

Management of International Institutions and NGOs

Frameworks, practices
and challenges

**Eduardo Missoni and
Daniele Alesani**

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MANAGEMENT OF INTERNATIONAL INSTITUTIONS AND NGOS

International Institutions (IIs), International NGOs (INGOs) and Transnational Hybrid Organizations (THOs) play a hugely important role in the modern world economy. Despite having been studied by scholars from a range of disciplines, these organizations have never before been approached from a management perspective. This ambitious book analyzes the management challenges associated with international cooperation and sheds light on how these organizations have evolved as the political, economic and business environments have changed around them. Covering an admirably broad canvas, the authors pursue two main objectives. Firstly, they explore the main management frameworks developed in the context of the corporate and national public/non-profit organizations and adapt them to the specificity of IIs and INGOs. This leads to the identification of a “tailored” approach to IO management based on their institutional and operational settings, stakeholder groups, core business, staff profile, and financial arrangements. Secondly, they “bring theory into practice” by linking frameworks to several case studies and best practices of organizations currently experimenting with management systems and tools, with case studies including the World Bank and the Gates Foundation. This comprehensive textbook is a must-own resource for students and academics involved with studying and working with international organizations.

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FOREWORD

Globalization is a complex phenomenon with multidimensional consequences on the economy and society, subsequently challenging the existing international governance frameworks. The economic power of transnational companies has progressively grown, while the influence of governments and International Institutions (IIs) has been decreasing or, at least, questioned.

In this context, evidence shows that despite an increase in financial resources, an extension of functions, and an overall augmentation in formal recognition of IIs, these organizations have substantially lost influence. In today's globalized world, IIs are only one component of a complex and highly fragmented system of economic and social agents influencing global governance, a system which increasingly involves the corporate sector and civil society and is made even more complex by a number of high-level initiatives, regimes, and public-private partnerships (e.g. G8, G20, Kyoto Protocol, The Global Fund to Fight AIDS, tuberculosis and malaria).

Rather than analyzing the global governance system, this book focuses on how effective management of IIs and International Non-Governmental Organizations (INGOs) can contribute to it.

The legitimacy of IIs primarily rests on the level of participation and commitment of national and intergovernmental players. An efficient and effective use of resources by IIs is a not sufficient, but surely a necessary condition to secure this fundamental support. However, the lack of a sound managerial approach has greatly contributed to a progressive loss of trust in IIs on the part of these essential constituencies and donors.

Often the argument has been put forward by opinion leaders that taxpayer money may be wasted in inefficient institutions which lack transparency or real impact on population wellbeing. The current global financial meltdown further exacerbated this tendency particularly because IIs' interventions often came with significant sacrifices and constraints attached.

In today's scenario, characterized by fast evolution of the relationships among very diverse global actors, global governance strongly influences internal governance of IIs and INGOs (collectively referred to as "international organizations", in this book) and shapes their funding policies and operations. Thus, in this rapidly changing context, management acquires an increasingly critical role.

With the end of the Cold War and the progressive establishment of a multi-polar system and a global free market environment, geopolitical relations are increasingly affected by financial issues. This process contributed to the expansion of both the scope and the aims of IIs in international development cooperations, trade and economic integration, and support to macroeconomic and financial stability. To face this challenge IIs need to regain credibility and show that they are capable of evolving from a "bureaucratic" to a "managerial" model that is based on efficient use of resources, orientation toward results, accountability for performance, financial transparency, decentralization, and effectiveness of operations.

This implies recruiting, educating, and nurturing international managers with the right competencies and skills to, on one hand, effectively and efficiently implement policies decided by the governing bodies (top-down flow), while on the other, identify, analyze, and understand global issues in order to properly orient the political decision-making processes (bottom-up flow).

To this end, at least three managerial models generally co-exist: "Diplomatic/Political", "Functional", and "Professional".

