**Summary: Portfolio Review of Zoralipe in Social Impact Countries**

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*In Budapest:* Mensur Haliti, Andy Haupert (rapporteur), Zeljko Jovanovic, Katalin E. Koncz (observer), Edlira Majko, Kinga Rethy

*In New York:* Claudia Hernandez, Rob Kushen, Daphne Panayotatos, Paul Ranogajec, Dan Sershen, Chris Stone

**Introduction**

**Chris Stone:** In very few words, you have conveyed a tremendous amount. Your descriptions of the state of the field and trends are really good. Your observation that the Roma population is becoming stronger while Roma organizations are becoming weaker is the perfect sort of observation for a strategy. This is partly an unintended effect of our work. We need to decide whether it’s acceptable. If it’s not acceptable, then we need to change our approach.

**Edlira Majko:** We have been supporting Roma NGOs for many years, but in the last two years we have introduced new procedures and tools. We are also seeing changes in the field and facing challenges. This portfolio review provides a chance to reflect on how to move forward.

It has been just one year since we introduced our new guidelines, but we can already see some changes. The Policy Center for Roma and Minorities, for example, overcame a leadership crisis, established a board, and developed a fundraising strategy. None of this was in place before we changed ourselves, even though we have supported the Policy Center since 2008.

**Mensur Haliti:** We have seen resistance to change. Those who understand our ambition and our assumptions resist less, and those who do not understand our reasoning resist more. Also, the progress that some of the NGOs have made is largely still on paper. This is partly because when they think about change, they often think about how to adapt in order to get more money from us rather than about organizational development and how to adapt to the changing context. This is understandable. But we need to help them better understand why they need to change, beyond what a donor imposes. We need to develop a communication strategy that pushes people out of their comfort zones. We need to learn to better diagnose where Roma NGOs stand and adaptively respond with our institutional development strategy. We also need to understand how we can agree with grantees on better alignment with our strategy in order to have a greater combined impact.

**Annex 2: Table of Zoralipe Grantees**

*Chris asked about cases where OSF as a whole contributed more than the full budget of Zoralipe grantees—in two cases nearly 500% and 300%, respectively. RIO was able to provide him with figures about the organizations’ incomes, but not their actual expenditures.*

**Chris:** You gave your answers in terms of revenue, but it important to know organizations from the expenditure point of view as well—how they are thinking of scaling up, for example. For a start-up, it is very useful to know what they plan to spend. The table works out this way because you are using the data we ask you for in Foundation Connect. The knowledge I am hoping you will have, though, goes beyond numbers in the system.

**Edlira:** One problem we face is that Roma NGOs do not do budget planning. In some cases, the director cannot tell us how much they spent in the last budget year.

**Chris:** When you ask them and they do not know, then you have your answer. You are asking the question because you want to know if the director knows it. You should take the lack of an answer as an opportunity to have a conversation with the director about your expectations.

**Institute of Roma Culture in Albania (IRCA)**

**Chris:** IRCA strikes me as an exception to what you said earlier in the document about Roma youth being reluctant to take part in NGOs. It is an organization of the newly-educated Roma generation, a hope for what stronger new organizations might look like. Tell me about IRCA and its strengths and weaknesses. What worries you? What are you excited about?

**Edlira:** We started supporting IRCA in 2012. Their strength is that they have a vision about how they want to develop, not only about the work they want to do. They want to be professional and to build a name. They were one of our first grantees to create a conflict of interest policy and they have diversified their funding in the last year, although we remain their main donor. They have become very visible and they have developed partnerships.

**Zeljko:** We wanted to support them as a model precisely because they go against the general trend. Their weakness at the moment is that they are running in too many directions, but they will mature.

**Chris:** What motivated them to start?

**Zeljko:** One element was a training program on political thinking and skills organized by us and the Albanian foundation. Another was that many non-Roma groups were speaking on behalf of Roma in bodies supported by international organizations. They wanted to see Roma sitting on the various bodies, and IRCA was a little bit of a protest action at the start.

**Chris:** One reason I’m excited about your strategy is that you have already moved it so far forward. Many organizations are just platforms for the leader, but IRCA seems to go beyond that. Yes, they face problems, but they have taken two steps in a very good direction: they realize they need an organization, and they are trying to build a strong organization rather than a cult around a leader.

