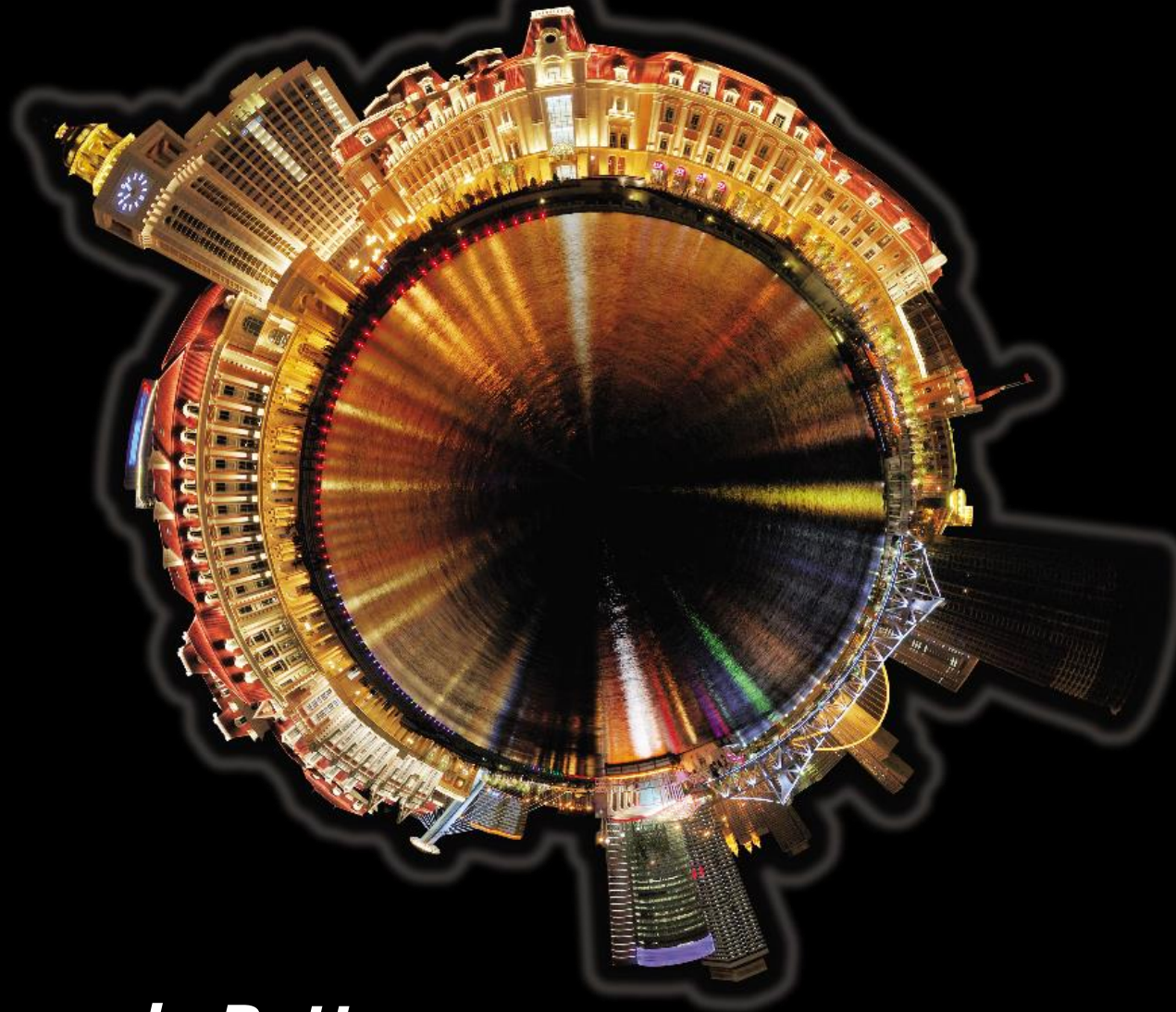


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**The *Journey towards Better* Governance in
Municipalities and Non Profit Organizations**

