

*The Australia-Indonesia Partnership for Pro-Poor Policy –
The Knowledge Sector Initiative*

External Review of Pilot Program Partners

FITRA
The Indonesia Forum for Budget Transparency

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Introduction to the Review

The Australia-Indonesia Partnership for Pro-Poor Policy – The Knowledge Sector Initiative is a new 15-year program aimed at increasing the quality of public policy through strengthening research organizations and policy makers, as well as creating an enabling environment for evidence-based policy making. The first phase of the program will start in 2013 and have five focus areas, which include, but are not limited to: Education, Health, Poverty Reduction and Social Protection, Environment and Climate Change, and Economic Governance.

To contribute to the design of the program, since July 2010 the Asia Foundation has managed a collaborative learning program with AusAID entitled Enhancing Knowledge of the Knowledge Sector. The program provided funding to policy research organizations, and sought to increase understanding of what type of capacity building interventions are most effective to improve their capacity for research and their organizational effectiveness. In January 2012, additional funding and technical support was provided to seven of the eight pilot partners through November 2012. During this “bridging period,” partners were supported to engage undertake a 5-10 year strategic planning process that is informed by an understanding of the longevity and scale of the new AusAID assistance. Planning was closely supervised and intensely supported by Foundation and AusAID staff. As the strategic planning was completed, TAF engaged external reviewers to provide recommendations to AusAID on which pilot partners are eligible for graduation to the 5-year support. The review panel plays a role in a broader assessment process, which also includes evaluations from both The Asia Foundation, as well as AusAID themselves. The intention of the independent review panel is to bring together an objective, outside voice in reviewing the organizations and offering their opinion as to their suitability for continued support to become think-tank organizations.

The five reviewers come from different backgrounds; all have experience working in Indonesia both on research and also in the civil society field. Thus they are able to offer insights upon the standards and requirements for research-based organizations and the influence of their work, as well as offer critical recommendations on how they perform in relation to other civil society organizations in the field in Indonesia.

The reviewers are not working from a set of ‘ideal’ performance indicators, as no such indicators exist, nor would they serve such a complex and diverse constellation of organizations and institutions. The reviewers are comparing the organizations with one another, and also drawing from their own experiences and objective insights from the broader landscape of Indonesia’s research and civil society institutions. That said, the assessment of each organization vis a vis other researchers in their respective sector was of varying rigor, given that the team’s expertise did not fully cover the range of policy research topics the partners were geared toward, nor was the assessment methodology rigorously geared towards placing the work of each partner within the respective sector.

KS Assessment Methodology

The Knowledge Sector (KS) Assessment methodology was developed in a way that could combine both qualitative and quantitative approaches to create a rigorous assessment process. The methodology builds

from a set of four general criteria developed, by AusAID, which will be used throughout the process. The four criteria are designed to evaluate the ongoing performance of the organisations and help select those that will be supported in the 5-year Supply component programme. Those four criteria are:

Selection Criteria	Weighting
Demonstrated history of producing quality policy research and / or evidence based advocacy outputs (evidence of quality of policy research)	30%
Evidence of the organisations planning including consideration of future policy needs in Indonesia, and clear strategic planning	25%
Evidence of organizational consideration of sustainability including strength of organization’s governance structures, staff retention, financial planning and management processes	25%
Existing networks with key stakeholders in the organisations area of focus (including ability to engage and work in coalition with civil society), and evidence of productive policy engagement and contribution of research to policy	20%

In addition there are ten key *performance* criteria that form part of the analysis as part of the review of the organisations.

10 Performance Criteria

1. Clarity of core mandate and function
2. Research and analytical capacity
3. Communications and outreach policy
4. Financial/ business model and management
5. Monitoring and Evaluation
6. Human resources, management structures and processes
7. Organisational Culture
8. Leadership
9. Board or other governance bodies
10. External environment/ links to policymaking community

Inputs into the Evaluation Process:

The review panel reviewed seven different institutions; for each one they were given relevant documents to review, links to the websites of the organisations, as well as the opportunity to meet and ask questions to each of them during a three-hour interview. The relevant reading material given to the review panelists was the following:

- The initial proposal and “solution box” of each partner
- The Asia Foundations January 2012 report to AusAID
- The strategic planning documents each partner produced in 2012
- A narrative description of confidential assessments of each partner according to the criteria – one by AusAID, one by TAF staff.
- A financial profile of what each partner has spent their award on since July 2010.
- 1-2 research products that partners provide as an example of their “best work”
- Links to partner websites.

Materials were provided to reviewers in early August, thus giving ample time for reading and review. Interviews were conducted in Jakarta between the 17th - 19th of September 2012, in three hour sessions.

The Asia Foundation asked partners to prepare a presentation which demonstrated and provided evidence of why they felt their organization met the selection criteria for the long-term KS program. Questions were prepared in advance and were designed to inquire more specific areas that were not sufficiently addressed in the strategic plan or needed more explanation.

