

**fighting poverty together**  
ActionAid's strategy 1999-2005



**act:onaid**

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Originally set for five years (1999 - 2003), **fighting poverty together** has been extended by two years and now runs until **December 2005**. Visit [www.actionaid.org](http://www.actionaid.org) to see how we are progressing.

## Join us in the fight against poverty



Steve Morgan/AA

As ActionAid enters its third decade of ceaseless effort to combat poverty in some of the most disadvantaged parts of the world, the need to review our achievements and failures becomes obvious. Not least because the external context in which we are working has changed dramatically.

The outcome of this exercise of reflection and analysis is shown in the following pages. This document will be our guiding force for the coming period: articulating not just our understanding of the causes of poverty but, more importantly, spelling out our strategic priorities for action.

The agenda is deliberately ambitious and can only be achieved by working with many of you in the South and North: poor communities with whom we interact every day, our donors, other civic organisations, government and inter-governmental organisations concerned with aid and trade, etc. After all, ActionAid's main strength has been in bringing together the individuals and organisations who are concerned about poverty in the South and North and it is this linking of hearts and minds that has made such a difference to the lives of poor people.

All power to our staff, many of whom operate under extremely difficult circumstances – often putting themselves at considerable risk – to translate this strategy to action. We know the task is formidable but we have to press forward with the courage of our convictions. As we begin the next millennium, with global prosperity hitting unprecedented heights, we have to fundamentally reject the morally and politically outrageous situation that allows over two billion people to be denied their basic needs.

**Ken Burnett**  
Chairman, Board of Trustees

**Salil Shetty**  
Chief Executive

# Summary



Jenny Mathews/Network/AA

## Why this strategy?

There is enough evidence that over the last three decades ActionAid has made a tangible difference to the lives of thousands of poor people in around 30 of the poorest countries in Africa, Asia and Latin America. The most striking successes have been in securing improved access to quality education for children and adults. The long-term nature of our partnership with poor communities in the South and child sponsors in the North, our participatory and holistic approach at the grassroots level, and our work in strengthening the capacity of our Southern partner organisations has helped us earn the respect of our partners, development thinkers, governments and donors. However, the fact is that at the turn of the century, in aggregate terms, poverty and inequality have only increased. At the same time, our understanding of the causes of poverty and marginalisation has deepened. The possibility of making a difference by working with strategic alliances at local, national and international levels to bring about lasting change is greater than ever before. The distinctive role of international NGOs has been a subject of intense debate in recent times. As the organisation has grown in size and diversity, the need for organisational cohesion is also being felt. For all these reasons, articulating an organisation-wide statement of strategic intent is seen as vital.

ActionAid's vision is a world without poverty in which every person can exercise their right to a life of dignity



Elaine Duigenan/AA

### What is our world-view?

In all our work we will be guided by our core values of mutual respect, equity and justice, honesty and transparency, solidarity with poor and marginalised people, courage of conviction and humility.

Three decades of experience of working closely with the poor convinces us that poverty and the denial of basic needs such as education, food, healthcare, water, livelihood, information and participation, security and protection, is indeed a violation of fundamental human rights. Our focus will therefore continue to be on those living in absolute poverty.

But the importance of people's own perceptions of their well-being and the limitations of externally defined poverty lines has become obvious. This is particularly relevant as we recognise how, even within the poor, gender, caste, ethnicity, generation and beliefs enhance vulnerability.

More broadly, from the local to the international, it is evident that the causes of poverty are very much rooted in the unjust distribution of resources. Eradicating poverty without understanding inequality and its relative nature will not yield durable solutions. Our analysis and actions will therefore take much greater cognisance of not just the symptoms but also the causes of poverty. In

doing this we will seek to integrate our interventions at different levels. The progressive realisation of all basic rights for the poor is seen as the primary responsibility of the state with active support from all other sections of society. Organised collective action by poor people and their allies is essential to ensure that the better-endowed sections of society fulfil their responsibilities. In our crusade for poverty eradication, we will seek to exploit ActionAid's comparative advantage of working closely with the poor and marginalised in a representative mix of developing countries across the globe, while maintaining strong links with Northern publics, governments and institutions.

ActionAid's mission is to work with poor and marginalised people to eradicate poverty by overcoming the injustice and inequity that cause it

## Summary

### What do we want to achieve?

Our mission (above) translates into four poverty eradication goals:

- Poor and marginalised people will increasingly be able to realise their potential.
- The anti-poverty movement will be strengthened.
- International constraints to poverty eradication will be mitigated.
- Gender equity will be enhanced.

The four goals identified in the strategy are not a list of mutually exclusive options: each creates new levers and adds momentum that reinforces the other areas of work. Indeed, sustained and fundamental change at one level will be difficult or impossible to achieve without progress on the other three. It is only by applying pressure from all of these angles that we will shift the underlying forces that cause and maintain poverty.



Jenny Matthews/Network/AA

**First** we must empower poor and marginalised people to find ways of meeting their basic needs, freeing their potential, and exerting their basic rights to live a more fulfilled and dignified life. Working in partnership with poor communities will remain the hard core of our work – where the bulk of our resources will be invested. Through practical interventions which meet more immediate needs, we will work closely with poor and marginalised people and with organisations to build their confidence and enable them to organise themselves to stand up for their rights. It is the understanding and credibility that we gain from our grassroots-level work that will give us the strength to work with the poor to influence local and national governments and international institutions to respond to their demands.

**Second** we will help generate and sustain positive linkages between people and organisations within civil society dedicated to poverty eradication. Indeed, we believe that our mission cannot be achieved unless it is shared by a broad swathe of society, both North and South, powerful and powerless, non-poor and poor alike. We will seek to play a critical role in supporting a global movement for the eradication of poverty and creating a popular base of support for development. This will include developing our relationship with existing and new donors in the North so that they can play a part in strengthening initiatives that benefit poor and marginalised people.

**Third** we will seek to break down the barriers to poverty eradication by influencing those powerful Northern and international actors and institutions that constrain or undermine poverty eradication efforts. We will work in alliance to persuade and challenge powerful governments, international institutions and private corporations to develop and promote policies and practices – including the redistribution of power and resources – that favour poor and marginalised people. And we will seek to make these players more exposed and accountable to the pressure of public opinion in order to generate the will to act. This is where we get the largest leverage with limited investment.

**Fourth** we will work with both men and women to change the forces that cause and perpetuate gender inequity at every level. Increasing women's control over their own development, in both our project and policy work, will be a key goal. This will be further enhanced by supporting other civil society organisations working on poverty and gender, as well as the wider women's movement.

These goals are far-reaching and will broaden our role in tackling poverty on a number of fronts, whether it is in responding to complex or natural emergencies or long-term development interventions. Implementing strategies to achieve these goals presents considerable challenges to the organisation and the way we work.

Our inspiration and our resolve in achieving our mission is drawn from witnessing the daily struggle, creativity and energy of poor and marginalised people to overcome abject poverty

We need to work with the same degree of commitment and determination to secure freedom from poverty for future generations

### What's new?

The major shifts in emphasis are that we will now actively seek to:

- address the root causes of poverty at all levels, from local to global, based on learning from field reality
- promote basic rights as the focus in all our work
- work increasingly in partnership and alliance
- tackle constraints imposed by various national and international institutions
- connect more closely with governments at local and national levels
- engage donors to influence attitudes, policies and practices for poverty eradication.

### What are the organisational implications?

In order to achieve our poverty eradication goals, we have identified six organisation objectives:

- strengthening our identity
- achieving gender equity
- devolving decision-making
- enhancing innovation and learning
- securing appropriate income and ensuring cost-effectiveness
- internationalising governance.



Liba Taylor/AA

At the heart of our organisation objectives is the need to work together around a core culture and identity while promoting innovation and creativity. We will build an effective centre and empowering organisational culture as we continue to devolve decision-making. Moreover, moving ahead in the way envisaged in ActionAid's strategy will require us to generate new and appropriate sources of funds to support our work while improving our cost-effectiveness.

### The way forward

The strategy is about change. Change within ActionAid to increase our effectiveness and impact. Change in the structures that cause poverty. And, most importantly, change in the lives of poor and marginalised people.

