TAI Evaluation of Beneficial Ownership Policy Outcomes: Outcome Harvesting Methodology Practice Note

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Nina R. Sabarre, Tosca Bruno-van Vijfeijken,
Blake Beckmann, Michael Quinn Patton
Intention 2 Impact, LLC
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INTRODUCTION

Over the past decade, there has been increasing demand to evaluate advocacy and policy change initiatives by foundations seeking to achieve systems change through strategic grantmaking. Evaluators have responded to these needs by departing from traditional program evaluation methodologies and employing developmental approaches, such as Outcome Harvesting, that embrace the complexity of dynamic and rapidly challenging systems involving networks of cross-sector stakeholders (Gardner and Brindis, 2017). The evaluation of the Transparency and Accountability Initiative (TAI)'s efforts to achieve global beneficial ownership transparency (BOT) is a valuable example of how to leverage an Outcome Harvesting methodology to assess advocacy and policy change.

Background & Context

TAI is a donor collaborative of leading funders advancing transparency, participation, and accountability (TPA), including Chandler Foundation, Ford Foundation; Luminate; Open Society Foundations; Hewlett Foundation; MacArthur Foundation; and the Foreign, Commonwealth & Development Office (FDCO). TAI provides a platform for cross-learning, strategy development, and knowledge building to advance a shared vision for a "more just, equitable, and inclusive world where people are informed and empowered, governments are open and responsive, and collective action advances the public good."

TAI members view policy change as a vital pathway to reaching their objectives. Accordingly, they fund significant amounts of grantee advocacy. Under TAI's 2017-2019 Strategy one shared strategic priority was around taxation, tax governance, and ending anonymous shell companies. Over the course of the past decade, there has been a positive normative shift, including several specific beneficial ownership policy outcomes across different jurisdictions. A beneficial owner (BO) is the real person who ultimately owns, controls, or benefits from a company or trust fund and the income it generates. Mitigating the societal risks of individuals hiding financial resources from scrutiny requires a concerted effort that transcends sectors and borders. A BOT policy is a formal requirement for companies in jurisdictions to publish beneficial ownership disclosures in open format typically via public registers.

In 2020, TAI celebrated ten years since the group of like-minded donors joined together to advance TPA efforts globally. The conclusion of the 2016-2019 strategy period presented an opportune time to assess the roles and contributions of TAI funder members in advancing BOT policies worldwide.

As such, TAI commissioned an evaluation study to examine eight significant BOT policy outcomes and understand how TAI members individually and collectively contributed to these outcomes. In 2020-2021, Intention 2 Impact (I2I), a boutique research and evaluation consulting firm —led by Nina R. Sabarre; supported by consultants Tosca Bruno-van Vijfeijken, Blake A. Beckmann, and Kelly Jackson; and advised by Michael Quinn Patton, PhD— conducted a retrospective outcome harvesting evaluation to examine how these select policy outcomes were achieved within the ecosystem of enabling factors and barriers across diverse jurisdictions.
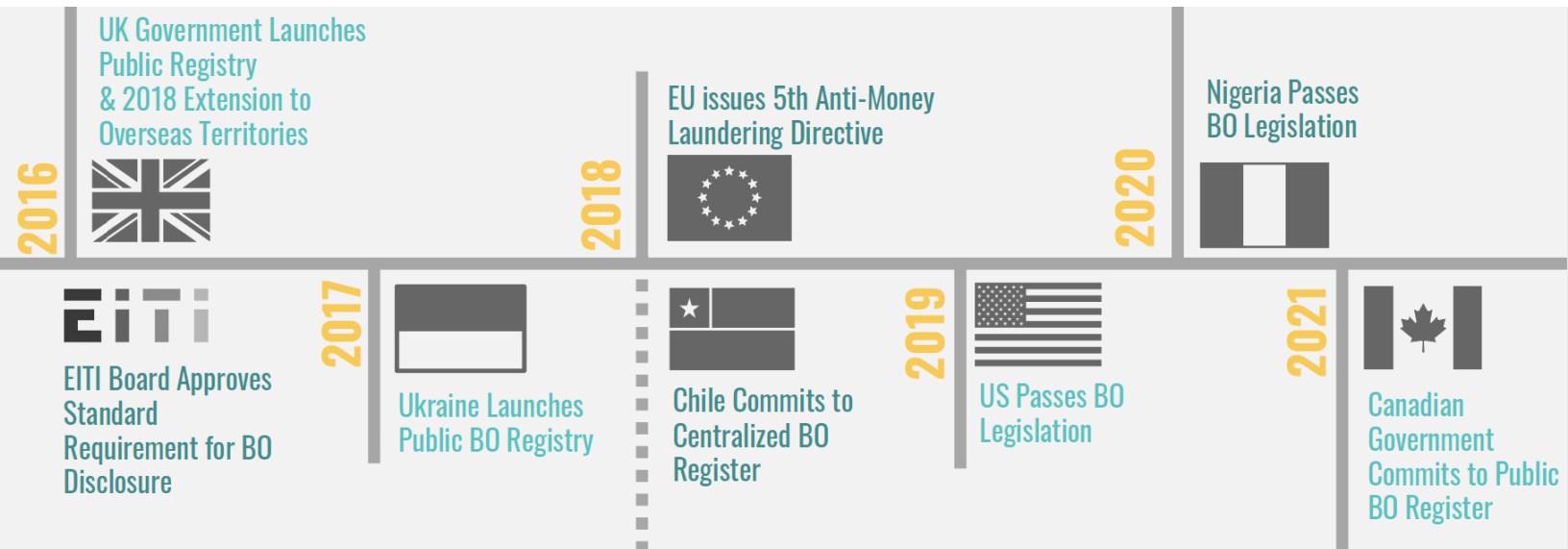
The primary purpose of the evaluation was to understand how, if at all, TAI members contributed to *select* policy outcomes and to examine the system of enabling and hindering factors surrounding these outcomes (See Full Evaluation Report for results). The secondary purpose of the evaluation was to better understand how to assess and evaluate funder contributions to global transparency and accountability policy goals. This methodology practice note provides insights into the *secondary* purpose— providing lessons learned and recommendations for foundations, civil society organizations, and practitioners interested in evaluating advocacy and policy change.

