

# Management Response to the 2021 Independent External Review of the World Resources Institute

January 2022

## Introduction

We are grateful to OpenCities + Agulhas for conducting the independent External Review (ER) of the World Resources Institute (WRI) between April and November 2021. We deeply appreciate the way in which the review team engaged with our staff, partners and donors, and for the rigorous methodology they applied to develop an evidenced-based understanding of our network, approach and results to assess progress against our current 2018-2022 Strategic Plan.

Four years ago, we embarked on a strategy drawing on our research, data, analysis and tools to focus on delivering impact at scale. The top finding of the review that we have achieved 71% of targets with one year to go will sharpen our focus as we enter the final year of our current strategy. The finding that despite the global pandemic, our work has not materially slowed and we have made great strides is testament to the dedication of our staff and board and to the ongoing commitment of our partners.

We are encouraged by the Review's conclusions that *"WRI has become a critical player as a source of energy and ideas, communicator of insights and priorities, and convener of actors e.g. through its platforms. It is a key player in the global effort to confront and resolve issues affecting all of humanity."* The review also notes WRI's willingness to "shoot for the stars". Greater ambition and innovation are the bedrock of our current strategy. We know non-incremental change is required if we are to succeed in addressing the urgent global challenges WRI focuses on to reduce poverty, grow economies and protect natural systems.

Even as the challenges remain vast and urgent, the review highlights outcomes that together with our partners we are proud of having achieved. We welcome the review's finding that the keys to our success – our research quality, our innovation, data and tools, and our strategic influence, partnerships and convening power in conjunction with our global network and delivery platforms – have helped us introduce and scale our solutions widely. The findings affirm that these elements remain at the core of our approach and identity.

Yet, it is clear that WRI can be even better. We feel a deep obligation and responsibility to step up in this critical decade to address the urgent global challenges at the core of our mission. We take to heart the findings of the review as they highlight the risks and tensions we must confront. The review comes at an opportune time, as we launch in a process to prepare our new institutional strategy for the next five years. How do we focus WRI's strategy and organization to meet the opportunities of the next five years by seizing the narrowing window for a more sustainable future? We must evolve our strategy so we can play our part in equipping countries, cities and businesses to act boldly in the face of simultaneous social, economic, and environmental challenges, as we help bring about an equitable and just transition to a low-carbon sustainable future.

The review offers detailed findings and recommendations that will help us implement the changes we feel are required to accomplish this. A number of themes stood out that align with our own understanding of what we can do better, the challenges we face and how we plan to respond:

- **Results, Impact and Alignment:** We take seriously the need to think deeply about how we measure results meaningfully at WRI without scaling back our ambition and desire for innovation. The review rightly notes that at this critical juncture the world needs unprecedented focus, WRI must strive to achieve greater prioritization. This reinforces our view that deeper strategic alignment within our portfolio is needed, and we are creating a new senior role within the institute dedicated to accomplishing this.

How we measure impact, including our contribution to behind-the-scenes influence, without compromising our willingness to ‘shoot for the stars’ will require practice and cultural shifts as we prepare and implement our new strategy. We agree that we have an obligation not only to understand more quickly what is working and not working but also actively reflect on what we have learned from our failures. We fully agree that a step change in our ability to monitor and evaluate our impact is needed. Our upcoming strategy planning process presents an opportunity to examine the targets we use to measure organizational progress and develop meaningful measures of higher-level impact. Directors will focus on the integration of monitoring and evaluation in all areas of our work, and our programs will use a new monitoring and evaluation system, developed specifically for WRI to ensure consistently high standards. We will also work closely with our donors to encourage provisions and funds for monitoring and evaluation in our grant agreements.

- **Research and Advocacy:** The Review identified three important questions/concerns regarding WRI’s research. First, what is the appropriate balance between conducting high-quality research versus advocacy. We consider this a false choice. At WRI, research and advocacy go hand in hand. Research is an integral part of our strategies to drive change. We need to ensure we do the right things in the right way, actively monitor, evaluate results, and share lessons broadly as part of our scaling strategy. Second, how to manage the tension between producing high-quality research and acting with urgency. We agree this tension needs careful management and we will take actions to increase our capacity to produce timely, high-quality research. Our ability to produce high-quality, actionable research is a key differentiator in a world drowning in low quality information. Third, the review questioned whether we are tilting away from our roots in producing high quality research. We believe this is an important question and propose developing indicators with our Board to assess and monitor our strength as a research organization.
- **Investment, Innovation and Capacity:** As we seek to move quickly from bold commitments to transformational action, we will strengthen the capacity of our core functions, internal processes and systems to deliver on our strategic ambitions. This is essential for us to fully realize our potential and increased flexible funding is needed to strengthen the core institutional scaffolding of WRI.

