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HIGHLIGHTS

- Core funding is a boon to think tanks, but its impact depends on the organization's internal and external context.
- Access to a stable, flexible grant allowed organizations to strengthen research quality and organizational effectiveness.
- Support and advice from our program officers was critical to the effective use of core funding.

Making the case for core funding

TTI Insights distill ten years of learning from the Think Tank Initiative to inform donors, researchers, and organizational development practitioners working to strengthen policy research. Here we discuss how think tanks used the core funding we provided to build their organizational and research capacity. This note should be read in conjunction with the TTI Insight on [“Exploring think tank funding models.”](#)

What's at stake?

In lower- and middle-income countries, independent policy research organizations — or think tanks — are in a unique position to affect positive change in their societies. By generating and analyzing credible data, they can enhance public policy debates and promote evidence-based decision-making that sustainably improves people's lives.

International donors are a key funding source for these think tanks. But that funding is limited and is increasingly targeted to specific projects. The lack of long- or medium-term funding affects all aspects of the organizations, from staff retention to research quality.

The Think Tank Initiative (TTI) was established to address this issue by offering flexible, non-directive, long-term core financial support (or “core funding”). Our hypothesis was that core funding over ten years would enable organizations to build organizational capacity, recruit the best researchers, and develop their capacity

to pursue independent research on locally relevant policy questions.

Our financial support was complemented by capacity development interventions and continuous advice and accompaniment by our program officers.

Our final external evaluation confirmed the effectiveness of core funding. However, as donor commitments to core funding have continued to decline over the past decade, the prospects for institutional support — or at least more flexible funding — remain challenging post-TTI.

What have we learned?

Our support model led to higher quality research, stronger policy engagement, greater application of effective communications practices, and enhanced organizational performance. Access to a predictable, stable grant enabled think tanks to act more strategically and intentionally in positioning themselves for influence.

OUR APPROACH

TTI's approach was primarily based on providing non-directive and long-term core funding to think tanks to improve the quality of their research, the effectiveness of their organizations, and their interactions and engagement with policymakers, civil society, and the media. This was combined with capacity development, monitoring, and advisory support from our staff and external experts, focusing on research methods and skills, policy engagement and communications, and organizational effectiveness.

During our first phase (2009-2014), the level of core funding varied from 10% to more than 80% of respective think tanks' annual budgets; the average TTI grant was about 25% of each organization's budget.¹ The percentages were generally lower during our second phase (2014-2018) as the think tanks we supported succeeded in raising additional funding from other sources: for more than half the organizations, the TTI grant contributed less than 20% to their annual budget during Phase Two.²



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As we discuss below, the organizations used their core grant in many ways, which aligned with their strategic interests: enhancing infrastructure, recruiting more and higher calibre staff, improving internal systems, developing communication capacities, networking, and exploring new research areas. Generally, their reporting to us highlighted how they felt empowered to take new risks and explore new approaches.

1 Core funding is a boon for think tanks, but its impact depends on both the organization's internal and external context.

The think tanks we initially selected were at distinctly different starting positions at the beginning of TTI, reflecting their age, relations to government and other policy actors, previous history of core grants, and other characteristics. At the end of TTI, the kind of changes experienced by the think tanks clustered into clear patterns from survival amid turbulent conditions to transformational progress. The factors that influenced the kinds of progress were a mix of the endogenous (e.g. particularly effective leadership and improved strategies and systems) and the exogenous (e.g. permissive contexts, policy openings), and did not suggest any clear organizational typology.

At one end of the spectrum, TTI's funding allowed some organizations to survive despite adverse conditions. Among them, with a strengthened board and good leadership, the [Centre for the Study of the Economies of Africa](#) (CSEA) was able to weather a funding crisis and rebuild itself. Our grant enabled [Grupo Faro](#) to navigate a very difficult period in Ecuador during which all civil society organizations (CSOs) were targeted by government. Now well-positioned with the current government, Grupo Faro is working to restore the role of CSOs in the country.

Other think tanks experienced accelerated growth as core funding enabled them to develop existing research and focus on better communications and policy engagement. From beginning as a merger of two separate organizations, the [BRAC Institute of Governance and Development](#) (BIGD), for example, has grown in terms of its operational capacity, research output, and policy engagement.³

Finally, some organizations, such as India's [Centre for Budget and Governance Accountability](#) (CBGA) underwent transformational change, making a major

leap in establishing a critical mass of human resources. In doing so, it expanded the quality, quantity, and range of its research while expanding its funding base.

2 Access to a stable, flexible grant enabled organizations to strengthen capacities critical to their missions and mandates, enhancing their reputation and credibility.

The greatest benefit of TTI core funding was to provide predictability and flexibility, allowing organizations to focus on their own priorities. Fundamentally, it gave think tanks the ability to choose and determine what was relevant in terms of research, organizational development strategies, and paths to policy influence. In doing so, it provided a strong sense of independence.

