

Draft Report on Governance Investigations for Z-NET Uralla

Introduction

Governance Working Group: Sandra Eady, Stephanie McCaffrey, Peter Low, Tom O'Connor, Teresa French, Kevin Ward

The Governance Working Group was established to investigate options for formalising the business structure of Uralla Z-NET that would best meet the purpose of rolling out Z-NET projects in the town and shire.

On behalf of Z-NET Uralla Reference Group – ZURG (formed during the pilot Z-NET Blueprint to provide community engagement and input), the Governance Working Group investigated different models for governance and organisational structure. Background research was undertaken (See material in Appendices) and the Working Group met with five parties to discuss organisational and governance models. A recommendation was brought back to the ZURG on how to proceed.

[Elizabeth Tonc, Business Consultant on structures for community energy facilities and PhD student at University of Sydney](#)

We met with Elizabeth on 16th October 2015 by phone. Working Group members present were Tom, Sandra, Peter and Teresa.

Elizabeth has a background in law, sustainability, community energy project governance and building models for community groups. Although each individual situation will require its own solution, there are some guiding principles that Elizabeth helped articulate for us. The first is to understand the level of engagement from your community as this will guide the structure and governance model selected.

Elizabeth described four classes of engagement that influence choice of structure:

- i. Lot of people engaged with strong agreement and consensus on path to take (loose/informal structure)
- ii. Lots of people engaged with strong and divergent opinions (strong/formal structure)
- iii. Community not much engaged and not likely to become more engaged (strong/formal structure to deliver outcomes)
- iv. Community not much engaged but likely to be with more engagement activities (loose/informal structure)

The Working Group unanimously identified that we belong in the “Community largely un-engaged and not likely to become more engaged with awareness raising strategies”. We feel we are at the stage of needing to get results on the ground with individual projects, and this will bring greater community engagement as well as concrete Z-NET achievements.

Therefore, we need to develop a formal structure to be able to manage and implement projects on the ground. The role of Uralla Z-NET is more akin to a project management role and so we need to look to good project management practices to guide how we operate e.g. planning, resourcing, risk assessment, impact indicators, etc.

With regard to a legal entity, Elizabeth advised being independent to ensure we have control over own activities, funding and decision making. There are added layers of complexity and risk if we are auspiced under another body. Her comment was – “When things go well the auspicing agency will take the glory, when they badly we will take the blame.”

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In terms of the organisational structure, the suggestion is we have an over-arching Steering Committee, and under that we have Project Owners/Sponsors and Project Teams. The Steering Committee membership should be the Chair, the Project Owner/Sponsor and Project Team Leaders, a member with business oversight (financial, legal), an Engagement Manager, and a member with technology oversight. With regard to the Project Team, the suggestion was to have a Project Leader (who does the work with team members) and a Project Owner/Sponsor (who makes sure the Team is doing what is tasked to do). The Project Owner/sponsor would also be a member of Steering Committee.

The mix of skills required would cover: technologies being considered, community engagement and communications, someone to monitor the “sentiment” in the community, project management, legal (contracts, monitor regulations and rules, understand liability, insurance), financial, and risk assessment.

Suggestion was that for project roll out, the Steering Committee would need to be meeting every 2-3 weeks in the start-up phase, meetings need to be minuted, records kept of activities, and roles need to be well defined. Project Teams need to be furnishing regular reports. Regarding “rules of engagement”, Elizabeth said to Google it and choose a set that look ok for our purpose.

With regard to bulk buy programs and engagement of external businesses, we need to have a formal tender process and a clear and transparent assessment procedure for selecting businesses.

Final advice is to hold our first meeting, discuss the governance and structure issues and we will start to form our mode of operation as we go. Elizabeth offered to communicate further with us to help in the process.

Subsequent to our meeting, Elizabeth took a position overseas and there has been no follow up meetings.

Heyfield Resource Centre, country Victoria – Julie Bryer

We met with Julie by phone on 16th October 2015. Working Group members present were Tom, Sandra, Peter and Teresa.

Heyfield Resource Centre (Neighbourhood Centre/House) has a co-ordinator position (26 hours per week) funded by the State Government. The Resource Centre is used by the community as an umbrella organisation for community projects, providing insurance cover. They conduct a range of projects including sustainability projects, ambulance, and local newsletter.

They have a Bookkeeper, hold monthly meetings, do the banking for all groups (requirement to have the group recognised for insurance purposes), but do not get involved in the decision making of the hosted groups.

The key attributes identified to make this structure work well for a community were:

- i. Willingness of the umbrella organisation to be open to and support new ideas, initiatives and approaches
- ii. A healthy shared culture with Z-NET purposes and values
- iii. An existing functional organisational structure with regular meetings and reporting

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- iv. The financial and book keeping skills to manage funds separately for different groups and to pay bills on time

The final advice from Julie was that a Neighbourhood Centre is a good way to host a group like Z-NET given its need for insurance, low critical mass to do all the tasks of being an independent entity, and time delimited nature of the project work (not likely to go forever like a Community Garden or Lions Club).

Sustainable Living Armidale

We met with the Executive Committee for SLA on 28th October 2015 in Armidale. Working Group members present were Tom, Sandra, Peter, and Teresa. SLA Executive members were Iain, Patsy, Bar, Rochelle, Jo, Sarah, and Mahalath.

SLA described the evolution of the group from a loose arrangement of volunteers who set up the first 'SLEX' and workshops in 2007, to a more structured organisation with monthly Forums in 2008, to the current structure where SLA identity was formulated (2010), they merged efforts with a Transition Towns interest group (NECU & Ascent leading this) and established significant Action Groups within SLA (Community Garden, Coal Seam Gas).

This last step involved becoming an incorporated association, forming an identity (Connect, Create, Inspire, Act) and articulating a vision statement, running a logo competition, setting up a constitution and rules of engagement, putting in place the relevant administrative requirements (insurance, bank account). SLA is not a charity for tax purposes but is investigating this. It is difficult to get tax deductibility status if you are an environmental lobby group (may be easier for Z-NET if we have own identity).