Evaluation Questions

- ❖ To what extent and how did TAI members' individual and collective efforts contribute to the beneficial ownership transparency policy outcomes in key jurisdictions?
- ❖ To what extent and how did TAI members influence the strategies of other members, additional funders, and grantees?
- ❖ What was the TAI Secretariat's role in supporting effective collaboration among members?
- ❖ To what extent and how did grantees contribute to BOT policy outcomes?

- ❖ How did TAI funder members support the grantees; and how important, if at all, was their support in facilitating grantees' contributions?
- ❖ What factors enabled policy outcomes in key jurisdictions?
- ❖ What challenges hindered TAI members and their grantees from contributing to BOT policy outcomes in key jurisdictions?
- ❖ Were there any additional outcomes beyond policy victories (e.g., changes in process or implementation) that were achieved to which TAI members contributed?

Selected Outcomes

The following policy outcomes were selected given their significance to the global BOT movement and TAI's intentional support to grantees working on them:

2016 — UK Government Launches Public Registry & 2018 Extension to Overseas Territories

2017 — EITI Board Approves Standard Requirement for BO Disclosure

Ukraine Launches Public BO Registry

2018 — EU issues 5th Anti-Money Laundering Directive

Chile Commits to Centralized BO Register

2019 — US Passes BO Legislation

2020 — Nigeria Passes BO Legislation

2021 — Canadian Government Commits to Public BO Register

Click the links below to learn more about these individual outcomes & how they were achieved.

1. UK Government launches public BO registry & extends requirement to overseas territories
2. EITI Board approves standard requirement for BO disclosure
3. Ukraine launches public BO registry
4. EU issues 5th Anti-Money Laundering Directive
5. Chile commits to centralized BO register
6. US passes BO legislation
7. Nigeria passes BO legislation
8. Canada commits to public BO register
9. Final report covering all case studies

METHODOLOGY

Outcome Harvesting (OH) is an evaluation method in which the evaluation team identifies, formulates, verifies, analyzes, and interprets outcomes in programming contexts where cause and effect are not fully understood. Unlike traditional evaluation approaches, OH "does not measure progress towards predetermined outcomes, but rather, collects evidence of what has changed, and then, working backwards, determines whether and how an intervention contributed to these changes" (Wilson-Grau, 2019, p. 1).

I2I engaged in the following outcome harvesting steps:

1. **Developed initial outcome descriptions.** First, the evaluation team collaborated with the TAI Secretariat and an Advisory Group of funder members to identify the **most significant policy outcomes** in selected jurisdictions. After a thorough document review of internal and external documents related to the outcomes, I2I developed draft outcome descriptions.

