Building Effective Standards for Global NGOs

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This briefing draws on interviews and assignments with leading global INGOs over the last two years.

Many leading global non-government organisations (NGOs) are actively seeking ways to work more closely together across their federation, while at the same time selectively widening their network of national member organisations. The potential benefits in advancing the mission of the global NGO are large, offering the prospect of greater global impact, income, and legitimacy.

The challenges of seeking to both widen and deepen a global NGO federation at the same time are considerable. Both involve challenges of bringing together different priorities, values, and ways of working of national organisations who have been used to working more independently.

In response to these challenges, many leading global NGOs are taking a fresh look at the role of common standards for their global federation. Standards are increasingly being seen as a tool for strengthening performance and consistency, as well as for managing risks.

This document draws together learning from recent standards initiatives in global NGOs, provides a framework to help international boards and leaders to think through which standards would be appropriate for their federation, and draws out some of the key factors that distinguish successful implementations.

While many leading global NGOs are now working to develop new standards, approaches vary widely, reflecting a wide range of different motivations for developing and using standards. The more common objectives include:

Be clear and transparent about the balance between different goals

a. *Protecting reputation and brand*: Standards can be used to protect the global NGO's reputation and brand from rogue or incompetent national members whose activities or governance practices may damage the federation's reputation, in their own country or internationally, or from capture by vested interests.

b. *Encouraging sharing of good practice*: Standards can be used to promote the sharing of good practice between national members, and/or to identify areas of their performance with potential for improvement, through providing benchmarks for comparison (eg in programme or advocacy work, in fundraising, or in the management of financial and human resources)

c. *Strengthening the focus on shared priorities*: Standards can be a means of encouraging members to focus more clearly on their role in delivering agreed strategic global priorities

d. *Widening funding sources*: Standards can play an important role in enabling the federation to access a wider range of international funding, through being able to offer consistent services or programmes to a common standard in multiple countries, or to assure the donor that funding will be used effectively in multiple countries

e. *Focusing on remedial action*: Standards can be used to more quickly identify areas of performance that are falling below acceptable levels, and to provide a context and focus for early action to resolve them (especially where the area of weak performance has not been recognised by the national Board as a significant problem)

Some standards initiatives may involve more than one goal, However, when developing new standards, it is usually helpful to limit the number of issues tackled at one time, and to be clear and transparent about the balance between different goals and motivations.

STANDARDS LADDER

7. MUTUAL ACCOUNTABILITY	Assess commitments to mutual accountability between members
6. BENEFICIARY ACCOUNTABILITY	Assess accountability of members to beneficiaries
5. SCALE AND PROFILE	Assess scale and profile of members in national context
4. CORE SERVICES & COMPETENCIES	Assess range/quality of common core services & competencies
3. ETHICS AND REPUTATION	Promote shared ethics and protect global reputation
2. GOVERNANCE	Ensure members are properly governed
1. GOALS AND VALUES	Ensure members share common goals and values

The appropriate standards for any given federation will depend on its purpose, shape and stage of development. Broadly speaking, the more closely the national members work together, the wider the range of standards that may be relevant. This can be thought of as a "Standards Ladder", with federations moving up the ladder as they work more closely together. The appropriate rung of the ladder for each federation will depend on what the national members are seeking to do together. The diagram on the left provides an overview of the Standards Ladder.

A variety of initiatives to promote greater transparency and accountability in the sector (eg INGO Accountability Charter, Global Reporting Initiative) are also encouraging wider use of standards, and a growing (and sometimes bewildering!) range of external frameworks and standards for specific areas of work are becoming available for use.

Each of the levels is appropriate to different types of NGO federations and different stages of development:

LEVEL 1: GOALS AND VALUES

This is widely used in loose international associations or coalitions of national member organisations, who may be concerned to ensure that its members share some common goals and values, and may set some standards for admission to the association to seek to secure this commitment.

LEVEL 2: GOVERNANCE

If the links between national members become more formalised into significant joint ongoing activities, it will usually be appropriate to establish and monitor some basic standards to ensure that national

members are properly constituted and governed (eg non-profit status, properly overseen by a Board, proper use of funds and assets). For example, Friends of the Earth International has core standards of governance for its members, but the national members operate under different national brands. There is a wide range of external standards available for assessing proper governance – the most broadly used being financial audits by independent auditors.

LEVEL 3: ETHICS AND REPUTATION

If the members decide that they want to operate under a common brand identity, there is a much greater degree of mutual interdependence to protect and enhance the reputation of their mutual identity. This usually leads to agreement on ethical standards (eg for conflicts of interest, ethical fundraising, protection of beneficiaries), and standards for how the brand may be used by national members. These usually enable the use of the brand to be withdrawn in the event that a national member conducts activities, or governs itself, in a way that is damaging the brand, and are often captured through a formal agreement and by ethical codes of conduct. For example, Save the Children International requires all national members to report regularly against shared standards designed to ensure the protection of children from harm arising from the national member's actions or omissions.