Methodology Designed by Independent Review Panel:

The review panel utilized the two given sets of criteria to design a rigorous two-step evaluation methodology. The *first* step serves to match the given criteria, and serves as the overall framework for the evaluation. From each of the four Selection Criteria the corresponding ten Performance Criteria were matched. The *second* step was to break out and further scrutinize each of the Performance Criteria and create a metrics that could better understand each one, and evaluate their merits and shortcomings. Annex 1 includes a detailed overview of the performance criteria.

The results of the scoring matrix serve as inputs for the final evaluation results of each partner organization. Following the interviews the review panels met within their teams and discussed how they felt each organization performed. They then used the scoring matrix to award a score for each sub-criteria and each criteria. The reviewers used the scoring system to help inform them in writing up an objective evaluation.

As such the final evaluation offers an overall impression of how each organization performed against the four selection criteria. Special attention has been paid to the progress that each organization had made during the KL pilot process and the evaluation is biased towards where they are at the time of the interview (which was at the end of the pilot process). It is worth noting however that the actual time that the reviewers spent with each of the organizations was limited to the three hour session; and so there was limited opportunity to evaluate their progress over the year of the KL pilot.

FITRA - The Indonesia Forum for Budget Transparency

External Review Assessment

<p>Criteria 1: <i>Demonstrated history of producing quality policy research and /or evidence based advocacy outputs (evidence of quality of policy research)</i></p>	<p>High</p>
<p>FITRA has developed a reputation for qualitative analysis regarding budgetary issues at national and regional scales. The national government has been receptive to their analysis and they have shaped some key policy debates, with several FITRA products achieving widespread use among governments, the media and local CSOs throughout the country. While FITRA’s research is highly relevant and well tailored to meet the needs of policy networks, FITRA could benefit from enhancing its ability to use quantitative methods, undertake more conceptually rigorous forms of analysis and drawing on relevant international literatures. FITRA also needs to improve its systems to ensure the quality of its research outputs.</p>	
<p>Criteria 2: <i>Evidence of the organisation’s planning including consideration of future policy needs in Indonesia, and clear strategic planning</i></p>	<p>High</p>
<p>Budget monitoring is a highly relevant issue in Indonesia. FITRA appears to be thinking strategically about how to pursue its mandate – enhancing citizens’ sovereignty over the state budget. FITRA’s strategic planning has focused on building its advocacy skills and networks, and strengthening its research and organizational capacity to build awareness and to advocate for changes at the legislative level. FITRA is pioneering new ways of making their analytical tools more available to a broader set of actors, extending its networks with CSO organizations, and training of government officials on budget monitoring.</p>	
<p>Criteria 3: <i>Evidence of organizational consideration of sustainability including strength of organization’s governance structures, staff retention, financial planning and management processes</i></p>	<p>High</p>
<p>FITRA has a diversity of funding sources and has been growing rapidly, indicating that FITRA is sustainable at least over the medium term. At the same time FITRA is looking at different funding models and are aware of the need to diversify. FITRA has adopted much needed measures to improve its financial management, introduce staff incentives and retention measures, while improving the data management systems critical to its operations. FITRA has successfully managed a large number of projects over a very wide area through its network, indicating a high degree of management aptitude. Given its growing profile and portfolio, the organization faces the significant challenge of rapid development including adjusting its management structures, adopting new practices and technologies, and overseeing a leadership transition to ensure the organization retains its dynamism and productivity while operating on a greater scale.</p>	
<p>Criteria 4: <i>Existing networks with key stakeholders in the organisations area of focus (including ability to engage and work in coalition with civil society), and evidence of productive policy engagement and contribution of research to policy</i></p>	<p>High</p>
<p>FITRA’s communications strategy is arguably one of its strongest assets. This derives from its ability to work through a strong network, including CSO organizations at the regional and local levels, as well as relationships with government, civil society, universities and with media. FITRA has a recognizable ‘brand’ and this has enabled FITRA’s work to become an important reference for both government and the media alike on debates about budget transparency. The challenge for FITRA is to maintain and manage these networks during a period of rapid expansion and transition.</p>	

Conclusions

FITRA has become a credible and recognized voice that advocates for budget transparency. As their research can bring about real change and can influence policy, they are genuine think tank material. Rather uniquely, they operate as both a successful research and civil society, advocacy organization. We conclude that FITRA represents an excellent investment for the next phase of the KS initiative. Despite their impressive success, however, they require support to institutionalize their achievements and to avoid the structural problems that have affected older organizations in the knowledge sector. Key issues to be addressed include enhancing their use of research concepts and methods, improving their systems

to ensure research quality, and adjusting their management structures and practices during a period of rapid growth.

1. Clarity of core mandate and function

FITRA’s mission statement is to be ‘a capable and credible think tank organization that advocates for citizens’ sovereignty over the state budget’. Their mission is clear: it focuses upon their core activity, advocating for increased transparency and accountability, effectiveness and efficiency, in the use of state budgets. Through their research and analysis of budgets, they have become the credible and recognized voice that advocates for budget transparency. As their research can bring about real change and can influence policy, they are genuine think tank material.

