number of processes and forms to assist them exit well and capture learning (such as Partnership Completion Report; Letter of Recommendation; Partnership Completion Final Skype Call, and Partnership Completion six-month Follow-up Call).

Finally, there were some administrative hygiene elements. This included finalising contractual issues, valuing and disposing of assets, closing bank accounts, legal deregistration; communication to auditors, tax authorities, and the general public; and leaving the office and returning the keys to the landlord.

7. The elusive Holy Grail

Sustainable exit is not easy. It cannot be manufactured, controlled or imposed from outside. It is about others taking responsibility and responding to community needs in a sustainable way. It is out of an NGO's hands. All an NGO can do is create the conditions which make sustainable exit more likely to grow and emerge.

EveryChild would not claim to have reached the Holy Grail. But their journey reveals six critical steps we may need to take in our own quest for sustainable development.

GO THROUGH THE DOOR MARKED 'EXIT' TO REACH SUSTAINABLE DEVELOPMENT

By Rick James

20 May 2015

We'll never reach sustainable development until we take exit more seriously. So many NGOs pay lip-service to sustainability, but actually operate in ways that makes them indispensable to the partners and communities with which they work. We may like being needed, but it is not healthy, nor empowering. The good thing about planning to exit is that it focuses the mind on what really matters. What is the legacy you will leave? Who will take responsibility for the work after you have gone? How will they resource it?

Exit should not be a negative event. It is the door to successful development. But NGOs do not naturally gravitate towards that door. It takes hard work to get there. INTRAC recently completed the first stage of an evaluation of EveryChild's Responsible Exit processes. The review highlighted some key lessons:

1. Start now and don't rush

How many times have you read that 'exit should be planned from the start? While this may be true, it does not help much if a programme is already underway. It just makes you feel guilty. But if you delay thinking about it and wait until a funding crisis forces the issue it may be too late. The resulting efforts will probably be rushed and under-resourced – ending in tears.

Now is the time to start taking exit seriously. It is much better to take exit by the hand and lead it to where you want it to go, rather than wait until it grabs you by the throat and drags you off in an unwanted direction. If you start now, you will have more time for planning, implementing and developing local capacity.

In the EveryChild example, exiting responsibly took time. While the length of the partnership and the extent of financial dependence affect the time-scale, as a rule of thumb it took EveryChild two years to exit well from partners of more than five years.

2. Let partners lead

'Exit is not your process' (as my last blog 'Which way to sustainable exit?' pointed out). It is the response of the partners and communities that really matters. Therefore healthy exit involves letting the partners lead the process.

Initially EveryChild identified three core principles for exit. These value-based principles gave direction to and reassurance in a sensitive process. But partners were then responsible for turning these broad principles into practical action in a joint process with EveryChild. Together they developed an inclusive exit planning process, involving communities and beneficiaries as much as possible. Partners owned their indicators for successful exit.

3. Invest in the process

Exit is not a good way of saving money in the short term. Exiting responsibly may need increased contact and communication with partners. EveryChild invested heavily in face-to-face visits as well as regular calls by Skype and phone. They found that frequent communication helped considerably in allaying fears and motivating positive responses. It helped to be up-front and as open and honest as possible. Trust tends to be repaid.

In an NGO's exit, local stakeholders have to step into taking on greater responsibility. They may need tailored capacity development support. Responsible exit therefore often entails greater financial investment in the short-term.

4. Pay close attention to the process

Because exit does not occur naturally, it needs careful and close management. The EveryChild experience showed the value of relentlessly monitoring the implementation of exit plans and systematically learning from experience. In this way EveryChild maintained a healthy pressure to reach milestones and energised a difficult change process. It meant that they were able to make constant improvements to the exit process as they went along.

5. It's all about relationship

In the end the quality of exit closely relates to the quality of existing relationships with partners and communities. Dependent partners find exit difficult. In most cases, EveryChild's exit process was done from a position of relational strength. They had paid close attention to the quality of the partnership over the years with annual partnership reviews. It meant that when it came to exiting, most partners trusted EveryChild implicitly and therefore responded positively to the challenge of EveryChild's exit.

