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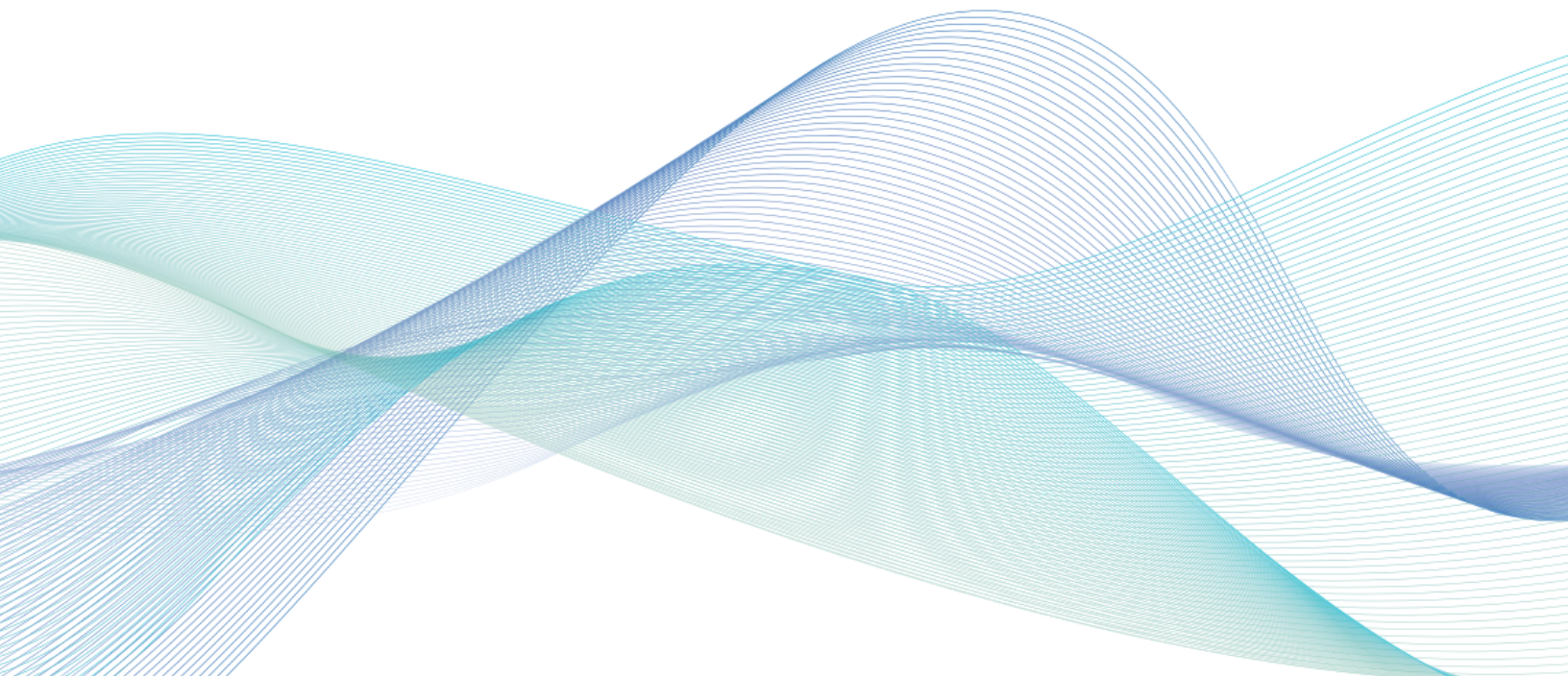

British Asian
Trust

 **ISDM**
CENTRE FOR INNOVATIVE
FINANCE AND SOCIAL IMPACT
Supported by Citi India's CSR
efforts to mainstream innovative
finance for social impact


A T M A

Outcomes Readiness Framework

*A tech tool for non-profits to self assess their
preparedness for outcomes-based financing*



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ISDM. (2024). Outcomes Readiness Framework

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DOI: <http://dx.doi.org/10.58178/2411.1054>

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1. Context and background

India has been pioneering the use of Outcomes-based Financing (OBF) among low and middle-income countries, experiencing a recent surge in funding for OBF projects. These projects link fund disbursement to the achievement of specific, measurable outcomes rather than just activities or outputs. Collectively, these OBF projects have mobilised more than USD 55 million and impacted more than 5 million people from 2015 to date, with many more projects in development¹.

Despite the growth of OBF projects in India, opportunities remain limited for many non-profits. Participation is restricted due to internal capacity issues, limited access to networks and information, and a general lack of awareness about how OBF projects operate and funder expectations. The early stage of the OBF sector and the small number of available initiatives further compound this issue. As a result, the absence of a strong pipeline of outcome-ready non-profits has slowed OBF growth in the country.