2. **Enhanced and finalized outcome descriptions.** After the eight outcome descriptions were drafted, the descriptions were shared with funder members for further elaboration and refinement. To ensure the outcome descriptions were as descriptive as possible, I2I developed an interactive "outcome workbook," with guided prompts for funder members to reflect and comment on "who changed what, when, and where" and most importantly, "why it is important" (Wilson-Grau, 2019). Funder members were asked to asynchronously contribute to the outcome workbook until there was consensus on the outcome descriptions.

3. **Mixed-methods data collection.** To further substantiate the outcomes and understand exactly how the the outcomes were achieved, I2I collected the following primary data sources from September-December 2020:
   a. In-depth interviews with funder members (N=8)
   b. In-depth interviews with key informants (N=36 grantees/external stakeholders, 4-5 per outcome)
   c. Grantee survey (N=19 grantees)
   d. TAI Secretariat Focus Group (N=3 participants)

4. **Collective sense-making.** After all data were collected and preliminary data analysis was conducted, the evaluation team hosted a sensemaking session with the advisory group to present high-level findings, facilitate discussions around implications, and understand which types of analyses would be most valuable for the final reporting.

5. **Individual case studies & cross-outcome analyses.** Based on the sense-making session, the evaluation team analyzed and integrated the data sources at multiple levels. First, standalone 2-page case studies were developed to summarize: how each outcome was achieved, who contributed, its significance in relation to the broader BOT movement, enabling factors, barriers, grantees' perceptions of the outcome, funder support, and biggest lessons learned (See links to individual case studies on page 5). Second, data were compared and triangulated across outcomes to identify cross-cutting themes related to the BOT movement and collective funding for policy advocacy change more broadly (See full report for thematic analyses).

6. **Data validation.** Individual case studies were shared back to grantees and external stakeholders who participated in in-depth interviews to validate the final interpretation of outcomes.

The following sections articulate the strengths and challenges of the OH methodology within the I2I framework.

From Intention to Impact

Intention Setting

- Build rapport and trust
- Identify intended use + users
- Prioritize burning questions
- Unpack assumptions
- Develop inception plan

Inquiry + Insights

- Co-create instruments
- Collect mixed-methods data
- Analyze data and triangulate findings

Impact Strategy

- Facilitate sensemaking
- Synthesize insights into actionable recommendations
- Develop strategies to implement recommendations
- Institutionalize lessons learned

Methodological Strengths

🔥 *Intention Setting*

Accounting for complexity

Outcome Harvesting is designed for situations where decision-makers are "most interested in learning about what was achieved and how." In other words, "there is an emphasis on effectiveness rather than efficiency or performance" (Wilson-Grau, 2015). OH was an ideal methodology for the TAI BOT evaluation because funder members did not support linear interventions where planned activities directly resulted in intended outcomes.

Since 2015, founder members supported a wide range of international civil society organizations and coalitions that collectively worked to transform global norms, engage in advocacy campaigns, conduct technical research, influence decision-makers, and shape the public narrative around BOT. The beneficial ownership outcomes achieved — like all policy change and global norm transformation — were not achieved in a vacuum of cause and effect. As such, OH was employed as a suitable approach for retrospectively examining outcomes within a complex system of individuals, organizations, governments, networks, enabling factors, and barriers working together (or against one another).

Prioritizing use

Outcome Harvesting is informed by Utilization-Focused Evaluation (U-FE), an approach that prioritizes primary uses and primary users of the evaluation (Patton, 2008). At the onset of the project, the TAI Secretariat and funder members were identified as the primary users of the evaluation. Five representatives from funder members were selected to form an Advisory Group that participated in each phase of the evaluation process. The participatory approach ensured that the evaluation questions, design, implementation, and interpretation of findings were valid and relevant for the primary use of the evaluation (i.e., to inform future decision-making about collective funding for BOT and similar issue areas based on a better understanding of the roles and contributions of funders in supporting grantee partners to achieve policy outcomes).

