

Porticus Portfolio Review

Summary of the final synthesis report

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1 Introduction and methodology

As a global philanthropic organisation that aims to contribute to systemic social change, Porticus in 2017 reorganised its grant-making around thematic areas, called portfolios. This was done to capitalise on Porticus' global reach and encourage greater strategic alignment and learning across its regional and country offices. Through bringing together its regional and country grant-making and its wider influencing and convening around key global challenges/problems, Porticus believes it can leverage its global reach, and have a more significant contribution to systemic social change.

Three years into the roll-out of the portfolio approach, Porticus wants to step back and understand how portfolios are progressing, but also how the portfolio approach as a whole is working. As such, it commissioned Itad, a UK management consultancy specialising in monitoring, evaluation and learning, to conduct a review of its 12 portfolios.¹

This is the summary of the final synthesis report of the Portfolio Review process. The synthesis report identifies cross-portfolio patterns, themes, good practices, and identifies recommendations for Porticus, at an organisational level, to take forward. The methodology for the synthesis involved collating evidence from the 12 portfolio reports using the three modules (strategy, implementation, and effectiveness assessments) that framed each portfolio review as the organising structure. Within each module, we then undertook a cross-portfolio analysis to identify common patterns and themes, and to highlight good practices. We then triangulated this with organisational-wide documentation and 32 key informant interviews (KIIs) that were conducted with stakeholders not aligned to specific portfolios. This included KIIs with members of the Management Team, members of the Philanthropy Committee, Country Managers and Regional Directors.

2 Findings

2.1 Strategy review

2.1.1 Relevance and quality of portfolio strategies

Portfolios are highly relevant to the issues and problems they seek to address. In many cases Porticus is either filling an important gap in a sector or funding an issue that few other donors support. Across all portfolios, we found that Porticus' work is generally highly relevant to the context in which it is working. Portfolios align well with international understandings of the problems they are seeking to address, and efforts are being made to link with other players in the sector. What stood out in particular, was Porticus' focus on issues where there is often a funding gap.

While Portfolios are generally strong at explaining why an issue is important, and what Porticus should aim to achieve, they are less clear on how Porticus anticipates change happening. Across the 12 portfolios, we found that strategies were consistently based on a clear and detailed understanding of problems and their underlying causes. This analysis in turn provides the foundation for justifying why Porticus should work on an issue and the focus and objectives of the portfolio (what the portfolio wants to achieve). What was frequently less clear, however, was detail on how Porticus expected change to happen. How Porticus uses evidence mirrors this. While we found a consistent reference to evidence in justifying what to work and why, its use in shaping how Porticus works, and the interventions it supports is less clear.

2.1.2 System change perspective in portfolio strategies

A system change perspective is generally well grounded across portfolios. There is consistently a strong focus on addressing the root causes of problems and working at different scales. Systems change is core to Porticus' ambitions. Porticus aims to address the root causes of problems and lock in sustainable change. We found that all portfolios reflect a system change perspective to some degree. They all describe the system they are seeking to influence, although with varying levels of clarity and operate at different scales.

¹ For two of the portfolio, peacebuilding and Interreligious Dialogue and Ecumenism, a decision had already be taken to phase them out.

Despite the success of embedding a system change perspective in its work, there is still confusion within Porticus around what systems change is. Porticus has chosen not to provide a single definition to allow to enable adaptation and flexibility. This led to different understandings throughout the organisation and, at times, people talking at cross purposes. Most notably, there is a view among some senior stakeholders and investment committee (IC) members that conflates systemic change exclusively with global initiatives. As an organisation that invests significantly at the regional and country level, this view is problematic and runs counter to a core strength of the organisation – its strong regional networks.

In supporting system change, Porticus has a particular niche in building capacity, funding innovation and supporting evidence generation. Across portfolios, Porticus supports partners to use a variety of levers to influence system change. These three levers which are most common across portfolios, but also where Porticus arguably has a niche

In focusing on systems change, Porticus has become more active in building networks, convening partners, and leveraging its voice. However, this positive trajectory needs to be built upon and these efforts strengthened. While Porticus plays an important role in the sectors that it works in, its footprint in relation to others and the scale of many of the problems is relatively small. As such, it needs to engage with other organisations, and leverage its voice to achieve greater impact. These are new ways of working for staff, many of which are used to working through partners, not playing an active public role themselves. While we identified various efforts across portfolios to build networks and facilitate coordination between partners and share learning, and important steps towards being more transparent and having a public voice, current efforts are not enough to achieve the intended system change objectives.

