BENCHMARKING AUSTRALIAN AID
RESULTS FROM THE 2013
AUSTRALIAN AID
STAKEHOLDER SURVEY
Benchmarking Australian Aid
Results from the 2013 Australian Aid Stakeholder Survey

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Introduction
Why?

• Very hard to benchmark aid effectiveness.
• In many areas, informed judgement indispensable
  – cf. aid review submissions and hearings
• Need to overcome the insider/outsider divide.
• We should heed the views of those we ask to deliver the aid program.
• Good timing!
Other stakeholder/perception surveys

• Social accountability
  – Citizens’ report cards
  – Often aid funded

• In aid
  – Multilateral surveys common
  – Bilateral surveys less so

• This one unique in its focus on aid effectiveness.
What we asked about

• Basic information about respondents
• The effectiveness of Australian aid
• The objectives of Australian aid
• Sectoral and geographic focus
• Modes of delivery
• Aid volumes
• Questions relating to individual engagement
17 aid challenges

• 17 attributes which are important for aid effectiveness and/or support.

• Drawn from the 2011 *Independent Aid Effectiveness Review*.

• Divided into four groups
  – Enhancing the performance feedback loop
  – Managing the knowledge burden
  – Limiting discretion
  – Building public support

• Asked about in relation to the aid program or AusAID, and for some at the individual activity level
Survey design

• Sampling frame for
  – Australian NGOs (large and small)
    • Target 104 respondents: response rate of 65%
  – Major development contractors
    • Target 44 respondents: response rate of 84%

For both groups, we went after senior executives. This was Phase I, from mid-June to August.

• Other groups self-selected
  – This was Phase II, from mid-July to August

• Pre-selected more reliable than self-selected, but the degree of commonality across all groups gives credence to the self-selected results.
## Respondents

<table>
<thead>
<tr>
<th>Summary</th>
<th>Responses</th>
<th>Response rate</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase I NGOs</td>
<td>68</td>
<td>65%</td>
<td>19%</td>
</tr>
<tr>
<td>Phase I Contractors</td>
<td>37</td>
<td>84%</td>
<td>10%</td>
</tr>
<tr>
<td>Phase II (Self-selected)</td>
<td>251</td>
<td></td>
<td>71%</td>
</tr>
<tr>
<td>Grand total</td>
<td>356</td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Phase II (self-selected)</th>
<th>Responses</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academia</td>
<td>38</td>
<td>15%</td>
</tr>
<tr>
<td>NGO</td>
<td>70</td>
<td>28%</td>
</tr>
<tr>
<td>Australian government</td>
<td>55</td>
<td>22%</td>
</tr>
<tr>
<td>Developing country government</td>
<td>9</td>
<td>4%</td>
</tr>
<tr>
<td>Multilateral or regional organization</td>
<td>15</td>
<td>6%</td>
</tr>
<tr>
<td>Development Contractor</td>
<td>25</td>
<td>10%</td>
</tr>
<tr>
<td>Consultant</td>
<td>26</td>
<td>10%</td>
</tr>
<tr>
<td>Other</td>
<td>13</td>
<td>5%</td>
</tr>
<tr>
<td>Total</td>
<td>251</td>
<td>100%</td>
</tr>
</tbody>
</table>
About the respondents

- 48% female
- Average age: 45
- 79%: strong or very strong knowledge of the aid program
- 76%: 5 or more years experience in international development
- 80%: directly engaged with the aid program
- 77% living in Australia
- Self-selected group: younger, more female, more junior, more likely to be overseas, less likely to be directly engaged.
A typical question: Is Australian aid effective?

Error bars: 95% confidence intervals

- NGO executives: 3.7
- Contractor executives: 3.6
- Self-selected: 3.5
- Academics: 3.5
- NGOs (Phase II): 3.6
- Australian government: 3.5
- Multilateral and developing country govt: 3.6
- Contractors (Phase II) and consultants: 3.4
- All: 3.5

Legend:
- **Very ineffective**
- **Ineffective**
- **Neither effective nor ineffective**
- **Effective**
- **Very effective**
- **Overall score**
Results
1. Effectiveness is partly in the eye of the beholder

Aid program

Respondent's activities

Error bars: 95% confidence intervals
But views on most aid challenges are quite similar across levels of perspective

Comparison of views on aid challenges at own activity level and program level

Error bars: Range of stakeholder group responses
2. Some disagreement, but more agreement.