FITRA started with passionate activists committed to the worthy and much needed requirement for increased budget transparency. Fitra has become a media savvy organization who regularly interacts with national and local governments, donors and the mass media. During the KS pilot their mission has not shifted; rather, they have developed an array of tools and capacity to be a more effective organization.

FITRA has capacity for budget analysis, as well as being an activist, grass roots level network organization. Traditionally organizations are either one or the other – either an academic research group or civil society activist organization, rarely are they fused in the same way as here at FITRA. This means that they occupy an important, and underrepresented niche, that bridges applied policy research and advocacy practice. There is obviously considerable demand for an organization that can deliver this kind of complete service. For example, the only other such organization that analyzes budgets with a similar level of scrutiny is the World Bank, and they don’t have the mandate to advocate in the political trenches as FITRA does. Moreover, given that FITRA’s research and advocacy agenda emerge from concerns within their regional networks, and that their analysis relates directly to local problem definitions, this makes FITRA’s work much more practical and important.

Indonesia is a country for which fiscal decentralization, deepening democracy and corruption eradication are essential and strategic issues. This will be true for some time. Given continued controversies over corruption, wastage, misappropriation and inefficiency, and inadequate developmental budgets, FITRA’s mission is highly relevant. As these problems can only be addressed over the medium to long term, FITRA’s research and advocacy agenda will remain critical.

	Excellent/ High	Adequate/ Medium	Inadequate/ Low	
Mandate and function of the organization Entirely realistic and clearly stated	√			Unrealistic and unclear
Mandate and function of the organization make sense with the future policy needs and social context in Indonesia Critical need	√			Irrelevant
Undertaking research according to a well-articulated research agenda that relates directly to their mandate Research agenda not well articulated	√			Research agenda not well articulated

Overall score: High

2. Research and analytical capacity

Focus and profile of research

FITRA's research outputs are closely connected to the nature of the organization. Since FITRA is a network organization, they work through a network of researcher activists throughout the country. This helps to both spread the benefits of their scrutiny of budgets down to regional and local governments across Indonesia, and helps to expand research competency to enable FITRA to undertake more wide ranging and ambitious national scale projects. FITRA's research outputs and supporting advocacy activities cumulatively generate a higher awareness of these issues among government agencies and the general public.

FITRA has hitherto focused more upon its advocacy work and less on rigorous research. The research outputs do not have an academic feel to them, and FITRA's core staff does not have advanced PhD training. Arguably one weakness is that FITRA does not draw on international academic or analytical literatures or conceptual frameworks. The strength is that the research remains highly relevant and well tailored to meet the Indonesian context. Research outputs have an 'organic' feel to them: they are not developed rigorously in accordance with social scientific methodologies and analytical frameworks, but instead articulate problems, in a language that enables their content and message to be readily taken up by their target groups. Nonetheless, FITRA could benefit from developing further international partnerships and training to increase their ability to undertake more conceptually rigorous forms of analysis and to draw on international literatures. The evolution in the direction of more rigorous research is the next logical and timely step for the organization.

Impact

FITRA uses its portfolio of research to support advocacy at different scales of government and in a variety of sectors. FITRA has managed to influence policy from the local all the way up to the national levels of government. For instance, they point to a number of new regulations (such as Inpres No 7/2011) that government agencies have developed reactively in response to FITRA research outputs and advocacy. The national government is a key user of their analyses of regional budgets. They have developed material for use by the national parliament and in other national level policy setting arenas. By far their most successful advocacy tool has been a budget policy brief called Vitamin A. Recently they have also developed alternative budgets to stimulate discussion of budgeting objectives and processes.

FITRA seeks to extend its influence to less traditional and more specific issues. For example they have focused on public spending on HIV/ AIDS prevention, and plan to focus on more specific topics such as natural resource spending. This indicates that they are keen to further increase their relevance.

Capacity issues

FITRA's main challenge will come with its growth as an organization. For instance, it needs to find qualified researchers with advocacy skills to staff an increasingly large and influential operation. If FITRA grows too fast, they will find it difficult to develop the capacity to meet demand. To ensure capacity is built throughout the organization, they will need to ensure that researchers and activists within their network – but away from Jakarta – are being trained in the same skills as those close to the centre. They begin to face the coordination and management issues that tend to emerge as organizations transition into larger institutions. Cognizant of this issue, FITRA recognizes the need to restructure its operations to overcome coordination and management difficulties. The leadership also identified the need for the restructuring to ensure personnel occupy positions that are appropriate for their skills and abilities.

FITRA also acknowledged that it is now up to capacity and recently has turned down a few projects. However, the temptation to expand beyond their capacity remains a concern.