There is a tension within Porticus between its 3–5-year planning cycle and the long-term commitment that is needed for systems change. This is driving unrealistic planning and over ambitious strategies. Across many of the portfolios, a common finding was that portfolio strategies and programme plans are too ambitious, with objectives and outcomes unlikely to be achieved in the set time frames.

2.1.3 Targeting of portfolio strategies

The target groups of portfolios are generally the poor and excluded. However, across the board, there is limited disaggregation of these groups, and few efforts to identify the *most* excluded and poorest within them. A focus on poverty and exclusion is central to Porticus' mission. All portfolios are focused to some degree on supporting the poor and excluded. The difference between portfolios is how direct this connection is.

Very few of the portfolios reflect an appreciation of the gender dimensions of social problems. The lack of any form of gender analysis and gender-conscious targeting, is likely to be undermining Porticus' impact on poverty and exclusion in various settings. None of the portfolios integrate aspects of gender equality or equity adequately. While we appreciate that a gender analysis was not required as part of the programmes and grant development process, given Porticus' focus on poverty and exclusion, this is a significant oversight. Gender is often a key factor in understanding poverty and exclusion.

2.1.4 Strategic focus of strategies

Many of the portfolios lack a clear strategic focus and as a result are spreading resources too thinly. This is likely diluting their potential impact. A finding across most portfolios was that strategies are too broad in their scope. This has several drivers. One is the view that strategies should not be too tightly defined to allow for Porticus to respond to new opportunities and innovate. Another is that strategies are often scoped to allow space for all regions to see themselves in the portfolio and to be able to adapt it to their context. This was the original premise of the matrix operating model introduced in 2017. While this may be the most inclusive approach, it means strategies lack the sharpness that will provide a focused investment of resources, and arguably lead to Porticus having greater impact. Finally, some portfolio strategies were designed intentionally broad as a way of gaining better understanding of where Porticus could add most value, and that the intention was always to focus them over time, based on learning and evidence.

Most portfolios lack a clear and reasoned geographical focus. The rationale for working in a specific country is based on interest and capacity of the regional office, rather than an evidence-informed understanding of where the need is greatest and where Porticus can have the biggest impact. With 12 country and regional offices, spanning developing and developed countries, Porticus has a wide geographic footprint. This provides the organisation with an excellent platform on which to affect systems change globally. The challenge currently is that most portfolios lack a clear rationale for why they are focused on certain countries. Sometimes, selected countries seem counterintuitive to the geography of the problem.

2.2 Implementation assessment

2.2.1 Porticus' operating model

The process for rolling out the portfolio structure and the new operating model was less than ideal. There is wide agreement about that within Porticus. The selection of the portfolios was not underpinned by any rigorous or evidence-based process. Then the communication of the decision to move to portfolio was made before there was clarity on key underlying decisions.

Key to Porticus' operating model is the interaction between portfolios and regions, yet there remains a lack of clarity on exactly how portfolios and regions relate to each other. The introduction of the matrix structure was a part of the changes introduced with the establishment of portfolios. Currently Porticus is between operating models: partly regional led, partly portfolio led. If the portfolio is the driving organisational structure, then arguably, one would expect the portfolio strategy to drive the focus and resourcing of the organisation. The strategy would be led by PfMs in consultation with regions and the PIC, this would then direct which geographies Porticus focused on (see discussion above).

2.2.2 Portfolio management

While portfolio teams generally have a positive dynamic, heavy workloads pose a consistent barrier to team members effectively engaging in portfolio processes and decisions. Across the 12 portfolios the majority have teams in place that are operating effectively, with strong relationships between team members, and a positive and collaborative way of working.

Portfolio managers are central to the success of the operating model. However, the way this role is interpreted across portfolios and therefore how portfolio leadership is exercised varies. The challenge is how different PfMs interpret and implement the different aspects of the role varies considerably across Porticus. There is not a consistent form of portfolio leadership.

The portfolio structure has not been strategically or in many cases adequately resourced. In creating the portfolio structure and developing strategies Porticus did not underpin these with a strategic resourcing plan. In fact, there seems to be an under appreciation from within the organisation of what level of staff resources is needed to achieve the ambitions of the portfolio strategies.