While we have invested heavily in our core capacity, fundraising for flexible revenue and building unrestricted reserves, we agree that our growth has outstripped our progress. The External Reviewers are right to recommend we enlist our donors in helping us solve this challenge and that we invest in new ways to raise highly valuable flexible revenue. We recognize that without substantially more flexible revenue, WRI will not fully achieve our objectives. We plan to convene a problem-solving roundtable with our donors which will serve as an important forum for understanding the constraints donors face and how to collaboratively overcome them. Further, we see the roundtable as a forum to engage our donors as we examine options for evolving our funding model and efficiency of our cost structure more broadly during our next strategic planning period.

- **Partnerships and Platforms:** Building coalitions of partners and delivery platforms that can drive systemic change is at the heart of our current strategy. Our goal is to be the partner of choice for countries, cities, business and civil society in their efforts to transition to a world that halves carbon emissions by 2030, while reducing inequality and enhancing nature. With a dedicated new senior role in the institute for strategy and results we will develop a cohesive strategy and action plan with a focus on diversifying partnerships. This will be informed by the working group we have established to help identify challenges and opportunities for engaging non-traditional (grassroots, locally-led community-based, etc.) partnerships in order to enhance collective capacity and impact.

We were pleased to see the finding that “there is strong evidence that WRI’s Platforms have been effective in addressing the Global Challenges for which they were conceived.” The review noted the turbo-charging effect of flagship knowledge products, pointing out several platforms have been launched on the backs of these products. We agree we need to carefully manage the risk to WRI’s reputation when platforms publish research that is not consistent with our high standards. In our next five-year strategy, we will strengthen our ability to produce high quality, actionable research and connect it to our ability to convene target audiences, including through delivery platforms.

- **Global Network and Country Presence:** After a decade of intentional investment in building WRI’s global network and capacity in our offices to maximize the impact of our research-into-action approach, the review offers pertinent findings that will inform our deep commitment to being a truly global organization, equally high-performing in every geography. Supporting a just transition at the country level will be at the heart of our next five-year strategy. To that end, a new senior role will help realize this vision. We also fully agree with the need to better align our budget, staff and strategy, and more fully realize our ‘One WRI’ approach through a shared mission, values, and institutional culture. The more our norms and practices are aligned, the more efficient our decision-making across the network will be. Moreover, we will double down on our commitment to excellence in organizational governance and ensuring that each of the WRI Boards are equipped with required expertise and influential reach.

The review’s dedicated attention to WRI in Africa – both to the progress against our strategy as well as how we have realized the imperative of increasing our capacity and programming on the continent - offers valuable, actionable guidance. We have already begun work through WRI Africa to diversify our partnerships, learn from our platforms and take our strategy to the next stage of implementation.

- **Poverty, Gender and Social Equity:** Addressing climate change and how we achieve a just transition will require supporting countries, communities, and companies to transition their industries and economies in a fair, inclusive way. We will continue to put people at the center of all we do, and ensure we continue to improve people’s lives. Our work is far from done to embed poverty, gender and social equity (PGSE) across and throughout the organization. Yet it was affirming to hear the review’s finding of the rapid acceleration of PGSE work, and that the work of our Equity Task Force (ETF), plus dedicated resources to increase technical expertise in the institute is yielding results, including the “*clear evidence of integration of poverty, gender and social equity themes across the new ARI Africa strategy.*”

The development of our next strategy offers the possibility to achieve a step change in the integration of PGSE. We will energetically implement key actions laid out by the Equity Task Force, capitalizing on work undertaken so far through our gender equity practice. We plan to conduct training to better understand the interplay of power relations and barriers to change in our work. We will use a range of methodologies, including political economy analyses (PEA) and do no harm assessments, to conduct analyses at the outset of all work initiatives. An equity-based, institute-wide capacity building is underway, including bolstering staff capacity with the senior equity hires.

We will develop a detailed action plan, in consultation with our key stakeholders, who have made our work possible, and to our Board, partners, and staff who have worked so diligently to deliver against our current strategy, especially during a global pandemic. We are proud of what we have achieved, but we know that the job is not yet done. We remain more committed than ever to deliver on our mission in these urgent times.