ActionAid's strategy is ambitious. However, it builds on our record of achievement over the last three decades. It reflects some of the exciting innovations in our approach to poverty eradication developed around the globe, and will help to guide our future work and maximise our lasting impact. ActionAid is resolute in its conviction that poverty must become part of history and that its existence in the meantime is morally indefensible.

# Part I: Introduction



Gideon Mendel/Network/AA, Jenny Matthews/Network/AA

## Background to the strategy

This strategy renews our commitment to fight the outrage of poverty, and our determination to join with poor and marginalised people and their allies in effective action. It brings new and distinct momentum into a process of continuous change, both in terms of bringing change to the lives of poor and marginalised people, and aligning the way we organise ourselves and our work.

ActionAid's first strategy was developed in 1995 to frame the priorities of the organisation over a five-year period. The document had its roots in *Moving Forward in the Nineties* (1992) and *Giving People Choices* (1994), statements that addressed the challenges of the decade and the major adjustments that ActionAid was making to its management and programme work to meet these challenges.

As the decade – and the century – drew to a close, discussion across the organisation suggested that we had made much progress in terms of our thinking and action since the first strategy was written. Our understanding of the causes of poverty and marginalisation had deepened, we were developing strategies for wider impact and influencing, and our partnership and solidarity with poor and marginalised people was stronger than ever.

However, as our understanding of the causes of poverty grew, it became clear that we needed to further enhance our effectiveness if we were to combat the unprecedented levels of poverty and inequality that were the previous century's legacy to the 21st. The International Staff Conference in 1998 reached clear consensus on the need for further, far-reaching changes in order to achieve greater leverage over the causes of poverty. This strategy is part of our action towards putting that consensus into practice.

## Aims of the strategy

More detailed than a vision, but not a work-plan, this paper should be read as a statement of strategic intent. First, it puts our work into context and articulates our position by describing ActionAid's understanding of poverty and our basic approaches to tackling the causes of poverty. Second, it identifies a number of strategic objectives and strategies towards achieving our longer-term goals and mission. Third, it identifies organisation strategies to manage the process of change. It provides specific recommendations and milestones which will guide the development of subsidiary strategies and policies throughout ActionAid. Overall, by articulating a clear way forward, this strategy aims to focus all parts of the organisation in a unified direction.

## Part II: The foundation

### ActionAid's vision, mission and values

#### Vision

ActionAid's vision is a world without poverty in which every person can exercise their right to a life of dignity.

#### Mission

ActionAid's mission is to work with poor and marginalised people to eradicate poverty by overcoming the injustice and inequity that cause it.



Liba Taylor/AA

#### Values

ActionAid lives by the following values:

**Mutual respect** recognising the innate dignity and worth of all people and the value of diversity.

**Equity and justice** requiring us to work to ensure that everyone – irrespective of sex, age, race, colour, class and religion – has equal opportunity for expressing and utilising their potential.

**Honesty and transparency** requiring us to be accountable for the effectiveness of our actions and open in our judgements and communications with others.

**Solidarity with poor and marginalised people** so that our only bias will be a commitment to the interests of the poor and powerless.

**Courage of conviction** requiring us to be creative and radical, without fear of failure, in pursuit of the highest possible impact on the causes of poverty.

**Humility** recognising that we are a part of a bigger alliance against poverty and requiring our presentation and behaviour to be modest.

## Part II: The foundation

### The context of ActionAid's work

At the beginning of the 21<sup>st</sup> century more than 1.3 billion people – a fifth of the world's population – struggle to live on less than the equivalent of \$1 a day

But even this fact cannot begin to capture the injustice and marginalisation that is the reality of poverty today. Across the world, both the incidence and intensity of poverty are increasing. Meanwhile, the gap between rich and poor, within and between nations, has never been greater.

ActionAid believes that this is not the way the world has to be. It is fundamentally a result of choices made over time about how to organise societies. It follows that we can choose differently. By acting together we can change societies – and the political, economic and social structures that make them – to create a fair and just world.

Eradicating poverty is not a distant dream. It is well within the reach of humankind. In recent decades adult illiteracy has been halved, and more than three-quarters of the population of developing countries now live beyond the age of 40. These gains, although uneven, show that progress is more than a possibility: it is a reality.

The advances that have been made are testimony to the creativity and courage of poor and marginalised people and their determination to overcome their own deprivation. And they bear witness to the power of

concerted action against poverty, whether by mass movements, by social reformers or by the targeted actions of national governments and international actors.

### ActionAid's understanding of poverty and its causes

#### Defining poverty: moral absolute, relative tactics

While economic inequality is everywhere on the rise, leading some to speak of a 'global South' which encompasses growing pockets of deprivation and exclusion in the North, by far the widest and deepest poverty is still found in south Asia, sub-Saharan Africa, south-east Asia and Latin America.

ActionAid faces an ethical imperative to direct its limited resources to the millions of people – women and children above all – who lack the most essential resources. In that sense, our work is founded on an absolute definition of poverty. Our understanding of poverty is 'absolute', too, in the sense that we believe that the denial of these basic needs is always and everywhere a violation of fundamental human rights, because without these resources people simply cannot realise a life of dignity.

However, taking practical action against poverty is invariably more complicated than simply trying to push people over a standardised poverty line. Effective and appropriate interventions need to be based on local perceptions of well-being and poverty, particularly those of poor and marginalised people themselves. Therefore, our working definitions of poverty will vary from one place and one social group to the next.

Moreover, we believe that inequalities in power and resources are the major cause of poverty. This means that if we are to make a deep and lasting improvement in the well-being of poor and marginalised people, we need to work towards more equitable sharing of power and resources between rich and poor, men and women, and North and South. In many ways, the answer to eradicating poverty lies in issues related to distribution, and this, in effect, means tackling relative poverty.

When people do not have food, water, medical assistance or a roof over their heads, then the ordeal of poverty is visible and compelling. Few poor and marginalised people would disagree that these are important indicators of deprivation and need to be tackled in their own right. But the real outrage of poverty lies beneath the surface. Our experience demonstrates that the vicious circle of deprivation and marginalisation cannot be ended by addressing only the visible symptoms of material need, or by expanding participation in existing structures and institutions. Poverty and marginalisation are more stubborn than that. From one generation to the next, privilege and prejudice are maintained and reproduced by a fabric of power that weaves the threads of gender, generation, class, ethnicity, caste and belief into all our institutions and practices.

Changing the lot of poor and marginalised people, therefore, means changing society. A just system of rights needs to be established, recognised in law and policy, and enforced in practice. Changing society's system of entitlements and obligations is a long, hard struggle. It demands the active empowerment and mobilisation of a wide spectrum of

actors – above all, poor and marginalised people themselves. And this will only come about through a series of smaller steps: through partnership on concrete actions which make a real and immediate difference in people's lives, and which begin to break down the practical barriers and deprivations that they face.

### **The causes of poverty: local to global**

The historical causes of poverty such as colonisation and misrule have left deep scars in many parts of the world. Even over the past decade, changes in the political and economic order have made it impossible to ignore the many ways in which all of us – NGO workers, Northern sponsors and poor and marginalised people – are caught up in wider forces and trends that have a decisive impact on our lives. It is no longer possible to speak of 'local' causes of poverty without reference to the larger processes; by the same token, 'global' forces explain little about the perpetuation of poverty unless we understand how their impact is shaped by local and national actions and institutions.

The HIV/AIDS pandemic, the spread and adaptation of ideologies and ideas across national boundaries, the interaction between people and ecosystems in long-term environmental trends all show how 'macro' and 'micro' pressures interact to shape daily lives and circumstances. An example of particular relevance to the causes of poverty is the escalating number of conflicts and armed insurrections throughout the world, which push hundreds of millions of people – women and children above all – into insecurity and destitution. These struggles are driven by power



scrambles between rival states, arising from the collapse of national sovereignty, and by the geopolitics of commercial and military interest. However, they are often triggered by ethnic or regional factions who play these larger actors off against one another. The trail of devastation they blaze is often determined by local hierarchies of power, patronage and vulnerability. Poor women and children in particular are left homeless and dispossessed, while poor men and boys become the battle fodder of warlords.