Department of Fair Trading administers the rules for such organisations.

SLA has a membership structure (\$10/year) and currently they have 10 active central members, 70 paid members, 550 on mailing list and 1000 Facebook likes. It cost about \$100 to set up the incorporated association, \$20 to register web domain name, \$450 annually for insurance (specialised for volunteer organisation), website hosting about \$120/annum, venue hire for monthly meetings. They estimate they need to raise about \$1000 to cover "running" expenses (as separate from planned activity budgets). Auditing is only required when there are grants to administer.

SLA works on consensus for making decisions and this has worked well for them. There is no formal voting on motions at meetings. The constitution governs how they operate and to date has been robust enough to deal with any issues that have been raised. There is a limit of \$50 spend before Executive permission is required and any spending has to pre-approved.

The structure of SLA is that Action groups form under the auspice of SLA – two current ones are Garden Club (who manage their own finances but have SLA Treasurer as signatory on their bank account and send a regular financial report) and CSG Group. On occasions actions by the CSG Group have been moderated by SLA Executive (in regard to illegal actions for community protest).

Meetings are minuted at both SLA Executive and Action Groups (who have regularly meetings separate to SLA). Reports from each Action Group are given at SLA Executive meetings. Action Group leaders are members of the Executive. Any members can attend the Executive meetings. Executive meetings are run separately from the monthly Forums on topics of community interest.

Action Groups come and go with membership interest. There is still not wide engagement with the general population in Armidale. SLA keeps a focus in the activities being fun and fulfilling for members.

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Action Groups need to have a minimum of three active members to be officially set up. Activities are planned to give a break for volunteers. SLA engages with other community groups such as Men's Shed.

Community activities are the monthly Forums, the sustainable housing and veggie garden tours, SLEX; all of these are fund raising through either a gold coin donation (Forums) or ticket sales. Communications are through the email newsletter, webpage, Facebook. Mailing lists are tailored for different interest groups. Armidale Buy and Swap is a good Facebook page to be linked in with.

In summary, SLA provided a good road map of what is needed to establish an independent entity that we could follow. It also gave us examples of two groups that are successfully auspiced under the SLA banner.

Uralla Community Garden

David Ryan met with Tom and Peter on Tuesday 3 November 2015.

Tom outlined the reason for our meeting and the steps and the persons and organisations that had already been provided advice.

David explained that the Community Garden (CG) has an incorporated not for profit structure. In its initial stage the CG had been unincorporated with the support of the Uralla Neighbourhood Centre. In the initial stages, this arrangement worked satisfactorily. However, the first two hurdles were the application for Grants and the question of insurance.

The adequacy of insurance under structure of the support of the Uralla Neighbourhood Centre came with CG involvement with Seasons of New England. Tara Toomey's insurance requirements for public liability and product insurances could not be met. Further, having made several grant applications and being successful with one application, which was in David's own name and with the assistance of the Uralla Neighbourhood Centre, the need for greater flexibility became apparent.

David began exploring other governance structures and realised that it was time to go independent.

The structure they determined was a not for profit incorporated body:

- i. A constitution gave more strength to the group, with a stronger structure.
- ii. An incorporate body, being an independent entity, was not so dependent upon individuals.
- iii. CG was able to obtain the same insurance as Sustainable Living Armidale (SLA) - David will provide Peter with contact names for the insurance.
- iv. Under the unincorporated structure within Uralla Neighbourhood Centre, David considered that the individuals had more personal risk as they are jointly and severely liable.

Tom questioned David as to the willingness, capacity and professional ability of the Uralla Neighbourhood Centre to support the CG. David advised that the Neighbourhood Centre was very supportive and that CG utilised it for most administrative areas - mail, messages. Jo's capacity to provide greater assistance is limited by her hours and duties to the Uralla and Walcha Centres. The Uralla Neighbourhood Centre funding and capacity is significantly less than that of the Heyfield Resource Centre Victoria (page 2).

David strongly suggested that we take time to work out our structure as there are difficulties in changing structures. However, obtaining grants will require an incorporated entity. David considers that Cooperative structure has great flexibility, allowing for mixes, and worth consideration.

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Peter and Tom raised the question of developing a Community Umbrella Group for the Uralla area. David was interested and supportive of the idea and could see value in such an overarching organisation for the many small and medium size organisations in Uralla. An overarching organisation would fit into his suggestion that we not lock ourselves into a corporate structure straight away.

In summary, David recommended that the thoughts on governance structure be kept flexible in the initial stages, that a Cooperative structure be examined, that the structure be able to allow for grant applications and to obtain suitable insurance. In addition, he is supportive of the creation of an umbrella organisation for Uralla groups. This organisation would have a broad scope covering any community group or project, small clubs and not for profit organisations.

Uralla Neighbourhood Centre

The Governance working Group met with Jo Fletcher, Coordinator Uralla Neighbourhood Centre at 10 am on 5th November 2015. Board member Cathy Gallaher (Chair of the Management Committee for Uralla Neighbourhood Centre Incorporated) was a late apology.

Members of the Working Group in attendance were: Tom O'Connor, Teresa French, Peter Low, Sandra Eady and Stephanie McCaffrey.

(Please note that NC is the abbreviation for 'Neighbourhood Centre'.)

About the NC:

The NC is primarily an information and referral service for the community. It is funded on an annual basis (in 3 year cycles). Their annual program varies on external factors: The types of projects they implement depends in part on the type of funding available, an assessment of community need (based on data from the State government, surveys of the community) and approaches from the community.

In respect to staffing, Jo is the Coordinator, she manages the Centre and its programs on a day to day basis. Jo works 3 days in Uralla and 2 in Walcha, she has an assistant 15 hours a week.

Types of projects and activities:

Audiences for the NC are 'Youth', 'Aged' and 'Family'.

Activities:

- Information and referral service.
- 8-10 workshops for 12 – 24 year olds.
- 2 workshops for Seniors.
- 2 family group days.
- Community markets.
- Counselling services.
- School holiday activity program.
- Play Groups
- Exercise classes.
- Self defence classes.