They acknowledge that they face a large challenge: the need to put in place standard operating procedures for review of their research and to set up a system of outside reviewers to provide quality control for their research products. To date they have benefited from reviews provided by the Asia Foundation, but they clearly need to develop partnerships with academics to assist with this. While they have skills in qualitative analysis, they also would benefit from improving their capacity to collect and utilize macro-economic quantitative analysis in their work.

	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/ Inadequate/ No evidence	
Evidence of highly skilled staff	√			Low level of capacity and experience
Plan to fill the gaps in capacity to address their mission: identified the needed skills and initiated the process.	√			Not considered, they are ill prepared to increase capacity.
Evidence that the research is adequate to meeting local/national requirements for quality	√			No evidence that research meets quality requirements
Evidence that the research is meeting international standards of quality			√	No evidence that research meets intl' quality standards
Evidence that research is useful or has any impact - national	√			No evidence of use/ impact - national
Evidence that research is useful or has any impact - international		√		No evidence of use/ impact - international
Reports excellent presentation, clear structure/ recommendations, coherent argument and independent thinking.	√			Research outputs consistently lack structure, conceptual insight, lack of logical case, little evidence of independent thinking, poorly expressed/ referenced.
Evidence of use of international frameworks or literature – engagement with wider policy debates			√	No use of international framework or literature

Overall score: High

3. Communications and outreach policy

FITRA's communications strategy is arguably one of its strongest assets. FITRA is well known by the media and adept at communicating to the press, the legislative and national government ministries. This exposure and relationship between with partners has provided FITRA with policy influence and a remarkably recognizable brand. For these reasons FITRA is well positioned to emerge as a national think tank organization.

A few aspects of their communications and outreach policy are worth special mention. Firstly, their public exposure in the media is far greater than most civil society advocacy and research organizations in Indonesia. Their outreach consists of appearances on TV shows, conferences, seminars and in print media, and their 'brand ambassadors', Yunah Farham and Ucoq Khadafi, seem confident and knowledgeable on camera. FITRA has even been able to regularly gather lawmakers and politicians at the national level, such as the Ministry of Internal Affairs, and is comfortable interacting with them.

Secondly, FITRA continually seeks new means to get the word out to the public and government. They have developed an array of popular and user-friendly tools, an interactive website, and bi-lingual publications. They regularly publish their reports and have done so with an increasingly accessible format. They have developed easy-to-use software for more people to be trained to undertake budgeting analysis. They are now considering setting up a capacity building component through regional resource centres as means to extend their influence by educating people about their tools and methods. These initiatives have yet to be fully developed or tested. It remains unclear how district level resource centres can be supported into the future. Nonetheless, this agenda points to their ambition to find new ways to reach more people.

FITRA has strong networking capacity at both the national and district levels. They have identified 45 chief stakeholders, including strategic and direct partners as well as core users of their material. These include policy networks as well as relationships with civil society organizations and actors. They regularly work together with partners, offer training and spread knowledge. There is great opportunity to build upon these relationships and extend their networks further with local parliaments, CSOs and local universities.

One area that may present a concern is a reliance on social networks; there seems to be a dependence on the capacities and networks of a few key individuals. The powerful presence of a few leaders begs the question whether the institution itself is overly reliant on these people, or whether it has been able to institutionalize this capacity. This is understandable in the Indonesian context in which personal relationships are primary. However, it remains to be seen how FITRA will maintain critical relationships with politicians and policy makers after leadership transitions.

Given that the press is always hunting for scandals and bad news, FITRA has also identified the need to avoid both the snare of media celebrity status and the trap of appearing like an oppositional organization. They identify the need to find a balance between advocacy in the media that can lead to policy change but alienate some agencies and maintaining relations with the key policy makers that provides them with influence. This is why FITRA aims to help capacity building in other CSOs who can then take up advocacy roles in particular sectors.

	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/ Inadequate/ No evidence	
In tune with who to communicate with and they are reaching the relevant people.	√			No idea how to project themselves to target audience
Multiple communication strategies in place that are coordinated: reaching the relevant people.	√			Few unconnected ways of reaching out to their target audience.
Highly linked approach, well embedded in the CSO networks.	√			No evidence, works mostly in isolation of field.
Strong relationships with influential and/or reform-minded policy makers.	√			No evidence, works mostly in isolation of field.

Overall score: High

4. Financial/ business model and management

As an organization FITRA appears to be thriving. It currently has six projects and a budget of approximately 8-10 billion rupiah per year. FITRA is funded by a range of donors. They have increased their funding five fold over the last few years. Funders include FORD, IBP, PROREP, CIDA, Ausaid and DFID, with 60% of these funds allocated to the organization through TAF. Thus FITRA has a diversity of

funding sources over the medium to long-term donors. They need to maintain a wide pool of resources into the future. FITRA is looking at different funding models, such as offering capacity building services, so they are aware of the to diversify.

Previously FITRA’s financial management was a concern. After receiving KS sector support, they have been able to address these issues, developing standard operating procedures, and employing professional financial staff. Evidence of the organisation’s management capacity can be found in their continued support by donors who require attainment of financial governance standards.