### **Entitlements and power at local level**

Throughout this strategy we speak of 'poor and marginalised people'. However, our close engagement with poor and marginalised communities makes us acutely aware that these people are not homogeneous. The inequalities that perpetuate poverty and powerlessness within society as a whole also create internal stratification amongst poor and marginalised people themselves. Vulnerability is not determined by income alone: social divisions such as gender, generation, class, ethnicity, caste and belief determine the different kinds of resources that individuals can claim.

While poor people are collectively marginalised within national and international structures, they also face more immediate and invidious forms of dependence and stratification. Cooperation and reciprocity in households and at the local level are essential and forthcoming but cannot be expected to flow indefinitely without being replenished and supported. Moreover, networks of support and mutual help are not always benign. Men and women, adults and children, the poorest and the less poor must negotiate who eats more; whether household funds will be spent on livestock or on education; who serves on the committee that will manage development funds; or whether the landowner keeps half or two-thirds of the sharecropper's produce, for example. Such 'cooperative conflicts' can easily shade into outright exploitation. The potential for the generation of inequalities must be recognised when people rely on their own and customary resources for survival at the local level.

### **National forces for and against poor and marginalised people**

In every nation, unequal access to resources and entitlements is entrenched in and protected by interlocking institutions: the legal system, the education system, the political system, the tax system and so on. It is at this level that the biggest obstacles to poverty eradication are found. Correspondingly, the biggest victories over poverty in recent history have been made by local and national movements and efforts.

Corrupt, ineffective or unaccountable forms of rule are prevalent in many countries. Repressive and ineffective

## Part II: The foundation

states are usually weakly rooted in civil society and lack the political capital and social base to overcome powerful vested interests. Even where flagrant abuse is lacking, the political system is often captured by elites, who turn development into a synonym for ethnic or factional patronage.

Where a larger part of the population is without a voice, the introduction of multi-party democracy does not automatically neutralise, and can even sometimes entrench, the power relations that prevent individuals – adults and children – from effectively exercising their rights. Nevertheless, at the national level, states (individually or collectively as members of regional and international bodies) are the only structures that can create mechanisms of obligation and redress to enforce rights universally. They also have the authority to redistribute resources through taxes and subsidies in order to guarantee the rights of poor and marginalised people.

Unfortunately, quite often the actions of states in allocating resources, enforcing rights and setting incentives tend to favour those who already have power and wealth. This will remain the case unless poor and marginalised people and their organisations gain a countervailing stake in the system. To do this they need allies and intermediaries who also have something to gain from reform. History shows that activating such alliances can also improve governance and strengthen the state's social base by creating stable, effective mechanisms through which popular demands can be channelled and accountability established.

### **Global integration: threat and opportunity**

The slender asset base of poor and marginalised people makes them particularly vulnerable to the vicissitudes of world markets. And the domination of poor countries by rich countries and private corporations massively reduces their ability to pursue policies that favour the poor. In this way, global integration is increasing the global divide between rich and poor.

Though greater access to global markets is potentially of benefit to poor producers, recent trends towards economic liberalisation and 'free' markets force them to engage on increasingly unfavourable terms. Evidence shows that, on the whole, poor countries and poor people have been net losers in the most recent drive towards global 'free' trade. At the same time, structural adjustment programmes contrive to severely restrict the ability of governments to invest in sectors that benefit poor and marginalised people, such as health and education. Unregulated financial liberalisation has been shown to have serious consequences, increasing the instability of foreign investment and hampering the ability of governments to manage their economies coherently. In severe cases this has debilitated entire economies.

One of the most serious aspects of the growing global divide is that control over knowledge – like control over wealth – is increasingly concentrated in the hands of a few. In a global economy based on unequal access to knowledge, skills and information, poor and marginalised people are denied opportunities to exploit new

resources, and their control over their own knowledge inheritance is threatened. This is because private corporations seek to establish ownership of 'intellectual capital': for example, seed varieties that have been nurtured and cultivated for generations by poor and marginalised people.

However, the breakdown of older forms of control over production and trade does not always and everywhere act against poor and marginalised people. Globalisation and liberalisation may undermine entrenched structures of oppression and give rise to new opportunities for emancipation, though they may produce new constellations of power in their wake.

Increasing global integration of communications and new information technology makes it possible for groups that are committed to poor and marginalised people to coordinate their efforts and exchange information quickly and effectively. However, access to this technology and the knowledge to manipulate it has been limited for many.

Global interdependence also creates a critical role for the international community in creating a positive environment for poverty eradication in its aid programmes, in international trade and economic policies, in financial issues such as debt and investment, and in the area of rights and governance. However, when the imperatives of development contradict the interests of rich nations and powerful corporations, all too often development loses. This results in international policies with outcomes that are at best ineffective, at worst actively anti-poor.

## ActionAid's approach

ActionAid's approach towards poverty eradication is based on our long experience of working with and learning from poor and marginalised people across the world. Strengthening their already considerable abilities to cope with and overcome vulnerability and deprivation, and empowering them to destroy the barriers that prevent them from reaching their full potential is central to our work. We will build on the strengths of our experience in order to mobilise the capacity and the will to change. Furthermore, we will work creatively and constantly innovate and introduce new ideas and methods in all aspects of our work and organisation. This is the core of our approach.

### The strengths of our experience

#### Making a difference to poor people's lives now

To end poverty, ActionAid works with organisations, communities, families and individuals in some of the poorest parts of the world. Each day ActionAid and its partners achieve thousands of small successes which together make a substantial difference to the daily lives of poor people. These include helping people organise effectively to secure access to life-changing basic rights such as food, clean water, basic health services and education – not just for children but for adults too. Based on the needs and priorities of individual communities, ActionAid also works with them to establish income-generation programmes, including food security projects and savings and credit schemes, and to develop community resources such as community centres, school buildings, water pumps and other local infrastructure.

Our task is to build on these small but important victories to change the habits, practices and expectations which keep people poor.

#### Quality of engagement

ActionAid is characterised by the long-term and intense relationships we build with poor and marginalised people and the issues that affect them. Our long-term commitment allows us to work on the basis of mutual trust, and so innovate and take risks in meeting the challenge of poverty eradication. We are able to learn from a valuable diversity of grassroots experience from around the world, giving us a distinctively robust perspective on the causes of poverty and the opportunities to address them at local, national and international levels.

The quality of our equally long-term relationships with our donors is crucial to our approach. Donors want to be informed of the daily struggles and triumphs of the children and families that they help, and their communities, and to feel that their financial contribution adds real value to the development process. This large and committed donor base offers us real opportunities to engage people in the North in the fight against the causes

of poverty, and to link them more actively to networks and issues in the South as part of a global movement.

#### Holistic approach

Our approach to understanding and tackling poverty and injustice is holistic. This means that we seek to understand and act on the overall context, causes and manifestations of poverty without being driven by technical specialisations. We strive to ensure that what we do to address poverty and injustice is based, as far as possible, on the needs, aspirations and circumstances of poor and marginalised people themselves.

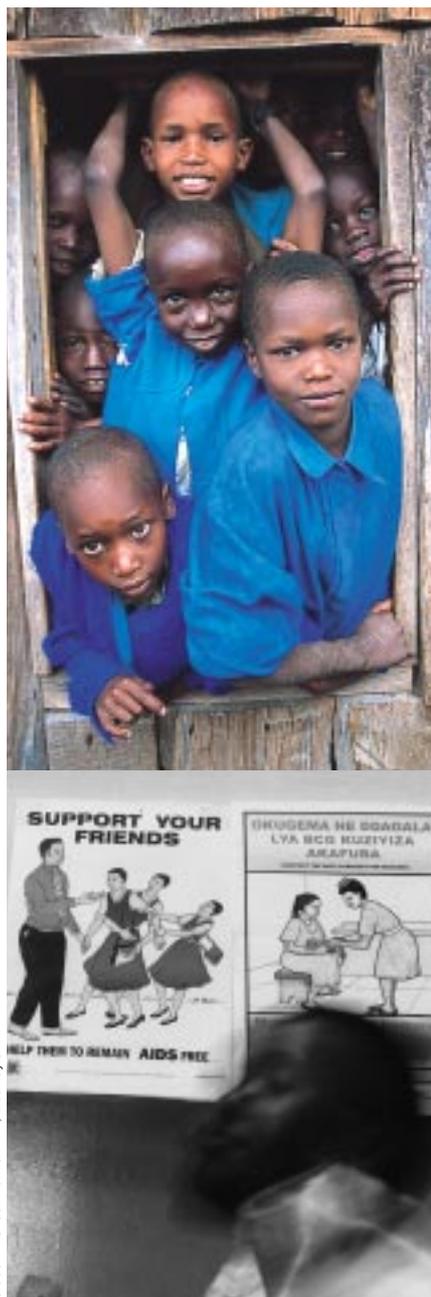
#### Internationalism

ActionAid is an international organisation – although registered in the UK – working in the North and South at all levels to overcome poverty. Our character and identity are based on the values and principles that emerge from our long-term engagement with poor and marginalised people, the energy and commitment of our staff, our strong linkages, and our presence and profile in the South. The organisation represents many diverse cultures made up of our staff, volunteers, and donors, as well as the people in the countries where we work.