**Forced Ranking of Grantees**

**Chris:** You have 16 organizations in the portfolio, unevenly distributed by country.I am not worried about your mix of grantees in this portfolio; I’m concerned with what you mean by support to the field. I cannot tell what your theory is. You might want to take the approach of picking one or two organizations to support in each country; this would lead to assessment and discipline. Or you might want to support a multiplicity of organizations and foster connections among them.

I want to ask you about the nine Romanian grantees in this portfolio. Please rank the three Romanian organizations in which you have the highest confidence, and then rank the two least-promising grantees.

*Excerpts from the discussion about top-ranking organizations:*

**Edlira:** My number 1 is the Policy Center for Roma and Minorities. They have a promising new leader and a new, active board. They do advocacy on housing and social benefits and they are very good at accessing the policy process and finding opportunities to use it.

**Mensur:** Mine is the Resource Center for Social Inclusion. They are risky because they are a start-up organization and still developing their structure and governing bodies, but the pluses are greater. They have demonstrated openness to absorb new ideas and have built their strength on engaging Roma communities. They are moving away from clientelism toward engaging a constituency in their advocacy, both young Roma and community leaders.

**Zeljko:** Mine is Romano ButiQ, which has done work in two areas: advocacy regarding the law on craftsmen, and a museum of Roma history and culture that has high potential as a gathering place for Roma and non-Roma. They are using two reinforcing institutional frameworks. *Kinga also ranked them first*.

*Excerpts from the discussion about the lowest-ranking organizations:*

**Edlira:** My number 9 is the Gypsy Women’s Association for Our Children. OSF has supported it since 1997.It was established as a women’s organization, but recently has only done preschool and afterschool projects. It has conflicts of interest and governance problems and has not shown openness and adaptability.

**Chris:** Did anyone else list them as number 9? *Zeljko and Kinga also ranked them lowest.*  
  
**Mensur:** Mine is Amare Rromentza. This organization is very experienced and able to adapt arguments and even change the original project idea only to get funds from a donor. Interaction with them is very challenging because it is hard to understand their core policy focus and beliefs. They are more project-oriented than policy-change oriented.

**Edlira:** They are my number 8. We use them as example of why accountability mechanisms are necessary. For example, they incurred many ineligible costs and didn’t realize it until the end of a three-year project.

**Chris:** Forced rankings can be very helpful. The conversation about why you choose certain organizations is revealing. In your rankings, some of you focused on leadership, others on achievements, and others on constituencies. Program officers all have different criteria, and it is good to be aware of your own and your colleagues’ criteria. A tremendous strength of OSF is that we can support organizations based on different criteria.

Forced rankings can also help you decide how far down the list you want to fund. It’s not just about cutting: sometimes you might want to give *more* funding to an NGO in which you have high confidence. In a case where currently you are providing a small part of an organization’s budget, you might decide to increase funding to one-third. The one-third rule need not only be a limitation.   
  
The Sandler Family Foundation in the US only supports one organization per field. If they cannot find a true leader in a field, they won’t work in that field. I admire that discipline, but I don’t necessarily want us to follow it. If an OSF program showed similar discipline, I would be ready to support it. I would also support funding a variety of organizations. How deep you go should be a conscious decision.

**“Based on this learning, how should we adjust?”**

**Chris:** The idea of convening conversations is a good one, but I would caution you about pulling people together on your own. When a single donor convenes grantees, it is a very different meeting from one with other donors present. If there were three or four donors in the room, this might even more fully support your ambition.

Do not be shy about what you are doing about organizational development. On the other hand, you want to be respectful and tailor requests to the organizations ability to fulfill them. This should benefit them and not just your process. But if you believe your demands are the right ones, you should stick to them. If organizations decide that you are too demanding, that is their decision; you should just not fund them.

**“Tensions to be discussed and acted upon”**

**Chris:** You have to make a decision about service delivery. One approach might be to accept that the only way for an organization to survive is to be partly a service provider. But then it needs mechanisms to protect its independence. Another approach is that it must have separate service and advocacy wings. You can approach it however you want, but I want to know your theory.

**Zeljko:** We understand that some organizations need to pursue service-provision. We tell some of them that this is fine as long as they continue to represent the community and have a board that keeps the organization on track.

**Chris:** What you say is very sensible. You could take an approach whereby in each country you support at least one organization that purely does advocacy along with one that does service-provision. You could take many possible approaches, but you need to be clear about your decisions. There is no easy answer regarding the necessary length of the transformation process for Roma NGOs. As long as you are convinced that an organization is learning, making progress, and getting stronger, there is reason to stick with it. If it does not show progress, then just stop supporting it.