In response to these challenges, the Tata Trusts and British Asian Trust (BAT) collaborated with partners in the education sector in 2019 to develop an 'outcomes-readiness Framework'. In 2020, BAT and Atma piloted this framework with two education non-profits and successfully helped them become 'outcomes-ready', with one participating in an outcomes fund. However, several key learnings emerged:

- Balancing intensity of support with scale: The initiative's deep, extensive hand-holding limited its reach and made the process too lengthy. A more accessible program is needed to benefit a larger and more diverse range of non-profits.
- Need to distinguish between general organisational development and outcomes-readiness: In the pilot, the lines between general OD and outcome-readiness become blurred. While both aspects are interrelated, organisational development serves as a precondition for outcome readiness. The outcomes-readiness framework needs to be refined, focusing on key parameters that are essential for outcome-readiness, beyond core organisational strengths.

¹ BAT analysis

- Expanding the framework beyond education: Although the pilot focused on the education sector, the traits that make an organisation outcome-ready are generally sector-agnostic. There is an opportunity to apply the framework more broadly, including in new sectors such as skills development.

With these learnings, the British Asian Trust, Indian School of Development Management, and Atma with support from 360 ONE Foundation have undertaken an initiative to create a tech tool for non-profits in India that allows them to self-assess their level of readiness for achieving scalable outcomes and directs them to relevant resources that can enhance their preparedness. The goal is to foster a focus on outcomes across all aspects of nonprofit operations and create a level playing field for their participation in OBF.

2. What is Outcome-based Financing (OBF)?

Outcomes-based Financing (OBF) is a funding model where financial support is linked directly to achieving specific, measurable outcomes, and not just inputs or activities. In OBF, funders, implementers, and other stakeholders set clear outcome targets and a meaningful proportion of the funds is paid only upon meeting these outcome targets. OBF as an approach is framed by four key principles²:

- Proportion of payment tied to results
- Rigour and verifiability of outcomes measurement
- Extent to which implementation partners are protected from financial risk
- Level of performance management

Based on how one applies and combines these four principles, and the degree of rigour and intensity in application, different OBF instruments can be structured, such as pay-for-results contracts, impact bonds, impact guarantees, and social success

² Adapted by British Asian Trust from the report by Ecorys and ATQ Consultants titled 'Commissioning Better Outcomes Fund Evaluation in the UK'

notes. Far from being a one-glove-fits-all approach, the above four principles allow stakeholders to create contextual and customised instruments to solve the challenges.

Tried and tested in India, OBF ensures that donors pay for pre-determined, measurable outcomes rather than funding numerous activities and inputs that may or may not lead to impact. This approach prioritises long-term results over short-term activities. By paying for verified outcomes, OBF maximises value for donors, fosters innovation, and aligns incentives, offering flexibility in delivery while driving excellence and motivating all stakeholders to perform their best. It also provides a credible, accountable structure for diverse partners to collaborate toward a common goal.

With outcomes at the centre, the following factors determine the feasibility of OBF for a given thematic focus^{3 4}:

- Presence of a strong evidence base from past interventions
- Clear, measurable and generally acceptable outcomes with a feasible timeframe for outcome achievement
- Acceptable levels of external risk
- A pipeline of strong implementation partners
- A committed consortium of investors and/or funders
- Supportive legal and political frameworks

3. Purpose and scope of the framework

The OutcomesReadiness Framework is designed to:

- i. Guide non-profits in aligning their organisational and programmatic capabilities with an outcomes-focused approach

³ This framework has been adapted from the Ecorys Independent Evaluation of the UK Department for International Development's Development Impact Bonds (DIBs) Pilot program

⁴ The Government Outcomes Lab at the University of Oxford and Social Finance UK have developed an [ecosystem readiness framework](#). This framework is designed to help governments, policymakers, donor agencies, and other stakeholders interested in fostering OBF better understand the key factors that drive the initiation, growth, and consolidation of an OBF ecosystem.

- ii. Help non-profits identify their strengths and areas for improvement, enabling them to better structure their operations and programs around outcomes
- iii. Assist non-profits in India in assessing and enhancing their ability to achieve and sustain desired outcomes

It is important to clarify that the framework is not intended as a prescriptive pathway to securing OBF or as a definitive criterion for determining an organisation's suitability for OBF. The decision to engage in OBF is influenced by external factors beyond this framework's scope, including specific contexts, the nonprofit's thematic focus and values, feasibility criteria highlighted in the above section etc. Instead, the framework allows non-profits to cultivate an outcomes-oriented mindset within their organisations and programs, leading to more effective and impactful work over time.