Jenny Matthews/Network/AA

## Part II: The foundation



Gideon Mendel/Network/AA, Liba Taylor/AA

### **Drive for sustainability**

Our detailed practical experience of tackling poverty at the local level and our commitment to self-sustaining, cost-effective methods give us significant credibility with governments and donors. In this way, we have scaled up the impact of our operations through work at micro level, carefully designed to influence governments and donors, whether through replication of successful models or through wider policy change. Furthermore, in all our work we strive to create self-sustaining local institutions that can take over ActionAid-supported initiatives at the earliest opportunity.

### **Participation**

Participatory approaches practised in our work with people and communities reflect our fundamental commitment to the innate worth and capacity of all human beings and their right to lead their lives on their own terms. They also give meaning to our conviction that poor and marginalised people themselves are the main actors in the struggle against poverty and injustice. ActionAid's innovations in this area have been widely recognised.

### **Our evolving approach**

#### **Integrated attack on the causes of poverty and injustice**

We will maintain and deepen the quality and intensity of our engagement with poor and marginalised people and with our donors. However, our approach will continue to shift towards tackling the causes of poverty. By doing this we will maximise the impact and sustainability of our work. We are accustomed to an integrated trans-

sectoral approach to operational work. The challenge that faces us now is to adopt a similarly holistic approach to addressing the causes of poverty at all levels. We will integrate a combination of methods (for example, capacity building, social mobilisation, advocacy) and a range of relationships (for example, partnerships, alliances, critical engagement) for sustainable impact at individual and institutional levels. All our activities will have clear linkages to influencing for larger impact and social change. Even in the case of emergencies, all our work will have demonstrable relevance to an integrated effort to eradicate the root causes of poverty.

### **Rights-based approach**

Our long-standing commitment to participation, and our drive for sustainability lead us to adopt a rights-based approach in all of our work. We will seek lasting solutions to poverty through the establishment and enforcement of rights that entitle poor and marginalised people to a fair share of society's resources. We will work alongside poor and marginalised communities to enhance their control over productive and social resources, their command over development interventions, and their ability to defend their interests. This approach recognises the active role of poor and marginalised people, while emphasising the responsibilities of state and society towards them.

We support the contemporary understanding of the Universal Declaration of Human Rights, which recognises the interdependence of social and economic rights on the one hand and civil and political rights on the other. Within this framework, we

will focus on the rights to education, food, healthcare, water, livelihood, information and participation, and security and protection, which are essential for overcoming poverty.

### Equity

A rights-based approach demands that we take the analysis of poverty and marginalisation beyond communities and households to individual women, men, boys and girls as well as to the most vulnerable and marginalised groups.

We will give priority to redressing gender inequity. This is not only because the poor are predominantly female, but because the power of men over women is central to other oppressive power relations that keep poor and marginalised people in poverty. Ensuring that poor women and girls in families and communities are able to realise their full potential, just as men and boys are, is central to our approach.

Children – both boys and girls – will continue to remain a vital part of our work. This is important, not only in terms of addressing their particular vulnerability and harnessing their potential, but also because child sponsorship is a mechanism of raising funds and developing links of solidarity.

Depending upon the local context and realities of our work, our approach is also to give specialised attention to the poorest and most marginalised groups – such as minority ethnic groups, people with disability, those living with HIV/AIDS – in the communities where we work.

### Building partnerships and alliances

Relationships of inequality may be so entrenched in everyday ways of thinking and acting that they appear 'natural' and even necessary.

ActionAid's contribution to the struggle against poverty is about changing how people – poor and non-poor, South and North – are able to act together. This may happen in a number of ways. For example, through the formation of a village committee or a women's association to organise action on urgent local needs; through training which exposes provincial officials to the flexibility and effectiveness of participatory approaches for the first time; or through campaigning work to bring together progressive organisations from across the country – or the world – to influence high-level policy decisions.

All of these strategies help to build the 'social capital' – the organisation, linkages, skills and flows of information and ideas – needed for poor and marginalised people and their allies to articulate their demands, challenge injustice, and secure lasting change.

We will continue to assist people in developing local institutions and processes that overcome poverty in a sustainable way. At the same time, we will continue to promote and strengthen intermediary processes, organisations and institutions, including those led by poor and marginalised people themselves. We will use our resources and influence as an international organisation to contribute towards creating and expanding, not

occupying, the space available to them for influencing and action. None of the outcomes we hope to achieve will be possible without working in partnership with other key actors.

### Critical engagement

Playing our role in helping to create a world without poverty requires us to engage with a range of stakeholders at all levels, poor and non-poor. Those with power and resources must be challenged in a way that encourages them to redistribute these assets. This approach of critical engagement will guide our relationship with people and organisations who may not be committed to poor and marginalised people but whose actions affect them.

We recognise the responsibilities of the state towards all its citizens, and its role in international organisations and international orders. We will work closely with institutions of bureaucracy and government from local to national level as appropriate. We welcome the recent shift towards a more open and partner based approach in some of these institutions.



Liba Taylor/AA

## Part III: Poverty eradication strategy



Liba Taylor/AA

### Poverty eradication goals

#### GOAL 1

Poor and marginalised people will increasingly be able to realise their potential

We will work with poor and marginalised people, enabling them to gain control over material and social resources and secure their basic rights, leading to lives of dignity.

ActionAid's contribution to poverty eradication is based on our belief that poor and marginalised people themselves are the main actors in the fight against poverty and injustice, and on our belief in the capacity of these people.

However, poor and marginalised people face many obstacles. They are denied the basic rights to food, water, livelihood, education, healthcare, security and protection, and information and participation. Through partnership in practical action to address these needs, poor and marginalised people will secure concrete improvements in their livelihoods. In the long term, they will be able to build local structures and gain the knowledge, confidence and resources they need to organise around shared interests and make their voices heard.

For example, lack of access to water is a barrier to meeting an immediate practical need. However, it is also a structural problem of entitlements.

Women who have to spend hours every day collecting water, or peasants who are dependent on a wealthy landowner to divert a trickle from the irrigation canal can do little to fight the underlying inequities that put them in this predicament. But coming together to solve the immediate problem should be only the start of the empowerment process; a way of building skills, organisation and linkages to enable poor and marginalised people to take on bigger issues and win bigger victories.

Empowerment of people to demand their rights in an effective way needs to be reinforced by work to promote national and international policies and structures that are responsive and accountable to poor and marginalised people. Despite a commitment to basic rights and freedoms in many national constitutions, spending on social services in most countries does not always benefit the poor. Furthermore, access to public goods by poor and marginalised people has been eroded in recent years.

More fundamentally, poor and marginalised people have been largely excluded from shaping social priorities. For this reason, the participation and influence of poor and marginalised people in governance must be strengthened. This is essential because the state is the only institution that can enforce a universal mandate to improve the standard of living of poor and marginalised people by creating a fairer distribution of resources and power.

## Strategic objective 1.1

### Empowering poor and marginalised people

To strengthen the capacity and power of poor women, men, girls and boys at grassroots level to claim and achieve their basic rights.

#### Strategies

- Work with poor and marginalised people to find creative and sustainable solutions that address the immediate conditions of poverty within a broader causal analysis.
- Build and strengthen organisations and groups of poor and marginalised people to demand and meet basic needs as basic rights.
- Enable poor and marginalised people to reflect critically on their situation and help them obtain the information needed to interact with intermediary organisations and decision-makers.
- Maximise opportunities for the participation of poor and marginalised people in institutions of local government.
- Promote and support communities' preparedness and coping mechanisms to enable them to respond to emergencies more effectively, and to claim their rights to livelihood in emergency situations, whether due to human or natural causes.
- Develop a distinctive approach to emergency response that emphasises the primacy of long-term sustainable recovery.

