

Oxfam International: Moving Toward “One Oxfam”

In November 2008, Oxfam International began a process that sought to transform its presence in the countries in which Oxfam operated. Going from a system in which multiple, autonomous Oxfam affiliates could work in any given country to a single management structure (SMS) in each country – but with a continuing commitment to preserving a diverse confederation – has been a complex process that aims to deliver greater impact, efficiency and recognition. Although the journey has sometimes been arduous, the vision of “One Oxfam” and the perceived benefits of such unity and convergence are helping to sustain commitment and focus as the process of change continues.

Background

Oxfam International (OI) is a 17-member confederation working in more than 90 countries to find lasting solutions to poverty and injustice by advancing development programs, humanitarian action, global campaigns and multi-level advocacy. The Board of OI is made up of the Board Chairs and Executive Directors of each affiliate, and there are no independent Board Members. Each affiliate has one vote regardless of budget size. The OI Board meets annually and the Executive Directors meet twice a year (once as part of the Board). The Executive Directors are supported by a Global Team, a multi-disciplinary group of senior staff drawn from across the Oxfam confederation. The Executive Director of OI leads the OI Secretariat, and chairs the meetings of Executive Directors and the Global Coordination Team, but has no line management authority over affiliate staff.

Three factors provided the SMS process with momentum. First, it is clear that having multiple affiliates running separate programs in the same country is inefficient and is a liability given Oxfam’s own advocacy on aid effectiveness. Second, a unified approach to global campaigning and a consortium system to streamline emergency response have both had positive results; this has developed an appetite for a more synergistic way of working across Oxfam affiliates. Finally, there is broad agreement on the hypothesis that a more efficient, integrated structure in the countries in which Oxfam works will lead to greater impact and influence.

Key Features of Change

The rationale for the implementation of SMS is that by working together and joining the strengths, expertise and diversity of Oxfam affiliates, the organization will be able to help more people and make a

bigger difference to global poverty. The primary stated driver of SMS is *impact*, and the secondary drivers are *cost efficiency* and *constituency and identity*.

In each country, a single affiliate (Managing Affiliate) will have overall management responsibility, with up to three other affiliates (Implementing Affiliates) working with the Managing Affiliate to deliver on the country strategy. Managing Affiliate and Implementing Affiliate roles were assigned as a result of a “bidding” process that took place in 2009. Each country has a single Country Director who is employed by the Managing Affiliate. Associate Country Directors lead the work of the Implementing Affiliates and report to their affiliate headquarters, but are part of the Country Leadership Team. Many affiliates still retain their separate local registrations. Transitioning from the prior system to SMS is referred to as a “go live.” Some thirty countries have “gone live” to date. The four-affiliate per country rule is a maximum; many countries have less than four Oxfam affiliates.

Program Governance Groups (PGGs) have been established in each region to act as the primary governance body for a country before, during and after the SMS transition process. The existence of the PGGs is intended to make governance and management roles separate and distinct. PGGs are supposed to provide a “steer” from the OI perspective (not line management, which are retained by managing and implementing affiliates), ensuring that affiliates are able to deliver on the country strategy and helping resolve disputes that arise among affiliates. The Program Development Group (PDG), which is a subset of the Global Team, provides oversight and leadership to the PGGs in each region.

The transition to SMS is undergirded by shared program standards (agreed upon early in the change process), shared measures of success, a robust process of learning loops, and significant investment in change management and internal communications. Seven measure of success are being consistently tracked: they track impact (assessed by a self-assessment tool and a series of case studies that involve longitudinal studies on 12 programs), cost-efficiency (assessed by a decline in OI consolidated program management costs, and targets for affiliate spending outside their own programs) and brand identity (assessed by the way affiliates describe Oxfam and an increase in joint fundraising applications). Deliberate learning loops take stock of the experiences of countries that have “gone live” (and the story told by the measures of success) and recalibrate the SMS process to make it easier and more effective.

The SMS Core Project Team (based in OI) is responsible for the coordination of the SMS project, providing tools to guide the SMS process and overseeing a network of change managers. Each affiliate has an SMS Coordinator and Change Managers are scattered throughout the confederation, providing hands-on support for “go lives.” Key SMS-related positions are filled with experienced Oxfam staff who can use their credibility to move difficult processes forward. An SMS Communications Team helps support the basic information needs and the culture change required to make SMS a success.

Major Lessons Learned

Uneven responsiveness to change in country offices and headquarters | Oxfam was deliberate about focusing its change process at the country level (and not on higher levels). More than two years into the SMS process, staff at the country level have responded relatively well to the changes (recognizing the benefits of integrating affiliate capabilities and aggregating financial resources at the country level) while affiliate headquarters have been slower to embrace the changes. The success of SMS depends on all levels

of the organization adopting the “One Oxfam” culture and demands that affiliates learn to work more collaboratively in an interdependent system. However, there have been times when affiliates have blocked or reversed decisions made by Country Leadership Teams or Program Governance Groups, where timely compromises and agreements have to be made to maintain momentum on the SMS process. This has led to some frustration and to demands that deeper changes (toward common or centralized systems, particularly in human resources, finance and information technology) be undertaken by affiliate headquarters.