"Diplomatic/Political" managers directly support IIs' and INGOs' governing bodies in building political consensus and participation around global issues, economic rules, and socio-economic objectives. These profiles play a relevant role in drafting documents aimed at promoting or maintaining peace in a conflict setting and defining global standards, intergovernmental agreements, or financial rules. They also contribute to the promotion of global advocacy campaigns and global moral suasion behavior, for example against terrorism, corruption, and criminality of any kind.

"Functional" managers run the day-to-day operations in IIs and INGOs. This requires them to set up, manage, and continuously develop operating mechanisms such as planning, programming and budgeting, performance measurement and career development systems, management control and financial accounting systems, and internal and external communications. In IIs, these tasks are made even more challenging by the international nature of organizations; in these organizations there exists an inherent need to harmonize different cultural and professional backgrounds and build a separate international public management culture which is necessarily different from the national public administration models (e.g. UK or US civil servants vs. French bureaucracy).

"Professional" managers implement projects, programs, and field operations. They must have specific competencies and skills required by their respective professions and sectors of intervention (agriculture, infrastructure, healthcare, security, humanitarian aid, etc.) as well as a mindset oriented toward results. According to the specific environment where they operate, priority may be given to command-control chain, leadership, flexibility, and/or negotiation skills.

Based on the discussion above, the consolidation of management models tailored to II and INGO specificities requires defining the best mix of diplomatic, functional, and professional management profiles for the individual organization as well as the identification of career paths which will allow managers to grow across these three models. This process also needs to be supported by specific educational contents and programs, and guided by high ethical standards, in order to produce a new generation of international organization managers. Missoni and Alesani's book offers a first important contribution to this need.

In literature, IIs and INGOs have been investigated by a number of disciplines ranging from international relations to the political sciences. A managerial approach to these organizations only recently started to surface through a growing number of articles in international journals, and a wealth of professional concept papers and progress reports issued by single organizations. Nonetheless, there is to date no systematization of management reforms and practices in IIs and INGOs into a comprehensive framework, tailored to the institutional and operational specificities of these organizations.

Missoni and Alesani's book aims to fill this gap in international literature by exploring and identifying the main features of a managerial approach to international organizations. The reader will note the broad, cross-functional scope of this work (from strategy to accounting, from HR management to program delivery) and the ambitious challenge undertaken by considering IIs and INGOs jointly. These organizations have significant similarities and can be usefully compared as they are part of the same global governance system.

In this work, the authors adopt a strong, multidisciplinary approach and merge a rigorous theoretical component with a hands-on approach that will intrigue professionals, academics, and graduate students alike.

I trust that through this book readers will gain an in-depth knowledge of the functioning of international organizations and a comprehensive understanding of the best practices and the main challenges of international organizations that are currently experimenting with management reforms.

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LIST OF ABBREVIATIONS

AAA	Accra Agenda for Action
ACC	Administrative Committee on Coordination
ADB	Asian Development Bank
AECID	Agency for International Cooperation and Development – Spain
AfDB	African Development Bank
AHRMIO	Association of Human Resource Management in International Organizations
AIMS	Aid Information Management Systems
AL	Arab League
ASEAN	Association of South-East Asian Nations
AU	African Union
AWP	Annual Work Plan
BMGF	Bill and Melinda Gates Foundation
BoDs	Board of Directors
BoGs	Board of Governors
CAP	Consolidated Appeal Process
CCA	Common Country Assessment
CCO	Committee of Cosponsoring Organizations – UNAIDS
CDC	US Centers for Disease and Control
CEB	Chief Executive Board for Coordination
CEO	Chief Executive Officer
CERF	Central Emergency Response Fund
CHAP	Common Humanitarian Action Plan
CHFs	Common Humanitarian Funds
CIDA	Canadian International Development Agency
CMRs	Corporate Management Results