### Expected outcomes

- The increased well-being of families and communities, particularly women and children, with whom we work.
- Poor and marginalised people effectively recognise and demand their rights.
- Increase in quality, range and number of poor people's organisations supported by ActionAid.
- Increased and better representation of poor and marginalised people in local government and other decision-making structures.
- Local community organisations and local government are more responsive and accountable to the needs and rights of poor and marginalised people.
- People and communities with whom ActionAid works demonstrate the capacity to respond to and recover from emergencies.

## Strategic objective 1.2

### Promoting basic rights

To promote the accountability and responsibility of national governments in the South for providing equitable access to basic economic and social resources.

#### Strategies

- Work constructively and critically with national governments, as well as with local organisations, to pilot innovative, cost-effective, accountable and scaleable methods of delivering and managing basic resources and services for poor and marginalised people.

- Research and share results related to the effects of government action (or lack of it) particularly in terms of securing the basic rights of poor and marginalised people.
- Engage in advocacy activities designed to influence the wider causes of emergencies and the extent of their impact at a variety of levels.

### Expected outcomes

- Governments make basic rights and services more accessible and responsive to poor and marginalised people.
- Increased research, information and learning on policy-related issues that promote basic rights.
- Changes in policies and practices to address the wider causes of conflict and emergencies.



Gideon Merdell/Network/AA

## Part III: Poverty eradication strategy



Gideon Mendel/Network/AA, Liba Taylor/AA

### GOAL 2

#### The anti-poverty movement will be strengthened

We will work to strengthen a global movement against the injustice and causes of poverty by linking together people who represent groups of poor and marginalised people in the South and individuals and organisations in the North who are their allies.

The increasingly sophisticated nature of structures that cause and maintain poverty require intermediary organisations to engage more effectively in tackling them. We must support organisations that are committed to poor and marginalised people to develop operational capacities and credibility and the means to build this into effective advocacy, research and networking.

Increasing the influence and reach of alliances in the South should be a key focus of our regional and country operations. Horizontal ties (for sharing ideas and co-ordinating action) and vertical linkages (to gain lasting influence over powerful institutions) need to be developed. However, we must be careful not to undermine the legitimate role, responsibilities and influence of local or national organisations.

The anti-poverty movement will not be successful without determined pressure from voters, consumers, shareholders and pressure groups, North and South, for change in the policies of powerful governments and private corporations. Therefore, ActionAid will seek to build broad-based linkages between individuals, organisations and networks in the South and in the North that are committed to poor and marginalised people.

We have maintained and motivated the exceptional commitment of donors to our work by showing them the grassroots realities of poverty, and demonstrating that they can make a difference to people's lives. This gives us scope to build wider engagement with issues and actions beyond giving money by broadening the understanding and action of these people. We will pursue a variety of popular campaigning, educational and fundraising strategies to engage donors and the public in general as global citizens in a movement against the injustice of poverty.

Overall, the aim of initiatives to build civil society is not to find ways round the state, but to increase the democratic stake and influence of poor and marginalised people, and promote an accountable state. By helping to create stable, effective mechanisms through which popular demands can be channelled, such alliance-building work will also respond to the needs of governments.

## Strategic objective 2.1

### Building alliances in civil society in the South

To strengthen civil society organisations concerned with poverty and marginalisation in the South.

#### Strategies

- Ensure that all area and issue-based ActionAid-supported programmes build the capacity of formal and/or informal civil society organisations to fight poverty.
- Strengthen the quality of our partnerships through mutual accountability and transparency.
- Support South-South linkages of organisations committed to poor and marginalised people for advocacy on issues of poverty and injustice.
- Work to increase the space available for civil society organisations committed to poor and marginalised people to engage in policy and advocacy work.

#### Expected outcomes

- A significantly increased proportion of our work is undertaken in partnerships of improved quality with civil society organisations.
- Improved policy and regulatory framework for civil society organisations.
- Effective influencing and advocacy by partner organisations in the South.



## Strategic objective 2.2

### Linking North and South

To bring together people and organisations in the North and South to fight the injustice of poverty wherever its causes can be most effectively tackled.

#### Strategies

- Develop activities that link the concerns and interests of people in the North with anti-poverty campaign issues in the South.
- Work to build up public pressure for anti-poverty policy change by linking civil society organisations, activists, academics, donors, consumers, the media, and other key influencers and agents of change in the North and South.

- Shift the emphasis of communication to develop the understanding and support of regular-giving donors for the global fight against the causes of poverty.
- Support education for sustainable development and citizenship targeted at youth and adults in the North and South.

#### Expected outcomes

- Awareness and understanding of the causes of poverty built among donors, and public support for our activities to address them.
- Growing public support for policy reforms advocated for international campaigns carried out by ActionAid and/or allies.

## Part III: Poverty eradication strategy



Jenny Matthews/Network/AA

### GOAL 3

#### International constraints to poverty eradication will be mitigated

We will advocate for reform of international institutions, Northern governments and the private sector to change the policies and structures that undermine the rights and potential of poor and marginalised people.

Some of the most powerful forces hindering the efforts of poor and marginalised people to overcome poverty result from inequalities associated with international trade, finance and governance. Globalisation and the growing power of private corporations make it imperative

for organisations dedicated to the eradication of poverty to tackle the constraints imposed by these institutions and processes, and optimise any potential benefits.

The regulation of the global economy, the restructuring of the Bretton Woods institutions, and the strengthening of regional blocs in the South are on the international community's agenda following the financial crises of the 1990s. But key multilateral institutions remain unaccountable and largely ineffective in eradicating poverty. Indeed, some initiatives would increase the freedom and rights of private corporations to move capital, production and profit around the world without any corresponding recognition of the demands of global citizenship and its responsibilities. Moreover, poor

and marginalised people, organisations and governments often lack the power, capacity and knowledge to mount effective challenges in the international fora where decisions are made.

ActionAid will work with organisations that are committed to poor and marginalised people and Southern governments towards effective information-sharing, negotiation, and influence over multilateral decision-making processes and fora. In coalition with others, we will also engage with international institutions, Northern governments, and private corporations. Together, we will aim to change the policies and structures that undermine the rights and potential of poor and marginalised people, and enhance those that contribute to poverty eradication.

Official donors steadily give less, but increasingly talk of rights and good governance as the cornerstones of development. We must promote new forms of development cooperation and lobby for coherence between development policies and other policies (such as trade or foreign policies) of donor governments that undermine the prospects for poverty eradication.

Work related to private sector financial flows – both national and international – and private corporations is relatively new for ActionAid, and the organisation has taken a variety of different approaches to the sector. We seek to improve our understanding of how international financial flows impact on poverty and development, and achieve a coherent analysis and position of action towards the private sector in development.

### Strategic objective 3.1

#### Influencing official donors and multilateral institutions in favour of poor and marginalised people

To work to influence the policies and practices of key multilateral institutions and donor governments in favour of the poorest people.

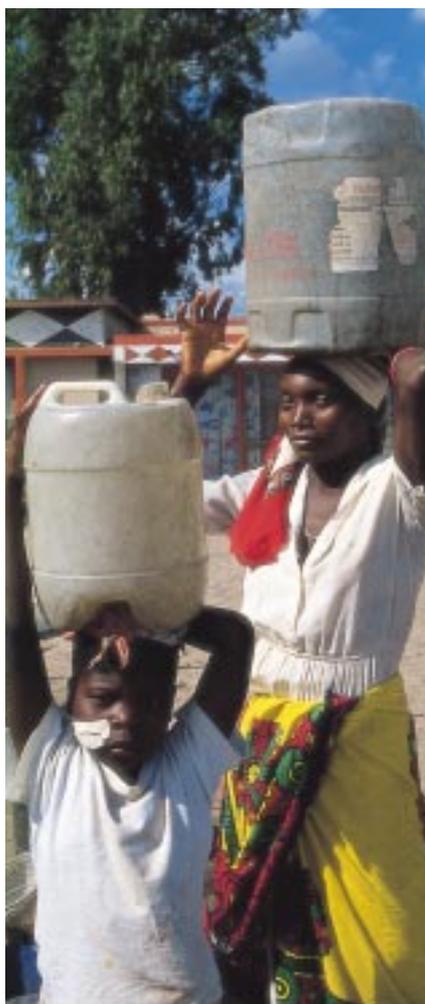
#### Strategies

- Work for improvements in the quality and impact of the development cooperation policies and practices of members of the Organisation for Economic Cooperation and Development (OECD) by promoting a rights-based agenda for development.
- Press for increased coherence both within and between all OECD countries in development policies and other policies such as trade or foreign policy.
- Support the engagement of civil society organisations and poor and marginalised people in key multilateral negotiations on trade and international economics.
- Promote proposals to reform multilateral institutions and their policies and practices to improve accountability and responsiveness to the rights of poor and marginalised people.