The management model of FITRA may be one of the reasons for its achievements. As a network organization with nine members, the core organization, Seknas, sets out the strategy, disseminates expertise and sets the course for the other members to follow. This enables the organization to have reach and scope while reducing its operational costs. As the organization matures and this management model changes, for example if regional members become folded into the institution, then they will have to adapt their flexible financial and institutional set up to accommodate their increased size.

Data management is a key to FITRA’s operations. FITRA has had to improve its operations to support improved data management. We heard anecdotally that previously during budget discussions boxes of files would be carted in to meetings to help researchers support their analysis. Nowadays all the researchers use laptops. This sounds like an obvious progression. But their initiative to transfer thousands of files into a new digital management system for archiving and retrieving budgets involves a significant investment in centralizing and integrating their data systems. To this end FITRA has recruited an IT specialist. Developing their own software for analysis will have both internal and external benefits. It reveals the required tech savvy attitude required. They have also been increasingly using online mapping, another recent technological innovation that provide important advocacy tools.

	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/ Inadequate/ No evidence	
Business plan: established, it is implementing the measures in the plan.	√			Yes, it has one and is implementing the measures in the plan.
The organization is drawing funding from a range of different sources and through offering different services.	√			Not yet, or its not been implemented yet.
They are already implementing measures to diversify (such as pursuing different donors, etc...)	√			There is no evidence of a plan to diversify, or idea to do so.
They have an integrated operational budget and projections for future funding scenarios	√			They cannot clearly articulate their overall operational budget or how resources are being spent beyond project financial reports.
There are one/ two donor(s) with a long-term commitment to the institution.	√			There is no medium/ long-term commitment from any one donor

Overall score: High

5. Monitoring and Evaluation

FITRA has the capacity to undertake routine monitoring and evaluation for their projects. However, this seems to occur on a project-to-project basis. They have yet to institutionalize an organization-wide monitoring framework. Nonetheless, they have gained widespread recognition for their research outputs from an array of different financing institutions.

They have prioritized the task of establishing a better quality control mechanism of peer reviewers to provide feedback and ensure constant quality control. It is not so clear how this will be enacted and systematized, especially with their rapid growth scenario. Yet, they see this as a key to their reputation and success. Further KS funding will help to institutionalize capacity development in this area and help them develop systems for quality assurance.

	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/ Inadequate/ No evidence	
The organization has someone/ working full time who is trained in M+E and they are an integral part of project implementation.		√		There is no designated Monitoring and Evaluation person, nor anyone trained how to do it.
The M+E process is a part of project design and implementation. It helps to influence project management decisions and results.		√		A process is in place but it is only utilized sporadically and rarely influences project implementation.
Data analysis is integral to project and performance evaluation. It is very useful in generating conclusions and policy recommendations.		√		M+E data is collected to fill final and mid-term reports only.

Overall score: Medium

6. Human resources, management structures and processes

Organizational leadership structure

FITRA is a network organization with a management team in place at the national level that coordinates with its local branches in the network. The organization's current state and broad portfolio indicates that they have the ability to chart a course that enhances recognition and growth. FITRA appears to be responsive to the needs of the organizations in the network.

During the KS sector process FITRA has identified and sought to address key weaknesses. These include improving financial management, developing incentive systems and human resource management, and building capacity to manage more staff. The high quality research products on a wide range of issues across scale, with relatively low turnover and growing institutional networks indicate to a significant degree that leadership structures are working well.

Regeneration

FITRA has expanded from 14 to 20 full time staff over the last three years, and expects to add another 10 people over the next five years. FITRA does not seem to have difficulty attracting staff to the organization. This is partly due to their high visibility and referencing which helps to attract new recruits. We are also told that the organization regularly attracts PhD candidates and interested researchers from Indonesia and abroad to collaborate on research. This would seem to indicate a deep pool of skilled people from which they could draw staff in the future. In addition the FITRA network is extensive, taking in seven different regions of the country, and this offers a much broader the pool to recruit staff.

Retention

FITRA has not had a problem with turnover: they have high retention despite the fact that FITRA offers lower wages for IT and managerial staff than market rates. This is undoubtedly because their staff is highly committed, passionate and understands the relevance of their work for Indonesia. The organization took the opportunity provided by the KS sector grant to improve their incentive system and to build the capacity of staff. They are now able to provide opportunities for capacity development, such as scholarships, language skills development, and courses on research, writing, and other skill building

activities. They also have in place a system in which board members mentor junior and network members thereby investing in institutional capacity and building upon an existing skilled group. These measures bode well for their ability to retain staff in a field where there are few competitor organizations that pose a threat.

Concerns

The organization faces the challenge of keeping up with its own rapid growth and keeping pace with the capacity building required to support this expansion. The addition of new staff requires developing of skills and experience in the new personnel. It also demands adapting the management structures to ensure the organization retains its dynamisms and productivity. Expansion will impose an additional burden upon the organization’s leaders and its existing systems. FITRA is preparing for this transition by adopting new practices and technologies. One example is the integrated data system and digitalization of all budgets and records. But they will need to also expand their management team, add more people experienced in advocacy and move into new offices in order to accommodate their growing profile and portfolio.