2.2.3 Portfolio learning

The introduction of the portfolio structure and associated efforts to improve internal learning on issues related to the portfolio are leading to improvement in staff's technical knowledge and broadening their networks with other relevant actors. Porticus growing thematic specialism is widely appreciated by external stakeholders and viewed as an important step to enabling Porticus to play a greater role in systems change. One of the objectives of the portfolio structure was to improve internal learning and knowledge on technical issues related to the portfolios. This was in recognition of two issues: 1) that to capitalise on its global footprint, Porticus needed to ensure that the learning from one context was being shared with others; and 2) that to affect systems change it needed to deepen its understanding of the key substantive issues the portfolio was aiming to address and broaden its networks with the actors working on these issues.

2.2.4 Portfolio governance

The portfolio structure created multiple levels of governance and introduced significant complexity into Porticus. As such, the recent streamlining of governance into four Sector Investment Committees (SICs) is welcomed. With the formation of the 12 portfolios, Porticus created 12 new PICs, in addition to RICs and the PC. This created a governance structure which was difficult to manage. While the structure was put in place as a way of engaging the Brenninkmeijer family more in the foundation, and ensuring their direction of grant making, it created significant complexity within the organisation which, alongside challenges with other internal processes (see below), has for many stakeholders, redirected their attention more inwards to reporting and presenting to PICs than outwards to engaging with partners and peers.

PICs add value in three ways to portfolios, they provide: a challenge function and a different view point; access to networks and can open doors; and insights from their own experience. However, this value is not being maximised. In fact, the value of PICs is sometimes inadvertently eroded by a lack of clarity in their roles and responsibilities, insufficient time for the team to meaningfully engage with them, and insufficient balance between oversight and accompaniment.

While important improvements have been made to the programme and large grants development and approval processes, they still suffer from several challenges, including multiple levels of sign off, and a lack of clarity on what is expected by the PIC to make decisions and how these are made. This is creating inefficiencies in the process. Across all portfolios we consistently found challenges with the programme and grant development processes. Two main challenges cut across all stages: the number of stakeholders that provide input into new programmes and grants; and uncertainty around what information is needed by the PIC to inform decisions and the criteria for decision making. The creation of the SICs presents a good opportunity for these expectations to be clarified and the SIC to be clear with teams about the basis on which decisions are made. In doing this, there may also be a role for the newly developed Keystone document to be adapted as a tool for clear and consistent ex ante decision making by SICs.

The requirement to seek approval for programmatic grants from the PIC once a programme plan and budget had been signed off is considered by staff as unnecessary and runs counter to the principle of delegated authority. There was a strong sense from many that programme managers should have much more delegated authority in approving grants under an already approved programme. Once programme plans are approved, they should be trusted, in consultation with the PfM and other relevant colleagues, to identify and fund new partners. This is both more efficient, but also allows the PIC to focus on bigger picture strategy issues. However, in discussing this issue with IC members, there were mixed views. While some agreed with staff and saw this as an unnecessary step and a distraction, others felt that the involvement of IC members in grant decisions was central to the family remaining connected to Porticus' philanthropy.

2.2.5 Phasing out of Portfolios

The recent phasing out of the Peacebuilding and Interreligious Dialogue and Ecumenism portfolios was not undertaken as well as it could and provides important lessons to Porticus for how to close out portfolios in the future. Twelve portfolios is too many for the organisation to track, support and resource, therefore, the phasing out of some portfolios was needed. However, there are several lessons on how the phase out was managed, that need to be reflected in how similar processes are managed in the future. For example, ensuring the decision is informed by evidence on performance and result, and ideally, taking such a decision, only once portfolio have had sufficient time to show progress towards system change objectives.

2.3 Effectiveness assessment

The focus of this section is on the cross-portfolio findings related to effectiveness. Recognising that three years into their strategy, portfolios were unlikely to have evidence of results, in this module of the portfolio reviews our focus was on assessing the extent to which appropriate MEL frameworks were in place across portfolios to ensure credible evidence on effectiveness is available in the future.

While portfolios are at different stages, many programmes now have robust MEL frameworks in place. This is an important step towards ensuring Porticus can understand its impact in the future. Since 2017 Porticus, through EPG, have been working with portfolio teams to put in place MEL arrangements to support

learning, adaption, and measurement. Given the number of stand-alone grants, and the organisation's ambition to work programmatically, EPG prioritised working with teams to develop MEL frameworks for programmes. In most portfolios, such arrangements now exist across most programmes.