#### Expected outcomes

- The increased effectiveness of involvement of Southern civil society organisations and governments in key multilateral fora.

- The adoption by key multilateral institutions of more accountable and effective structures and practices for the eradication of poverty.
- A demonstrable increase in the quality and impact of identified aspects of international development co-operation policies of OECD donors.
- Improved coherence of development cooperation policies demonstrated by positive actions of official donors.



### Strategic objective 3.2

#### Promoting responsible private investment

To increase our understanding of the impact of private investment and international financial flows and to work to influence the institutions and corporations that direct and control them so that their activities have a more beneficial impact on poor and marginalised people.

#### Strategies

- Build links with groups in the South and North that are working on private sector issues in order to exchange experience, learn from them, and cooperate in future activities.
- Develop an analysis of the way private corporations and international financial flows impact upon poor and marginalised people, and use this analysis to build up a programme of activities that encourages corporate accountability and social responsibility and draws on our own experience at micro level.
- Support ethical investment initiatives and seek to utilise shareholder power to influence private corporations.

#### Expected outcomes

- Increased linkages and partnerships with other groups and organisations working on private corporations and financial issues at all levels.
- The activities of identified financial or private sector actors are influenced to promote poverty eradication through socially responsible business partnerships.

## Part III: Poverty eradication strategy



### GOAL 4

#### Gender equity will be enhanced

We will work to enable poor women, girls, men and boys to exercise equal rights and achieve equal well-being, influence and status.

Gender cuts across all the work that ActionAid does. It is highlighted here because women's and girls' subordination in relation to men and boys magnifies the vulnerability that all poor and marginalised people experience.

Gender roles are defined by divisions of generation and status as well as by sex. These dilemmas cannot be addressed through interventions that simply lump women together and target them as the poorest of the poor. Work on gender must address the privileges and vulnerabilities of men as well as the rights and aspirations of women. Cultural practices that violate women's rights must be challenged.

We will focus on the empowerment of women and girls – with the support of men and boys – to organise, mobilise and advocate for gender equity. We will assist women, in particular, but also men, to scale up local forms of organisation and strategies of empowerment in order to forge stronger links with other actors and develop an effective voice on gender issues nationally and internationally. Capacity-building and linking work will feed into and be reinforced by advocacy to change policies and practices that perpetuate gender inequity.

## Strategic objective 4.1

### Strengthening local strategies for gender empowerment

To work with poor women and men – and where appropriate girls and boys – to seek mutually empowering solutions to gender imbalance in all of our work.

#### Strategies

- Build and strengthen organisations dedicated to gender issues and promote their role in wider organisations and alliances that are committed to poor and marginalised people.
- Assist women's and youth groups to build wider horizontal and vertical linkages so that they can translate local gains in confidence and skills into lasting influence over decisions in the public sphere.
- Promote practical and principled guidelines among ActionAid partners.
- Ensure that women and girls receive equal benefit from all ActionAid's work without absorbing an undue share of the costs at all stages.

#### Expected outcomes

- Organisations and alliances dedicated to gender issues achieve greater influence in policy debates nationally and internationally.
- Women's control over their own development and their ability to secure their rights is substantially increased in the areas where we work.

- Staff, stakeholders and decision-makers recognise ActionAid as a gender-responsive agency, playing an important role in the global movement for gender equity and women's rights.

## Strategic objective 4.2

### Advocating for gender equity

To advocate at all levels to address the causes of gender inequity.

#### Strategies

- Undertake gender analysis of issues and influencing opportunities to feed into the strategic planning and implementation of campaigns and other initiatives.
- Develop strategic alliances with gender activists and advocacy organisations at national, regional and international levels.

- Actively participate in relevant major campaigns on issues related to gender equity, organised by networks or alliances of gender activists or advocacy organisations at national, regional and international levels.

#### Expected outcomes

- Focus at least one core objective of the international food rights campaign and education campaign on gender equity.
- Increased partnership with gender activists and advocacy organisations at national, regional and international levels.
- Methods of integrating gender into campaigning work and into assessment of campaigns developed and shared internally and externally.



Gilles Saussier/AA

# Part IV: Organisation strategy

## Organisation implications

ActionAid's new strategic direction makes the following actions imperative:

- dealing with powerful and complex external institutions and structures
- working much more in collaborative partnerships and alliances
- developing our relationship and communications with donors for influence
- building a global perspective in our thinking and action
- maximising organisational coherence and harmony at all levels
- raising sufficient funds, especially new funds, for work that it may not be possible to fund from traditional sources
- strengthening accountable leadership, innovation and collaborative structures, systems and practices at all levels of the organisation.

This strategy is derived from our current strengths and experience. However, it will demand concerted and systematic analysis and investment to develop the organisational structure and skills, knowledge and behaviours necessary for its successful implementation.



Liba Taylor/AA

## Unity in diversity

As an organisation we have grown in scale and scope and have expanded significantly on all fronts – the countries where we work, the types of work we do, and the donors and partners we have. In doing so, our experience and capacity has increased. But so, too, has the complexity of the management task.

We need to build further on the diversity of local situations, capitalise on the creative potential of cultural diversity throughout the organisation, and extend our learning opportunities and influence through strategic partnerships.

At the same time, we need to develop coherence and harmony around the organisational core of our vision, mission and values. We need strong and inspiring leadership at all levels of the organisation, and an increased cost-effectiveness and accountability through the consistent application of best practice and ethical standards. It is only in a united ActionAid that we can maximise our profile, influence and impact.

## Devolution and horizontal working

Together with the vertical process of devolution to further empower staff and teams to take decisions for learning, innovation, action and review at the appropriate level, we need to promote horizontal linkages, bringing synergy through team and group work. We need to invest in building capacity, confidence and skills to increase team effectiveness. The contribution of staff will be amplified when they can work for common goals and team objectives, instead of being limited by the confines of their functions, structures and geographical domains. There is already an increasing trend towards such cross-function/location team work in various parts of the organisation, and this strategy proposes extending and strengthening this way of working. However, we need to recognise that devolution and horizontal working have implications for the way we are organised, the way we work together, and the way we are resourced.

## Learning and innovation

Taking positive action to promote and sustain an organisational culture that encourages innovation, learning and sharing will be a fundamental success factor in enabling us to respond to a rapidly changing and challenging external environment. This will require investment in staff and teams within regions, countries, divisions and departments – to equip them with new skills and tools on the one hand, and the incentives and space to learn and innovate on the other. This means that constraints and boundaries of unnecessary bureaucracy need to be removed.



Liba Taylor/AA, Gideon Mendel/Network/AA

### Gender equity

Redressing the gender balance is necessary not only in the composition of our governance structure but right across the policies and practices of the whole organisation. Progress on integrating gender equity in ActionAid has been slow and unsystematic as a result of limited organisational will, staff capacity, resources and, above all, lack of concerted action. We need to redress this situation and prioritise the issue of gender equity, based on recent gains and momentum.

### Transparency and accountability

The increasing scope and spread of our work requires that we improve and strengthen our information and accountability systems. Applying donors' funds most effectively requires the use of resources in ways that both respect their trust in us and ensure progress towards our goals and objectives in a cost-effective manner. In addition, we need to invest in ensuring that learning, results and information are shared swiftly and

transparently within the organisation, and between partners, donors, and communities. This will require concerted investment in our communications skills and systems. It is on the basis of accountability and honest communication that we will build solidarity with all our stakeholders.