Themes/topics:

- Topics relate to budgeting and a healthy lifestyle and eating program.
- Domestic violence,
- Autism.

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- Financial counselling.

Groups the NC currently auspices:

- Global Food Pantry.
- Community supported Play Group.
- Art group.

Management Committee:

Jo reports to the Uralla Neighbourhood Centre Management Committee. The Committee meets 1/month. Committee members range in age between 24 – 50 and come from various backgrounds including community services and trades (accountant, horticulture, painter, community services). There are 5 volunteer positions on the Committee. Members are appointed on an annual basis at the AGM in October. Anyone can become a member for \$3/year and nominate to be a Committee member.

The Management Committee takes any 'major decisions': for example the decision to auspice a group is taken by the Management Committee. Decisions by the Committee are made on a majority basis.

There is no requirement for an auspiced group to attend Management Committee meetings, though representatives are welcome. And there is no requirement to have a member of the Management Committee represented within the auspiced group.

The NC and auspicings:

NC is open to auspicings a group if it meets a community need and applies to the Local Government area. They are open to auspicings Z-NET Uralla.

Jo characterised the form and scope of a typical auspice arrangement as being:

- The use of the NC by a small community group in order to use their ABN, insurance, banking arrangements; obtain support for project development, grant applications, project management and administration. (A 'parenting' arrangement.)
- The auspiced group would use the NC as the contracting body for funding agreements.
- The auspiced group gets advice and guidance from Jo on governance and other matters.
- The auspiced group has access to all NC facilities at no charge (meeting rooms, computers, kitchen facilities etc.).

Jo outlined that there are two types of auspice arrangement in practice at the minute:

1. Auspicings where funds are managed on behalf of a group: as is currently the case with the CDAT (Armidale Community Drug Action Team) or the Uralla Community Garden Group.
2. Auspicings that doesn't involve auspicings funds. Such as the case with the Global Food Pantry. In this example the NC provides this program with governance support and access to suitable and insured venues for its activities.

The NC does not charge community not for profit groups any fees. Separate bank account arrangements are possible. In these circumstances no authorisation from Jo/Uralla Neighbourhood Centre is required to access funds. If a group is not registered for GST the NC would hold the GST.

Jo emphasised that the aim for the NC in auspicings groups was to get them established and eventually see them 'stand on their own two feet'. That is, provide a way for them to function while they develop an independent structure.

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Jo has the authority on behalf of the NC to enter contractual arrangements with funding bodies. If grant amounts are large the decision is made by the Management Committee. Jo did not define what a large amount was.

Jo outlined that the NC is classed by Fair Trading as a Tier 1 organisation meaning that for funds below \$150, 000 basic auditing rules apply. Over the \$150, 000 threshold, accountancy and auditing requirements change.

Funding Agreements:

The NC does not normally require a Funding Agreement, or other contractual arrangements, with the groups they auspice. The need for one is determined by the Board and normally involves consideration of the groups Not For Profit status, whether its run by volunteers, their structure, their longevity, their aims/objectives, the scale of funding they are interested in applying for, whether there are membership or other fees associated with being a member of that group etc.

The NC would be open to entering into an auspice agreement with a group if that group wishes.

Insurance:

The NC is required to have \$20 million cover in public liability insurance. All Z-NET Uralla members would be registered on a volunteer register.

The name of the group and their activities need to be listed with the insurance company (AON). Activities on and off site can be covered.

There are potentially limitations to the insurance cover the NC can provide for Z-NET activities on the basis of either the activity (for example using a chainsaw to collect firewood), or possibly the size of the grant. The exact nature of those limitations and whether or not the cost of additional premiums would be passed onto the Z-NET Uralla project needs to be explored further.

There is no requirement by AON for an auspiced group to do their banking through the NC in order for the insurance to be valid.

Reporting:

An auspiced group would report at least once every three months on their activities. Busier groups undertaking more activities may need to report more frequently. Possibly bi-monthly. Reporting has no formal process. Jo accepts emails. The reports are passed to the Board for their information and consideration. Reports should cover: activities, funds awarded, funds spent, accounts etc.

Benefits for the NC and ZNET:

Both the NC and Z-NET Uralla get the opportunity to leverage each organisations projects in order to access new audiences and add depth to the scope and value of activities. For example, the Salvation Army advocacy work with electricity companies might sit well with Z-NET, workshops for energy efficiency with other NC 'audiences' are also possible.

Partnership arrangements in turn help to secure funding, help to ensure that projects are more successful and will build the profile of both the NC and Z-NET. Partnerships give access to facilities and activities that don't need to be funded or cost the group: for example, the NC can donate the Memorial Hall or provide kids activities during an event.

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The NC can use Z-NET activities for reporting and adding to the case for the value of the services they provide. For example Z-NET Uralla meetings can be included in reports for the NC. Growth in NC activities and the number of people they engage with leads to longevity for the NC.

Jo is a network hub and is connected to other community groups. She is also across lots of other planning in the community.

What's worked and not worked so well:

The good:

- Groups with an agreed vision.
- Groups that have longevity and have a long term plan.
- Groups that can source their own funding, undertake project management and accounting/acquittals/audits etc.

The bad:

- Those with 'a one man band': no agreed vision, or an agreed set of goals, aims, objectives. (Or where there is disharmony amongst the group in respect to what these should be).
- Those that are not well connected to their community.
- Those that are not flexible.
- Those that don't have a long term plan.

Avoiding problems:

Jo's advice was that good communications and not 'reinventing the wheel' avoids lots of problems. This is in respect to the group and between community groups. Jo can help with event planning to avoid clashes

Limitations:

Jo has not had experience with tendering process or bulk buy programs. The NC treasurer works in UNE finance and may have this experience. Jo's time is stretched. If there are complex projects and/or lots of money the group will need to do their own administration, accounting and reporting.