4. Methodology

To create the tech tool for non-profits to self-assess their level of readiness for OBF, we have adopted a three-step process:

- Validate and refine the original version of the outcomes-readiness Framework developed and piloted by BAT through consultations with experts (the findings from this step are included in this note)
- Create a self-assessment tech tool as a public good based on the refined framework
- Conduct a large-scale self-assessment among 100 non-profits in India

For step 1 on refining the Outcomes-Readiness Framework, we undertook the following methodology:

- a. **Literature Review:** The research methodology commenced with an extensive literature review, resulting in the findings shared in section 5. This initial phase provided us with an understanding of gaps in the existing literature and helped us delineate the specific queries that need to be addressed in the primary research.
- b. **Qualitative Data Collection:** Following the literature review, we proceeded with qualitative data collection through key informant interviews (KIIs) with key stakeholders in the OBF ecosystem in India. The findings from the literature

review guided the development of the interview guide, ensuring that the questions were well-aligned with the gaps and issues identified in the initial phase.

- i. **Selection Criteria for Participants:** The selection of participants for the KIIs was guided by a set of criteria designed to ensure a diverse and representative sample. We identified organisations that are experienced in OBF, including funders, nonprofit leaders, intermediaries among others. Participants were chosen based on their demonstrated expertise and their prior experience in the OBF programs in India.
 - ii. **Interview Process:** The interview process involved conducting 19 semi-structured KIIs to allow for in-depth exploration of the participants' experiences and insights.⁵ Interviews were conducted virtually to accommodate participants' availability and geographical constraints. Each interview was recorded with the consent of the participants, and these recordings were subsequently transcribed for analysis. To maintain confidentiality and data security, all recorded conversations were destroyed after the transcription process was completed. This approach ensured that our analysis was based solely on the anonymised and transcribed data.
- c. **Data Analysis:** The transcribed interviews were analysed using thematic analysis. This method enabled us to identify common themes and patterns related to the components of outcomes-readiness and sector-specific requirements. The analysis focused on extracting key indicators and sub-indicators that could be incorporated into the framework.
- d. **Final Validation:** To ensure the robustness of the refined framework, a final validation workshop was conducted. This workshop involved a broader group of stakeholders who provided feedback on the framework's applicability and utility. Their input helped finalise the framework and ensured it met the needs of the nonprofit sector.

⁵ For details on participants in KIIs, refer to appendix 1

5. Findings from literature review

To identify what non-profits need to be outcomes-ready, a review of existing literature was conducted, encompassing both academic literature focussed on the concept of OBF and outcomes-readiness, as well as grey literature focussing on the existing tools and frameworks.

We have summarised the key findings here:

- Research and understanding on non-profits' readiness is still evolving, with most existing literature focusing on OBF instruments, such as impact bonds, and their applicability to non-profits. The emphasis is typically on specific areas non-profits must address to engage with impact bonds, rather than offering a comprehensive view of the overall readiness required to achieve outcomes.
- Most of the frameworks available are grounded in the western context, with limited work done addressing the unique Indian context.
- Key readiness factors include robust organisational systems and processes, and the integration of an outcomes approach across all levels throughout management and operations.
- Additionally, the role of culture and mindset as pivotal intangible factors is highlighted. It emphasises the importance of fostering a cultural DNA that embraces flexibility and a willingness to unlearn and relearn.
- Other common elements include the development of robust data systems, the presence of skilled personnel capable of using data effectively, and the maintenance of feedback loops in decision-making.
- The importance of monitoring and evaluation (M&E) systems that support real-time learning, a well-defined Theory of Change (TOC) that serves as a foundation for adaptive management, and an understanding of outcome pricing is also underscored.
- The review highlights the significance of a well-evidenced track record of the program, knowledge management, financial stability and effective stakeholder management.

Despite these insights, there is considerable overlap between a nonprofit's general organisational development and outcomes-readiness requirements. For example, while M&E is crucial for organisational development, the specific nuances of M&E like data-based feedback loops for decision-making are what distinguish outcomes-readiness from organisational development. Consequently, there is limited understanding of outcomes-readiness specific parameters for non-profits, as well as a lack of clarity on how to measure these parameters and identify suitable proxies for assessing their performance. This, as a result, impedes non-profits' ability to evaluate their readiness and improve their capabilities, which in turn affects their capacity for innovation in program delivery and their visibility to potential donors or investors. Addressing this gap is essential for reducing information asymmetry within the ecosystem and enabling informed decision-making by non-profits and donors.

6. Refined Outcomes-Readiness Framework

6.1. An overview of the outcomes-readiness Framework

In developing this outcomes-readiness Framework for non-profits, we have focused on what it takes to move beyond the foundational capacities and capabilities required from any nonprofit to qualify as a strong organisation and program and identify the additional requirements for becoming outcome-ready. In other words, strong organisation and program are deemed as 'necessary' conditions for being outcome-ready, but not 'sufficient', with our research focused on unearthing the key sufficiency conditions. Rather than reinvent the wheel, our approach was to rely on well-defined and widely understood organisational development tools⁶ to establish the definition of a strong nonprofit organisation and program.⁷

