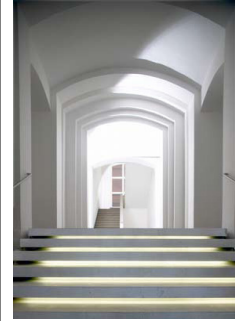


Berlin Civil Society Center

Good Governance in Voluntary Organisations

07 March 2008



Outcome

Reports from first Round Tables session

Adapting our Organisations to a Globalised World

1. Securing high quality performance globally

There are three main threats to a consistently high quality level around the world:

- The global strategy is not being implemented consistently and at the same quality level everywhere
- Overheads (and thus the quality of an organisation's administration and fundraising) vary greatly between different national chapters
- We do not respond sufficiently to donors' and recipients' expectations; there is a "credibility challenge".

Finding the right balance between the roles and responsibilities of national chapters and the global center is crucial. A certain level of centralized power is needed to secure high quality globally. Possible steps to improve performance globally are:

- Strive for a balanced distribution of power considering the organisation's history, resource flows, strategy and technical capacity
- Assess the organisation's readiness to change and develop appropriate concepts for change
- Through negotiation, consensus building and mutual accountability secure consistency throughout global and national strategies and strengthen inter-organisational trust
- As the basis of governance, election alone does not provide sufficient legitimacy; quality of action needs to be secured as well.
- Accountability should be seen as an obligation towards all stakeholders, not just towards the donor side.

2. Optimising learning in the global organisation

Generally NGOs still have to go a long way in becoming learning organisations. Major challenges are:

- Conservative culture rejecting new approaches
- NGOs are "opinionated", look for faults in others

- Multitude of different languages spoken in the organisation
- Difference in size and quality of national chapters
- Learning organisations become more sophisticated > more professional > with a stronger role of experts = salaried staff > changes in the balance of power

Answering the question: “for whom do we learn?” is crucial. We learn for our stakeholders: beneficiaries, donors, members, the public, etc. Learning needs to be focused on the benefits we want to achieve. This requires:

- Measuring the impact of what we do and adapting our work accordingly
- Using systems which make sure that we learn both from our failures and our successes
- Establishing an organisation-wide system of knowledge management
- Providing the technology for a learning organisation.

3. Preserving brand identity globally

Branding is the most crucial binder between an organisation’s mission, values and attitudes. Key challenges to global brand identity are:

- A disconnect between brand and action
- Differing branding requirements of national and global parts of the organisation

Preserving the brand identity globally requires a strategic approach in three key areas:

- Show the value added of the brand; demonstrate success – not only through finance data but also through media presence, talent recruited, Government cooperation etc.
- Repeat the “what does the brand stand for” negotiation process frequently – focus on mission, leave ample room for nationally adapted implementation of message communication
- Invest in brand protection – trade mark registration, pre-emptive legal actions and scan for not permitted co-branding or brand adoption.

4. Defining global advocacy positions

Being relatively new for many organisations and often being seen as an add-on to programmes or fundraising, advocacy faces a number of major challenges:

- It is unclear what is meant by “advocacy” and what its role is supposed to be
- Too many advocacy priorities compete and focus on a few key strategic issues is not achieved
- Global advocacy carries a significant risk to the brand
- Integration of programme activities and advocacy messages does not always succeed

Securing successful advocacy at global and local levels requires buy-in from all main actors. Specific requirements are:

- Find the right balance between global and local decision making – strengthen big picture policies and focus on results
- Bring together programme and advocacy people – secure focus and measure impact
- Lobby your governance for a stronger role of advocacy – the Board must understand how advocacy contributes to the organisation’s overall result.

5. Harmonising systems and procedures

Harmonisation of systems and procedures is expensive and affects practically all areas of work. Resistance to harmonisation processes is to be expected. Crucial issues are:

- Large number of different, often incompatible systems have been used in parallel for a long time
- Short term costs of migrating into one system are significant while long term benefits are not always well defined
- National chapters identities are often linked to the locally used systems and procedures – harmonisation threatens national culture and autonomy

Overcoming the resistance to change might be easier when starting with harmonising logistics. Once concrete benefits become visible harmonisation of more content related areas may become viable. Important elements of successful harmonisation are:

- Define general standards for harmonising systems and procedures
- Consider the costs of not moving – take risks and manage them properly
- Start with simpler projects: e.g. central flight/travel arrangements, global teleconferencing, procurement sharing
- Communicate and collaborate more effectively – show the benefits of harmonisation.

Reports from second Round Tables session

Improving Global Governance in our Organisations

1. Organising the balance between national and global interests

Organising the balance of national and global interests in a federation, a confederation or a network require different approaches. While a federation may have ultimate power in the center, a confederation may have ultimate power in national chapters. Across these different models some of the major challenges are:

- National priorities override global impact
- Lack of skills in global and national leadership and unclear role of Boards hamper the balancing process
- Nationally differing systems make cooperation difficult

Steps in tackling the challenges are:

- Find the right people to lead at national and global levels – recruit for competencies and mix of skills, implement leadership development programmes
- Take the organisation's history into account when trying to find a new balance
- Change contains risks – accept, assess and manage the risks
- If you start a global organisation today, it does not necessarily have to consist of national building blocks.