Purposeful outcome selection

The primary users were intentional in their selection of eight outcomes based on their significance to the global BOT movement and whether or not it was reasonable to assume TAI funder members' support made a difference in helping grantees achieve these outcomes. Oftentimes, OH evaluations examine a much larger number of outcomes. However, instead of capturing *all* short-term, intermediate, and long-term outcomes achieved by grantees supported by TAI funder members, this evaluation focused on the most significant policy outcomes; allowing for a *deeper* examination of how they were achieved, who contributed, and the extent to which contributions were enabled or hindered by external factors. Although the outcomes varied in the extent to which beneficial ownership transparency was fully executed —ranging from policy commitments, to legislation, industry requirements, government actions, and development of registers— the eight outcomes were selected to facilitate strategic learning for grantmaking in diverse jurisdictions.

Inquiry + Insights

Included multiple perspectives

The evaluation benefitted from a triangulation of both quantitative and qualitative data from a variety of data sources, including funder members, grantees, external stakeholders, and the TAI Secretariat. For each outcome, a total of 4-5 grantees/external stakeholders were interviewed to incorporate multiple perspectives of how each outcome was achieved and the enabling factors and barriers present. Purposive sampling guided by the Advisory Group ensured enough respondents could corroborate findings and saturation was reached for each outcome. External stakeholders included public sector representatives who were directly involved with grantees' advocacy efforts.

Multiple rounds of analysis

Three evaluation consultants divided the outcomes to ensure a thorough investigation and deep understanding of each outcome (two evaluators harvested three outcomes and one evaluator harvested two outcomes). However, to triangulate data sources *across all outcomes* and identify cross-cutting themes, the evaluation team reviewed the coding and thematic analysis of one another's outcomes to ensure interrater reliability of findings.

Validation of outcomes

After the individual outcomes were "harvested" and "substantiated" across outcomes, 2-page case studies were produced and shared with all interview participants to validate interpretation of the findings. Interview participants were able to provide feedback to further clarify or add additional details to the outcome descriptions.

Impact Strategy

Collective sensemaking

After data were collected and preliminary analysis was conducted, the evaluation team organized a collective sensemaking session with the primary users. One week prior to the session, the evaluators shared a slidedeck of high-level, preliminary evaluation findings for the primary users to review. During the sensemaking session, the evaluators facilitated interactive activities and group discussion about the findings and implications. The collective sensemaking and follow-up conversations with the TAI Secretariat and funder members focused the rest of the data analysis and final synthesis of results.

Customized deliverables for multiple levels of analysis

Based on insights from the sensemaking session and ongoing engagement with primary users, the evaluation team developed four types of final deliverables: brief 2-page case studies per outcome; a final report synthesizing themes across outcomes; a final presentation focused on recommendations and implications; and this methodological practice note. Finally, a dissemination plan was developed to ensure effective communication and delivery of findings with key audiences, including funders; funder collaboratives; stakeholders and civil society organizations in the field of transparency, participation, accountability; evaluators interested in policy advocacy evaluation.

Methodological Challenges & Limitations

Intention Setting

Limited focus on positive policy outcomes

The outcome harvesting design focused on successful policy outcomes that were already achieved. Therefore, there was limited opportunity to examine, and more importantly, learn from failures or negative results. When using the evaluation findings to support strategic decision-making for future BOT efforts, funder members can only learn from what worked in these specific jurisdictions. Future OH designs should also include negative or unintended outcomes to allow strategic learning about how to overcome, avoid, or address unwanted results that hinder intended impact.

Inquiry + Insights

Difficult to estimate donor contributions

TAI funder members were interested in both collective and individual contributions towards BOT outcomes. However, estimating the exact amount of financial contributions, individually and collectively, proved to be challenging. Core funding grants were provided to support grantees with general operating costs and project grants were often allocated to wider transparency and accountability efforts that included BOT among other objectives. Although these approaches reflect "best practices" in flexible, equity-focused grantmaking, it makes it difficult to accurately calculate total investments for retrospective policy advocacy evaluations.

Additionally, TAI funder members have varied practices for allocating and accounting for funding, which made it challenging to compare individual funding amounts specific to BOT efforts across multiple years. Grantees found it difficult to describe the relative or distinct impacts of different financial grants, as the total funding was necessary to operate effectively and achieve their outcomes.