Use of Australian aid to fund advisers

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<table>
<thead>
<tr>
<th></th>
<th>Excessive</th>
<th>At about the right level</th>
<th>Insufficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>NGOs</td>
<td>63%</td>
<td>12%</td>
<td>11%</td>
</tr>
<tr>
<td>Contractors</td>
<td>61%</td>
<td>27%</td>
<td>12%</td>
</tr>
<tr>
<td>Self-selected</td>
<td>40%</td>
<td>48%</td>
<td>12%</td>
</tr>
<tr>
<td>All</td>
<td>41%</td>
<td>45%</td>
<td>14%</td>
</tr>
</tbody>
</table>
Internal divisions on others

The Australian aid program to sub-Saharan Africa is:

- NGO: 57% (Too big), 25% (The right size), 18% (Too small)
- Contractors: 41% (Too big), 29% (The right size), 29% (Too small)
- Self-selected: 30% (Too big), 29% (The right size), 30% (Too small)
- All: 37% (Too big), 28% (The right size), 37% (Too small)
There is more that unites than divides various aid stakeholders.
3. Overall, Australian aid is good and improving

Responses to survey questions relating to overall aid effectiveness

Error bars: range of stakeholder groups
And there is quite a lot we like

Views on sectoral and geographic priorities

<table>
<thead>
<tr>
<th>Sector</th>
<th>Too much weight</th>
<th>The right weight</th>
<th>Too little weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health</td>
<td>6%</td>
<td>73%</td>
<td>21%</td>
</tr>
<tr>
<td>Humanitarian and disaster response</td>
<td>11%</td>
<td>75%</td>
<td>14%</td>
</tr>
<tr>
<td>Education</td>
<td>5%</td>
<td>68%</td>
<td>27%</td>
</tr>
<tr>
<td>Effective governance</td>
<td>22%</td>
<td>48%</td>
<td>30%</td>
</tr>
<tr>
<td>Sustainable economic development</td>
<td>10%</td>
<td>44%</td>
<td>46%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>12%</td>
<td>60%</td>
<td>24%</td>
</tr>
</tbody>
</table>
Positive comments

• “The increase in funding has impacted on effectiveness in that there is now much more visibility and need to be accountable to the Australian public.”

• “The intent of effectiveness has greatly increased over the past few years, the implementation is still lagging, but it is getting better.”

• “Overall I think our aid program has improved over the past few years in reach and effectiveness.”

• “Aid effectiveness is improving year by year. There is still a way to go though.”
4. But there is an unfinished aid reform agenda

Questions about the previous government’s strategy and its implementation

- Appropriateness of strategy
  - Very negative
  - Negative
  - Neutral
  - Positive
  - Very positive

- Implementation of strategy
  - Overall score

Error bars: 95% confidence intervals
And improvement is needed across the board...

Average responses for the 4 aid attribute categories

Error bars: Range of responses for individual attributes
... and according to all stakeholder groups

Average score for the 17 aid attributes for different stakeholder groups

![Bar chart showing average scores for different stakeholder groups]

Error bars: Range of responses for individual attributes within that stakeholder group.
(a) Limiting discretion

- Strategic clarity: Great strength (3.3), Moderate strength (2.8), Great weakness (2.6)
- Predictability of funding: Moderate weakness (2.8)
- Selectivity: Neither strength nor weakness (3.0)

Error bars: 95% confidence intervals
(b) Enhancing the performance feedback loop

Error bars: 95% confidence intervals
(c) Building public support

Effective communication
- Great weakness
- Moderate weakness
- Neither strength nor weakness
- Moderate strength
- Great strength

Political leadership
- Great weakness
- Moderate weakness
- Neither strength nor weakness
- Moderate strength
- Great strength

Error bars: 95% confidence intervals
(d) Managing the knowledge burden

Effective use of partnerships: 3.0
Staff expertise: 2.6
Avoidance of micromanagement: 2.3
Staff continuity: 1.7

Error bars: 95% confidence intervals
Two (relative) strengths and two weaknesses stand out

Error bars: Range of average responses across stakeholder groups
5. More on staff & delays

Staff turnover in AusAID

- Very low: 14%
- Low: 45%
- Neither high nor low: 38%
- Very high: 10%

Time in place for AusAID manager

- 5+ years: 6%
- 2-5 years: 29%
- 1-2 years: 28%
- 6 months to a year: 27%
- Less than 6 months: 22%

