P·ACT

SEED promoting entrepreneurship for sustainable development

MIT D-Lab designing for a more equitable world

Welcome to the Workshop

Name of Workshop

Tool: Governance Charter

How will we oversee the partnership?

Step-By-Step

Step 1 — Define governance roles ▸ Step 2 — Define monitoring processes ▸ Step 3 — Define coordination processes

Facilitation

Teams

Partner 1

Organization's name	
Representatives	

Partner 2

Organization's name	
Representatives	

Example

Step 1 — Define governance roles

Step 2 — Define monitoring processes

Step 3 — Define coordination processes

Example:

Hydoria

Partnership driven by national Hydoria government (Partner 1); bringing together International NGO Water Alliance (Partner 2); multinational water treatment corporation W3 (Partner3); and tech start-up Raindrop (Partner 4) to provide safe drinking water to rural communities. (Hydoria Teaching case)

Board Composition

Board Member	Partner Organization	Member Role
John Smith	Water Alliance (NGO)	Co-Chair
Candice Abudeyi	Hydoria Development Ministry (government)	Co-Chair
Olga Einstein	Raindrop (Tech start-up)	Secretariat
Roger Black	W3 Inc. (Global utility services corporation)	Treasurer

Board Mandate:

Ensure positive progress of partnership towards established goals and resolve any conflicts or obstacles.

Monitoring Processes

	Processes	Lead Member	Frequency
Performance Management	See Monitoring Dashboard developed by project team	John Smith	Monthly
Risk Management	See Monitoring Dashboard developed by project team	John Smith	Monthly
Financial Oversight	Develop a spreadsheet to monitor financial indicators and spending	Roger Black	Quarterly
Compliance Oversight	External audit report	Candice Abudeyi	Yearly

Coordination Processes

Internal Communication	Respective communication managers will align on message and language guidelines.
Risk Management	All internal communication need to be reviewed by communications departments and submitted to review and approval by Board.
Financial Oversight	We will seek to reach consensus whenever possible and use majority voting when consensus is not possible. Seek community vote if divided.
Compliance Oversight	Operational conflicts will be submitted to the Board for decision-making. Contractual conflicts will seek third-party arbitration.

Governance Principles

- Accountability: Schedule bi-yearly community vote by organization leaders and board members.
- Develop a code of conduct document to share with all board members and project team members (lead: Einstein)
- Diversity: Build a project team that has balanced representation of gender on ethnic backgrounds
- Learning: Develop a learning road by years team building and reflection retreats mandatory for all partnership team & leadership.

Step 1 Define governance roles

Board Composition

Board Member	Partner Organization	Member Role

Board Mandate:

Step 2 Define monitoring processes

Monitoring Processes

	Processes	Lead Member	Frequency
Performance Management			
Risk Management			
Financial Oversight			
Compliance Oversight			

Step 3 Define coordination processes

Coordination Processes

Internal Communication		**Governance Principles**
Risk Management		
Financial Oversight		
Compliance Oversight		

Steps Description

Step 1 Define governance roles

The governance board of a partnership includes high level representatives from each partner organization. This group has the mandate to ensure the general oversight of the partnership performance, to make decisions for moving the partnership forward and to address any important challenges or barriers. It can also fulfill other specific functions depending on the partnership context.

1.1. Discuss and align on the following aspects of the partnership governance board:

* **Board mandate:** WHY does the board exist? What are its overarching goals and objectives for the partnership?

* **Board functions:** WHAT will the board do? What responsibilities and functions will it have? Examples *(see example box on the right)*

* **Board composition:** WHO should be on the board? What will be each member's role?

- What **skills and capabilities** are required to fulfill the board functions. Examples: Technology expertise, Financial management, sectoral intelligence, government relations...

- Do we have the required skills on the board? Who else should be invited to join the board to fill any gaps? Is the board composition **diverse** (perspectives, gender, ethnic...)?

- What **roles** need to be fulfilled for the board management. Example: Chair, co-chair, secretariat... What are the responsibilities of each role and who will fulfill each role?

Examples of board functions:

* Monitor performance & risks

* Monitor budget spending and savings

* Ensure internal staff and leadership buy-in

* Negotiate any necessary amendment to established contract

* Make critical resource allocation decisions

* Approve progress to new phases

* Approve important external communications

Board Composition

Board member	Partner organization	Member Role

Board mandate:
WHY does the Board exist? What are its overarching goals and objectives for the partnership?

Step 2 Define monitoring processes

2.1. Review your list of governance functions and identify those that will require regular monitoring. For each monitoring function, discuss and decide on the processes and tools that you will need to develop to monitor and report on the partnership progress. Identify specific tools if they already exist, otherwise discuss a plan to develop these and assign responsibilities.

2.2. For each monitoring function, discuss and decide who from the committee will be responsible for reporting back to the committee and at what frequency will this area be monitored.

Monitoring Processes

	Processes	Lead member	Frequency
Performance management	How will we ensure that the partnership is progressing successfully towards its KPIs ?		
Risk management	How will we ensure the partnership risks are under control?		
Financial oversight	How will we ensure that the partnership activities are on budget?		
Compliance oversight	How will we ensure that the partnership activities are in compliance with relevant rules and regulations?		

Step 3 Define coordination processes

3.1. Beyond monitoring functions, governance boards are often responsible for general coordination functions that could benefit from established processes to ensure a consistent and efficient handling when they need to be fulfilled (*see examples in table below).* Discuss and align on the coordination processes that you will put in place to ensure success.

3.2. Discuss and record any principles you consider important for your governance board to abide by. These could relate to mutual values, workstyles and mindsets (see Cultural Fit tool). Make sure to also establish rules specific to the board meetings planning and execution.

Coordination processes

Internal Communication	How will we share information about the partnership internally within our respective organizations ?	**Governance principles:**
Risk management	How will we share information about the partnership externally with other parties?	How can we ensure a culture of accountability on the board?
Financial oversight	How will we make decisions about the partnership?	How can we create a culture of learning and continuous improvement on the board?
Compliance oversight	How will we resolve conflicts that may arise amongst the partners or with other parties?	How can we ensure a culture of inclusive collaboration on the board?
		How can we ensure exemplary conduct on the board?
		How can we ensure that the board work embodies any other shared values by the partners?