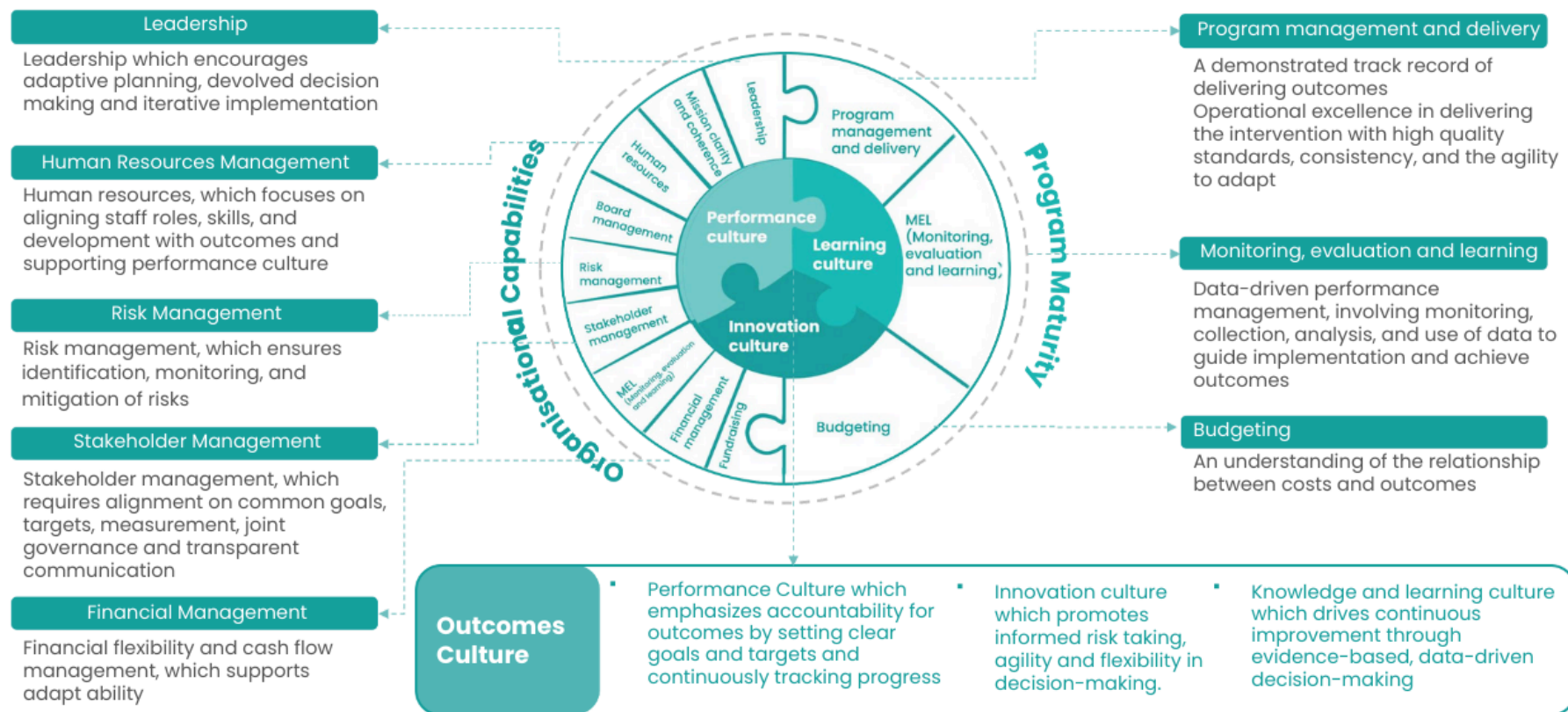
⁶ These include McKinsey OHI for non-profits, Bridgespan Organizational Development Assessment, Margeurite Casey Org Capacity Assessment Tool, Ford Foundation Org Mapping Tool, USAID OCA 2015, BAT-Atma outcomes-readiness Framework, Atma's Life Stage Survey etc.

⁷ The framework will be further adapted to build the self assessment survey. In this survey, we will measure both organisational development and plus plus competencies to gauge the outcome readiness levels of an organisation. Refer to the table in the appendix 2 that categorises the capabilities within the outcomes-readiness framework, identifying whether each capability functions at the organisational development (OD) level and / or at a program level and has a specific outcomes-readiness (OR) attribute to it.

Figure 1: Visual representation of outcomes-readiness framework

Outcomes Readiness Framework

With highlighted 'plus-plus' competencies/attributes needed for outcomes readiness



The outcomes-readiness framework recognises that non-profits require both organisational and program-level capabilities to function effectively. These capabilities are essential in any scenario, but readiness to participate in OBF introduces additional demands on some of these core functions (referred to as plus-plus competencies henceforth in the document).