AusAID manager in place long enough to be effective

- Strongly agree: 12%
- Agree: 32%
- Neither agree nor disagree: 22%
- Disagree: 25%
- Strongly disagree: 10%
Staff continuity/turnover

• Key focus on qualitative comments
  • “Turnover of staff in key positions - compromises strength of relationships and creates negative impact on organisational knowledge.”
  • “Staff turnover resulting in loss of corporate memory.”
  • “Staff turnover is one of its biggest weaknesses, as this leads to inefficiencies and confusion.”
  • “Transaction costs may reduce but are systematically high due to AusAID staff moving positions - previous discussions etc are then lost.”

• A long-standing problem
  • Simons Review (1997): “The [Review] Committee is also concerned about the extent of staff mobility in AusAID. This was raised in many of the submissions received, and during overseas visits. It is far from being a new issue. It was raised in a review of ADAB, a predecessor of AusAID, as far back as 1986 (Fuchs 1986)…”
  • Hollway Review (2011): “The most consistent feedback the Review Panel received was that AusAID’s effectiveness was undermined by the rapid turnover of staff.”
Decision-making delays

Comments

“Too much turnover in the field and at times a reluctance there to make quick decisions.”

“Timeliness and lack of wanting to make a decision.”

“...The transaction costs are more time-related than financial.”

“A lot of talk, a lot of documentation, a lot and excessive managerialism that has led to paralysis in decision making.”
Transaction costs high and rising

- **Level**
  - **Low**: 11%
  - **Medium**: 51%
  - **High**: 38%

- **Change**
  - **Decreasing**: 3%
  - **Constant**: 39%
  - **Increasing**: 58%
6. The importance of strategic and commercial aid objectives

Perceived weight of different aid objectives out of 100
We’re realistic, but we’d still like poverty reduction to be given more weight

Desired weight of different aid objectives out of 100

<table>
<thead>
<tr>
<th>Objective</th>
<th>NGO executives</th>
<th>Contractor executives</th>
<th>Self-selected</th>
<th>Academics</th>
<th>NGOs</th>
<th>Australian government</th>
<th>Multilateral and developing country govt</th>
<th>Contractors and consultants</th>
<th>All</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty reduction</td>
<td>75</td>
<td>59</td>
<td>68</td>
<td>69</td>
<td>74</td>
<td>66</td>
<td>59</td>
<td>63</td>
<td>68</td>
</tr>
<tr>
<td>Strategic interests</td>
<td>17</td>
<td>27</td>
<td>23</td>
<td>22</td>
<td>20</td>
<td>25</td>
<td>28</td>
<td>25</td>
<td>23</td>
</tr>
<tr>
<td>Commercial interests</td>
<td>8</td>
<td>14</td>
<td>9</td>
<td>9</td>
<td>7</td>
<td>8</td>
<td>13</td>
<td>12</td>
<td>10</td>
</tr>
</tbody>
</table>
Conclusion
Summary of results: good but very improvable

• The aid program is seen to be good and improving
• There is perceived to be an unfinished aid reform agenda.
• There are weaknesses apparent across all four sets of aid challenges covered by the survey.
• Only 2 of the 17 challenges are seen as strengths by half or more of stakeholders.
• 7 are seen as weaknesses by half or more of stakeholders.
• The most serious weakness identified is high staff turnover, and the second most is slow decision making.
• Advancing the national interest is already seen to be given significant weight as an aid objective; it is perceived to have more weight than poverty reduction as an aid objective, and more weight than it deserves.
Implications

• Labor/earlier Coalition Government put a good reform agenda in place, but didn’t follow through.
• Current time is one of risk for the aid program.
• But also opportunity.
• Most important message from the survey is the need to redouble efforts on comprehensive aid reform.
  – This is a bigger challenge than realignment with the national interest.
  – And bigger than any geographical or sectoral reorientation.
  – Corporate reform is crucial, but not sufficient.
  – Broad-based reform is needed.
Concluding remarks

• There is more that unites than divides the aid community.
• The aid community needs to do more to make its voice heard.
• This survey provides a great source of benchmarks.
• Doing it again in two years time is one way to track progress.
• Welcome your comments.
What should and what we thought would happen to aid volumes

- What should happen
- What would happen under Labor
- What would happen under Coalition

- Increase by inflation or less
- Increase by more than inflation
Thank you!

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