

Advancing Good Governance Seminar

8 June 2012 13:30 – 14:45

Nuts and Bolts of Measuring Good Governance

This panel focused on how principles of good governance and the “nuts and bolts” of good governance can be incorporated in everything an organization does. Good governance must be instilled throughout the organization, from its values and vision down to more rudimentary issues such as how frequently an organization’s board meets and how engaged the board is. Delegates also raised issues around the lack of clarity within the development sector as to what are the principles of good governance that organizations should be striving for, and posed as a challenge to the seminar an attempt to provide clarity on this most important subject.

Key Points from the Panel

1. **Defining good governance.** There is a lack of clarity in the development sector as to what are the principles of good governance that organizations should be striving for. Among these are accountability and transparency to the beneficiaries; involvement of local communities in an organization’s decision making; and the ethical and moral obligations that guide the organization in everything it does. It was suggested that one useful outcome of the seminar would be to provide this clarity.
2. **Value of diversity.** The critical importance of demographic diversity and balance of voting power at the board/decision-making levels of an organization was emphasized, as, among other things, these are critical to an organization’s credibility among donors and beneficiaries. An organization’s governance structure should reflect these values.
3. **Building blocks of good governance.** Critical to the governance culture of an organization are also its “nuts and bolts”: do the directors attend meetings; how often are meetings held; etc. Most basic things contribute to the credibility of an organization.
4. **Importance of embodying governance principles.** It is critical that an organisation can “walk the talk” and reflect in its own governance structure the principles it encourages in its aid programs.
5. **Process over outcome.** With respect to measurement and evaluation, it is better to focus on process rather than outcome, which will provide better evaluation of such things as legitimacy, credibility, and accountability.

Emerging Questions

1. What are the principles of good governance that organizations should be striving for? Is it possible to articulate a core set of principles that would apply to civil society organizations broadly, or is there too much differentiation among the sector?
2. What are steps organizations can take to ensure diversity at board/decision-making levels? How can organizations be made to embody core governance principles and values – at the vision and the nuts and bolts level -- at the board/decision-making level?

3. How can an organization ensure that its own governance structure embodies the principles it espouses? Is there a set of questions an organization can ask itself to determine whether it is “walking the talk”?