	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/ Inadequate/ No evidence	
Management structure/ processes in place help the organization be more effective, people believe and rely on them, and they are reliable.		√		The structure/ process is ill fitted to the mission of the organization and unnecessarily complicates its efficient operation.
There are several people involved in the decision-making process and staff are routinely consulted for their opinions.	√			There is usually a reliance on one person who makes key decisions. Without him/ her there are often delays.
The organization is attracting leaders in the field, often by word of mouth.	√			Job postings remain open for long periods and there are few ready sources of future staff.
The organization is attracting the top people in the field to work there. These people feel supported by the organization.		√		When a top position has been opened it remained empty for a while. There is constant turnover in senior leadership.
An incentive system is in place that helps retain quality staff.		√		There is no system in place

Overall score: Medium

7. Organisational Culture

FITRA’s staff appears to be highly motivated and committed to their work. We find evidence for this in the high staff retention despite comparatively moderate wages, accounts that staff members interact well in teams and support one another, and in the way that they talk about their colleagues and their work.

	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/ Inadequate/ No evidence	
Staff members clearly understand what skills they are hired for, what they are contributing to, and as a result are highly motivated.	√			Staff members are tasked to work on projects in an ad hoc manner and often don't understand their role in the organization.
Staff members are inspired and motivated by the mission of the organization. They are dedicated to it because it aligns with their own values.	√			Staff members are working because it pays the bills.
There is a high degree of teamwork and regular exchange of ideas, it is a productive working environment.	√			Colleagues are isolated and there is little teamwork on research.

Overall score: High

8. Leadership

FITRA's leadership gives the impression of having a reputation for being dynamic and responsive to its staff and network members. Anecdotally we learned from the Asia Foundation's staff that FITRA's leadership has been attentive and open to criticism and proactive in pursuing ways to improve themselves. The leadership apparently recognize that there is always work to do to improve the organization, and they seem to be willing to make many of the required changes. In the interview we met a core leadership team that varied in age. In contrast to some peer organizations, they were candid about the challenges facing the institution. Such qualities suggest a healthy leadership culture.

As a network FITRA is run by the Seknas. Without speaking to regional network partners, it remains unclear how leadership qualities are distributed throughout the network. It is also unclear how the leadership model will adapt to the challenges of rapid growth. For instance, will it take its network members into its management structure?

It is important to note that FITRA is a pioneer in Indonesia's leadership among civil society organizations. It is one of the few that works actively in budget advocacy. FITRA has managed to achieve this goal while establishing productive relationships with government and civil society. This is not common: FITRA is outstanding for pioneering this new form of dynamic engagement.

A concern raised prior to the interview was leadership transition. FITRA changes its leadership every three years when the leader is chosen in an open process by its members. While last time the leader transition was messy and discordant, FITRA has put in place structures to enable former leaders to take up positions on the advisory board. It appeared as though the current leader had run the organization for a long time and that he held a disproportionate amount of influence within the organization; what would happen to FITRA if he were to leave (as he intends to do) to pursue PhD studies? Questions about succession however were put to rest when more was learned about the internal mechanisms in place to transition leadership. There are safeguards and strength in the depth of the board and indications of emerging leaders within the organization. This indicates institutional continuity under a new leadership. Nonetheless the challenge of succession remains: the new director who takes over in 2014 will have to be capable of managing large projects and functioning as a competent public spokesman.

	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/ Inadequate/ No evidence	
The director/ senior leadership is widely known and respected as influential and pioneering.	√			The director/ senior leadership is not known in their respective field at all.
Mid-level leadership shows strong leadership qualities and is effective in creating a dynamic and productive working environment.	√			Mid-level leadership manages project teams, but there is little increase in capacity imparted by them.
There is a high degree of team work and regular exchange of ideas, it is a productive working environment.	√			Colleagues are isolated and there is little team work on research.
The senior leadership team shows a good balance of strong leadership and management	√			The organization's leadership is dominated by either leaders or managers; it is out of balance
Staff members are highly motivated and are able to motivate those around them and show leadership in their dedication to their work.	√			Staff members are apathetic and work because it is their job.

Overall score: High

9. Board or other governance bodies

FITRA's board is active. It clearly has experience and capacity. They regularly are involved in the direction and assistance to staff and have worked hard for the institution.

	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/ Inadequate/ No evidence	
The board is continually interested in following progress and overseeing operations run smoothly.	√			The board hardly meets and rarely requires review of activities.
Board members are active in fund raising, continually finding new sources of funding.		√		The board shows little interest in offering advice/ counsel, it leaves operation up to the staff.
Board members are constantly using their own contacts to help advance the mission of the institution	√			The board does not help the organization to make connections with key people in the field.
The board is very supportive in allowing the org to run itself/ helps by finding funding/ providing mentoring/ directing projects.	√			There is regular unwanted interference from the board, it is overly interventionist, not allowing for innovation.