5th December, 2017

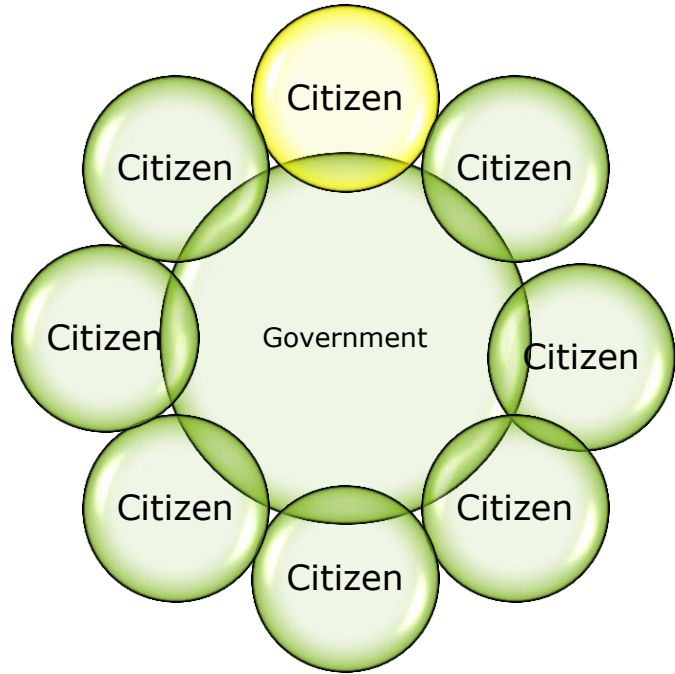
AGENDA

- The Paradigm Shift towards Better Governance
- The Drivers
- The Basic Elements of Success
- How to go about it
- Buzz Words
- References



The Paradigm Shift towards Better Governance

The Citizen, Not the Government, is at the Center



The Drivers

The Drivers

The Internet of Things: More Informed & Sophisticated Citizens

Increased Corruptions and Frauds & Social Unrests

Interest in the Process & Not only the Results

Accountability in the Short term

A higher desire to be heard and to Participate

More Complex KPIs, Economic, Social and Environmental

New types of Risks requiring new ways of looking at risks

Faster Pace of Change

Restrictions on, Opportunities for Funding

Global Scrutiny and Benchmarking

The Basic Elements of Success

The Basic Elements of Success

- A.** Tone at the top
- B.** Stakeholder Engagement
- C.** Defining KPIs
- D.** Determining the interventions
- E.** Developing the entity's capacity
- F.** Managing risks and performance
- G.** Implementing good practices in transparency, reporting, and audit

A.

Setting the tone on the Top: Set the Example

- ❖ Behaving with Integrity
- ❖ Demonstrating Strong Commitment to Ethical Values
- ❖ Respecting the Rule of Law

B.

Understanding who the Stakeholders are & Ensuring openness and comprehensive stakeholder engagement

- ❖ Openness
- ❖ Engaging Stakeholders Effectively including individual citizens and service users
- ❖ Engaging comprehensively with other institutional and corporate stakeholders in the Public and Private sectors

C.

Defining outcomes in terms of sustainable economic, social, and environmental benefits

- ❖ Define the desired results and preliminary KPIs to measure success
- ❖ Assess the limits that should be maintained
- ❖ Adjust and Confirm KPIs

D.

Determining the interventions necessary to optimize the achievement of the intended outcomes

- ❖ Determine the interventions necessary and available(political sponsorship, existing or proposed regulations laws, audits, etc)
- ❖ Define Performance by PS and Culture standards. SMART Goals: Specific. Measurable, Achievable, Results based and Time Bound
- ❖ Monitor, Intervene and Optimize

E.

Developing the entity's capacity, including the capability of its leadership and the individuals within

- ❖ Define Capital resources available including People, Financial, Intellectual, Social and Relationship, Natural and Manufactured (Developed) capital
- ❖ Identify Skills Required
- ❖ Develop the Leadership & Team Capability

F.

