

## 6. Real-time Consulting sessions Case Studies

Three Co-op members offered to share their stories within a real-time consulting group.

Presenter	Facilitator
Acia: FDC, Mozambique	Marissa: WINGS
Stephen with support from Donn�: Adopt-A-School	Barry: Synergos
Taki: Greater Ethekwini CF	Beulah: Community Development Foundation W-Cape

### 6.1 FDC, Mozambique (see also section 8.6 in the minutes)

*The case:*

FDC received a grant of US\$50 million from The Global Fund for the purpose of leading and managing the grants. "What would it take for FDC to manage effectively / efficiently the huge amount of money received without losing its own mission?"

Background: the CSO sector in Mozambique

In Mozambique, there are 600 legal CSOs (civil society index); initially thought mostly were based in the South and Maputo, but was found that 80% operate in the North and Centre. Further, 50% of the work of CSOs is "in-kind" (volunteers, community giving support etc.) → CSOs are weak (incl. inadequate in terms of decision-making and management and influenced by donor trends) as well as are constantly changing according to donors' trends. Also, not much advocacy and lobbying capacity within CSO sector regarding donors and government. There are 3, 4 national networks that represent the voice of civil society; but have a lot of problems regarding membership – it is always the same people. No national network for CSOs in general, only thematic.

→ There is now an expectation that FDC would act as an umbrella organisation; especially to play a role in advocacy.

Issues around the internal management of the grant received:

- "Receive & give / grant"
  - "Receive & Implement"
- .... With so many recipients, as well as sub-recipients.

*Key Questions of the Foundation to the Group:*

How should FDC manage the fund? Create another sub-organisation to manage the fund?

What systems should be in place? Will the current ones suffice or develop new ones? What about systems and management that is already there for funds from USAID?

How do we equip ourselves to control both the receiving and giving side (as above)?

How bring in the Global Fund into current systems and processes: incl. reporting and accounting systems – how have one system for all this?

*Clarifying Discussion: Several questions and issues were discussed, including experiences of other CGLC members which serve as suggestions:*

- Strong centralised accounting team
- Effective advisory board – with different stakeholders from e.g. a specific sector
- Strong management team (representing all sections of the organisation) with the most important person being the operations manager
- Set up a fundraising arm – a separate trust which can become an independent part of the mother organisation with its own trustees (can also include representatives of the mother organisation)
- Can be both implementing and grantmaking organisation
- Need a financial person to look after the funds that are coming in – is part of the system of the organisation – this will include reporting and other requirements. Also, design an M & E system for the organisation – this will be a requirement. If already have such a system, include new funds as part of it. Consider increasing staff component, even if only on contract basis for duration of the funds.
- FDC will be the contractual party and therefore responsible for the funds: there will be financial requirements in the contract
- FDC's role will not be to implement programmes, but to do grant-making – need to consider how will choose the grantees and what FDC's role will be: this includes due diligence to grantees, technical assistance to grantees incl. to fulfil contractual requirements. Also, levelling the playing field for equal chance to access the funds. Should have a clear strategy about addressing the issue in the sector for which the funds are for (HIV/AIDS): how do you wish to address HIV/AIDS? What type of projects will be eligible? Therefore, consider clear eligibility and selection criteria.
- Effective grantmaking further requires: Being clear on what type of expenditure will be allowed? What not? Transparency: who can access the funds and who not? Which projects will get grants and which not? Be clear on this since it can affect your credibility. One mechanism for transparency would be to form an advisory committee (multi-agency / sector) for decision-making about grant awards. Also focus on relationship management with the grantees.
- FDC usually choose own grantees, but for this one will have to put out calls for proposals
- M & E: grant staff should do direct monitoring – overall evaluation is separate activity / system
- Have "on-the-ground" advisory committee too

- Consider a rating and an appeal system
- Your systems and approaches should reflect your values and principles
- Suggested grant making system:
  - o Not be a gate keeper of the money, but make sure it gets out;
  - o Must have cycles: Call for proposals (remember the point on eligibility and selection criteria), Advertise (also at community level), Easy language, Use of "post card" (to inform have received application and will be in contact by a certain date), Due diligence, Important to pay attention to those rejected, Technical support (incl assist in setting up systems for grantees if not in place)
  - o Entry and exit strategy

## 6.2 Adopt-A-School

### *The Case:*

The Foundation has both 'adopter' and 'anchor' donors, but needs to build the base of 'anchor' or core general support donors.

'Adopters' love the concept and the hand-on involvement with their adopted schools. But some more remote and rural areas are missing out because prospective adopter companies are not located nearby.

Building on its significant success in securing domestic funding, the Foundation wants to explore the possibility of attracting 'anchor' funding and support from international sources, but this is not an area in which it has much experience.

The Foundation is particularly interested in raising additional international funds for bridge financing for rural schools. As a first step, it is assembling a donor database.

The Foundation is building local assets through BEE transactions and will continue to be 80% funded from local sources.

The Foundation requests the session to provide guidance and advice on its plans to embark on an international campaign.

### *Key Questions of the Foundation to the Group:*

What are the implications of dealing with international donors, as well as other kinds of donors?

What is the relevant experience of other Coop members?

