

Principles and Practices for Non-profit Excellence

Professional development session for Móðurmál teachers and coordinators, and
guest

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Program

- NGOs – what are they?
- Establishing and running an NGO
- Boards of directors – roles, responsibilities
- Effective meetings
- Collaboration
- Lobbying
- Policy making
- Contract making
- Personal management
- Project management
- Principles and Practices for Nonprofit Excellence

Management in the third sector (NGOs)

2014 – a course 3x4hrs Davor Purusic “Founding and management of NGOs”

A course at the University of Reykjavík

Total 56 hrs (7x8 hrs) on Tuesdays from 17.10.–23.1.

Specialists from the University of Reykjavík, University of Iceland, University in Bifröst, as well as partners from Icelandic NGO / business practice

Themes:

- Non-profit organisations and legal environment
- Leadership and management in the third sector
- Policy making in non-profit organisation
- Human resource management and leadership of volunteers in non-profit organisation
- Financial management, fundraising and contract making
- Practical project and event management
- Marketing and social media

How about you?

- In what NGOs do you work?
- What questions would you like to answer?
 - As a member
 - As a leader

What is the NGO?

- NGO / non-profit organisation / societies / associations / free or open societies
- (Icel. félagasamtök)
- What is it?
- A group of individuals or legal entities
- Free participation
- Long term collaboration
- It has a certain purpose
- Based on volunteer work to some extent

Types of NGOs

(Icel.) Sameignarfélag

(Icel.) Samlagsfélag

(Icel.) **Almenn félag (félagasamtök)** – no law in Iceland

Legal framework:

- Own founding agreement (Icel. samþykktir)
- General law about NGOs which don't have profit as their goal

Non-profit organisations

- No competition in the market sense
- Members are not financially responsible nor do they bear responsibility for the management
- Formal structure
- Almannaheill – umbrella of large NGOs in Iceland
- A bill (Icel. frumvarp) of a law to the Parliament (Icel.) in 2016

The roles of NGOs

- To provide public service
- Social pioneer work
- Civic and political participation in the society
- Values and life views

Iceland today > 15000 NGOs/societies
NGOs/societies that pay salaries > 800
Men and women, older, educated,
countryside; people of foreign origin?

Volunteer work, volunteer - definitions

- Individual unpaid contribution that is formally organized (Habermann, 2001)
- An individual that gives his/her work voluntarily for the benefit of his/her co-citizens or the society without receiving salary for it.
- “Félagasamtök” – not defined by law, “free societies” or “general societies”
- Volunteers are the board – the rest can be paid (salaries for mother tongue teachers)

12 areas of volunteer work

(acc. to International classification of non-profit organisation, ICNPO)

- Culture and leisure
- Education and research
- Health care
- Social service
- Environmental issues
- Developmental issues
- Interest groups and societies of various minorities
- Philanthropic groups
- International organisations
- Religious organisations
- Professional organisations and labor organisations
- Other

Legal environment

- The right to found a society and be a member of a society
- Criteria: founded voluntarily with a special founding contract, not for profit, members not owners and don't make ownership claims to property of the society
- Organized, independent legal unit
- Equality – all members have the right to attend meetings, get a word, make suggestions, vote
- Run by a board – rights, responsibilities

Program of the Annual General Meeting

1. Selection of moderator and secretary
2. Report of the board about the work of the society in the previous year
3. Reviewed bookkeeping presented
4. The workplan for the next year presented
5. Changes in the law
6. Decision about membership fee
7. Election of the chair and other board members
8. Election of two reviewers of the book keeping and two substitute reviewers if possible
9. Discussion about major policy matters and goals
10. Other business

It is allowed to change the order of these points.

The goal

- What are they?
- How do we want to achieve them?
- Do we want provide service or are we an interest group (hagsmunasamtök)?