Next steps:

If ZURG wish to pursue this governance option a written proposal should be submitted to the Board for their consideration. Jo suggested that the proposal cover the following points:

- What ZNET is.
- Who the ZURG are.
- Our vision.
- The types of activities, projects we wish to develop.
- The type and scale of grants we wish to apply for, and the auditing/accountancy requirements.
- How auspicing ZURG will benefit the NC.
- What ZURG needs the NC to provide.

The final meeting of the NC Management Committee for 2015 will be on November 24.

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Pros and Cons of the various Models Model	Pros	Cons
Elisabeth	<p>Useful to know we are ‘Community largely un-engaged and not likely to become more engaged with awareness raising strategies’ Class.</p> <p>Elisabeth’s advice to be independent to ensure we have control over own activities, funding and decision making, has appeal.</p> <p>Good suggestion to adopt a formal structure for Z-NET with a constitution/ rules of engagement.</p> <p>An overarching Steering Committee with Project Teams will work well for us as people are interested in different elements of the project.</p> <p>The mix of skills we have available helps to fill roles in administration, record keeping, reporting and so on.</p>	<p>Costs and complexity of being independent, seems unnecessary given the current level of activity and size of grants Z-NET will aim for (for now).</p> <p>Elisabeth feels auspicing is risky. However, independence at too early a stage is also risky, very risky if the group is not robust enough for it. We feel that ZURG is not robust enough yet: auspicing gives us the space to develop our identity and get on our feet in respect to governance, projects, new membership etc.</p> <p>Volunteers need to be willing to undertake specific roles and share the workload.</p>
Heyfield Resource Centre	<p>Julie’s advice about aligning values and principles to ensure that the governance structure works well in an auspicing arrangement, is good advice.</p> <p>The NC and ZURG would be well aligned.</p> <p>Julie’s opinion was that the NC would be a good match for Z-NET.</p>	<p>Level of resourcing available from Heyfield Resource Centre for auspiced groups is not available in NSW. We are not comparing apples with apples in respect to the services that auspicing body can provide. So we need to be careful about raising people’s expectations.</p> <p>Z-NET will be a long term project and will likely need different arrangements in the future.</p>

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SLA style	<p>Good lessons from SLA in defining their identity: Connect, Create, Inspire, Act. That identify is strengthened by constitution and the ethos of the associated groups.</p> <p>Similar structure to that proposed by Elisabeth (SC with sub groups). Has a constitution and rules of engagement, its own logo.</p> <p>Generates funds through membership and events (gold coin donations etc.).</p>	<p>Costs to run: need \$1000 a year.</p> <p>At this stage we would not support a membership fee or use community events to raise funds. Participation in Z-NET events should not have cost barriers associated with them, even if those costs are token.</p>
Uralla Community Garden	<p>Incorporated and not for profit.</p> <p>Own constitution etc.</p> <p>Members have necessary skills to run the group.</p>	<p>Please refer to previous comments.</p>
Neighbourhood Centre	<p>Can provide the function of accepting funds and insurance with access to a large part of the Uralla Community, while giving us enough independence to carry on ourselves in respect to the direction of projects and our day to day business.</p> <p>Further comments below.</p>	<p>Jo's resources are limited: we need to be careful not to raise expectations about the level of support we can expect.</p> <p>Potentially insurance premium increases and additional auditing costs may be passed on to Z-NET Uralla.</p> <p>Further comments below.</p>

Recommendations to the Broader Z-NET Uralla Reference Group

The Governance Working Group think that there is no need for Z-NET Uralla to be an incorporated entity at this point in time. Starting slowly and building as our identity, skills and capacity grow is favourable to jumping in the deep end with more complex structures, and incurring costs that we have no capacity to cover without fundraising. This will give us continuity, time to 'find our feet', establish our identity, establish roles and begin to identify projects.

Approaching things this way should allow us to avoid costs, save time and complexity and get our energies directed toward designing on ground projects, which we need to make our priority.

We feel that the simplest approach, which can offer us the independence we need while providing a convenient arrangement with banking and insurance, is to make a formal proposal to the NC to auspice the group.

This arrangement still allows us to establish a Steering Committee with sub groups. Only the SC needs to be involved with communications and discussion with the NC.

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There are matters that need managing in our relationship with the NC and we recommend a formal agreement between NC and Z-NET Uralla. We can review auspice arrangements with the NC on an annual basis.

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Best Practices Resource kit

APPENDIX 1 - Decision Making

9 Principles of Decision Making

Principle # 1 : Assign priorities

All the things that need to be decided on are not equal in importance. As we do with time management where we prioritize, rank the importance of the decisions we have to make. At least by setting priorities, we'll be going in a direction. If it turns out to be the wrong direction, we can always make a course correction.

Principle # 2 : Set a time frame

Decision making boils down to the gut thing. And faster is better. Be 80 percent right and first rather than 100 percent correct and last. By setting a time, we have an idea on the deadline to take the decision.

Principle # 3 : Gather and review up-to-date, cold, hard facts

Collect as many facts as possible, but not too many. Organize them. Based on the priority, we can either wait until it's perfect and we have all information possible or we just have to go with our judgment.

Principle # 4 : Paint a scenario of desired outcome

What do we ideally want? If we haven't thought about it, how will we know whether we get it?

Principle # 5 : Weigh the pluses against the minuses in getting where we want to be

There will be trade offs and compromises. Weigh the costs and the effects.

Principle # 6 : Explore the ramifications for all involved

Who will be effected? Understand the impact of decisions we make on people concerned. Keep emotions out of it. Don't let our emotions to effect our decisions as much as possible.

Principle # 7 : Use our wisdom, have courage, go with our gut instinct and decide

Procrastination in the name of reducing risk actually increases risk. If the analytical approach ends up different from our instinct, we really should stop and take the time to figure out why the difference exists. We'll probably end up going with instinct but at least we considered the analytical approach.

Principle # 8 : Put the decision into action

Transfer our decision into specific plan of action steps. Execute our plan. Avoiding decisions often seems easier. But remember, making our own decisions and accepting the consequences is the only way to stay in control of our life, business and its success.