6. The exit door

There are no short-cuts to the responsible exit door. A hasty exit in financial crisis does not leave partners empowered. Responsible exit takes time, effort and investment. It helps if you start now. Your partners will need to take ownership and leadership of the process. It requires careful management and healthy relationships. Exit may be challenging and even threatening to our normal NGO ways of operating, but it's the only door to genuinely sustainable development.

WHAT CAN INTERNATIONAL NGOS DO TO INCREASE THE SUSTAINABILITY OF INTERVENTIONS?

By Sarah Lewis and Rowan Popplewell

October 2016

Development actors love words such as 'legacy', 'impact' or 'change'. We like to think (and say) our work prevails long after we are gone. But how many organisations go back after an exit is complete to check? Our explorations of post-closure evaluation tells us not so many.

EveryChild is one exception. Not only did they develop a set of Responsible Exit Principles to guide and mitigate the impact of their closure, they also commissioned INTRAC to conduct a longitudinal evaluation of the extent to which they achieved their aim of exiting responsibly.

When we went back to Cambodia, India, Malawi and Nepal up to 15 months after exit, we found a number of partners and programmes continued to have an impact on children's lives.

In 2020 we will do a follow-up study to assess the extent to which expertise and momentum for change have been sustained five years on from the first stage of the evaluation. In the meantime the evaluation highlighted some steps that international NGOs can consider taking to give their partners and programmes a strong foundation on which to build. These include:

1. Focus on the end at the beginning

Start thinking about what your legacy will be (and what you want it to be) as soon as possible. You can then work towards it with partners throughout the programme.

2. Ensure participation and community ownership

Activities that communities drive and can easily take on are more likely to survive. In Nepal, REFLECT classes provided an opportunity for communities to come together to discuss problems and jointly identify solutions. Since the end of the project, families have continued to gather and discuss issues.

3. Design programmes that are resource-light

Programmes that rely on ongoing financial inputs are less likely to be sustainable post exit, particularly in challenging funding environments. In Malawi, activities that required continuing inputs such as the payment of school fees have stopped, whereas those that are less resource-intensive such as Village Savings and Loans Associations are doing well.

4. Prioritise advocacy and awareness raising

Programmes that prioritise political, attitudinal or behavioural change continue to have positive effects on children and communities. EveryChild and its local partners in Cambodia (Legal Aid of Cambodia and Khemara) advocated for the creation of a Juvenile Justice Law, which passed in August 2016. This is likely to have a lasting impact on children's lives.

5. Invest in partner-driven capacity development support

Capacity development that is responsive to the needs and demands of partners and focused on their future work with communities will last longer than capacity building for grant management compliance. It can help partners and communities to take responsibility for their future sustainability.

6. Support resource diversification

Complete dependency on international resources weakens organisations. In India, two of the ten NGOs that EveryChild supported through its country office have closed. Both were 100% dependent on EveryChild. Organisations that successfully diversified their resources by securing funding from local government and communities were more likely to survive.

7. End well

There is no doubt EveryChild devoted a great deal of time, energy and financial resources to the exit process. So as we wrap up Phase II of our work, one question pops up in our minds: was all the effort that went into making exit responsible really worth it? Although it was not always easy, the answer is yes. The evaluation really demonstrates that partners and programmes that are prepared for exit have a greater chance of not only surviving exit, but also thriving from it. Ending well – allowing enough time, ensuing strong communication, and providing sufficient support and resources throughout the process – is critical.

This blog draws heavily on paper 'What remains: programming for sustainability' by Popplewell et al. (2016).

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https://www.intrac.org/projects/action-learning-set-exit-strategies/

INTRAC aid withdrawal and exit strategies
https://www.intrac.org/projects/aid-withdrawal-exit-strategies/

INTRAC civil society sustainability

https://www.intrac.org/what-we-do/civil-society-sustainability/

INTRAC longitudinal evaluation of EveryChild's responsible exit process
https://www.intrac.org/projects/longitudinal-evaluation-everychilds-responsible-exit-process/