Overall score: High

10. External environment/ links to policymaking community

FITRA appears to be undertaking the extensive networking required to influence policy. FITRA has established both strong connections with government (impressively in some cases at the parliament and ministerial levels) and also with the civil society organization networks that also work on transparency and budgets.

Further afield FITRA is now engaging with an international network to collaborate on budget transparency. Some of the advocacy tools they have pioneered and now being used in other international

contexts. International engagement can clearly help FITRA to acquire more knowledge and skills in analytical frameworks, as well as contacts and open future collaborative opportunities. This is very positive given that Indonesian civil society organizations rarely work at an international scale.

There is no doubt that the demand for FITRA’s work will continue into the future. They see the need to build awareness and skills in both the civil society *and* the government sectors. FITRA’s budget analysis training initiative through regional budget centres reflects this understanding. While it is unclear how this initiative will work in practice, including how sustainable it will be, it indicates the organization’s vision.

	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/ Inadequate/ No evidence	
Highly recognized, respected and sought out for their advice and insight regularly.	√			Rarely cited or recognized for its work, occupies little space in people’s minds when considering their particular topic
The impact has been substantial and created significant advances in the field.	√			The impact has been minimal, but there is potential for development.

Overall score: High

Annex 1. Matching the Selection Criteria with Performance Criteria

<p>Criteria 1: Demonstrated history of producing quality policy research and / or evidence based advocacy outputs (evidence of quality of policy research)</p>	<p>2. Research and analytical capacity 3. Leadership</p>
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Notes: We see leadership as an overarching issue that relates to the three criteria suggested by AusAID and TAF. For Criteria 1, leadership variable relates to the quality of the leadership pertaining to scientific research leadership.

<p>Criteria 2: Evidence of the organization’s planning including consideration of future policy needs in Indonesia, and clear strategic planning</p>	<p>1. Clarity of core mandate and function 8. Leadership</p>
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Notes: In this section we assessed the quality of leadership of think tanks and policy research organizations. We expect to see whether the leaders possess strategic vision.

<p>Criteria 3: Evidence of organizational consideration of sustainability including strength of organization’s governance structures, staff retention, financial planning and management processes</p>	<p>4. Financial/ business model and management 5. Monitoring and Evaluation 6. Human Resources, management structures and processes 7. Organisational Culture 8. Leadership 9. Board or other governance bodies</p>
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Notes: Leadership in this instance relates to organizational leadership which suggest operational management of the organization. This also relates to ‘collective leadership’ for instance the roles of board members (for the NGOs/think tank) or the roles of controlling body for the case of university based research centers.

<p>Criteria 4: Existing networks with key stakeholders in the organization’s area of focus (including ability to engage and work in coalition with civil society), and evidence of productive policy engagement and contribution of research to policy</p>	<p>3. Communications and outreach policy 10. External environment/ links to policy community</p>
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Step Two: Breaking Down the Performance Criteria into component parts

The 10 Performance Criteria were then broken down one by one, so as to help derive a complete understanding of the different facets of each. A metrics was created which was helpful in both scoring (each one was scored either High/ Excellent; Adequate/ Medium; or Inadequate/ Low), as well as ensuring that a comprehensive evaluation of the different components were covered for each criteria. As such while some

areas of an organization's performance can be regarded as strong these would not eclipse areas that were considered weak, thereby offering an objective view of both areas of strength *and* weakness.

Below each of the performance criteria are listed together with each of their different components (sub-criteria). Each sub-criteria is viewed as a continuum that ranges from high, to medium, to low. The reviewers scored each organization, on each of these sub-criteria. Further below is an example of scoring completed for IRE on their first two performance criteria.

1. Clarity of core mandate and function	Excellent/ High/ Lots of evidence	Adequate/ Medium	Inadequate/Low
Mandate and function of the organization Entirely realistic and clearly stated	Unrealistic and unclear		
Mandate and function of the organization make sense with the future policy needs and social context in Indonesia Critical need	Irrelevant		
Undertaking research according to a well-articulated research agenda that relates directly to their mandate Research agenda not well articulated	Research agenda not well articulated		

2. Research and analytical capacity	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/Inadequate/no evidence
Evidence of highly skilled staff	Low level of capacity and experience		
Plan to fill the gaps in capacity to address their mission: identified the needed skills and initiated the process.	Not considered, they are ill prepared to increase capacity.		
Evidence that the research is adequate to meeting local/national requirements for quality	No evidence that research meets quality requirements		
Evidence that the research is meeting international standards of quality	No evidence that research meets intl' quality standards		
Evidence that research is useful or has any impact – national	No evidence of use/ impact - national		
Evidence that research is useful or has any impact - international	No evidence of use/ impact - international		
Reports excellent presentation, clear structure/ recommendations, coherent argument and independent thinking.	Research outputs consistently lack structure, conceptual insight, lack of logical case, little evidence of independent thinking, poorly expressed/ referenced.		
Evidence of use of international frameworks or literature – engagement with wider policy debates	No use of international framework or literature		

3. Communications and outreach policy	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/Inadequate/no evidence
In tune with who to communicate with and they are reaching the relevant people.	No idea how to project themselves to target audience		
Multiple communication strategies in place that are coordinated: reaching the relevant people.	Few unconnected ways of reaching out to their target audience.		
Highly linked approach, well embedded in the CSO networks.	No evidence, works mostly in isolation of field.		
Strong relationships with influential and/or reform-minded policy makers.	No evidence, works mostly in isolation of field.		