Establishing a society

- Advertise a general, open meeting
- The advertisement must be accessible to everyone
- The society has to be open to everyone who is interested in working towards the goals

Founding agreement (samþykktir, the law)

- The name of the society, address, purpose, description of the goals, membership and information about the payment of the founding cost (?)
- The minutes from the founding meeting have to include information about the vote of: chair, board, book-keeping controller, project manager, power of attorney (prokúruhafar)

The law

1.gr. *Name*

2.gr. *Legal address*

3.gr. *Purpose, goals and ways*

4.gr. *Membership*

5. gr. *Organisation and management*

6.gr. *Board and management of the society*

7. gr. *The role of the board*

8. gr. *Council of representatives*

9.gr. *Finances*

10.gr. *Disolving of the society*

11.gr. *Changes in the law*

Agreed at AGM (date, place)

Law confirmed by the board of the society.

Key points of the law

- Name, address
- Goal
- Who are members
- Board – work, who, for how long, working rules, responsibility – neglect;
- Finances – fee, bookkeeping year, who can commit the society to loans, if the society is dissolved, what becomes with its property
- Confidentiality; financial responsibility – when rules broken, when lack of control
- Responsibility even if the board member doesn't attend the meeting
- How to avoid liability? BE CRITICAL IN THE MEETING; BOOK A FORMAL DISAGREEMENT WITH A DECISION; VOTE AGAINST A DECISION; RESIGN AS A BOARD MEMBER

Registration

- The society registers at the National Tax Authority (Ríkisskattstjóri) and applies for the identification number (kennitala)
- The law and the minutes from the founding meeting follow
- Signatures of the board members have to be on the minutes and on the law

Inner organisation

- The board
- Work division
- Power division
- Decision making
- Planning

Board

- Number of board members
- Chair
- Who does what
- Policy and policy making
- Meetings and minutes

Division of work

- Distribute work as much as possible
- Create groups around big projects
- Groups assist each other as needed
- Careful – individual members should not do too many projects
- Voluntary participation

Power division

- One person cannot have all power in a society
- Those who take upon themselves a project, are responsible for it
- The more take part, the better
- If the groups are too big, work may not be efficient

Decisions

- Major decisions discussed at board meetings
- Information about decisions appears in minutes from board meetings
- Vote – majority decides
- Individual project managers take small decisions about their projects
- Discuss – important

Planning

- How do we achieve goals
- How do we work on projects
- What “tools” do we need to use
- Never forget the main goals
- Celebrate when goals are achieved!

Responsibility

- Society
 - Members
 - Board
 - Board members
-
- Power of attorney (umboð) – bank, etc.
 - Financial and non-financial obligations

Reports

- Describe progress and achievement of individual projects
- Annual report
- Annual financial overview (ársreikningu)

Organisation of societies

- Difficult to define owners
- Unclear division of power between decision taking power and management power
- The decision taking is in hands of volunteers – also management
- Complicated

Organisation

- When founding – think about form, efficiency, division of power, working environment, work for
- Changed circumstances can lead to changes in organisation
- Members, volunteers, board meetings, AGM, board, management, permanent committees, ad hoc committees/project groups/(professional) counsellors, office and employees

Development stages of societies

- **1. birth**

- Dominated by founders, run on adrenaline, few systems, informal structure, consensus management style

- **2. youth**

Many new stuff, new leadership, attempts to systemize, confusion between consensus and consultation, board/staff roles muddled

Development stages of societies – cont.

- **3. adulthood**
 - Strong leadership, strategically managed, board governs, managers manage, systems established, professional people management, clear reporting and accountability
- **4. maturity**
 - Cause is well established, older staff, less entrepreneurial, highly experienced, risk of being taken over by other organisations
- **5. decline**
 - Needs change, new purpose, allow rejuvenation

Boards

- A group of people who are chosen for leadership; they often work without reward for the benefit of the society
- Size: depends on the size of society, roles, from 3 to dozens
- Election: at AGMs; in work units based on nominations; vote of the board

Development states of boards

- **Establishing phase** – groups of friends
- **Youthful phase** – friends and professionals, development of board and management procedures
- **Adult phase** – more professional, less visionary, committee structure grows
- **Mature phase** – complex structure, laziness
- **Rejuvenation** – mixed membership, new structures and procedures