There are a wide range of MEL arrangements being put in place across programmes, but the most common are MEL partnerships with external providers. The breadth and flexibility of the support such partnerships offer is highly valued by programme managers. Across the portfolios that have programme MEL arrangements in place, the nature of these arrangements varies. The two main types are 1) programme led MEL; and 2) MEL partnerships with external providers. Porticus has a strong preference for MEL partnerships, as it provides an outsider's perspective, and helps strengthen the credibility of result reporting. The support of MEL partners to grantees in building MEL frameworks and capacity is highly valued.

The quality of MEL frameworks at grant level is weaker. For some portfolios this is less problematic as MEL partnerships can support partners in strengthening their MEL, however, for portfolios with few programmes and many stand-alone grants, this presents a major risk to them being able to report credible evidence of results in the future. Across all portfolios we found that the quality of the MEL frameworks for grants was much weaker than for programmes. For programmatic grants that have access to a MEL partner this is perhaps less problematic, as the partners can support grantees in developing and strengthening their MEL frameworks and capacity. Weak MEL is more problematic for stand-alone grants, and particularly for those portfolios that have a high number such grants.

The curation process provides a structure for understanding portfolio level effectiveness and learning. Across portfolios however, there is yet to be much thinking on how evidence from across programmes will be brought together, synthesised, and reviewed on a more regular basis to inform ongoing portfolio level learning. Understanding effectiveness at the portfolio level is challenging. While the idea of simply tracking a set of indicators at portfolio level to show whether Porticus is on track is seductive in its simplicity, the reality is that it is fraught with methodological challenges that are widely documented. Positively, the curation model that Porticus has put in place to guide portfolio level MEL reflects this approach. The portfolio reviews that this report is a part of, are an important step in this process.

2.3.1 Key achievements and results

After only three years of implementation we would not expect portfolios to be achieving significant results at this stage. As has been discussed in section 2.1.2, systems change takes time. However, across portfolios we have found examples of positive results and indications of future successes. These are the stepping stones towards the systems change objectives. We discuss these below in relation to the levers for systems change.

- **Knowledge development and evidence generation:** Many of Porticus' portfolios play a critical role in their respective sectors and systems in developing, interpreting, and supporting knowledge generation and evidence gathering. One prominent example is the PSET portfolio's global Measuring What Matters (programme). The PSET portfolio has supported one of the Global Partnership for Education to develop the 'The Analysis of National Learning Assessment Systems' (ANLAS) toolkit as a global good resource for GPE partner countries to gather and track national learning assessment data. Another example comes from the Creating Systemic Disruptions to Human Trafficking in Southeast Asia programme in the MHT portfolio. Early results indicate the programme supported strengthening corporate awareness training and compliance training to address trafficking in the supply chain of target industries; supporting collaborations between NGOs and financial institutions in analysing intelligence collected from rescued victims, devising case typologies and disrupting the flow of funds of trafficking businesses; and, supporting the documentation, research and dissemination of evidence-based findings on the prevalence of trafficking issues in target industries.
- **Enabling systems, creating networks and convening partners:** Porticus' shift to a portfolio-driven and programme-led approach to grant making has positively enabled its portfolio staff to play a greater role in convening partners and connecting system actors across geographies. Laudato Si's global programme

demonstrates Porticus building and leveraging relationships with other foundations – including Rockefeller Foundation, Omidyar Network, Ford Foundation and CIFF – to create more impact as all implement similar programmes focused on alternative economic systems and reimagining capitalism. The programmes are also engaging in various donor platforms that facilitate better coordination. Porticus has been one of the early supporters, if not the earliest, of a new network of Church actors in the Amazon, called REPAM. Over time this has grown into a mature Church network in Latin America and is also a BVC (former VCC) programme. It is through this network that a lot of the preparation efforts for the Synod of the Amazon in 2020 came about, called for by the Pope. Other portfolios are also beginning to play a prominent convening partners role in their respective sectors, including in the Faith Sector. The IRDE portfolio in particular made significant progress working as a convener of best practice amongst partners and laying the foundation for future avenues to disseminate learning in the field through the Global Enabling Effective Dialogue Programme.