### Matching funding needs

This strategy involves financial growth to fund work that may not be readily funded from traditional sources. It also requires funds for geographical expansion of work, to establish an appropriate presence in existing and new countries and sub-regions.

Child sponsorship will remain the mainstay of our funding base during this strategy period. It is vital that both our understanding of sponsor needs and their understanding of our work continue to evolve so that we can achieve appropriate flexibility in funding whilst maintaining, if not increasing, the commitment of

sponsors to ActionAid's approach to eradicating poverty. We will need to continue to test new approaches and explore new geographical markets, as well as adapt and develop the more conventional income sources. In addition, we need to develop strategies systematically for raising funds and generating wider support from within regions and country programmes.

### Governance

An important aspect of achieving unity while respecting diversity involves strengthening the composition and structure of governance. Our legitimacy and influence as an international organisation can be further strengthened if the governance is also gender balanced and internationalised in its composition. The evolutionary process of change in governance will also need to address enhanced links and harmonisation with other members of the ActionAid family in Europe for greater influence and impact.

## Part IV: Organisation strategy



Mark Boettcher/AA

### Organisation strategies

The following strategies for the development of our organisation are deliberately broad, in recognition of the fact that the implications will vary by location and function. However, the 'expected outcomes' describe the organisational changes that are necessary for achieving progress towards our poverty eradication goals. Further refinement and elaboration of these strategies and expected outcomes will be achieved in the subsidiary regional and divisional strategic plans following the *Taking Stock* exercise.

### Strategic objective 1

#### Strengthening our identity

To achieve a united ActionAid that will also respect and foster diversity around core organisational culture and identity.

#### Strategies

- Systematically communicate our strategic approach internally to achieve cohesive understanding and response.
- Adopt a consistent and coherent statement of ActionAid's core culture and identity, based on ActionAid's vision, mission and values, to external audiences.
- Promote awareness of ActionAid to all relevant audiences through systematic reinforcement of identity in all materials and activities.
- Align organisational structure, policies, procedures and behaviours with organisational values and strategic direction.

#### Expected outcomes

- Greater and more informed awareness of the causes of poverty and ActionAid's role and work amongst all stakeholders, including staff, partners and communities with whom we work, as well as our donors.
- Coherence of policies and practices in the organisation, and of messages and symbols communicated externally, with our vision, mission and values, and consistent with the strategic direction.
- Greater profile of ActionAid in countries in the North and South where we work.

### Strategic objective 2

#### Achieving gender equity

To make rapid progress in building the capacity and environment for ensuring gender equity in ActionAid.

#### Strategies

- Develop and implement an organisation-wide policy on gender equity.
- Invest in building staff responsibility, capacity and necessary systems for promoting, achieving and monitoring gender equity in ActionAid.
- Establish planning, evaluating and reporting systems, based on analysis broken down by gender across the organisation.
- Develop and implement policies that enable parents to balance the demands of work and children at all levels of the organisation.
- Implement appropriate procedures for increasing the proportion of women in senior positions throughout the organisation.
- Refocus existing methods, research, strategies and systems for programme implementation to address gender equity.

#### Expected outcomes

- Existence and implementation of an ActionAid-wide gender policy.
- Existence of analysis, planning, evaluating and reporting, broken down by gender.
- A higher proportion of women in senior positions throughout the organisation.



Liba Taylor/AA, Jenny Matthews/Network/AA

### Strategic objective 3

#### Devolving decision-making

To foster an empowering organisational culture for staff members and teams for effective, responsible and flexible decision-making.

#### Strategies

- Promote non-hierarchical and self-managed structures and working practices.
- Establish a cost-effective centre and core minimum organisational standards, with an appropriate process of development and review.
- Develop and implement ethical business policies and practices.

- Ensure further clarity in structure, roles and accountabilities between the organisation's centre and UK/Northern functions and structures.
- Constitute and strengthen regional and divisional management teams to ensure upward, downward and lateral (e.g. country programme to country programme) accountability for work, not only within the confines of geographical boundaries but for functional and issue-based regional and global work.
- Enable further decentralisation and devolution of functions and responsibilities, for example, finance and marketing, by building capacity at regional level and in country programmes and divisions.

#### Expected outcomes

- A clear understanding and consistent implementation of core minimum standards across the organisation.
- Appropriate redistribution of centre functions, authority and investment to the regional teams, country programmes and divisions.
- The development of regional and global perspectives and implementation of regional and global programmes of action.
- Improvement in working relationships between centre, region and UK/Northern functions and structures.
- Demonstrable benefit for key stakeholders of quicker decision-making and greater autonomy, responsiveness and flexibility at the frontline.

## Part IV: Organisation strategy

### Strategic objective 4

#### Enhancing innovation and learning

To enable ActionAid staff to work creatively with and learn from colleagues, partners and other organisations, and to develop the organisational systems necessary to encourage, capture, institutionalise, share and spread learning and innovation.

#### Strategies

- Develop an environment where individuals take responsibility for learning and facilitate this learning through job design and working practices supported by the organisation.
- Design organisational systems and practices, including research and documentation, to encourage cross-function/location learning and learning from other organisations.
- Reform ActionAid's accountability, planning, and resource allocation systems to release capacity and

space for innovation and cross-function/location working at all levels of the organisation.

- Effectively build and manage our knowledge by developing and using appropriate systems, skills and behaviours.

#### Expected outcomes

- Systems developed, including staff appraisal, to encourage and facilitate learning and innovation.
- New and innovative methods are promoted and practised within and beyond ActionAid.
- The improved quantity and quality, both in terms of cost-effectiveness and outcomes, of cross-function/location work.
- Increasing numbers of staff are enabled to lead, coach and influence people, processes and products in the organisation, irrespective of their place in the hierarchy.
- Staff and teams exchange experience, information and knowledge freely – within and beyond ActionAid.

### Strategic objective 5

#### Securing appropriate income and ensuring cost-effectiveness

To ensure that appropriate and sufficient funds are available to enable ActionAid to achieve its mission and that these funds are raised and spent in a cost-effective manner.

#### Strategies

- Develop a framework and international process for planning and budgeting that sets high-level priorities of investment between regions and types of activity.
- Develop a framework for planning, budgeting and reporting at regional, country programme and divisional level which details planned progress towards the mission goals and strategic objectives.
- Whilst respecting our accountability to communities and donors, improve the allocation and management of our resources by:
  - i developing a more appropriate allocation of regular donations from existing or new donors to meet the objectives of this strategy (including the review of the use of flexible and national funds).
  - ii modernising our reserves policy and reviewing our 'contract' with sponsors to ensure that resources are used effectively according to need.

Jenny Matthews/Network/AA



- Ensure that our new funds match our needs by:

i exploring and developing new fundraising approaches and markets to provide income for broader purposes.

ii expanding in-region and in-country fundraising in a systematic, integrated and planned way.

- Strengthen accountability and responsibility across the organisation for developing skills, systems and practices of high-quality, transparent reporting and communications to donors, as well as to communities, partners and staff.
- Ensure cost-effectiveness by establishing simple and sensitive methods and standards for analysing, reporting and practising cost-effective investment of funds. This will require the building of associated capacity of staff across the organisation.

#### Expected outcomes

- Coherence and clarity in resource allocation planning across the organisation, achieved by high-level setting of investment priorities in relation to the strategy.
- Increased diversity of funding sources and matching of funds to programme needs, in terms of type and quantity.
- Reduced occurrence of excessive reserve funds.
- Existence of minimum standards for cost-effectiveness analysis and reporting.
- Retention of loyal donor base.

## Strategic objective 6

### Internationalising governance

To strengthen further the governance of ActionAid for more effective international influence and impact.

#### Strategies

- Recruit new Trustees from among women and from among nationals of the regions and countries where we work so that the composition of the board is appropriately balanced.
- Establish conditions of service of Trustees that ensure balance and continuity and yet also encourage regular change through continually generating fresh ideas and inputs.
- Enable the ActionAid family of agencies in Europe and elsewhere to work together for a common purpose and greater influence, while building on and respecting each other's strength and diversity.
- Explore the feasibility of how ActionAid can achieve local governance in each country and strengthen identity and legitimacy for achieving a more representative and accountable international governance.