2. Strengthening the performance of global Boards

The performance of global Boards can and should be improved. Some areas of concern are:

- The role of global Boards is not always well defined
- Global Boards often lack continuity – this can weaken oversight of the organisation's management
- Board composition is often rooted historically and does not always contain the required set of skills – electoral systems create skill gaps
- The size of Boards varies significantly between organisations – too large Boards may lack effectiveness

There is wide agreement that organisations have to put more effort into developing the performance of their global Boards. Some of the measures which may be helpful are:

- Make sure the Board focuses on its strategic tasks and does not assume an executive role
- The election/selection process should produce globally minded Board members rather than representatives of national interests
- Co-opt members of the Board and/or the Board committees in order to fill skill gaps
- Provide better infrastructure for the Board's work, e.g. by making laptops available
- To secure adequate stakeholder representation on the Board consider paying an allowance which is high enough to attract experts (e.g. from the South) whose personal conditions would not allow participation otherwise.

3. Optimising the distribution of tasks between volunteers and salaried staff

Volunteers are involved on both levels: in governance as Board or Assembly members and at executive level as activists in advocacy, programmes, fundraising or communication. Salaried staff are mostly limited to the executive level with the exception of some global Boards that have national CEOs as members. Challenges in the distribution of tasks between volunteers and salaried staff are:

- Unclear division of roles and responsibilities between governance and management, habit of moving between the different levels
- Democratic governance is sometimes maintained at the expense of effectiveness in the organisation's work

- Increasing professionalism of the sector makes it difficult for volunteers to cope with their roles as leaders in the governance system.

Over the last few years expectations towards volunteer engagement have changed. Motivation is no longer sufficient, skills and performance are key. Issues which should be addressed are:

- Volunteers should be systematically supported in developing their skills
- All volunteers and all salaried staff should be regularly assessed against professional standards
- Boards should be focussed on their strategic tasks leaving implementation to the management
- Volunteer activists who are elected into the (volunteer) Board need to be supported with moving from an executive to a governance level.

4. Drawing the line between governance and management

Drawing a clear and mutually accepted line between governance and management is not easy in the complexity of an organisation defined by volunteers and salaried staff, national chapters and a global secretariat, increasing professionalism and rapid globalisation. Here are some of the challenges:

- Due to cultural differences between countries “governance” has different meanings around the globe (e.g. in some countries the CEO is a Board member, in others this is not accepted)
- Board Members and CEO/ Senior Management Team are not aware – or have differing concepts – of the distribution of roles and responsibilities in governance and management
- Often there is no proper Board evaluation system in place.

Some of the means to address these issues are:

- Improve Board performance through election procedures that secure appropriate qualification of Board members and a good mix of skills; establish terms which are long enough to allow Board members to learn on the job; offer induction and training to Board members
- Introduce a Board evaluation system, e.g. through a Board Development Committee
- Establish clear boundaries between the tasks of Chair and CEO; provide precise role descriptions for both
- Take cultural and legal differences between countries into account.

5. Devising a successful global strategy

A successful global strategy should be driven by all relevant stakeholders. To date this is rarely the case:

- The strategy process is usually being driven by internal stakeholders (members, volunteers, activists, salaried staff); external stakeholders (e.g. beneficiaries) are under-represented or not involved at all

- Often global strategies are a compilation of various national priorities; they lack focus and consistency
- The ownership of global strategies is often unclear and implementation depends on good will rather than obligation.

Producing more successful global strategies requires a number of major changes to organisations' culture and approach:

- Be focused – challenges consensus culture
- Promote leadership – challenges value of equality
- Use high quality consultancy – challenges tradition of doing everything as cheaply as possible
- Enhance talent management – challenges anti hierarchy thinking
- Work closely together – challenges national autonomy

Wrap up session

Working Together on Global Governance

Strengthen global governance

- We should follow up on issues like governance review and Board development.
- We should think about developing standards for the distribution of roles and responsibilities between the national and the global levels.
- Looking at the evolution of Governance in our organisations may help us to understand better where we are going.

Continue and develop the meeting of Chairs and CEOs

- Several comments asked for another meeting of this group in about a year's time.
- Issues to be addressed should be of interest both to Chairs and CEOs.
- The next meeting should be aiming at concrete outcomes.
- Learning from each other should be the focus.
- But working with and learning from the for-profit sector should be developed as well.

Address other areas of mutual concern

- One proposal suggested taking on one of the sectors *human rights, environment or health*.
- Another proposal suggested focusing on *poverty*.
- Tackling *strategy* was recommended several times.
- Shared *advocacy, talent development and knowledge management* were other areas mentioned as potential fields of cooperation.
- Sharing *best practice, working together on evaluation* and looking jointly at the *transition from advocate to actor* were also of interest.