At the organisational level, capabilities such as governance, financial management, strategy, compliance, and leadership form the foundation necessary for an organisation's growth and sustainability. Program-level capabilities, including planning, delivery, monitoring and evaluation, and stakeholder management, are essential for effective program implementation and achieving intended outcomes. Outcomes-readiness, however, necessitates a few plus plus elements. We visualise these as a relationship between tangible and intangible elements of an organisation, structured as a puzzle where different pieces interlock to form an outcomes-ready organisation

- *On the intangible side, outcomes culture—a mindset and way of working that emphasises accountability, learning, and continuous improvement—serves as the foundation that underpins all activities.* This outcomes culture influences how decisions are made and how programs are designed and executed.
- On the tangible side, outcomes-readiness is supported by outcomes-oriented systems and processes at the organisational level, and outcomes-focused program capabilities at the program level. These systems, processes, and capabilities go beyond business-as-usual (BAU) requirements, ensuring that both organisational structures and programmatic interventions are aligned with and driven by desired outcomes.

We elaborate on each of the 'plus plus competencies' in the section below.

6.2. Exploring the 'plus-plus competencies'

In this section, we dive deeper into the above mentioned plus-plus competencies for each of the tangible and intangible elements.

6.2.1. Outcomes culture

At the heart of this framework lies the culture of outcomes orientation - a shared commitment across all levels to prioritise and achieve outcomes. This culture influences every aspect of the organisation, from strategic planning to daily operations, and can be broken down into three sub-components:

- a. Performance culture:** A performance culture is one where the organisation emphasises accountability, setting clear goals and targets, and continuously tracking progress toward achieving these goals and targets. Emphasis on quality and quantity of target achievement in a timely manner is central to any OBF structure and hence a nonprofit wishing to participate in one needs to be comfortable with this way of working. This culture fosters an environment where staff at all levels understand their roles in contributing to outcomes and are motivated to perform at their best. Additionally, a performance culture extends beyond individual performance to include the overall performance of the program and the organisation.
- b. Learning culture:** A knowledge and learning culture drives continuous improvement, by embedding evidence-based, data-driven decision making into the organisation's operations. This culture ensures that insights and experiences are shared openly across all levels, encouraging the adoption of best practices and learning from both success and failures. Such a culture is critical as it enables the organisation to refine its strategies based on real-time evidence, ultimately enhancing its capacity to adapt and course-correct to meet its goals if required, to achieve desired outcomes. This mindset is also needed to transform the fear of third-party evaluations into a learning experience. Third-party assessments are often perceived as report cards on successes or failures and are therefore met with resistance at times. However, third-party evaluations are the cornerstone of OBF and a knowledge and learning culture allow a nonprofit to be more open to these.
- c. Innovation culture:** A culture of innovation in input and delivery is important for risk-taking, agility, flexibility in decision making, which again is needed to perform under OBF instruments. This culture tests how responsive an organisation is, how quickly it can adapt to changing circumstances and evolving challenges. It empowers teams to experiment with new approaches, quickly pivot strategies based on real-time feedback, and make decisions that align

with evolving needs. Importantly, innovation here does not imply the need for entirely new programs but rather focuses on process innovations to deliver a program.

6.2.2. Organisational capabilities plus plus

Strong systems and processes act as the operational backbone of an organisation. The outcome readiness 'plus-plus competencies' are built on a strong and stable foundation of business-as-usual capabilities. They include:

- a. **Leadership and governance that support adaptive management and devolved decision-making:** Leadership typically involves strategic planning and operational oversight for smooth running of the organisation, including establishing management protocols, setting organisational goals, and maintaining standard procedures. In outcome-readiness context, leadership and management style are designed to drive the outcome-culture mentioned above, including but not limited to adaptive planning, delegation of authority, encouraging innovation and data and evidence culture in the organisation.
- b. **Outcome-oriented people management:** This typically focuses on basic functions such as filling positions, clarity on roles and ensuring staff are adequately supported to perform their roles. However, BAU does not necessarily emphasise developing an orientation towards achieving outcomes or fostering a culture that supports such achievements, which are crucial in an outcomes-based structure. People management is outcomes-oriented when there is a strong emphasis on aligning staff roles, skills, and development with the outcomes goals. Motivations, performance incentives and regular feedback loops are established to ensure that staff are empowered to contribute effectively to achieving the outcomes and cope with target oriented performance culture.
- c. **Risk management and mitigation plans for program delivery:** Under OBF structures, outcome payments are linked to the performance of the non-profits and program results. As such, any risks (internal or external) that affect outcomes need to be clearly identified, monitored, and managed effectively. This in turn means that non-profits must be well versed in applying risk management tools such as root cause analysis, creating and using risk registers, and undertaking scenario planning in their projects. Good risk management also requires nimble and agile decision-making, and high engagement

between program and field teams to identify risks, develop and implement mitigation strategies, and quickly revise strategies if needed.