Jenny Matthews/Network/AA

#### Expected outcomes

- A balanced Board of Trustees with women members and members from the regions and countries where we work.
- Establishment of an international alliance of ActionAid families in Europe and elsewhere with structures and agreements facilitating joint programmes of work.
- Decisions taken about which international governance model is appropriate or feasible to create a united and truly international ActionAid.

# Part V: Conclusion

## The way forward

ActionAid's strategy builds momentum into a process of continuous change which will continue beyond 2005. It seeks to increase organisational understanding, alignment and commitment towards our new direction and enable us to move together at an appropriate pace of change. At the same time, it provides sufficient flexibility so that we can continue to challenge and extend the boundaries for innovation and improvement.

### The shifts in emphasis

The strategy is emphatic about the position and direction we should take. However, it recognises that the degree and rate of change will depend upon the local context and the capabilities that exist in different parts of the organisation. But change we must – to enable us to deal with the external context and to fulfil our mission.

The following are key shifts in emphasis related to our focus and approach:

- addressing the root causes of poverty at all levels from local to global
- promoting basic rights as the focus in all our work
- working increasingly in partnership and alliance
- tackling constraints imposed by various national and international institutions
- connecting more with governments at local and national levels



Jenny Matthews/Network/AA

- engaging donors to influence attitudes, policies and practices for poverty eradication.

### Implementation of the strategic direction and intentions

A comprehensive *Taking Stock* exercise which ran in parallel with the finalisation of the strategy, analysed our capabilities to implement the new strategic direction and intentions.

The strategy is pitched at a level sufficient to provide clarity of organisational position, direction and intentions but leaves these to be contextualised, elaborated and operationalised by regional and divisional strategic plans. These have developed detailed plans, including resource allocations for operationalisation, and set out specific indicators and methods for monitoring and evaluating success.

Finally, an organisation-wide process of roll-out took place to develop an understanding of specific needs and the implications for various parts of the organisation, and to develop ways and

means of reviewing progress. This involved dissemination and discussion and the internalisation of the position, direction and intentions of ActionAid's strategy.

### Looking ahead

ActionAid's strategy is about change. However, change is not risk free. Over the life of this strategy there will be occasions when we need to take risks or where we find ourselves in unfamiliar territory. We will seek to develop strategies to manage these risks and accept that this is part and parcel of doing all we can to achieve our mission.

Our inspiration and our resolve in achieving our mission is drawn from witnessing the daily struggle, creativity and energy of poor and marginalised people to overcome abject poverty. We need to work with the same degree of commitment and determination to secure freedom from poverty for future generations.

# Glossary

**Advocacy** The process of influencing key decision makers and opinion formers (individuals and organisations) for changes to policies and practices that will work in poor people's favour.

**Appropriate income** Income that could be used to meet expenditure needs of the organisation.

**Basic needs** The basic requirements each person has in order to live a life of dignity: food; water; education; healthcare; livelihood; security; information; participation.

**Basic rights** The system of entitlements, ideally enshrined in law, which enable people to fulfil their basic needs. ActionAid believes that every person has the right to: food; water; education; healthcare; livelihood; security; protection; information; participation; and that by securing these rights people will be free from a life of poverty.

**Capacity building** The process of strengthening an individual or organisation to pursue their goals effectively, usually through the provision of technical, managerial or financial support.

**Centre** Functions and projects within ActionAid as an organisation which are responsible for setting, monitoring and implementing standards across the rest of the organisation. For example, the centre finance function is responsible for setting, monitoring and implementing the financial accounting standards of principle and practice applied by the finance teams in each country where ActionAid works.

**Child sponsorship** ActionAid's biggest single source of funding, whereby individual donors are linked to a particular community in a developing country with an individual child from that community.

**Civil society** Refers to the segment of society in which people come together in groups to express their common aspirations and interests such as meeting joint needs, sharing their interests, upholding their traditions and asserting their values. Such groups include trades unions, academic groups, NGOs, grassroots movements and women's associations.

**Coping mechanisms** Methods by which the poor deal with problems and opportunities that face them.

**Critical engagement** The approach used to deal with powerful individuals and organisations whose policies and practices affect poor people through an active process of dialogue, co-operation and conflict, as the situation demands.

**Cross-sectoral approach** Helping poor people by recognising that poverty is caused by problems in a range of sectors – such as provision of food, water, health, education and finance – rather than any one sector in isolation, and combating these problems in an holistic rather than an isolated way.

**Devolution** The process of handing over responsibility and authority to the most appropriate level.

**Donors** Individuals and organisations who support ActionAid, usually through a financial donation but also through donations of time, knowledge, skills or equipment.

**Empowerment** The process of enhancing the ability of poor people to make choices and decisions that affect their own lives.

**Equity** A pragmatic principle of justice which recognises and responds to difference (including physical and cultural difference), particularly in terms of need. For example, an equitable distribution of a three-metre-length piece of fabric between two people who wish to use it for clothing, one of whom is two metres tall and the other one metre tall, would be two thirds to the taller person and one third to the shorter.

**Equality** An idealistic principle of justice which insists on an identical treatment in terms of quality or quantity for each member of the group under consideration. For example, an equal distribution of a three metre length piece of fabric between two people who wish to use it for clothing, no matter what their respective sizes, would be half each.

**Food security** The ability of people to feed themselves a sufficient quantity and quality of food on a regular basis, which may be hindered by events both social (for example conflict, bureaucracy, restricted trade) and natural (for example drought, famine, poor soil).

**Gender** The roles which society assigns both men and women which define, among other things, who does what work, and who has what level of status and access to power.

**Generation** The roles which society assigns people according to their age which define, among other things, who does what work, and who has what level of status and access to power.

**Governance** The structures, policies and levels of authority within ActionAid, particularly in relation to its Board of Trustees.

**Grassroots** Referring to activity at the local or community level.

**North** Refers to 'economically developed countries' rather than the northern hemisphere of the planet.

**Participatory approach** The process of ensuring the greater voice of people in decisions and actions (particularly those related to development) that will affect them.

**Regions** The four main geographical areas of work within ActionAid – Africa, Asia, Latin America and the Caribbean, and the North.

**Replication** The process of copying an activity or approach (usually because it has been successful) in other areas (both within a country and between countries).

**Resources** (productive/material/economic/social/intellectual) The variety of goods, services, skills and abilities which exist and can be drawn upon by an individual or organisation.

**Rights-based approach** ActionAid's preferred way of working to achieve its mission – by helping poor and marginalised people to recognise, promote and secure their rights.

**Savings and credit** Development schemes that help poor people borrow and save money, not just to improve their economic well being but also as a basis for organising communities for self improvement.

**Scale up/scaleable** The process of increasing the coverage of a project or approach, often from a grassroots to larger geographical areas.

**Social capital** Expresses the intrinsic value of social relationships. It is important because it highlights the fact that development has a social as well as an economic aspect.

**South** Refers to 'economically developing countries' rather than the southern hemisphere of the planet.

**Stakeholders** Individuals and groups who are involved in or can influence a project or organisation.

**Structural Adjustment Programmes** Measures initiated by governments in the South to balance their budgets, often as a pre-condition for getting World Bank/IMF funding.

**Taking stock** A review of organisational performance and capability carried out in May/June 1999.

**Values** A common set of beliefs and standards of behaviour which ActionAid sets itself and its staff to abide by.

**Vision (statement)** The end-point of ActionAid's work – what we as an organisation are aiming for.

**ActionAid is a unique partnership of people who are fighting for a better world – a world without poverty**

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ActionAid UK  
Aide et Action  
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ActionAid Brussels

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**Chief Executive**  
Salil Shetty

**Patron**  
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ActionAid is a registered charity (number 274467) and a company limited by guarantee and registered in England and Wales (number 1295174)

**Countries where ActionAid works include**

**Africa**  
Burundi  
Ethiopia

The Gambia  
Ghana  
Kenya  
Liberia  
Malawi  
Mozambique

Nigeria  
Rwanda  
Sierra Leone  
Somaliland  
Tanzania  
Uganda  
Zambia

**Asia**  
Bangladesh  
China  
India  
Nepal  
Pakistan  
Vietnam

**Latin America**  
Brazil  
Guatemala  
Haiti/Dominican Republic