- **Building capacity:** There has been initial positive signs that portfolios have begun to strengthen capacity and capabilities of internal staff, partners as well as beneficiaries. One example is the ECD programme in France. The mid-term evaluation indicates that thanks to ECD programming, participating parents and child carers are engaging with the interventions’ tools and inclined to adapt their practices to develop children’s social and emotional skills. The VCC portfolio has also demonstrated early positive results in capacity building. External experts highlighted the portfolio’s capacity building efforts as one of its strengths, as it works effectively at different levels of the system and supports partners of different capacities. This shows quite directly in the scholarship programmes running in Asia and Africa. Through these programmes selected religious and lay receive holistic capacity building. Past evaluations have already generated lessons on the basis of which the programmes were adapted, but currently much more rigorous MEL is being put in place for future development and effectiveness measurement.
- **Policy influencing:** The EID portfolio has already had success in shaping global policies and tools towards better integration of WCD and SEL approaches. For example, EID strategic goals on the measurement of socio-emotional learning outcomes have been included INEE’s global strategic priorities. INEE is a major driver in how funders (including public and private donors, and international organizations) and, subsequently, implementers and national education systems working in the EiE sector. The Criminal Justice portfolio’s Positive Pathways from Prison Programme is another example of how Porticus’ work is both aligned with policy and seeking to positive influence policy change. The programme design is well-grounded in government-commissioned independent reviews of preventing reoffending and reducing intergenerational crime. The programme, though in early days, is well positioned to shape and influence future probation and prison services by developing and showcasing good practice examples of voluntary sector initiatives which operationalise government commitments to models of whole-person-whole-family partnership working.
- **Behaviour change:** One example of supporting behaviour change is in the ECD portfolio. The WCD parenting programme in Bangladesh run by BRAC Institute of Educational Development had a significant impact on the parents’ understanding of the domains of child development and they are witnessing positive changes in their children. In 2018, significant investments from other funders (e.g., LEGO, Government of Bangladesh, BIED) scaled up the delivery of this model in rural Bangladesh, as well as for Rohingya children in the camps in Cox’s Bazaar. The Peacebuilding portfolio has also demonstrated early indications of supporting behaviour change. The portfolio drew on arts as an innovative tool to build cohesive communities and shift the historical narrative that perpetuates negative peace. There were strong connections between the portfolio and Porticus’ Community Arts Lab.

3 Conclusions

Overall conclusion: Porticus's 12 portfolios are largely clear and logical, relevant to the sectors in which they work, make use of evidence, and to varying degrees, reflect a system change perspective. However, many lack a tightly defined strategic focus. They are often too ambitious in what they want to achieve given the time and resources available, and, for many, the geographical scope is unclear. Some of the challenges observed in strategies are being driven by the fact that Porticus is still evolving to meet the demands of its new operating model and its system change ambitions. Important steps have been taken in rolling out this new model, for example portfolio teams have positive dynamics, cross regional learning is taking place, and staff are deepening their technical knowledge. However, there is still not sufficient clarity on the relationship between regions and portfolios, inconsistencies in the way that Portfolio Managers and Investment Committees work, inadequate resourcing of portfolios, and the programme and grant development processes need further streamlining. These are undermining the value that the portfolio structure could have. Likewise, while system change is reflected in strategies, its effective operationalisation requires staff to be more outwardly focused, networking, convening and, where appropriate, advocating. More work is required to incentivize and support this new way of working. Porticus's investment in MEL, however, is an important enabler of the new operating model. While the picture is not consistent across portfolios, overall, it positions the organisation well for evidence-based learning and adaptation, something that is central to working effectively with systems change, but also for generating robust evidence of effectiveness in the future.

Strategy assessment

Conclusion 1. Portfolio strategies are largely clear, logical, evidence-informed and relevant, although more focus needs to be given to strengthening portfolio theories of change and ensuring evidence underpins not just the problem analysis, but also the portfolio design. To varying degrees Porticus' portfolios are grounded in good understanding of social, political and economic problems. This in turn informs a focus, albeit oftentimes lacking sharpness (see conclusion 4), that is highly relevant. Porticus' willingness to focus on gaps in sectors where few others operate is highly valued. All portfolios are logical and clear on what they want to achieve, however few articulate well how they expect to get there. Similarly, all portfolios have a solid grounding in evidence, however this often is skewed towards substantiating why Porticus should invest in an issue, more than shaping the focus of the portfolio and the interventions to be supported.

Conclusion 2. Porticus has taken important steps towards supporting systems change, and operationalizing this through portfolios, but it needs to strengthen its outward focus and extend its planning timeframes to better support this new way of working. Failing to do so will prevent it from achieving its systemic change objectives. To varying degrees, portfolios have internalised and are operationalising system change well. However, Porticus is just one actor among many in the sectors. Therefore, brokering partnerships to leverage other's skills and resources and create synergies, and the strategic use of Porticus's voice, all need to be used alongside grant making. While Porticus is taking important steps to be more outwardly focused, there remains some reluctance internally. Porticus also needs to resolve the tension between its systemic change ambitious, which requires significant time, and the three-year planning time frame it sets itself. This is driving unrealistic planning across portfolios and is arguably working against achieving its longer-term objectives. A longer term commitment also requires Porticus to not shift priorities too quickly, something that stakeholders felt was often too common.