CoE	Council of Europe
CONGO	Conference of Non-Governmental Organizations in Consultative Relationship with the United Nations
CPA	Country Programmable Aid
CPAP	Country Programme Action Plan
CPC	Committee for Programme Coordination
CPD	Country Programme Document
CPPMS	Corporate Planning and Performance Management System
CRC	Convention on the Rights of the Child
CRIN	Child Rights International Network
CSO	NGO Coordination Support Office
CSOs	Civil Society Organizations
CSR	Corporate Social Responsibility
CRS	Creditor Reporting System – OECD
DAC	Development Assistance Committee – OECD
DAG	Development Assistance Group
DANIDA	Danish International Development Agency
DaO	Delivery as One
DESA	Department of Economic and Social Affairs
DFID	Department for International Development – UK
DHA	Department of Humanitarian Affairs
DPI	Department of Public Information
DPKO	Department of Peacekeeping Operations
DSRSG	Deputy Special Representative of the Secretary-General
EBRD	European Bank for Reconstruction and Development
ECHO	Humanitarian Aid Department of the European Commission
ECOSOC	Economic and Social Council
EIB	European Investment Bank
ERC	Emergency Relief Coordinator
ERFs	Emergency Response Funds
ERRF	Emergency Relief and Recovery Fund
ERP	Enterprise Resource Planning
ESA	European Space Agency
EU	European Union
EU-MIC	European Civil Protection Mechanism
FA	Flash Appeal
FACE	Funding Authorization and Certificate of Expenditures
FAO	Food and Agricultural Organization
FCTC	Framework Convention on Tobacco Control
FDI	Foreign Direct Investment
FS	Financial Statements
FSS	Forward Spending Survey – OECD
GAN	Global Action Network
GATT	General Agreement on Tariffs and Trade

GAVI	Global Alliance for Vaccination and Immunization
GDP	Gross Domestic Product
GFATM	Global Fund to Fight AIDS, Tuberculosis and Malaria
GIST	Global Implementation Support Team – UNAIDS
GNI	Gross National Income
GNRC	Global Network of Religions for Children
GPEC	Global Partnership for Effective Cooperation
GPPPs	Global Public–Private Partnerships
GPs	Global Partnerships
GRI	Global Reporting Initiative
HACT	Harmonized Approach to Cash Transfers
HC	Humanitarian Coordinator
HCT	Humanitarian Country Team
HIPCs	Heavily Indebted Poor Countries
HLCM	High Level Committee on Management – CEB
HLCP	High Level Committee on Programs – CEB
HLPC	High Level Panel on System Wide Coherence
HRM	Human Resources Management
IADB	Inter-American Development Bank
IAEA	International Atomic Energy Agency
IASC	Inter-Agency Standing Committee
IATI	International Aid Transparency Initiative
IBRD	International Bank for Reconstruction and Development
ICAO	International Civil Aviation Organization
ICC	International Chamber of Commerce
ICC	International Criminal Court
ICRC	International Committee of the Red Cross
ICSID	International Centre for the Settlement of Investment Disputes
ICSC	International Civil Service Commission
ICSU	International Council for Science
ICVA	International Council of Voluntary Agencies
ICYE	International Cultural Youth Exchange
IDA	International Development Agency
IDB	Islamic Development Bank
IDCF	International Development Cooperation Forum
IDPs	Internally Displaced Persons
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
IFFIM	International Financial Facility for Immunization
IFIs	International Financial Institutions
IFPMA	International Association of Pharmaceutical Manufacturers and Associations