Dual citizenship vs. blurred accountability | The concept of dual citizenship (belonging to “One Oxfam” while simultaneously belonging to an Oxfam affiliate) is a difficult balance in a confederation which values affiliate autonomy and diversity as much as Oxfam does. At almost every level, there are multi-affiliate staff teams that seek to share roles and responsibilities; even the line management of staff is dispersed among several affiliate headquarters. The hard management lines that typically seek to ensure upward accountability are not replaced, but are complemented by a web of dotted lines that require mutual accountability. This places a heavy burden on matrix management capabilities, and makes some big bets on the effectiveness of teams at all levels. Adding to the complexity is the distinction that Oxfam draws between governance and management of country offices: governance is associated with the “One Oxfam” perspective, and management is associated with the affiliates’ responsibility. Given that affiliate autonomy is the default setting at Oxfam, it is important that affiliates adopt systems (e.g. performance management systems) that reinforce mutual accountability and dual citizenship. In addition, more work is to be done on clarifying mandates in a way that can identify and escalate issues, and resolve them, in a timely way.

Focus on people, culture and trust | The intended results of the SMS process cannot be delivered by rules and structures. They can only be achieved if staff stop thinking in an affiliate-oriented way, and start thinking collectively and trusting the roles and capacities of other affiliates. Given the time it takes for such an evolution of mindsets, SMS is considered a “journey project” (valuing its iterative nature and the learning that the process produces) and not a “destination project (focused on a particular end point). This approach has required a significant investment in change management and internal communications, which have focused on building a supportive “One Oxfam” environment and culture; it has also placed a premium on tracking measures of success and building learning loops into the implementation process itself. “Learning by doing” has become an important attitude and celebrating effective approaches to SMS has been a vital part of the change process.

Engage the differences and disagreements | The effort to advance the SMS process has exposed many philosophical differences among Oxfam affiliates that has co-existed relatively easily within a loose confederation in which affiliates were not interdependent. Trying to make the SMS process work at the level of the Country Leadership Teams and Program Governance Groups has demanded that these differences (for example, in terms of the outlook on Oxfam’s engagement with governments or the private sector or broader civil society) be confronted. Some of the more profound differences have not been resolved yet, but the success of the SMS process (and what it seeks to achieve) depends on engaging these disagreements in search of appropriate “One Oxfam” positions and principles – and not papering over the differences.

Cost-efficiency takes time | Although cost-efficiency was articulated as a secondary driver of the SMS process, it has been challenging to achieve in the early years. There are many fronts on which the

anticipated economies of scale were achieved (e.g. reducing the number of staff in specific functions when affiliate offices moved to a single location and redundancy needed to be cut). However, on other fronts (e.g. needing to move a larger number of staff, from multiple affiliates, to a larger office in a more central office space) expenses were greater than anticipated. Although Oxfam did invest in change management, the SMS transition likely required much more resourcing.

Capable, continuous leadership at all levels | Delivering on the promise of SMS requires strong, committed leadership at all levels. Particularly for Country Directors, running a multi-affiliate country office (with larger budgets, diverse technical expertise, etc.) requires a complex set of skills – from budget management to partnership building, and from high-level representation to facilitation. Multi-stakeholder skills are key, given Oxfam’s partnership model, its goal of influencing powerful actors, and the complexity of making mutual accountability among affiliates work at the country level. At the Executive Director level, focused attention and visible engagement remains key, even as the “political” change decisions have given way to the nuts and bolts of making SMS happen in country after country. Especially in terms of fostering a change in culture, the model that Executive Directors provide – in working collaboratively and demonstrating a “One Oxfam” mindset and behaviors – is vital to other staff in their affiliates.

Transitioning from SMS to normalizing “One Oxfam” mindset and behaviors | “Going live” has turned out to be such a complex process that it demands enormous time and attention of senior staff at the country level as well as key staff throughout the confederation. The focus on “going live” sometimes makes that important milestone feel like the end point, when it is really just the beginning of a new way of working and thinking more collaboratively and effectively. In some country offices, the “go live” has absorbed so much time and energy that there has been an associated decline in program spending and a drop in external-facing efforts. When SMS is in place at the country level, the focus should shift quickly to realizing the benefits of that change (against the measures of success that have been articulated). Change managers’ focus should shift accordingly. Developing regional strategies that are more than an aggregation of country strategies might be one priority.

Bolstering SMS with complementary processes | It has been important that the SMS process, which has focused on streamlining Oxfam’s field presence, be complemented by a suite of other global projects, including the Global Identity Project, the Global Income Strategy and the Global Program Investment Framework. The latter framework, in particular, considers essential questions about how Oxfam’s collective efforts should be steered and resourced. For example, should Oxfam invest more in fragile states? Or in emerging powers like the BRICs? Or in countries where large numbers of poor people live or in the poorest countries? (Currently, Oxfam is most invested in the poorest countries.) The Global Program Investment Framework proposes five criteria by which to organize and prioritize countries: strategic fit (a proxy for need) measured by the inequality-adjusted Human Development Index; Oxfam’s distinctive added-value; importance to Oxfam’s global agenda; funding; and risk. Ultimately, investments decisions guided by this framework will shape the arena in which SMS succeeds, fails or evolves into something different.