Conclusion 3. Portfolios need to be underpinned by a clearer understanding of their target group, and a deeper understanding of poverty and exclusion, and particularly the gendered dimension of this. Addressing poverty and exclusion is central to Porticus' mission. While most portfolios have the poor and/or marginalised as key target groups, limited effort is currently made to disaggregate this group by gender, race, ethnicity etc. This is problematic, given poverty and exclusion, how it is experienced and the types of interventions that are appropriate, will be profoundly shaped by these social categories. The lack of gender

analysis across most portfolios is particularly concerning. Without a better understanding of these issues, it is highly likely that portfolios will not have the level impact on poverty and exclusion as they could or should.

Conclusion 4. Portfolios require a clearer strategic focus, with fewer outcomes and a clearer geographical footprint. Several portfolios have overambitious objectives and too many outcomes for the time and resources available; they are spreading themselves too thinly and will dilute their impact. Similarly, few portfolios have a clear and reasoned geographical footprint. Regional offices' interest and capacity currently dictate the geographic focus of portfolios, instead of the portfolio strategy and clear criteria based on an understanding of where the needs and the potential for Porticus's impact is greatest (see conclusion 5).

Implementation

Conclusion 5. Important progress has been made in embedding the portfolio structure. Teams have created positive dynamics, cross regional learning is taking place, and there has been a deepening of technical expertise. However, a lack of clear direction on the relationship between regions and portfolios, insufficient resourcing of portfolios and support to PfMs is preventing the portfolio structure from add the value it could. The introduction of the portfolio structure and a new operating model moved the organisation from a largely regionally based structure, to one that is integrated at the global level. Important progress has been made in embedding these new structures and ways of working. Portfolio teams have created positive and collaborative team dynamics, and cross-regional learning is strengthening staff knowledge and practice. The growing specialism within Porticus was also seen by many staff and externals, as a significant and positive development. But for the portfolio structure to cement itself in Porticus, and for it to generate more value, there needs to be clear decisions taken on how portfolios and regions relate as Porticus is currently operating between two models. Portfolios also need to be better resourced. Currently, staff are spread thinly across too many portfolios and are juggling portfolios of major programmes. Lastly, there needs to be better support provided to PFMs. The current way this role is being exercised varies.

Conclusion 6. Important steps have been taken to streamline and improve the programme and large grant development process, but more needs to be done. Important steps have been taken to simplify internal processes. However, even with these, inefficiencies remain. A strong consultative culture within Porticus, and ongoing tensions around the operating model mean too many people are still involved in reviewing and providing feedback on new programmes and grants. A specific way of doing this could be for the IC to delegate authority to approve programmatic grants to PMs, in consultation with PFMs. This would reduce the time for PMs, but also free up ICs time to focus on more strategic issues. In addressing this there may need to be a rethink of programme plans. While all the detail in the plans is central to informing a good design, it may not be needed by the IC to approve funding. Given the increase in workload of an IC with the move to sectors, there may be a need for shorter design document to inform approval. A more detailed planning document could then be submitted after a 6-month inception phase in which Porticus can work with grantees and MEL partners to co-develop the programme plan. The ICs also need to clarify their expectations on what level of detail they need at what stages of the programme and grant development process. Currently, uncertainty is driving overpreparation by teams at all stages, and is sucking up too much staff and partner time. This is also often overwhelming ICs with information they struggle to engage with.

Conclusion 7. For ICs to maximise their value there needs to be greater clarity provided on their roles and responsibilities and better balance struck between their role in providing oversight and accompaniment. Across portfolios, teams reported having good relationships with PICs and there was wide agreement that PICs add value in many ways to portfolio implementation, providing an alternative view and offering insights and expertise. However, the creation of 12 PICs alongside the portfolio structure created significant complexity within Porticus. The move to a more streamlined structure of four SICs was much needed. Moving forward, for SICs to maximise their value to portfolios, there needs to be clearer clarity on the roles and responsibilities of IC members. These need to be focused on where the IC can add most value – setting strategy, monitoring performance and supporting learning. But there also needs to be better balance struck between oversight and accompaniment. If the PIC acts exclusively as an oversight body, the value it can add to portfolios as a thought partner, helping teams to reflect, learn and adapt their strategies, will be curtailed.