Principle # 9 : Evaluate the outcome of our decision and steps of action

What lessons can be learned? This is an important step for further development of our decision making skills and judgment. Many a times, decision making may not be as simple as we think and it can be hard when it involves some conflicts or dissatisfaction. The challenge is to pick one solution where the positive outcome can outweigh possible losses.

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Best Practices Resource kit

APPENDIX 1a - Decision Making - the human side of it

Principles of Effective Decision-Making For Group Problem Solving

The following approaches to decision-making are both a means for negotiating good decisions and a process for effectively dealing with conflict in a group.

Separate the people from the problem by being hard-headed and soft-hearted

The essence here is to be decent to people and to be tough on the problem. For example, saying "I love you" to the child and at the same time saying "you can't put gasoline on the cat." The people-problem separation is enhanced when group members focus on listening and being understood and when group members state their own feelings on an issue as opposed to saying to another group member, "you seem to be uncomfortable about this issue." When a relationship between group members gets out of line, this needs to be dealt with separately from the decisions in which the group is addressing.

- **Make efforts to keep the process friendly**

Participants need to be sure that feedback and criticism are offered in a constructive and non-judgmental fashion. Rather than blaming, calling names or trying to prove that the opposition is wrong, all are encouraged to own their feelings and opinions by using such phrases as "I feel...", "I believe...", and "My personal experience has been..." If individuals state their position in a way that acknowledges the role of their own experiences and perceptions, and if they try to understand the context and experiences of the others participating in the process, the resulting environment of mutual trust and appreciation will often contribute to effective communication and the resolution of sticky issues.

- **Use techniques of active listening as a good companion to "I" statements**

Learning to restate an opposing point of view is often a way of overcoming an intense situation. If the other person knows that they have been heard, they are often willing to cooperate more fully in finding a resolution that also addresses your concerns.

- **Acknowledge another person's situation**

There is a respectful, graceful way to share that you have had a different experience, or perhaps are familiar with information that they have yet to become aware of, that might encourage them to modify their position.

- **Focus on the interests behind each member's stated position, not the position itself**

This step assists in separating the people from the problem and avoids having group members get locked into their positions. Getting to the underlying interests may also open up alternative solutions, which have not been previously considered. When considering the underlying interests, make sure not to avoid the basic interests like economic well-being, recognition, and security.

- **Look at the issue from someone else's perspective**

A very useful metaphor is to encourage all participants to look for the "grain of truth" in each point of view. Try to make the best case for someone else's point of view which may differ from your own or try to make a case against the position which represents your particular bias. This is excellent training in the process of moving a group toward agreement. By acknowledging that collectively we are smarter than any one of us individually, it becomes easier to identify and support points of agreement. And by identifying the progress we have already made in reaching partial agreement, we can foster a

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sense of accomplishment and teamwork that gives us the confidence and willingness to work toward the resolution of those few remaining areas where we lack unity.

- **Broaden the scope of the debate by generating a range of options**

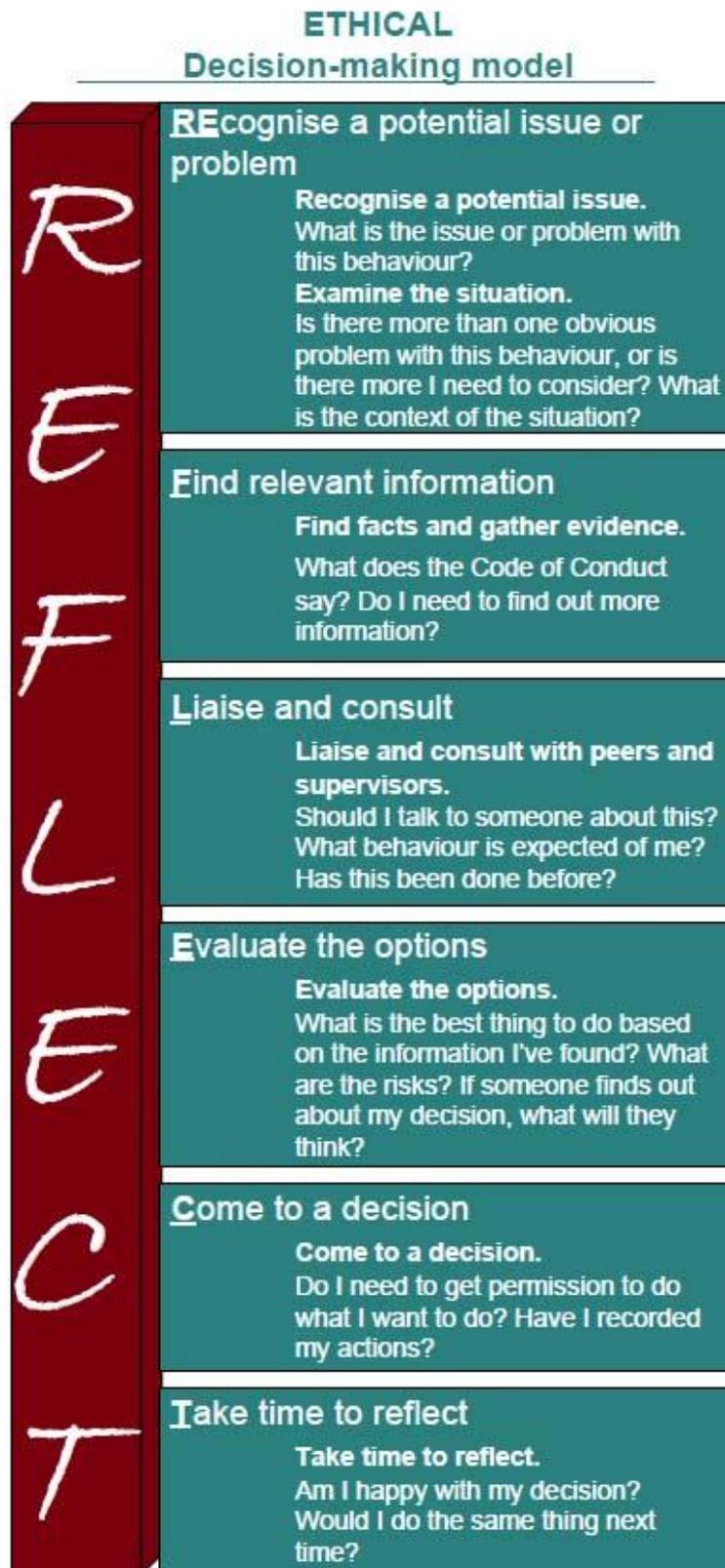
Try not to make decisions immediately. Choose the best options that result in mutual gain, rather than coming to a quick decision on the first good option that is identified.