LEVEL 4: CORE SERVICES AND COMPETENCIES

If a federation decides that they can be more effective by offering common core services or activities across multiple member countries, it will usually be helpful to put in place a set of simple standards for the range and quality of core services or activities provided, enabling the monitoring of gaps and identifying major quality issues. For example, World Vision International sets standards for the delivery of child sponsorship programmes by national offices (many of which are now governed by a national Board), and reviews compliance through a regular cycle of operational audits. External standards used to support initiatives at this level include the Sphere standards for disaster relief, the People in Aid standards, and more generic quality standards such as ISO 9001.

LEVEL 5: SCALE AND PROFILE

If a federation decides that it is important to its success for its national members to have a strong national profile or supporter base in their home country, it may set some standards designed to encourage national members to achieve key indicators of scale and profile. For example, Transparency International regularly monitors the level of public awareness of their national members in their own country (as part of wider anti-corruption surveys), and trends are tracked and reported.

LEVEL 6: BENEFICIARY ACCOUNTABILITY

A growing range of federations are giving increasing attention to demonstrating accountability to those they are seeking to help and support. This is usually motivated by good development principles, by strengthening their ability to assess effectiveness, and/or by growing pressure from major donors. Many are therefore now exploring ways of developing standards for this purpose. For example, World Vision has established progressive standards for accountability to the children, families, and communities it serves, which it is now rolling out. There are a variety of external standards that focus on this issue, such as the Humanitarian Accountability Partnership Standard.

LEVEL 7: MUTUAL ACCOUNTABILITY

If a federation develops to the stage that its national members depend strongly on each other for their effectiveness (for example if the global mission or strategy requires a lot of international work between national members), then it will often start to develop standards to deliver mutual accountability and transparency to each other, or even also to the outside world. Few global NGOs yet have a comprehensive set of standards for mutual accountability, but some have key elements. For example, Plan International runs a regular survey amongst the national offices that raise funds and the national offices that spend them, asking them to rate the other offices they have worked with on key client satisfaction criteria. The results for each office are reported across the network, with those offices getting the poorest results expected to take remedial action.

CHOOSING AND PRIORITISING STANDARDS

Federations may choose to prioritise different rungs of this ladder, or may tackle them in a different sequence, according to the political and economic context in their federation or their field of work. However, as federations seek to work more closely together, they are likely to feel the need for standards covering a greater range of these levels.

However, developing and using standards effectively is costly and time consuming, and can lead to frustration, resentment, or non-compliance if national members do not see a strong rationale for the range of standards in use.

Standards pitched at the right level and used effectively can have a major impact on performance as well as protecting from risks. It is therefore important to involve the leadership of the national member organisations in arriving at collective judgments on which levels are appropriate, if the standards are going to be accepted and used effectively.

> It is important to involve the leadership of national organisations in deciding which standards to prioritise

C. Implementing Standards Effectively

Once a decision has been made on which levels of standards are appropriate, there are a series of key stages in implementation – these are summarised in the table below.

To secure the support and ownership of national members, it is usually important to move through these stages sequentially over time, and only to progress to the next stage when most national member organisations are comfortable with the previous stages. This can take time – successful implementations often take several years to move through the stages. In some situations, it may be appropriate to stop at an intermediate stage, if there is not broad support amongst the national members for the benefits of moving further, or no viable methods of assessment have been identified. Moving too fast through the stages can destroy support for what would otherwise be appropriate and effective standards.

The same groundrules of implementation apply if adopting external industry or sector standards.

STAGES OF IMPLEMENTATION OF STANDARDS

STAGE	CORE ACTION	PURPOSE
1	AGREEING PRINCIPLES	Members agree common principles that should guide members
2	SETTING STANDARDS	Members agree standards to be used to assess alignment of members with principles (or adopt external standards)
3	MONITORING	Members commit to regular monitoring against standards
4	REPORTING	Members provide confidential periodic reports of performance against standards, and actions taken
5	VERIFYING	Members agree and implement shared process of periodic external or internal review and verification of members' performance against standards
6	SHARING ASSESSMENTS	Headline results of assessments are shared across the federation, and/or reported externally
7	ENFORCING SANCTIONS	Members agree shared process for actions and sanctions on specific members who fail to meet agreed standards

It can be helpful for federations to use this framework to assess what stage they have reached in implementing the standards, and to review whether the federation believes it would be helpful to move to the next stage. The diagram below provides an illustration of an assessment by a leading global NGO of where it stands on each type of standard, used as the basis for discussions about gaps and next steps.

GUIDELINES FOR IMPLEMENTATION

There are many examples in the sector of unsuccessful standards frameworks, which have been developed, agreed, and introduced, but have not gained broad acceptance and use, and have fallen into disuse, failing to realise the intended benefits. Drawing together learning from across the sector, a range of common pitfalls emerges. These can be developed into key guidelines for successful implementation of global federation standards, as outlined in the box on the next page.