Power dynamics between funders and grantees

Initially, TAI funder members made it clear that they did not want this evaluation to assess the performance of grantees. In an effort to prioritize peer funder learning and avoid making evaluative judgments of grantees, the Collective's priority evaluation questions focused on the *roles and contributions of funders*. However, throughout data collection, it became clear that the roles and contributions of funders in achieving specific policy outcomes can only be identified by understanding grantees' experiences, strategies, and activities. As such, data collection highlighted the perspectives of grantee partners to understand the relevance and critical nature of funder support. Although the interview protocols and survey language emphasized that the evaluation was not intended to be an assessment of their work or use of funds, grantees may have been incentivized to soften or omit critical feedback of funders. Overall, grantees mostly delivered high praise of funder members' support. This may be due to the positive bias of focusing on policy victories, power dynamics between funders and grantees, or likely a combination of both.

Did not include non-TAI funders or organizations outside of the TAI funding network

Given the scope of this evaluation and the nature of the evaluation questions, non-TAI funders or organizations who were not supported by TAI were not included in the study. To truly achieve systems change, institutions must understand the complete landscape of actors, organizations, networks, governments, and businesses who are impacted by or involved with BOT efforts.

Impact Strategy

Retrospective results cannot be replicated

In addition to the positive bias when focusing on policy achievements, the outcome harvesting also examined historical events, political climates, public narrative, major scandals, and other exogenous factors that contributed to outcome attainment. Similar outcomes would also be dependent on rapidly changing contexts. While this evaluation recommends advocacy strategies and grantmaking practices that worked for these *specific policy outcomes*, results may not be replicable.

Individual priorities may take precedence over collective strategy

TAI funder members have individual strategies and funding practices that are aligned with their institutional priorities. Although the evaluation was commissioned by the Collective, the extent to which the group can and will utilize the results to inform a shared strategy may be impacted by institutional pressures outside the control of the Collective.

Lack of data on policy implementation

Given the methodology's focus on selected outcomes, the longer-term impacts of BOT policies were not explored in this study. To fully understand the consequences of BOT, additional data needs to be collected on policy implementation, subsequent outcomes, and the extent to which policies result in intended impacts related to reductions in corruption and tax avoidance.

Does not account for alternative explanations

The logic of how the outcomes were achieved was substantiated by grantees and external stakeholders who were directly involved in the technical research, direct advocacy, campaigning, and policy development. However, without involving additional stakeholders who were not directly or indirectly involved in TAI grants, such as business leaders or government officials, the evaluation does not take into account alternative explanations of how outcomes may have been achieved.

Cannot claim attribution of roles

Although determining causality was not the point of this evaluation, it is worth noting that retrospective outcome harvesting measures *contributions* towards outcomes, but cannot claim attribution. Nonetheless, the findings indicated that grantees do not believe the outcomes would have been attainable without their direct efforts and the financial and technical support from TAI funders.

It is just as important to learn from failure as it is to learn from successes.

Lessons & Recommendations for **funding** advocacy and policy change

Although focusing on retrospective successes offers affirming lessons for funders, it may also diminish the opportunity to learn from failures. Given the long timeframe of policy advocacy victories, ongoing learning about ineffective strategies may be just as valuable, if not more valuable, than only learning from effective strategies. Systemic inquiry into failures can help funders and grantees assess risks, anticipate difficulties, and apply complexity thinking to their strategies.

Lessons & Recommendations for **evaluating** advocacy and policy change

Future evaluations should prioritize harvesting negative or unintended outcomes through more developmental, "bottom-up" approaches. In this evaluation, the policy outcomes were selected *a priori* by the TAI Secretariat and Advisory Group based on the significance of outcomes. Future studies should consider a mix of *a priori* and *a posteriori* outcomes, allowing outcomes to emerge organically via preliminary data (mining of secondary data, document review, interviews). This approach is more aligned with the original intention of Outcome Harvesting prescribed by Richard Wilson-Grau (2019), but was not used given the scope of the evaluation questions.

Assessing contributions towards advocacy and policy change requires a systems perspective that explores the enabling factors, barriers, and networks of cross-sector partners.

Lessons & Recommendations for **funding** advocacy and policy change

Funders should develop coordinated strategies that take into account the broader ecosystem of organizations, institutions, governments, and exogenous factors that enable or hinder progress. Coordinated strategies for systems change requires involving grantees in conversations about the funding and political landscape and aligning strategies across civil society. Although BOT was known as a "niche" policy issue, its intersections with many issue areas, such as anti-corruption, tax, procurement, climate change, trafficking, and political integrity, allowed for a systems approach.