- **Insist on the principle of fairness -- that the final decision be based on objective criteria that are mutually acceptable to all group members**

Objective criteria also help to maintain the separation of people and problems. Avoid tactics such as the use of threats that are counterproductive to maintaining positive relationships.

*This material is drawn in part from Roger Fisher and William Ury of the Harvard Negotiation Project and their book on principled negotiations entitled *Getting to Yes, Negotiating Agreement Without Giving In*.*

APPENDIX 1c - Code of Ethics



Approved REFLECT Model - Australian Public Service Commission

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APPENDIX 2 - Conflict of Interest

The Best Practices for a Conflict of Interest in a Nonprofit

by Sam Ashe-Edmunds, Demand Media

<http://smallbusiness.chron.com/practices-conflict-interest-nonprofit-64069.html>

While it might be perfectly legitimate to give a nonprofit board member one of the organization's contracts or hire one his family members, even the perception of wrongdoing can damage the organization. Retaining the public's trust and thwarting attempts by some unscrupulous people affiliated with your nonprofit to gain unfair advantage make instituting a conflict-of-interest policy in the best interests of the organization.

Conflicts

Conflicts of interest arise in a variety of ways. A board member might own, work for or have family members who work for a company that wants to do business with the nonprofit. He might own stock in a business that works with or wishes to work with the nonprofit. A nonvoting board or committee member might serve on a sensitive committee that does business with or advocates for public policies that affect his company. Board members' family members might want to work for or with the nonprofit. Board members who serve on multiple charities might need to use their contacts to raise funds for competing charities.

Contracts

Some nonprofits forbid board members from obtaining contracts with the nonprofit to prevent the appearance of favoritism. This includes preventing the organization from working with companies owned by a board member or a family member or that pay the board member consulting fees. Set up a rigorous contract approval process that includes a request for proposal process and prohibits board members from voting on contract awards if they have a conflict.

Nepotism

Influential board members might try to obtain jobs for spouses or children, leading to the perception that you are not staffing your organization with the most qualified professionals. This can lead to questions about pay and benefits and whether they are appropriate for a nonprofit. Set parameters for hiring board members' relatives, which could include a ban. Board members should have no contact with the organization's human resources manager during the hiring process and abstain from a vote involving the hiring of a family member.

Disclosure

You'll reduce the potential for conflicts if you discuss your policy with potential board members before they join. Review your major contracts with candidates and ask them if they have any relationships with those companies or are companies that compete with them for business. Let them know they would be prohibited from seeing documents about such contracts. Ask candidates to disclose potential conflicts of interest, including regarding any advocacy work you do, when they interview for a position, and have them sign a disclosure statement before they join.

Competing Organizations

Some industries and professions have multiple trade associations that compete with one another. Some board members donate their time to more than one charity. Set policies regarding access to information and levels of appointments for people who belong to more than one nonprofit board. It's

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important for some business professionals to belong to more than one trade association, and forbidding membership in both might not be necessary or even legal. Prohibiting members from serving on committees or boards of competing organizations prevents them from having to choose which nonprofit gets their best effort and bars their access to sensitive information a competitor organization might want. The same is true for board members who serve on competing charities, such as two local arts centers, animal shelters or children's foundations.

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APPENDIX 3 - Running Effective Meetings

Running Effective Meetings - Establishing an Objective and Sticking to it

<https://www.mindtools.com/CommSkill/RunningMeetings.htm>

There are good meetings and there are bad meetings. Bad meetings drone on forever, you never seem to get to the point, and you leave wondering why you were even present. Effective ones leave you energized and feeling that you've really accomplished something.

So what makes a meeting effective? This really boils down to three things:

- They achieve the meeting's objective.
- They take up a minimum amount of time.
- They leave participants feeling that a sensible process has been followed.

If you structure your meeting planning, preparation, execution, and follow up around these three basic criteria, the result will be an effective meeting.

1. The Meeting's Objective

An effective meeting serves a useful purpose. This means that in it, you achieve a desired outcome. For a meeting to meet this outcome, or objective, you have to be clear about what it is.

Too often, people call a meeting to discuss something without really considering what a good outcome would be.

- Do you want a decision?
- Do you want to generate ideas?
- Are you getting status reports?
- Are you communicating something?
- Are you making plans?

Any of these, and a myriad of others, is an example of a meeting objective. Before you do any meeting planning, you need to focus your objective.

To help you determine what your meeting objective is, complete this sentence:

At the close of the meeting, I want the group to ...

With the end result clearly defined, you can then plan the contents of the meeting, and determine who needs to be present.

2. Use Time Wisely

Time is a precious resource, and no one wants their time wasted. With the amount of time we all spend in meetings, you owe it to yourself and your team to streamline the meeting as much as possible. What's more, time wasted in a meeting is time wasted for everybody attending. For example, if a critical person is 15 minutes late in an eight person meeting, that person has cost the organization two hours of lost activity.

Starting with your meeting objective, everything that happens in the meeting itself should further that objective. If it doesn't, it's superfluous and should not be included.

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To ensure you cover only what needs to be covered and you stick to relevant activities, you need to create an agenda. The agenda is what you will refer to in order to keep the meeting running on target and on time.