Roles of boards

- Policy making
- Control role
- Financing and personal management
- Representation, advocacy
- Hiring role

Roles of board members - chair

- Work for the board
- Work for the society
- No more influence in the board than other board members, unless specified in the law
- The boss of the director (framkvæmdastjóri)

Roles of board members - secretary

- Write minutes
- Other roles often are:
 - – assist the chair
 - – Know the law and rules of the society
 - – keep and organize files
 - – keep and organize member lists / memberships
 - – answer requests via phone, email and letters
 - – be vice-chair

Roles of board members – vice-chair

- Major role – the substitute of chair
- Work closely with the chair so she/he is able to take over
- Often the chair and vice-chair divide roles

Roles of board members - treasurer

Management of financial matters of the society

- pay bills
- bookkeeping, secure good practice
- be informed about financial situation of the society, advice if finance are available for projects
- annual financial report
- answer questions about accounts, bills, finances
- be responsible, or at least well informed about fundraising

Roles of board members - substitutes

- Their role often unclear
- Needs to be decided
- They need to be informed but they keep their flexibility

Other roles

- International representative
- Fundraising representative
- Information offices
- Public relations manager
- Project manager

Division of work

Roles of board members change when employees are employed

General criteria:

- Board takes all major decisions, shapes the policy and focus of the society
- Director and employees react to instructions of the board, tend to daily work and organisation, take important measures (not major, or unusual)
- Problem with power

Work division and responsibility

- Strong board vs. weak employee
- Weak board vs. strong employee
- The boards have collective responsibility
- No board member can be free of the responsibility

Effective meetings

- Task: remember the worst and the best meeting that you attended 😊
- 1. preparation
- 2. running the meeting
- 3. minutes
- 4. behaviour in the meetings
- 5. follow-up

Effective meetings – agenda

Agenda / invitation to meetings:

- when, where, program
- Data – send on time; attendees read before the meeting
- Decide other business before the meeting

Running the meeting: elected moderator

- Responsible that meetings are legal, agenda discussed, steer the discussion

Effective meetings – moderator

Moderator – must have trust of attendees, needs to know the law of the society, the agenda and follow the discussions

Minutes – often underestimated; the aim – overview about decisions taken; historical overview about activities of the society

Good minutes – concrete, main points, all decisions clearly stated

Effective meetings – minutes

The minutes –

- What meeting
- Date, time, place
- Who attended, when meeting started, when meeting finished, who wrote the minutes
- People who come late and/or go sooner – make a note in the minutes

Effective meetings – behaviour in meetings

- Effective and fun
- Everyone creates good atmosphere – no aftermath of the discussions

Respect – trust – agreement

Talk to the point, keep the agenda, respect opinions and time of others, follow, be prepared

Effective meetings – follow-up

- Every meeting attendee is responsible for the follow-up
- Important – don't accept work that you cannot deal with
- Let know if you cannot do what you took upon yourself
- Read minutes and comment if needed

Who is a good board member?

- Secure continuity
- Have clear vision, role and goal
- Plan – projects, finances...
- Knows the society well, law, rules, policy, goals
- Knows about funding and financial situation
- Knows his/her role and responsibility
- Looks for information
- Takes decisions with the benefit of the society in mind
- Secures good atmosphere, good collaboration
- Has time to tend to his responsibilities/work within the society

Food for thought

- Volunteers
- Strong ideas about the work – sometimes different
- If someone doesn't do his share of the work, others have to step in
- Difficult to find good people into boards

Partnerships

Partnerships

- Collaboration
- Strategic
- Counselling, assistance
- Visibility, promotion

All relationships – two way

- What do we give?
- What do we get?

