

EXCELLENCE IN NGO GOVERNANCE
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STRENGTHS

First, strengths in well-managed NGOs:

- 1. With well-governed NGOs, the mayor strength usually comes from sustained performance by their leaders.**

For example, Diane Morrison and Laird Eddy both started at the Ottawa Mission at the same time about 24 years ago. She began as a volunteer, scrubbing walls. I asked an employee of the Mission recently what he thinks the secret of their success is. “Treating every staff person as important”, “working as a team”, and “speaking to everyone” were among the responses. America’s best president, Abraham Lincoln, also believed in leadership-by-walking-around.

- 2. The leader is vitally important, but there must be excellent employees and volunteers as well.**

Someone once said about a political leader, “Excellent leaders gather really good people around them; poor ones recruit even worse ones as their team members”. Unfortunately, it’s probably true more often than not for all organizations. Good leaders know fully the importance of recruiting superb people in a fair and transparent process. Nepotism or cronyism is quite often fatal to an organization.

- 3. Strong volunteer boards, who know they are ultimately responsible for the performance and governance of the NGO.**

NGOs which get into trouble somehow quite often seem to be dominated by their heads, who often manipulate tame boards and probably select docile board memberships as well.

- 4. Financial mismanagement is avoided.**

As this is a common Achilles heel of NGOs, the treasurer, executive director, bookkeeper and accountant, or whatever combination applies, must work together always on a very close basis. The tragedies we have seen from afar at the much-respected Salvation Army in both Ottawa and Toronto recently illustrate the importance of this principle. Some funds and/or time should be spent to train staffers in every NGO to keep track well of every precious dollar.

MISTAKES TO AVOID

- 1. Recruit only qualified and otherwise suitable people for key positions.**

I understand that the American NGO experience is that it takes about six years to get back on track from a bad key personnel appointment, by the time the person is let go and a suitable successor put in place. This is probably equally true in Canada.

A wise person told me last week that another frequent problem with NGOs is that directors recruiting the heads sometimes use totally wrong and unstated criteria in choosing, such as “will this candidate listen to me?” Such directors should not be allowed to go anywhere near the recruitment process.

One NGO I know discovered after hiring someone that a number of representations and non-disclosures made in the CV and verbally were inaccurate.

2 Face-to-face interviews are essential; far better to find things out in the pre-hire stage than after a candidate is on the job.

One NGO leader I respect highly told me that she conducts really long interviews with the most qualified candidates. They go into lots of things allowed by employment and human dignity laws and responsible practices. Role-playing is done. Both sides need to know if their values are compatible. References are quizzed thoroughly. In fairness, I recall once hiring someone, who came through the interview brilliantly. Only as time went by did we discover that the person’s only goal was to advance up the political ladder as fast as possible; everything else was secondary.

3. Volunteer boards should not delegate too much to Executive Directors.

An NGO I know did this and suffered dearly for it because the E.D. was simply out of their depth from day one. The operating deficit ballooned. Some payments were not even processed. Bills were quite often not even provided to clients, and so on. Chaos reigned.

4. The first duty of any NGO is to survive financially; every employee and board member should act accordingly at all times.

The bookkeeper, Executive Director and Treasurer must communicate effectively before board meetings.

5. Board members must be sensible and prudent people and not be appointed because they are “nice”.

I know this sounds hard-hearted, but directors who are too nice can prove disastrous for an NGO on the edge. This is, of course, because such people tend to want to avoid at all costs giving offence to anyone. If hard questions need asking, it is rare that such directors will ask them. Accountability and responsibility are hard to achieve and it’s so much easier just to “let things go”. Once lost-- at least on financial matters-- they are very hard to get back.

6. Governance must accord at all times with best NGO practices.

One NGO over the years had come to allow its head to decide which directors would travel to conferences. The practice became for successive CEOs to favour their loyalists on the board, barring those who challenged the status quo from trips. In fact, the president was above the board and treated them as answerable to him, rather than vice versa. This is governance of the worst kind. Thank you.