Effectiveness

Conclusion 8. The investment that Porticus has made in MEL has significantly strengthened the ability of portfolios to report robust evidence on effectiveness, however there are significant weaknesses in grant level MEL which means portfolios with high proportions of stand-alone grants risk not being able to demonstrate impact. Porticus, through EPG, has made important investments in strengthening MEL, with a specific focus on robust programme MEL, particularly through flexible MEL partnerships. For portfolios with mostly programmes, the efforts put them in a good position to have credible evidence on effectiveness in the future. However, the situation is more problematic for portfolios with many stand-alone grants. Across portfolios, grant level MEL is significantly weaker than programme MEL. This means those portfolios with many stand-alone grants are likely to have significant gaps in their evidence base and will struggle to tell a comprehensive story of their impact. Given it will not be feasible for Porticus to ensure the quality of the MEL across all stand-alone grants; focusing on grants that are strategic either because of their financial value, or because they are testing ideas that will inform future programmes may be the best approach.

4 Recommendations

Strategy

Recommendation 1: Teams should strengthen portfolio theories of change by 1) better articulating *how* they anticipate change happening; and 2) including the role that Porticus's convening, networking and advocacy plays, alongside grant making, in contributing to outcomes. While portfolios are generally underpinned by a clear logic, there is insufficient detail provided in ToCs on causal links and the assumptions that underlie the theory. Addressing this will bring greater sharpness to portfolio strategies and provide a clearer view of not just what they want to change, but how they expect to contribute to this change. Portfolio ToCs also need to be more explicit in indicating how Porticus's efforts to convene partners, network with other actors and leverage the organisation's voice, complements grant making. These are important activities for achieving systems change, and need to be underpinned by a clear strategy and plan.

Recommendation 2: Teams should review portfolio strategies and, where needed, sharpen their strategic and geographical focus. Many portfolios are trying to do too much. Ultimately this means resources are being spread thinly across issues and geographies, and without sufficient concentration for system change to be achieved. Based on the learning and evidence of the past 3 years of implementation, portfolios should now be in a good position to narrow and bring greater sharpness to their strategies.

Recommendation 3: Porticus should develop an organisational strategy for gender and inclusion that guides the efforts of portfolios to better understand the differentiated needs of its target groups. There is a clear need for portfolios to develop a more detailed and nuanced understanding of the differentiated needs of their target groups. While each team needs to address this issue based on the specificities of the portfolio, these efforts need to be guided and supported by an organisation-wide commitment and strategy to gender and inclusion. In the absence of this, portfolios will interpret this issue differently and there will unlikely be a common level of quality with which inclusion and gender is addressed. As part of this we would recommend that Porticus recruits a gender and inclusion advisor to lead the organisation's efforts. They could sit in EPG, lead the development of an organisational approach and strategy, support capacity building across the organisation and provide advisory support to teams.

Recommendation 4: Extend the planning timeframe for portfolios and programmes to align with the longer timeframes needed to achieve systems change. The current 3 years planning timeframe for programmes is too short given Porticus's intentions to affect systems change. Working to this timeframe is driving unrealistic planning among portfolios and programmes. Porticus should therefore increase the timeframe. Our suggestion is that it should be extended to 5 years given that this is the timeframe of portfolios, though this still may not be a sufficient for some programmes. To create the stability needed for Porticus to truly commit to systems change, Porticus may also want to consider extending the timeframe of some portfolios to eight to ten years. This would offer a much more realistic timeframe in which to work towards the ambitious objectives Porticus has set itself.

Recommendation 5: Provide stronger messaging to grant and programme managers on the importance of networking, convening and advocacy to contributing to systems change, and provide associated capacity support. While Porticus has made important steps towards having a more outward focus, there is a reluctance among some staff to adopt the new ways of working that underlie this. Moving forward, we would recommend five actions: 1) Leadership clearly and consistently message to staff the importance of these new behaviours and celebrate example of good practices; 2) reflect the behaviours, attitudes and skills required to play a more outwardly focused role in the competency framework for PMs and GMs; 3) continue to rollout the Partnership Brokering training to build grant and programme manager skills, and develop new training on how to advocate; 4) Ensure relevant staff have an outward focus reflected in their performance objectives, and ensure progress is reviewed, discussed and tracked by line managers; 5) conduct a review of PMs in portfolios to identify those, who because of the number of programmes they are managing, are struggling to prioritize an outward focus, and reconfigure the portfolio accordingly.