- d. Effective stakeholder management that builds collaboration among internal and external partners:** This typically involves maintaining good relationships with stakeholders, focusing on meeting their expectations and ensuring smooth project implementation. In outcome-readiness context, it is focused on engaging and aligning stakeholders to achieve specific outcomes, including but not limited to proactively building consensus on measuring the same outcomes and targets, integrating feedback into program design, joint governance of projects and transparent and continuous communication. It also includes developing and managing strategic alliances with other organisations, stakeholders, and communities to leverage each partner's strengths for specific outcomes. Most OBF structures include multiple stakeholders and parties and a nonprofit's willingness and ability to manage these relationships in a productive manner without getting overwhelmed is critical to its success within such a structure.
- e. Financial management:** In business-as-usual scenarios, the focus is primarily on tracking income and expenses and managing budgets for activities without explicitly linking cost to program outcomes. For outcomes-readiness, the emphasis is on understanding the relationship between budgets and outcomes delivered to make decisions for resource allocation and assess cost-effectiveness. An organisation's financial processes need to allow for flexibility in deployment and utilisation of budgets in pursuit of outcomes. Additionally, adequate cash flow reserves are also critical as the organisation commits to being paid on outcomes.

6.2.3. Strong programmatic model and delivery plus-plus

An established program model and delivery define the extent to which a program can consistently achieve and sustain its outcomes over time. It represents a sophisticated program planning, design and implementation, where the focus extends beyond merely meeting goals to include continuous evolution and innovation based on outcomes-based learning. The 'plus-plus' competencies that define program maturity are elaborated below:

- a. **Track Record of the program:** A demonstrated track record of delivering results is essential for outcomes-readiness. This is to show that an intervention has been successful in the past and has the potential to replicate or scale its outcomes under new contexts. A solid track record offers funders confidence that the program can manage associated risks. The track record could be evident through either high-quality and rigorous evaluations of the nonprofit's program (internal or external) and/ or from other studies or meta assessments that has established the effectiveness of an intervention in achieving outcomes across contexts with a degree of confidence.
- b. **Operational agility and excellence in the team to adapt and pivot based learnings:** This requires teams, from program heads to managers to field staff, to be flexible and responsive to changes on ground, be able to anticipate challenges, pivot to new strategies and continuously strengthen implementation processes to maintain high standards of delivery. By embracing an agile approach, organisations can swiftly adapt to new challenges and opportunities, thereby enhancing their overall performance and effectiveness in achieving program goals. This is aided by certain organisational traits mentioned above, such as enabling leadership and governance structures and culture of innovation and continuous learning.
- c. **Data-driven performance management:** non-profits need to have robust systems and processes to monitor, gather, analyse, and use performance-related data to guide their interventions and inform outcome achievement. They should be prepared for and comfortable with collecting and synthesising fit-for-purpose data and using it to make necessary pivots in their interventions to meet their on-ground needs. This approach involves regularly reviewing and refining strategies based on performance data. It emphasises the importance of using comprehensive data systems to monitor progress, make informed adjustments, and optimise outcomes, ensuring that the performance management process is dynamic and data-driven.
- d. **Understanding true cost of delivering outcomes:** A clear understanding of the relationship between costs and outcomes is crucial for non-profits to be outcomes-ready. This enables organisations to make informed, data-driven decisions about how best to allocate resources to achieve outcomes. Additionally, it helps assess whether scaling that

intervention is financially viable. Over time, this understanding can evolve into outcomes-based budgeting, which involves managing and planning programmatic budgets with a focus on achieving specific outcomes rather than merely funding activities.

6.3. Interlinkages between the three component of outcomes-readiness

It is important to highlight the interconnection between outcomes culture, organisational systems and processes, and programmatic capabilities. Outcomes-oriented culture is the driving force that influences and shapes both the systems and processes at the organisational level and the capabilities required at the program level. This cultural foundation establishes a mindset across the organisation that prioritises accountability, learning and innovation. It is this orientation that ensures an organisation goes beyond operational efficiency and is able to consistently align its activities with desired outcomes. Without an embedded outcomes culture, even the most well-structured systems and high-functioning programs may fail to meet their outcomes.

The link between organisational systems and processes, and programmatic capabilities is also critical and mutually reinforcing programmatic needs often serve as the catalyst for the development of robust organisational systems. For instance, the necessity to track and manage data at the program level, will require the establishment of MEL infrastructure at the organisational level. This linkage is also strategic -programmatic requirements push the organisation to strengthen its systems, while these enhanced systems, in turn, provide programs with tools and infrastructure they need to thrive. Further elaborating this example, the establishment of MEL systems also helps to cultivate a data-driven culture within the organisation, encouraging staff to integrate data insights into everyday decision-making, thereby strengthening both operational effectiveness and programmatic outcomes.

In essence, the interlinkages between the three components of outcomes-readiness, i.e, outcomes-oriented culture, organisational systems and processes, and programmatic capabilities form a continuous, reinforcing cycle. An outcomes

culture shapes and sustains organisational systems and programmatic approaches, while these systems and capabilities, in turn, reinforce and deepen the organisation's outcomes orientation. Together, these elements form an integrated puzzle where each piece strengthens the other, creating an organisation that is not only operationally sound but also strategically aligned, adaptive, and fully equipped to deliver and sustain outcomes over time.