Lessons & Recommendations for **evaluating** advocacy and policy change

In addition to grantee and funder perspectives, future evaluations should include the perspectives of peer funders (in this case, outside the TAI network), field experts, and private- and public-sector institutions (both within the field and in adjacent fields) to more fully understand intersecting systems.

Policy change is what happens when preparation meets opportunity.

Lessons & Recommendations for funding advocacy and policy change

The selected BOT policy outcomes were achieved via a combination of grantees' efforts, strengths-based coalitions, funder support, external enabling factors, and serendipitous windows of opportunity with the "right people at the right place at the right time." Long-term, sustained funding is required to ensure grantees are prepared to leverage enabling factors and take advantage of external events (e.g., political climates, scandals, global movements, local opportunities). Although it is not always possible to predict when opportunities will present themselves (e.g., in the case of BOT, exposure of the Panama Papers increased political will and public pressure for BOT), funders committed to transformative change can anticipate the ways in which advocacy campaigns intersect with different global issues (e.g., climate change, wealth inequality, food systems) and build the capacity of grantees to leverage intersections and mobilize quickly when opportunities arise.

Lessons & Recommendations for evaluating advocacy and policy change

Evaluation methods can be employed to assess preparation (e.g., organizational capacity, quality and strength of networks/relationships, access to decision-makers and influencers) and opportunities (e.g., landscape of assets and barriers, ecosystem monitoring, identification of champions, public narrative studies).

Policy outcomes do not equate to policy impact.

Lessons & Recommendations for funding advocacy and policy change

To fully understand the consequences of policy outcomes, sustained funding is required to help civil society organizations track, analyze, and use data, enabling governments to implement and enforce policies in a meaningful way.

Lessons & Recommendations for evaluating advocacy and policy change

Additional evaluation is needed to answer questions related to the actual impacts of policy implementation and whether or not BOT norms should continue to be advanced before these impacts are understood.

Evaluating the accumulation of policy wins is a step towards assessing global norm change. However, it needs to be followed up with a deeper investigation of sustainability and accountability.

Lessons & Recommendations for **funding** advocacy and policy change

In addition to documenting and understanding the cascading effects of policy wins, assessing global norm change also requires measuring other enabling conditions, such as public opinion, narrative shift, and political will, and indicators of sustainability (see below).

Lessons & Recommendations for **evaluating** advocacy and policy change

By design, this evaluation focused on understanding how select outcomes were achieved. However, it did not focus on the sustainability or accountability of these outcomes. Future evaluations should examine indicators of sustainability, such as the stability of funding sources, public narrative, diversity of champions and coalitions, fidelity and quality of implementation, multilateral pressure or conditionalities, and infrastructure for accountability. Further, additional research and evaluation should investigate the ultimate impacts and extent of accountability for adhering to policies over time.

The outcome harvesting methodology benefitted from the narrow set of policy outcomes and intimate pool of well-connected stakeholders who were able to verify one another's experiences and stories to substantiate the outcomes.

Lessons & Recommendations for **funding** advocacy and policy change

Developing close networks of funders and civil society organizations that are focused on a *specific* issue (like BOT) leads to more strategic grantmaking and concerted efforts towards policy change.

Lessons & Recommendations for **evaluating** advocacy and policy change

To successfully evaluate advocacy and policy change, it is important to prioritize specific, measurable outcomes that are aligned with broader systems and movements. Developing robust outcome descriptions is essential for outcome harvesting.

Equitable evaluation practices should highlight the accomplishments and needs of grantees, rather than focusing solely on the contributions of funders.

Lessons & Recommendations for **funding** advocacy and policy change

For funders to understand their individual and collective impact, it is essential to center the voices of grantees in exploring how, if at all, funding support enabled their work. It is important to acknowledge the power dynamics between funders and grantees that may incentivize grantees to avoid or soften criticisms of funders. It is also important not to attribute all the successes of grantees to the support of their funders. Although funding is critical to their work, grantees have their own internal capacity, subject matter expertise, local legitimacy, community relationships, and forms of social and political capital that enable their successes outside the contributions of funders.

Lessons & Recommendations for **evaluating** advocacy and policy change

Data collection methods can and should be designed to create safe spaces for grantees to openly reflect on their relationships with funders. This can be done by ensuring funders are open to criticism; building trust with grantees; being open about the purpose of the evaluation; and guaranteeing that the results of the evaluation will only be used to improve grantmaking practices in service of grantees, not to make value judgments about the grantees.

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