IFRC	International Federation of the Red Cross and the Red Crescent Societies
IIs	International Institutions
ILO	International Labor Organization
ILLR	International Lender of Last Resort
IMF	International Monetary Fund
IMO	International Maritime Organization
INGOs	International Non-Governmental Organizations
IOM	International Organization for Migration
IPs	Implementing Partners
IPSAS	International Public Sector Accounting Standards
ISO	International Organization for Standardization
ITC	International Trade Center
ITTs	Interagency Task Teams
ITU	International Telecommunication Union
IUCN	International Union for Conservation of Nature
JIU	Joint Inspection Unit
KPIs	Key Performance Indicators
LDCs	Least Developed Countries
LFA	Logical Framework Approach
LoU	Letter of Understanding
LTAAs	Long Term Agreements
MAR	Multilateral Assessment Review – UK
MDGs	Millennium Development Goals
MDTF	Multi-Donor Trust Fund
MERCOSUR	Mercado Comun del Sur
MfDR	Management for Developing Results
MIGA	Multilateral Investment Guarantee Agency
MIIs	Micro-Indicators
MINUSTAH	United Nations Stabilization Mission in Haiti
MSF	Médecins Sans Frontières
MOPAN	Multilateral Organizations Performance Assessment Network
MoU	Memorandum of Understanding
MYFFs	Multi-Year Funding Frameworks
NAFTA	North American Free Trade Agreement
NEX	National Execution
NGDO	Non-Governmental Development Organization
NIEO	New International Economic Order
NPFM	New Public Financial Management
NPM	New Public Management
NPOs	Non-Profit Organizations
OAS	Organization of American States
OAU	Organization of African Unity
OCHA	United Nations Office for Coordination of Humanitarian Affairs

ODA	Official Development Aid
OECD	Organization for Economic Cooperation and Development
OECD/DAC	OECD Development Assistance Committee
OESC	Office for ECOSOC Support and Coordination
OIOS	Office of Internal Oversight Services
OSCE	Organization for Security and Cooperation in Europe
OSOCC	On Site Operations and Coordination Centre
PAHO	Pan American Health Organization
PCB	Programme Coordinating Board – UNAIDS
PDNA	Post-Disaster Needs Assessment
PIU	Project Implementation Units
PoW	Program of Work
PPPs	Public–Private Partnerships
PRSP	Poverty Reduction Strategy Paper
PSC	Peace and Security Council
PSC	Program support costs
RBB	Result Based Budget
RBM	Results Based Management
RC	Resident Coordinator
RDRAs	Regional Disaster Response Advisors – OCHA
RM	Resource Mobilization
RMF	Result Measurement Framework
SAP	Structural Adjustment Programmes
SCHR	Steering Committee for Humanitarian Response
SG	Secretary-General
Sida	Swedish International Development Cooperation Agency
SMSR	Synergic Model of Self-Reliance
SOI	Special Olympics International
SPs	Strategic Plans
SWAP	Sector Wide Approaches
TCPR	Triennial Comprehensive Policy Review
THOs	Transnational Hybrid Organizations
TNCs	Transnational Companies
TSF	Technical Support Facility – UNAIDS
UIA	Union of International Associations
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNASUR	Union of South American Nations
UNCDF	United Nations Capital Development Fund
UNCTAD	United Nations Conference on Trade and Development
UNCTC	United Nations Center for Transnational Corporations
UNCTs	United Nations Country Teams
UNDAC	United Nations Disaster Assessment and Coordination
UNDAF	United Nations Development Assistance Framework
UNDESA	United Nations Department of Economic and Social Affairs

UNDEF	United Nations Democracy Fund
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNDRO	United Nations Disaster Relief Organization
UNESCO	United Nations Education, Science and Culture Organization
UNEP	United Nations Environment Programme
UNFPA	United Nations Population Fund
UNGA	United Nations General Assembly
UNGC	United Nations Global Compact
UN-HABITAT	United Nations Human Settlement Programme
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Organization
UNHCR	United Nations Office of the High Commissioner for Refugees
UN-NGLS	United Nations Non-Governmental Liaison Service
UNODC	United Nations Office for Drug and Crime
UNOPS	United Nations Office for Project Services
UPU	Universal Postal Union
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
USAID	United States Agency for International Development
USAR	International Urban Search and Rescue
UNSAS	United Nations System Accounting Standards
UNV	United Nations Volunteers
UNWTO	United Nations World Tourism Organization
VfM	Value for Money
WB	World Bank
WEF	World Economic Forum
WFP	World Food Programme
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization
WSB	World Scout Bureau
WTO	World Trade Organization
WWF	World Wildlife Fund

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