Collaboration of Móðurmál

- Department of Education and Youth of the City of Reykjavík
- SAMFOK (the alliance of parent´s associations of elementary schools in Reykjavík)
- International and Heritage Language Association, Edmonton, Kanada
- Cultural Center Gerðuberg and the City Library of Reykjavík
- Vigdís International Centre for Multilingualism and Intercultural Understanding
- Karaconnect
- Almannaheill
- Modersmalcenter in Lund, Sweden

Lobbying

- You have a voice – it's time to use it

Key way

- To advance the mission,
- To amplify the voices of supporters
- To educate policymakers
- To protect values

Preparation for lobbying DOs

Advance preparation is key

- Establish relationships
- Do your research
- Prepare materials
- Expect unpredictability
- Have a plan for the meeting
- Listen
- Have the solution

Preparation for lobbying – DON'Ts

Avoid

- Ignoring opposition
- Limiting the lobbying to one party
- Overlooking the staff
- Making up answers

Policy making

Móðurmál – the Association on Bilingualism

- Motto (Diversity, identity,
- Goals/Mission
- Vision 2020

A way to achieve goals

What is policy making about?

- Value only if known, understood, and followed by employees/volunteers
- Policy: combination of resources and potential (Icel. hæfni) of the society
- Policy making: analysis to understand the situation and to decide where to go from that point
- Analysis → Shaping → Implementation

Analysis – influential factors

- Law and politics (government)
- Economy and economical situation
- Technologies
- Society
- Nature (environment)

- Clients
- NGO/society
- Competitors /Partners

SWOT analysis (strengths, weaknesses, opportunities, threats)

	Opportunities	Threats
Strengths	Do we have strengths to use opportunities?	Do we have strengths to avoid threats?
Weaknesses	What opportunities have we missed because of our weaknesses?	What threatens us in particular because of our weaknesses?

Some basic facts about policies

- Putting policies into practice
- Adjust work to the policy
- Make policy making a daily part of everyone's work
- Make policy making a constant process
- Activate leaders / management / coordinators

Contract making

- Connections in the society – everyone's role
- Fulfilling needs – why negotiate?
- What and for whom?
- Win–win
- Main goal – and partial goals
- Sincerety

Key points about contracts

- Knowledge about the contract matter
- Termination and re-evaluation
- Period of time
- Quality demands and control
- Sanctions
- The unexpected
- Collaborate and “make the cake bigger”

Rights and duties in contract making

Formal:

- Law, regulations, contents of the contract, agreements from meeting, formal evaluations

Informal:

- Confidentiality, trust, ethics, personal features, interest, outer influence, culture, society

Personal management in NGOs

- Complicated – volunteers – what obligations do they have?
- Móðurmál: volunteer contract vs. personal connections
- Important combination: visionaries vs. employees

Development in employment vs. volunteer

- 1. volunteers take care of management
- 2. employee to assist volunteers
- 3. employee manages projects but board is directing
- 4. employee is a managing director
- 5. member and employee management

Interests

- Employees – board – members
- Connections: size – friendships – personnel changes – who manages whom?
- Conflict of interests?
- Instable financing?

Leadership and management of NGOs

What management?

- Financial management
- Project management
- Personal/personnel management
- Planning
- Marketing
- Etc.

What does the manager do?

- Set goals, decide policies, look for resources, organize resources, communicate, decide what needs to be done, who does what, how communicate, make decisions, introduce technology, bring in know-how, help, coordinate, guide, support, motivate, follow, measure, change, secure follow-up, secure sustainability, represent, crisis and problem management, solve problems, train, inform, set working rules, distribute work, care, support, listen, be a model, give feedback.....

Key matters in personal management in NGOs?

- Motivation – loyalty – balance of work/family/volunteer work – distribution of work – rewards



Teamwork - Patrick Lencioni

The single most untapped competitive advantage is teamwork.