It is also essential to acknowledge that within this framework, not all capabilities carry equal weight at every stage of an organisation's journey toward outcomes-readiness. Some capabilities, such as a strong outcomes-oriented culture and foundational systems for tracking progress, are critical from the outset. These are necessary to create a stable base upon which to build. However, other capabilities, like outcomes-based budgeting or advanced data management systems, may evolve over time as the organisation matures and its needs become more complex. By acknowledging this balance, the framework provides a holistic approach that respects the diverse starting points of non-profits.

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8. Appendix 1: List of KII interviews

S no	Organisation	Type
1	MSDF	Donor/ investor
2	CIFF	Donor/ investor
3	360 ONE Foundation	Donor/ investor
4	HSBC	Donor/ investor
5	UBS Optimus Foundation	Donor/ investor
6	Bridges	Donor/ investor
7	Peepul	Implementation partner
8	LLF	Implementation partner
9	Education Initiatives	Implementation partner
10	Educate Girls	Implementation partner
11	Pratham	Implementation partner
12	PanIIT Alumni Foundation	Implementation partner

13	Magic Bus	Implementation partner
14	SARD	Implementation partner
15	Gynashala	Implementation partner
16	KEF	Implementation partner
17	Central Square Foundation	Enabler
18	Dalberg	Enabler
19	The Blended Finance Company	Enabler
20	Samhita Social Ventures (TBC)	Enabler/ implementation partner

9. Appendix 2: Detailed Plus Plus Competencies and Distinction from Organisational Development Capabilities

In addition to identifying the presence of specific capabilities within the framework, it is crucial to understand how these OR attributes differ from standard business-as-usual (BAU) practices. The following table provides a detailed breakdown of each OR attribute, based on our interviews, explaining its unique characteristics and how it elevates an organisation's readiness for outcomes beyond conventional practices.

Capability	Sub-capability	BAU	Plus Plus competencies
Outcomes-oriented culture	Performance culture	Involves general accountability and goal-setting with standard performance reviews and incentives	Emphasises accountability, clear goal-setting, and tracking progress towards specific outcomes. Includes components of performance tracking both at org level (eg third party evaluation) or individual level (eg reviews wrt achievement of outcomes, performance based incentives, among others). Involves comfort and willingness to work in a target-driven environment.
	Knowledge and learning Culture	Encourages general knowledge sharing and occasional training sessions based on organisational needs	Continuous, data-driven learning embedded into daily operations with regular updates and sharing of best practices. Learning is proactive, systematically integrated into decision-making processes, driving continuous improvement and adaptability.
	Innovation culture	Innovation typically focuses on incremental improvements with a slower response to changes and limited experimentation.	Emphasises rapid adaptation, real-time feedback, and a proactive approach to experimentation, enabling quick pivots and continuous improvement in response to evolving needs and unpredictable contexts.

Strategic Clarity and Coherence	Strategic Planning / ToC	It involves setting broad organisational goals and objectives, often with a focus on operational efficiency, resource allocation, and long-term growth. Theories of Change (TOCs) may be used but are not consistently integrated across all levels.	It is deeply integrated with TOCs at both the organisational and program levels, ensuring that every activity is explicitly linked to desired outcomes. This also includes regular reviews and adaptations of prog TOCs to remain aligned with evolving needs and external changes, ensuring a clear pathway from inputs to outcomes across all functions.
Monitoring Learning and Evaluation	MEL Strategy	It is primarily focused on fulfilling donor reporting requirements and compliance. Evaluations are periodic, often conducted at the end of a project cycle, with limited integration into everyday operations.	It is integral to organisational and program decision-making. It includes continuous data collection, real-time feedback loops, and iterative learning processes. The strategy is closely aligned with the Theory of Change (TOC), ensuring that outcomes drive MLE activities and that the organisation adapts based on evidence and evolving circumstances.
	Data collection and infrastructure	This is typically done at specific intervals. The focus is on gathering information for reporting rather than for continuous improvement. Infrastructure may lack integration across programs.	It is systematic, continuous, and supported by robust, integrated infrastructure. The infrastructure allows for real-time data capture and analysis, ensuring that the data is timely, accurate, and directly informs strategic decisions. This infrastructure is built to support adaptive learning and rapid responses to emerging challenges, aligning closely with desired outcomes.