Implementation

Recommendation 6: Move more fully to a portfolio structure by providing clear direction on the relationship between global portfolios and regional offices. While important steps have been taken to embed the new operating mode in Porticus, several challenges exist. Chief among these is how regions and portfolios relate. Assuming that the portfolio is to lead strategy within Porticus, and as such the organisation wants to maximise the value from this way of working, we would recommend four actions: 1) when refining portfolio strategies, ensure an explicit discussion about portfolios' geographical focus in consultation with regions. This discussion will be informed by where Porticus has a presence but also reflect where the portfolio is most relevant and could have the most impact. 2) Regional offices should reflect the structure of the portfolios in how they organise teams, and staff should be a member of one portfolio team, rather than spreading themselves across several portfolios. We would also recommend having a lead for each of the portfolios that the regional office works on who guide the implementation of the strategy in the region and oversee the portfolio team in the regional office. 3) Regional offices should develop regional portfolio strategies for the portfolios they are implementing, to replace the current regional strategies. These would contextualise the global portfolio strategy to a specific region and detail how this will be operationalised. 4) Underpinning the portfolio should be a resource plan that indicates the human resources needed to achieve the strategy. This should cover both the global and regional levels and indicate any specific skills that need to be either developed or recruited into the team.

Recommendation 7: Provide ongoing support to PfMs, and reconfigure their workload, to allow them to exercise a more consistent form of portfolio leadership. The way that the PfMs exercise portfolio leadership differs across teams. Because of how central this role is to the functioning of the new operating model, this causes challenges across the organisation. As such, we would recommend that Porticus takes three actions: 1) building on the existing competency framework and leadership training, continue to support PfMs in strengthening their leadership skills and style, through ongoing coaching; 2) ensure full time PfMs are in place across all portfolios; and 3) review PfMs workload and ensure no PFM is also a PM.

Recommendation 8: Further streamline the large grant and programme development process. While important improvements have been made, several ways of working continue to create inefficiencies. We recommend that Porticus take three actions: 1) further rationalise the number of internal stakeholders involved in the development of large grants and programmes. Assuming PfMs have delegated authority for a portfolio, we would suggest only the PM, the PFM, EPG, and the SIC need to be involved in the development process. 2) PMs should be given delegated authority, in consultation with the PFM, to approve grants that sit under their programme. This should not require the approval of the IC. 3) A staged approach to programme plan development should be introduced, based on clear IC expectations. This would involve a shorter document being prepared for presentation to and approval by the IC. This would detail the rationale and design of the programme. Then, post-approval, programmes should have a 6-month inception phase to develop a more detailed implementation plan. This should cover everything that exists in the current plan template, but importantly, should also reflect the inputs and advice of grantees and MEL partners. Given the

importance of MEL partners, we would suggest their recruitment is included in the document submitted to the IC for approval. The detailed programme plan can then be presented to the IC once inception is finished.

Recommendation 9: Support ICs to have a more consistent focus and way of working that provides both oversight, and accompaniment to portfolios. The current way ICs operate is not consistent across portfolios, nor is where they focus their time and efforts. As such, there needs to be greater clarity and support provided to ensure ICs are focused on the issues where they can add the most value. In addition, to maximise their value, ICs need to better balance providing oversight and offering accompaniment to portfolios. In order for ICs to be able to help portfolios learn, adapt and improve, teams need to be open about what is working and what is not. This requires relationships to be built. In order to achieve this, we recommend that Porticus takes three actions: 1) further embed the IC guidance for IC members so that IC members interpret their role consistently; 2) support IC members in strengthening relationships with teams through their engagement in wider portfolio activities (e.g. learning communities, staff retreats); and 3) IC members actively balance their oversight role, with providing constructive accompaniment.

Effectiveness

Recommendation 10: Continue the focus on strengthening programmatic MEL, but also invest in strengthening the MEL of strategic stand-alone grants, particularly for portfolios that have a high concentration of such grants. The focus that Porticus has given to strengthening programme MEL is positioning many portfolios well to be able to report robust evidence of effectiveness in the future. These efforts should be continued. However, the quality of grant level MEL is generally weak. This a major risk to portfolios that have high numbers of stand-alone grants. For these portfolios, we would suggest that Porticus works with teams to identify the most strategic investments, either because of their financial value or their learning potential, and provide support to these grantees in strengthening their MEL. In some cases, this might be through support from EPG. In other cases, it could be through a MEL partner to the grantee, or in other cases it could be funding is available for the grantee to undertake a robust evaluation of its work.



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