Managing risks and performance through robust internal control and strong public financial management

- ❖ Define Risk Management Framework
- ❖ Identify Critical Risks and Mitigating Techniques, including Business Continuity
- ❖ Define and Document Basic Internal Controls and Automate them
- ❖ Maintain Robust Financial Management including Setting up an Audit Committee

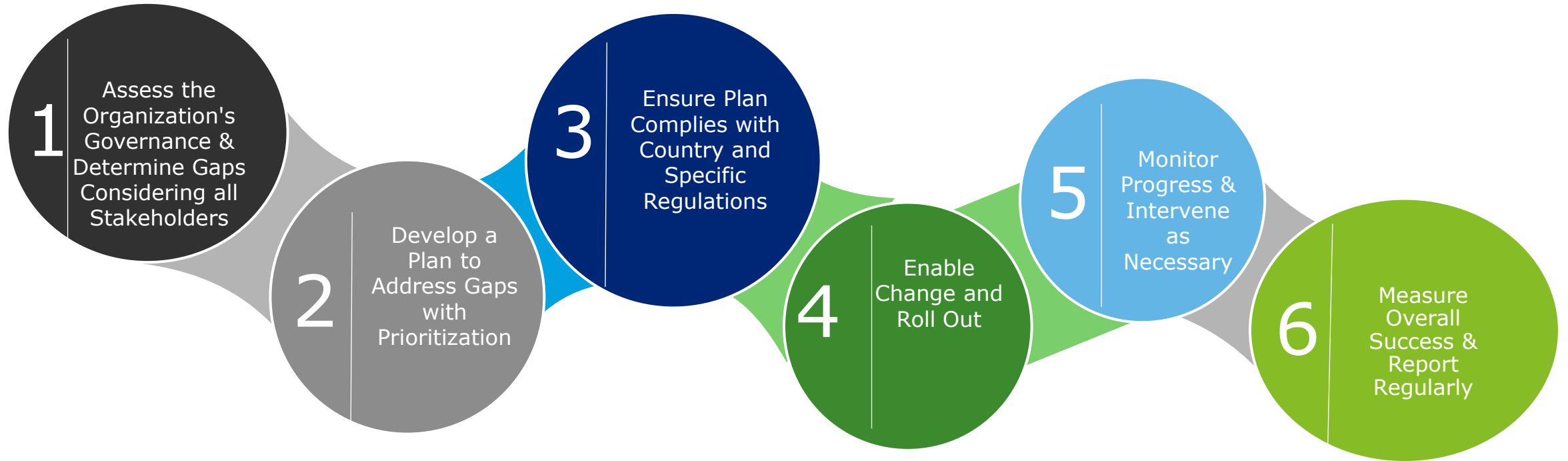
G.

Implementing good practices in transparency, reporting, and audit, to deliver effective accountability

- ❖ Implementing Good Practices in Transparency & Reporting
- ❖ Assurance and Effective Accountability

How to go About it?

The Approach: Structured & Measurable



Buzz Words

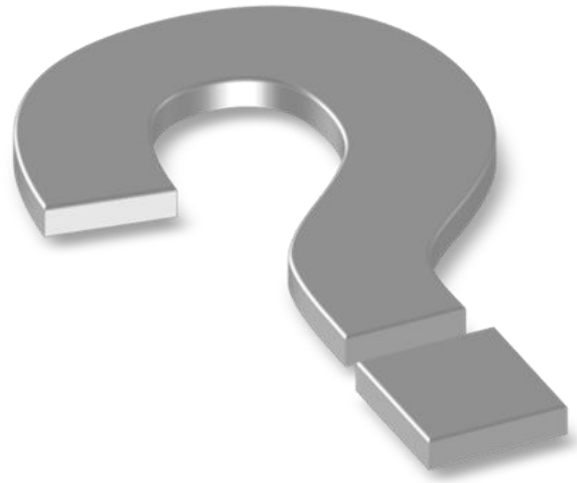
Buzz Words !!

- Tone at the top;
- Tick box process;
- Good Governance = Good Business Sense;
- Compliance vs. Performance;
- Mindless compliance: Form over substance;
- Rules vs. Principles;
- Company an incapacitated person;
- Corporate sins (Greed, Fear, Pride, Arrogance);
- Silent questions;
- Qualitative vs. Quantitative Governance
- Fairness & Accountability

References

References

- Corporate Governance in the PS issued by Deloitte Center of Corporate Governance, November 2017
- International Framework: Good Governance in the Public Sector issued by IFAC (International Federation of Accountants) & CIPFA: the Chartered Institute of Public Finance and Accountancy, July 2014
- Sharing What Matters & Benchmarking Foundation Governance by CEP(The Center for Effective Philanthropy), 2015





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