	Data analysis and dissemination (influence program design)	It is often limited to generating reports for donors and stakeholders, with minimal impact on program design. Dissemination is usually confined to internal teams or external reporting requirements.	Data analysis is deeply integrated into program design and implementation, with a strong focus on achieving outcomes. Data is analysed in real-time to identify trends, insights, and areas for improvement. Dissemination processes are designed to ensure that insights are shared across teams, influencing program adaptations and strategic pivots as needed.
	MEL Metrics	MLE metrics are often limited to basic output and activity tracking, with a primary focus on quantitative measures that satisfy donor requirements. The emphasis is on counting activities or beneficiaries.	MLE metrics are comprehensive and aligned with the prog TOC. These metrics are designed to provide a holistic view of progress towards achieving desired outcomes, enabling the organisation to course-correct and optimise strategies in real-time.
Human Resources	People Management	People management typically focuses on basic functions such as filling positions and ensuring staff are adequately supported to perform their roles. However, BAU does not necessarily emphasize developing an orientation towards achieving outcomes or	People management is outcomes-oriented, with a strong emphasis on aligning staff roles, skills, and development with the organisation's outcomes goals. Continuous learning and development, including leadership and data management training, are integral to the HR strategy. Performance incentives are directly linked to outcomes, and regular feedback loops are established to ensure that staff are empowered to contribute effectively to achieving the organisation's goals.

		fostering a culture that supports such achievements, which are crucial in an outcomes-based program.	
Financial management	Understanding true cost of delivering outcomes	The focus is primarily on tracking expenses and managing budgets for activities without explicitly linking cost to program outcomes. Financial planning is centred around securing funds for inputs and activities.	Emphasis is on understanding cost of outcomes to make data-driven decisions for resource allocation and assess cost-effectiveness for scaling potential.
	Financial Sustainability	Financial sustainability is managed by maintaining a balanced budget and ensuring that there are sufficient reserves to cover ongoing operational costs.	This goes beyond compliance to build efficiency, allow flexibility and long-term sustainability.
Risk Management	Risk and Change Management	It involves identifying potential risks and implementing standard procedures to mitigate them, focusing on maintaining compliance and	For OR, an additional layer of risk management is required that focuses on uncertainties in prog delivery over and above the BAU. It involves a dynamic approach to identifying, assessing, and adapting to emerging risks that could impact outcomes. This includes continuous monitoring of risk factors, evolving

		operational stability.	mitigation strategies based on real-time data and feedback, and integrating risk management into strategic decision-making to ensure that outcomes are consistently achieved even in changing conditions.
Partnerships and Collaboration	Partnership Strategy	Partnerships and collaborations are managed through established agreements and routine communication channels, primarily focusing on maintaining operational relationships and ensuring that collaborative efforts align with general organizational goals.	In outcomes-readiness, partnerships and collaborations are strategically designed to leverage each partner's strengths for specific outcomes. This includes aligning goals and clarifying roles and responsibilities, building strong relationships with local stakeholders, and creating opportunities for ecosystem-level learning. Additionally, partnerships are flexible, allowing for mutually agreed adjustments to adapt to evolving needs and circumstances.
	Stakeholder management	It typically involves maintaining good relationships with a limited number of stakeholders, focusing on meeting their expectations and ensuring smooth project implementation.	It is focused on engaging and aligning stakeholders to achieve specific outcomes. This includes proactively identifying and addressing stakeholder needs, integrating feedback into program design, and maintaining transparent and continuous communication. Additionally, it involves building robust relationships with key stakeholders, ensuring their active involvement and support throughout the project lifecycle.
Leadership	Management Style	It typically involves general oversight and administrative	In an outcomes-readiness context, leadership and management style are crucially embedded within systems and processes to

		practices that ensure organisational operations are running smoothly. This includes establishing basic management protocols, setting broad organisational goals, and maintaining standard procedures	drive and sustain outcomes-focused practices. This involves implementing management approaches that specifically support outcome-oriented goals, such as adaptive leadership, strategic visioning, and data-driven decision-making. It also includes fostering an outcomes-driven culture, and ensuring that management practices are aligned with achieving and sustaining specific outcomes.
program Management	program Planning	Focuses on immediate objectives and outputs, often driven by a top-down approach. Plans are generally static and updated infrequently. Success is measured primarily by the completion of activities, adherence to budgets, and timelines, with limited emphasis on the linkage between planned activities and desired outcomes.	It involves clearly defined and finite outcomes that are achievable within a set timeframe. It is backed by the program's track record evidence demonstrating its past success in delivering outcomes, and its potential to replicate or scale outcomes in new contexts. Plans are regularly updated based on data and feedback, aligning with the overall TOC.
	program delivery and operations	program delivery and operations typically follow a predefined plan with minimal	It includes the program's capacity to undergo iterative feedback and refinement cycles. It ensures that the program is implemented over multiple cycles, allowing for data-based

		adjustments once implementation begins.	adjustments and validations. Regular data-driven adjustments are integral to program delivery, with a strong emphasis on understanding the cost per outcome. This approach facilitates continuous improvement and ensures that operational practices align with the desired outcomes
	program Growth and Replication	program growth and replication are often limited to scaling within the same context or expanding incrementally based on existing successes.	program growth and replication involve the ability to scale successful interventions and replicate effective strategies in new contexts. Mature programs leverage insights from previous cycles to confidently expand and adapt, ensuring that the program maintains its effectiveness and relevance across different settings. This approach includes a systematic process for assessing the scalability of interventions and adapting them to different contexts.