To prepare an agenda, consider the following factors:

- Priorities – what absolutely must be covered?
- Results – what do need to accomplish at the meeting?
- Participants – who needs to attend the meeting for it to be successful?
- Sequence – in what order will you cover the topics?
- Timing – how much time will spend on each topic?
- Date and Time – when will the meeting take place?
- Place – where will the meeting take place?

With an idea of what needs to be covered and for how long, you can then look at the information that should be prepared beforehand. What do the participants need to know in order to make the most of the meeting time? And, what role are they expected to perform in the meeting, so that they can do the right preparation?

If it's a meeting to solve a problem, ask the participants to come prepared with a viable solution. If you are discussing an ongoing project, have each participant summarize his or her progress to date and circulate the reports amongst members.

Assigning a particular topic of discussion to various people is another great way to increase involvement and interest. On the agenda, indicate who will lead the discussion or presentation of each item.

Use your agenda as your time guide. When you notice that time is running out for a particular item, consider hurrying the discussion, pushing to a decision, deferring discussion until another time, or assigning it for discussion by a subcommittee.

An important aspect of running effective meetings is insisting that everyone respects the time allotted. Start the meeting on time, do not spend time recapping for latecomers, and, when you can, finish on time. Whatever can be done outside the meeting time should be. This includes circulating reports for people to read beforehand, and assigning smaller group meetings to discuss issues relevant to only certain people.

3. Satisfying Participants that a Sensible Process Has Been Followed

Once you have an agenda prepared, you need to circulate it to the participants and get their feedback and input. Running a meeting is not a dictatorial role: You have to be participative right from the start.

Perhaps there is something important that a team member has to add. Maybe you have allotted too much, or too little, time for a particular item. There may even be some points you've included that have been settled already and can be taken off the list for discussion.

Whatever the reason, it is important you get feedback from the meeting participants about your proposed agenda.

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Once in the meeting, to ensure maximum satisfaction for everyone, there are several things you should keep in mind:

- If certain people are dominating the conversation, make a point of asking others for their ideas.
- At the end of each agenda item, quickly summarize what was said, and ask people to confirm that that's a fair summary. Then make notes regarding follow-up.
- Note items that require further discussion.
- Watch body language and make adjustments as necessary. Maybe you need a break, or you need to stop someone from speaking too much.
- Ensure the meeting stays on topic.
- List all tasks that are generated at the meeting. Make a note of who is assigned to do what, and by when.
- At the close of the meeting, quickly summarize next steps and inform everyone that you will be sending out a meeting summary.

After the meeting is over, take some time to debrief, and determine what went well and what could have been done better. Evaluate the meeting's effectiveness based on how well you met the objective. This will help you continue to improve your process of running effective meetings.

You may even want to get the participants' feedback as well. Depending on the time frame, this debriefing can be done within the meeting itself or afterward.

Finally, prepare the meeting summary. This will be forwarded to all participants and other stakeholders. It is a record of what was accomplished and who is responsible for what as the team moves forward. This is a very crucial part of effective meetings that often gets overlooked. You need a written record of what transpired, along with a list of actions that named individuals have agreed to perform. Make sure someone is assigned to take notes during the meeting if you think you will be too busy to do so yourself.

Key Points

Running an effective meeting is more than sending out a notice that your team is to meet at a particular time and place. Effective meetings need structure and order. Without these elements they can go on forever and not accomplish a thing.

With a solid objective in mind, a tight agenda, and a commitment to involving the meeting participants in the planning, preparation, and execution of the meeting, you are well on your way to chairing great meetings.

Given the frustration most people feel when their time is wasted, gaining a reputation for running efficient and successful meetings is good for you and your organisation.

(all resource links in Appendices available under separate document)

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APPENDIX 4 - Conflict resolution in the workplace

5 Keys of Dealing with Workplace Conflict

Mike Myatt

<http://www.forbes.com/sites/mikemyatt/2012/02/22/5-keys-to-dealing-with-workplace-conflict/>

Here's the thing - leadership and conflict go hand-in-hand. Leadership is a full-contact sport, and if you cannot or will not address conflict in a healthy, productive fashion, you should not be in a leadership role. From my perspective, the issues surrounding conflict resolution can be best summed-up by adhering to the following ethos; "Don't fear conflict; embrace it – it's your job." While you can try and avoid conflict (bad idea), you cannot escape conflict. The fact of the matter is conflict in the workplace is unavoidable. It will find you whether you look for it (good idea – more later) or not. The ability to recognize conflict, understand the nature of conflict, and to be able to bring swift and just resolution to conflict will serve you well as a leader – the inability to do so may well be your downfall.

How many times over the years have you witnessed otherwise savvy professionals self-destruct because they wouldn't engage out of a fear of conflict? Putting one's head in the sand and hoping that conflict will pass you by is not the most effective methodology for problem solving. Conflict rarely resolves itself – in fact, conflict normally escalates if not dealt with proactively and properly. It is not at all uncommon to see what might have been a non-event manifest itself into a monumental problem if not resolved early on.

One of my favorite examples of what I described in the paragraph above is the weak leader who cannot deal with subordinates who use emotional deceit as a weapon of destruction. Every workplace is plagued with manipulative people who use emotion to create conflict in order to cover-up for their lack of substance. These are the drama queens/kings that when confronted about wrongdoing and/or lack of performance are quick to point the finger in another direction. They are adept at using emotional tirades which often include crocodile tears, blameshifting, little lies, half truths and other trite manipulations to get away with total lack of substance. The only thing worse than what I've just described is leadership that doesn't recognize it and/or does nothing about it. Real leaders don't play favorites, don't get involved in drama, and they certainly don't tolerate manipulative, self-serving behavior.

Developing effective conflict resolution skill sets are an essential component of a building a sustainable business model. Unresolved conflict often results in loss of productivity, the stifling of creativity, and the creation of barriers to cooperation and collaboration. Perhaps most importantly for leaders, good conflict resolution ability equals good employee retention. Leaders who don't deal with conflict will eventually watch their good talent walk out the door in search of a healthier and safer work environment.