To gain this advantage, teams must:

- ▲ **Trust** One Another
When team members are genuinely transparent and honest with one another, they are able to build vulnerability-based trust.
- ▲ Engage in **Conflict** Around Ideas
When there is trust, team members are able to engage in unfiltered, constructive debate of ideas.
- ▲ **Commit** to Decisions
When team members are able to offer opinions and debate ideas, they will be more likely to commit to decisions.
- ▲ Hold One Another **Accountable**
When everyone is committed to a clear plan of action, they will be more willing to hold one another accountable.
- ▲ Focus on Achieving Collective **Results**
The ultimate goal of building greater trust, conflict, commitment, and accountability is one thing: the achievement of results.

Project delegation

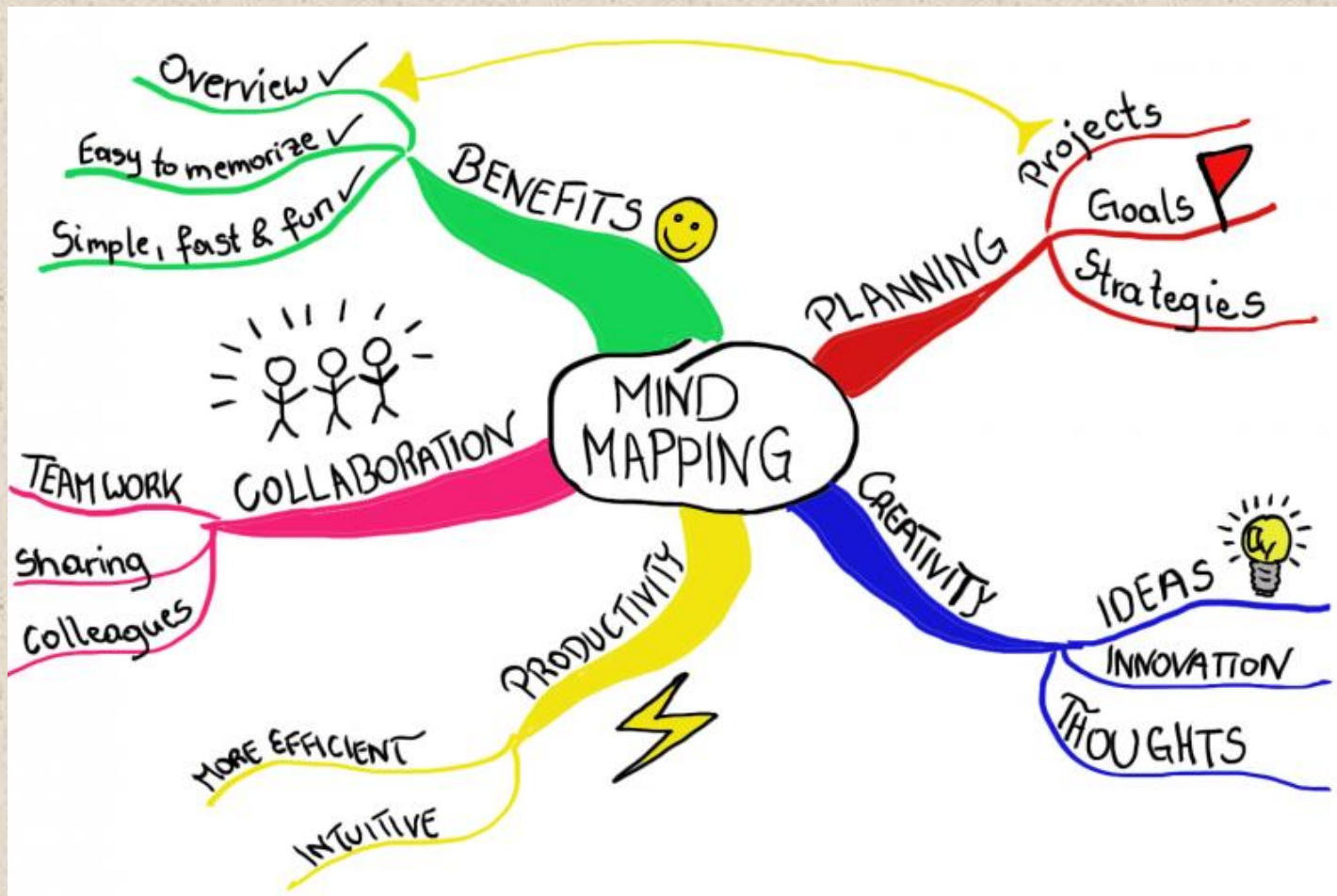
- Introduce
- Explain
- Make sure that person understands
- Give access to information, technology etc.
- Let go
- Support