While organizations used their core grant in a variety of ways, they focused on three main areas:

Building stronger research capacity: Organizations' annual reports suggest that funds from the core grant were particularly important when invested in new or existing research areas with significant dividends in terms of output and contribution to the public debate. India's [Centre for Policy Research](#) (CPR), for instance, used TTI funding to launch research on politics using big data. The [Ethiopian Development Research Institute](#) (EDRI) expanded its research to new themes including small- and micro-enterprises and green growth, which enabled it to attract new partnerships.

Enhancing research and organizational capacities: TTI's investment in human resources across each organization enabled think tanks to improve their research quality, organizational effectiveness, and policy engagement. Our grants enabled organizations to recruit, retain, and develop their staff through various means including training, advice, higher salaries, and better working conditions. For example, EDRI used TTI funds and other funding sources to arrange international degree training for promising junior staff. Uganda's [Economic Policy Research Centre](#) (EPRC) improved its facilities and infrastructure. [Advocates Coalition for Development and Environment](#) (ACODE) broadened its research team to foster multidisciplinary amongst its staff, thereby boosting its credibility and positioning it more effectively to have a stronger impact in policy debates.



Photo: Morakot Theptarathip/TTI

Enhancing communications and outreach: All but one think tank we supported increased their focus on communications, both by expanding their range of products and by integrating strategic communications in their efforts to influence policy. For example, TTI's greatest contribution to [Instituto de Estudios Peruanos](#) (IEP) may have been to institutionalize communications into the organization's culture and practice. It now engages different audiences throughout the research cycle and leverages various digital platforms to raise its profile and influence policy and practice.

In turn, these and other improvements enhanced the organizations' reputation. In the case of [the Consortium pour la recherche économique et sociale](#) (CRES), its greater research capacity, credibility, and independence made it eligible for grants under the [NOPOOR program](#) funded by the European Union. [Fundación Salvadoreña para el Desarrollo Económico y Social](#) (FUSADES) credits the recognition associated with TTI funding for enhancing its credibility as a non-partisan organization.

3 Support and advice from our program officers was critical to the effective use of core funding.

The accompaniment and advisory role of our program officers was critical to success alongside core funding. As our final evaluation stresses, the active engagement of our staff was the mechanism through which the different instruments of the TTI intervention came together.

Most think tanks we supported particularly valued the opportunity for dialogue and knowledge sharing. These exchanges helped directors think about, for example, overall strategy and how to deal with governance challenges. Our program officers supported India's **Public Affairs Centre (PAC)** through a leadership change and encouraged ACODE to diversify its Board leadership.

These dialogues also helped think tanks respond to rapid changes by adjusting plans and budgets. It enabled us to track progress in the organizations on an iterative basis, especially regarding commitments to strengthen communications and engagement with policy actors. One director stated that dialogue with our program officers was “the element that I will miss the most.”⁴

Putting lessons into practice

Our findings supported the notion that framed the original TTI concept: core funding devoted to organizational strengthening and giving think tanks the flexibility to be both tactical in the short-term and strategic in the long-term is a good investment.

Core support from TTI contributed to think tanks' much needed maneuverability. Going forward, think tanks will need to continue to mobilize flexible support to maintain these capabilities. They — and their funders — should also recognize that communications, internal research coordination, human resource development, networking and administration should be included and budgeted for as much as possible in proposals and projects.

TTI's other forms of support, such as training, technical assistance, and facilitating networking and collaboration, have been most effective when built around ongoing advice and dialogue between the organizations' leadership and program officers. This suggests that donors with little field presence should seek ways of providing these opportunities, for example by partnering with other donors.

As TTI ends, the longer-term effects of core funding are still unclear. If senior researchers can be retained and key research coordination, financial management and support to junior researchers maintained, prospects are good. In the short to medium term, the impacts are positive. As our external evaluation concludes, “betting” on think tanks is a risky business, but it is well justified.

- 1 Christoplos, I., Pain, A., Kluyskens J. & Fruhling P. 2019. *Final Report: External Evaluation of the Think Tank Initiative (TTI) Phase Two, 2014-2019*. Allerød: NIRAS Gruppen
- 2 *External Evaluation of TTI Phase Two Interim Report*, 21 June 2016. Allerød: NIRAS
- 3 Thorat, S., Dixit, A. Verma, S. 2016. *Strengthening Policy Research: Role of Think Tank Initiative in South Asia*. New Delhi: Sage
- 4 Christoplos I, et al. Op cit.

*The **Think Tank Initiative** helped strengthen policy research organizations in 20 developing countries across South Asia, sub-Saharan Africa and Latin America. Launched in 2008 and managed by Canada's International Development Research Centre (IDRC), TTI was a partnership between five donors.*

www.idrc.ca/en/initiative/think-tank-initiative