While conflict is a normal part of any social and organizational setting, the challenge of conflict lies in how one chooses to deal with it. Concealed, avoided or otherwise ignored, conflict will likely fester only to grow into resentment, create withdrawal or cause factional infighting within an organization.

So, what creates conflict in the workplace? Opposing positions, competitive tensions, power struggles, ego, pride, jealousy, performance discrepancies, compensation issues, just someone having a bad day, etc. While the answer to the previous question would appear to lead to the conclusion that just about anything and everything creates conflict, the reality is that the root of

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most conflict is either born out of poor communication or the inability to control one's emotions. Let's examine these 2 major causes of conflict:

Communication: If you reflect back upon conflicts you have encountered over the years, you'll quickly recognize many of them resulted from a lack of information, poor information, no information, or misinformation. Let's assume for a moment that you were lucky enough to have received good information, but didn't know what to do with it...That is still a communication problem, which in turn can lead to conflict. Clear, concise, accurate, and timely communication of information will help to ease both the number and severity of conflicts.

Emotions: Another common mistake made in workplace communications which leads to conflict is letting emotions drive decisions. I have witnessed otherwise savvy executives place the need for emotional superiority ahead of achieving their mission (not that they always understood this at the time). Case in point – have you ever witnessed an employee throw a fit of rage and draw the regrettable line in the sand in the heat of the moment? If you have, what you really watched was a person indulging their emotions rather than protecting their future.

The very bane of human existence, which is in fact human nature itself, will always create gaps in thinking & philosophy, and no matter how much we all wish it wasn't so...it is. So the question then becomes how to effectively deal with conflict when it arises. It is essential for organizational health and performance that conflict be accepted and addressed through effective conflict resolution processes. While having a conflict resolution structure is important, effective utilization of conflict resolution processes is ultimately dependant upon the ability of all parties to understand the benefits of conflict resolution, and perhaps more importantly, their desire to resolve the matter. The following tips will help to more effectively handle conflicts in the workplace:

1. Define Acceptable Behavior: You know what they say about assuming...Just having a definition for what constitutes acceptable behavior is a positive step in avoiding conflict. Creating a framework for decisioning, using a published delegation of authority statement, encouraging sound business practices in collaboration, team building, leadership development, and talent management will all help avoid conflicts. Having clearly defined job descriptions so that people know what's expected of them, and a well articulated chain of command to allow for effective communication will also help avoid conflicts. Clearly and publicly make it known what will and won't be tolerated.

2. Hit Conflict Head-on: While you can't always prevent conflicts, it has been my experience that the secret to conflict resolution is in fact conflict prevention where possible. By actually seeking out areas of potential conflict and proactively intervening in a just and decisive fashion you will likely prevent certain conflicts from ever arising. If a conflict does flair up, you will likely minimize its severity by dealing with it quickly. Time spent identifying and understanding natural tensions will help to avoid unnecessary conflict.

3. Understanding the WIIFM Factor: Understanding the other professionals WIIFM (What's In It For Me) position is critical. It is absolutely essential to understand other's motivations prior to weighing in. The way to avoid conflict is to help those around you achieve their objectives. If you approach conflict from the perspective of taking the action that will help others best achieve their goals you will find few obstacles will stand in your way with regard to resolving conflict.

4. The Importance Factor: Pick your battles and avoid conflict for the sake of conflict. However if the issue is important enough to create a conflict then it is surely important enough to resolve. If the

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issue, circumstance, or situation is important enough, and there is enough at stake, people will do what is necessary to open lines of communication and close positional and/or philosophical gaps.

5. View Conflict as Opportunity: Hidden within virtually every conflict is the potential for a tremendous teaching/learning opportunity. Where there is disagreement there is an inherent potential for growth and development. If you're a CEO who doesn't leverage conflict for team building and leadership development purposes you're missing a great opportunity. Divergent positions addressed properly can stimulate innovation and learning in ways like minds can't even imagine. Smart leaders look for the upside in all differing opinions.

Bottom line... I believe resolution can normally be found with conflicts where there is a sincere desire to do so. Turning the other cheek, compromise, forgiveness, compassion, empathy, finding common ground, being an active listener, service above self, and numerous other approaches will always allow one to be successful in building rapport if the underlying desire is strong enough. However, when all else fails and positional gaps cannot be closed, resolve the issue not by playing favorites, but by doing the right thing.

Ethical decision-making model

<http://education.qld.gov.au/corporate/codeofconduct/pdfs/guideedm.pdf>

Australian Association of Social Workers code of ethics

<https://www.aasw.asn.au/document/item/1201>

Victorian Local Government Principles guiding Decision Making

<http://www.goodgovernance.org.au/decision-making/guiding-principles/>

Energex Conflict of Interest Policy Summary

<https://www.energex.com.au/about-us/corporate-governance/corporate-governance-principles?a=31132>

Managing Conflict of Interest in the Public Sector

<http://www.oecd.org/gov/ethics/49107986.pdf>

<http://vpsc.vic.gov.au/resources/conflicts-of-interest-and-duty/>

<http://www.apsc.gov.au/publications-and-media/current-publications/aps-values-and-code-of-conduct-in-practice/conflict-of-interest>

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<http://smallbusiness.chron.com/practices-conflict-interest-nonprofit-64069.html>

Running Effective Meetings:

<http://www.forbes.com/sites/forbesleadershipforum/2014/02/05/seven-steps-to-running-the-most-effective-meeting-possible/>

<https://www.mindtools.com/CommSkll/RunningMeetings.htm>

A good resource on committees:

<http://www.diycommitteeguide.org/article/running-effective-meetings>

<http://www.diycommitteeguide.org/resource/recording-minutes-committee-meetings>

<http://www.diycommitteeguide.org/resource/drafting-agendas-meetings>

<http://projectmanagementhacks.com/meeting-tips/>

<https://hbr.org/1976/03/how-to-run-a-meeting>

conflict resolution

<http://www.forbes.com/sites/mikemyatt/2012/02/22/5-keys-to-dealing-with-workplace-conflict/>

<http://www.mindfulmediation.com.au/workplace-conflict-resolution/>