4. Financial/ business model and management	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/Inadequate/no evidence
Business plan: established, it is implementing the measures in the plan.	Yes, it has one and is implementing the measures in the plan.		
The organization is drawing funding from a range of different sources and through offering different services.	Not yet, or its not been implemented yet.		
They are already implementing measures to diversify (such as pursuing different donors, etc...)	There is no evidence of a plan to diversify, or idea to do so.		
They have an integrated operational budget and projections for future funding scenarios	They cannot clearly articulate their overall operational budget or how resources are being spent beyond project financial reports.		
There are one/ two donor(s) with a long-term commitment to the institution.	There is no medium/ long-term commitment from any one donor		

5. Monitoring and Evaluation	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/Inadequate/no evidence
The organization has someone/ working full time who is trained in M+E and they are an integral part of project implementation.	There is no designated Monitoring and Evaluation person, nor anyone trained how to do it.		
The M+E process is a part of project design and implementation. It helps to influence project management decisions and results.	A process is in place but it is only utilized sporadically and rarely influences project implementation.		
Data analysis is integral to project and performance evaluation. It is very useful in generating conclusions and policy recommendations.	M+E data is collected to fill final and mid-term reports only.		

6. Human resources, management structures and processes	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/Inadequate/no evidence
Management structure/ processes in place help the organization be more effective, people believe and rely on them, and they are reliable.	The structure/ process is ill fitted to the mission of the organization and unnecessarily complicates its efficient operation.		
There are several people involved in the decision-making process and staff are routinely consulted for their opinions.	There is usually a reliance on one person who makes key decisions. Without him/ her there are often delays.		
The organization is attracting leaders in the field, often by word of mouth.	Job postings remain open for long periods and there are few ready sources of future staff.		
The organization is attracting the top people in the field to work there. These people feel supported by the organization.	When a top position has been opened it remained empty for a while. There is constant turnover in senior leadership.		
An incentive system is in place that helps retain quality staff.	There is no system in place		

7. Organisational Culture	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/Inadequate/no evidence
Staff members clearly understand what skills they are hired for, what they are contributing to, and as a result are highly motivated.	Staff members are tasked to work on projects in an ad hoc manner and often don't understand their role in the organization.		
Staff members are inspired and motivated by the mission of the organization. They are dedicated to it because it aligns with their own values.	Staff members are working because it pays the bills.		
There is a high degree of teamwork and regular exchange of ideas, it is a productive working environment.	Colleagues are isolated and there is little teamwork on research.		

8. Leadership	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/Inadequate/no evidence
The director/ senior leadership is widely known and respected as influential and pioneering.	The director/ senior leadership is not known in their respective field at all.		
Mid-level leadership shows strong leadership qualities and is effective in creating a dynamic and productive working environment.	Mid-level leadership manages project teams, but there is little increase in capacity imparted by them.		
There is a high degree of team work and regular exchange of ideas, it is a productive working environment.	Colleagues are isolated and there is little team work on research.		
The senior leadership team shows a good balance of strong leadership and management.	The organization's leadership is dominated by either leaders or managers; it is out of balance		
Staff members are highly motivated and are able to motivate those around them and show leadership in their dedication to their work.	Staff members are apathetic and work because it is their job.		

9. Board or other governance bodies	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/Inadequate/no evidence
The board is continually interested in following progress and overseeing operations run smoothly.	The board hardly meets and rarely requires review of activities.		
Board members are active in fund raising, continually finding new sources of funding.	The board shows little interest in offering advice/ counsel, it leaves operation up to the staff.		
Board members are constantly using their own contacts to help advance the mission of the institution	The board does not help the organization to make connections with key people in the field.		
The board is very supportive in allowing the org to run itself/ helps by finding funding/ providing mentoring/ directing projects.	There is regular unwanted interference from the board, it is overly interventionist, not allowing for innovation.		

10. External environment/ links to policymaking community	Excellent/ High/ Lots of evidence	Medium/ Adequate/ some evidence	Low/Inadequate/no evidence
Highly recognized, respected and sought out for their advice and insight regularly.	Rarely cited or recognized for its work, occupies little space in people's minds when considering their particular topic		
The impact has been substantial and created significant advances in the field.	The impact has been minimal, but there is potential for development.		