Event and project management

- 1. Develop event goal and objectives
- 2. organize a team
- 3. Set a date
- 4. Brand your event
- 5. Create a master plan
- 6. Determine administrative processes
- 7. Identify and establish partnerships and sponsors
- 8. Create a publicity plan
- 9. Establish a budget
- 10. Determine an evaluation process

See the Event Planning Checklist (www.wildapricot.com)

Mind map



Planning a meeting – online tools

- Google drive – i.e. google doc
- Dropbox
- Doodle
- Trello
- Youtube – Vimeo

Marketing and visibility

- Móðurmál – brand
- What image does Móðurmál have?
- Who in the society knows / doesn't know about Móðurmál?
- Why?
- Search engines. Interactive advertising. Email. Online public relations. Social media.

Media

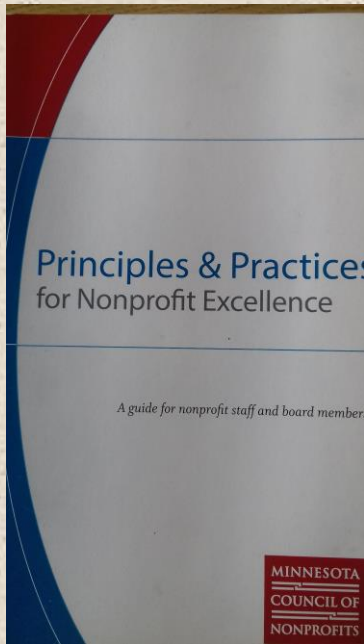
- Website
- Facebook
- Youtube
- Google drive
- Skype
- Dropbox

- Instagram?
- Twitter?
- Snapchat?
- Mailchimp?

Monitoring media

- <https://hootsuite.com/>
- www.vaktarinn.is
- Google Analytics
- www.innut.is
- Socialbakers.com
- Sproutsocial.com
- www.google.com/ads/agency/toolkit.html
- www.smartinsights.com/marketplace-analysis/google-tools-you-may-not-know-about/
- www.imrg.org

Principles and Practices for Nonprofit Excellence - overview



<http://www.minnesotanonprofits.org/nonprofit-resources/principles-and-practices/principles-and-practices-for-nonprofit-excellence-2014/principles-and-practices-for-nonprofit-excellence>

Principles and Practices for Nonprofit Excellence – overview cont.

Governance

Transparency and Accountability

Financial Management

Fundraising

Evaluation

Planning

Civic Engagement and Public Policy

Strategic Alliances

Human Resources

Volunteer Management

Leadership and Organisational Culture

Governance

- Board characteristics and qualification
- Board composition
- Board responsibilities
- Board operations

Transparency and Accountability

- Accountability
- Accessibility and public input
- Public information
- Fairness and equity practices

Financial management and fundraising

- Functions
 - Compliance
 - Sustainability
-
- Policies
 - Accountability to donors
 - Communication with donors

Evaluation and Planning

- Components of evaluation
- Uses of evaluation
- Mission, vision and values
- Components of planning
- Plan types
- Operational/annual workplan
- Contingency plans

Civic Engagement and Public Policy

- Promoting participation
- Advocacy and public policy
- Lobbying
- Political campaign activity

Strategic alliances

- Strategy for creating connections
- Assessment/Decision-making
- coordination

Human Resources and Volunteer Management

- Employee policies
 - Recruitment and retention
 - Diversity and inclusion
 - Training and development
-
- Volunteer engagement
 - Recruitment and screening
 - Engagement and supervision

Leadership and Organizational Culture

- Decision-making
- Communications
- Culture