Many of these may seem obvious, but most failed implementations result from failing to follow through one or more of these guidelines. These guidelines can therefore be used as a checklist by teams planning a standards initiative, and by Boards to review proposed plans and to monitor implementation.

STOCKTAKE ON STANDARDS USE: AN EXAMPLE

TYPE OF STANDARD	PRINCIPLES AGREED	STANDARDS SET	MONITORED	REPORTED	VERIFIED	SHARED	ENFORCED
GOALS & VALUES	✔	✔					
GOVERNANCE	✔	✔	✔	✔			
ETHICS & REPUTATION	✔	✔					
SERVICES & COMPETENCIES	✔	✔					
SCALE & PROFILE							
BENEFICIARY ACCOUNTABILITY	✔						
MUTUAL ACCOUNTABILITY							

…Implementing Standards Effectively…

GUIDELINES FOR SUCCESSFUL STANDARDS IMPLEMENTATION

GETTING STARTED:

1. Secure strong commitment to the standards from national boards and executive directors before starting out: make the benefits clear and compelling for all
2. Agree at the outset clear parameters on the scope of the standards to be developed, and the criteria by which they will be judged
3. Engage a diverse cross-section of national leaders in guiding the development and implementation of standards (do not delegate to junior staff or consultants without sufficient understanding of diversity of practical realities around the world)

SHAPING THE STANDARDS:

4. Keep the standards short, simple, and practical (can be readily understood by front-line managers in national members)
5. Set standards high enough to make a difference (not easy for all to meet), but low enough that most members can see how they can meet them within a couple of years. (Thresholds can be raised later once most are on track)
6. Set the standards broadly enough to apply to most contexts (but not exceptional ones) but tightly enough that they are not subject to wide differences of interpretation

INTRODUCING THE STANDARDS:

7. Link the standards to the core operational, financial, and/or governance processes of the national members
8. When introducing standards, build a culture of trust and mutual learning. Ensure their introduction is led by national Board chairs and executive directors, and championed by the International Board
9. Ensure the standards are supported with appropriate guidance, training, funding, and help for members to achieve them.

FOLLOWING THROUGH:

10. Regular progress summaries reviewed by International Board – and acted on when necessary
11. Reward success: give the standards a high profile in member annual conferences and reports – celebrate national members making good progress
12. Don't push reporting, verification, and enforcement until most members are comfortable with using the standards

…in conclusion…

As with all change programmes, leadership is crucial – successful standards initiatives are almost always visibly led by the International Board and the global Executive Director of the federation, and championed by a senior manager who commands respect across the federation for their understanding of the diversity of the national members, and their managerial or technical expertise.

Standards will only achieve their goals if the federation judges appropriately what type of standards will make a difference in their context, works systematically through the stages of implementation, and avoids common pitfalls in their approach. If selected and implemented well, they can be a powerful tool for uniting and strengthening a global NGO federation to achieve its goals more effectively around the world.

If you would like more information on the issues outlined in this briefing, please contact Caldwell Consulting on consult@caldwells.uk.net or +44 1737 843893

ADDITIONAL READING

- *Diversifying Membership and Building Inclusion in Governance: Lessons from Plan International's Experience,* Sherine Jayawickrama, Hauser Center, Harvard University, 2012
  http://www.hks.harvard.edu/hauser/engage/humanitarianorganizations/research/documents/diversifying_membership_lessons_from_plan_experience.pdf

- *10 Ways not to Build a Global NGO,* Ken Caldwell, 2011
  http://hausercenter.org/iha/wp-content/uploads/2011/10/10WaysNotToBuildAGlobalNGO9.11.pdf

- *Governing International Advocacy NGOs*, L. David Brown, Alnoor Ibrahim, and Srilatha Batliwala, World Development Vol 6 No 6, 2012
  http://www.hbs.edu/faculty/Pages/item.aspx?num=43346

- *Acting Globally, Thinking Locally,* Keith Johnston, 2012
  http://www.cultivatingleadership.co.nz/wordpress/wp-content/uploads/2012/01/Acting-Globally-Thinking-Globally-January-29-2012-CL.pdf

- *Taking a Strategic Approach to Governance Reform in ICSOs,* Berlin Civil Society Center, 2012
  http://www.berlin-civil-society-center.org/wp-content/uploads/12-10-29-ICSO-Global-Governance.pdf

- *INGO Accountability Charter* http://www.ingoaccountabilitycharter.org/

- *World Vision Accountability Report 2010,* World Vision,
  http://www.wvi.org/wvi/wviweb.nsf/0DA5D0279F5038378825764F006DA5CE/$file/ACCOUNTABILITYREPORT_FY10web.pdf

- *Global Reporting Initiative: NGO Sector Supplement, 2010*
  https://www.globalreporting.org/resourcelibrary/NGOSS-Complete.pdf