How should the Foundation get started in its international funding effort?

### *Clarifying Discussion:*

Several questions and issues were clarified in the discussion of the case:

- Anchor donors do get recognition, participate in site visits, etc.
- Shanduka Group is the key anchor donor.
- Anchor donors are programme funders.
- The Foundation also mobilizes volunteers from corporate partners to work with schools, along with support NGOs and experts.
- The Foundation has organized leadership training at Wits for principals in the North West Province.
- Key components of the 'case statement' to donors for the programme are:
- Education reconstruction and development is a long term project – at least 25 years will be needed to revive and renew the system.
- If action is not taken, we may lose another five generation of kids to bad education.
- Improvement in education is critical to democracy, stability and economic growth.
- The programme builds on partnership with government, business and civil society, and the contribution and engagement from government is growing.
- The Foundation can document outcomes. It is engaged in a rigorous impact evaluation process and tracks data on pass rates, attendance, etc.
- The Foundation collaborates with other education funders and NGOs and does not duplicate service provided by others.

### *Key Advice and Summary Recommendations:*

- Analyse and segment the donor market, with a catered approach to each difference segment:
  - International official aid agencies
  - Private foundations and philanthropists
  - International NGOs (Save the Children, etc.)
  - International companies
- Define what quality of donor you are looking for and pursue 'quality' donors.
- Mine your existing network for connections, donor prospects and possible partners.
- Recruit some international champions and patrons.
- Raise the local and international profile of the Foundation and have a presence at selected international philanthropy and development forums/conferences.
- Build on the partnerships angle of the programme i.e. the Foundation is helping to build a whole series of local multi-sector education development partnerships.
- Offer anchor donors a package of services and products i.e. clustered school projects, whole community development initiatives, etc.

- Capture and disseminate the leanings from the programme and offer knowledge development/learning opportunities to donors and development agencies.
- Make the case with reference to international development targets, like the Millennium Development Goals.
- Research, research, research! Avoid 'cold calls.' It's all about building trust and relationships.
- Make allowance for the long turnaround times for international donor decisions and funding allocations.
- Leverage any existing international donors to secure new partners.
- Consider offering 'learning journeys' to donors and development agencies to see the work on the ground.
- Consult existing donor databases, such as the Inyathelo database, etc.
- Document the human story of the programme. Secure and use testimonials about its value and impact.

### 6.3 Greater Ethekwini Community Foundation (ECF)

#### *The Case - Current Situation and Background Of Organisation*

ECF is 6 years old this year. It has a staff complement of 3: 2 Part-timers and 1 fulltime staff. It has undergone 3 phases of maturation and it is now functioning as a foundation in the business of Grant-making, mobilizing stakeholders, financial and other resources. We have successfully opened a space in the public arena creating increased expectations from the foundation. As a Part-time Director, Taki has come to the realization that she can only focus on strategic leadership and that there is a need for someone who can focus on programmes management on a full-time basis. Probably need a full-time Director, but Taki has only been with the organisation for a few months and therefore if she resigned completely, the move would be damaging to the organisation's reputation. Funding for this Position can be made available.

#### *Key Issue That ECF Needs Help To Answer*

How can we ensure maximum efficiency and effectiveness of the Foundation in order to attain set targets and goals for growth?

Our internal environment is normal but underperforming whilst the external environment is excited about the 'New' organisation and has very high expectations of it.

#### *Issues to Discuss*

- Is it time to move the organisation into sustained growth: what are the key issues that need to be addressed to achieve this?
- What is the "proper position name" for the incoming incumbent?
- What goals and targets should the incoming person be charged with?

#### *Real Time Consultation*

Taki did the presentation as above and once the presentation was made, the consultants began to probe. From the probing the group began to get a clear picture of what needed to be done and a Taki was tasked to create a programme of action that the consultants guided me in creating. Taki stated that she found the probing uncomfortable especially because she had a preferred "solution" to her Question that she was hoping to get confirmed. The consultants (the group) place a lot of emphasis on the role of the Board when all Taki wanted was: "Hire such and such a person to do such and such" quick solution! The process however, helped Taki to see other weaknesses in the organisation that she had overlooked and proved to be very helpful – "just what the doctor ordered"

*At the end of the consultation, the following was the suggested way forward:*

*Together with the consultants we agreed on this course of Action*

- There is a need for Board Expansion with real expertise to be recruited
- A 1-day "Brainstorming" Strategic Planning meeting with the Board and staff using an external facilitator would be helpful and is strongly recommended – at this meeting, the skills audit would be conducted in order to inform Board member recruitment. Committees to help with various functions would also need to be instituted
- Current staff member to be capacitated to take on a higher level of function
- A sit visit to Johanna for Peer learning purposes was recommended for 2010
- Taki's (Director's) role would need to be concretised as that of strategic leader and face of the organisation focusing on external environment and holding monthly work planning meetings with the staff.
- It was agreed that there was a need for a Program's manager Position in the organisation and that due diligence needed to be followed in the recruitment, interview, selection and induction process. A proper performance contract would need to be put in place together with performance indicators – The consultants will help with this process.
- It was suggested that I Approach Capacity building organisations that can help us in the process: Koinonia Resource centre was suggested.

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