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Mellempfolkeligt Samvirke

Agreed Principles guiding the AAI-MS Merger

GENERAL PRINCIPLES

- 1) MS and AAI are both committed to the development of strong, independent national organisations in the countries where they work.
- 2) MS and AAI will work together to support the process of nationalisation, association and eventual Affiliation of AA in general, and especially in countries where we both work
- 3) MS and AAI will work together to ensure that the country level merger processes support (and in some cases, speed up) the process of nationalisation and association/affiliation
- 4) MS and AAI will work closely with Country Programmes/Associates to ensure that national AA organisation is rooted in broad pro-poor environment, with national level credibility
- 5) MS and AAI agrees to ensure that MS and AAI partners and networks in countries where both MS and AAI programmes exist be genuinely involved in both the MS-AA merger process and in the AA nationalisation process. If partners are excluded this risks to undermine the future legitimacy of AA National organisation, and could cause divisions in Civil Society
- 6) AAI agrees to support MS inclusion in the process of nationalisation to ensure MS Country Programme's strengths; resources and partners are brought into the exercise.
- 7) In the case of AA Country Programmes going for Association in countries where MS is present (Mozambique, Nepal, Tanzania, Zambia, Zimbabwe) MS should be involved in the Association development process

NATIONAL GOVERNANCE STRUCTURES

- 8) We will work together to ensure that credible strong voices are included in the national Boards
- 9) There needs to be dialogue by AA and MS with national AA Boards and Senior Management Teams to discuss appropriate mechanisms for engagement of MS and MS partners into the General Assemblies.
- 10) Would be a good sign to let MS partners participate in the “10% partners’ representative” space in the General Assemblies (GA)
- 11) Both Action Aid and MS are committed to ensuring that General Assemblies represent the core constituencies of our work. These include representatives from poor and marginalised communities, social movements of poor farmers, women, youth and workers. Both AAI and MS will work with National Boards to ensure that all subsequent recruitments to GA strengthen and deepen this shared commitment.
- 12) Should MS feel that current GA is insufficiently representative then the principle would be to include more members suggested by MS and approved by the National Board.
- 13) If the quota of seats in the GA is already filled it is preferable to expand the numbers than to insist that existing GA representatives have to leave to make way for MS
- 14) In the case of AA Country Programmes currently building GAs and Boards in countries where MS is present (Mozambique, Nepal, Tanzania, Zambia, Zimbabwe) MS should be involved in the process of selection and interview of the Board members
- 15) If there is disagreement about board make-up in the case of countries where Boards already exist, this should be resolved through the GA which is the appropriate national space for defining and electing Boards.
- 16) Kenya and Uganda programme merger and integration should move quite fast, however this will still be subject to the timelines of the overall affiliation of MS. This is why we need to create supportive environment at the level of the governance.
- 17) MS and AAI propose that AA Uganda and Kenya Boards invite one or two observers from MS to participate, e.g. a member or chair of their Advisory Council and an MS staff member (e.g. the Country Director)

STRATEGY DEVELOPMENT:

- 18) MS and AAI should be included in any AA or MS thematic/Country Strategy Paper (CSP) reviews
- 19) In Countries which are drafting new CSPs (Zambia, Zimbabwe, Mozambique, and eventually Tanzania) the New CSPs should reflect the integration process with MS
- 20) In Countries which are moving towards Association (e.g. Tanzania), the CSPs should be about the journey towards the new Association phase

- (GA and Board development, Constitution drafting, Association review process etc.). The process of new CSP development and timelines should be shared with MS counterparts.
- 21) Once a National Board is in place and operational, the CSP should be reviewed and a new CSP should be approved by the Board
 - 22) Looking ahead at new organisational strategy, many will need to align their CSPs to 2011 end date. EASA Regional Strategy and review will be in 2010. A way must be found to include MS in these review processes (and subsequent strategy development)
 - 23) MS and AAI will share plans and timetables for reviews and strategy drafting/approval

COMMUNICATION

- 24) A joint communication strategy must be developed to ensure consistent and synchronised messages to the public, staff and management (and Governance structures) and other stakeholders throughout the process. This should include a range of target audiences and a phased approach. There should be explicit outward communication to government authorities in each country.
- 25) There will be joint communications from AAI and MS Directors to Country Directors and staff on anything to do with the Association process.
- 26) It is essential that the Communications indicate the direction of the change and the agreed/intended outcome
- 27) It is essential that the Communications are clear on decision-making structure: what decisions are taken when and by whom. Where is time for debate and input, when is the time of decision and when it is about implementation
- 28) It is important that regular updates and communiqués are sent even if there is perhaps not a great deal of news, it will be essential to keep the flow of information regular
- 29) The communications strategy should allow for good documentation and trail of communications flowing.
- 30) Consideration should also be given to staff turnover and inductions. New staff should be able to receive a clear package of relevant communications to ensure that they are fully up to speed on the process
- 31) Wider staff from both organisations should also receive communication and update about the process
- 32) Ensure that partners and other stakeholders are also included in the Communications strategy
- 33) Those who communicate have the power/legitimacy to deliver those messages. In other words: the person with decision-making authority is the one engaging in conversations about staff future. This role needs to be made explicit so that it is known to all concerned.

- 34) Change Process Manager will be clearly mandated to speak on behalf of management of AAI and MS, respectively
- 35) MS CDs will be invited to the Africa Regional Office (ARO) meeting in October 2008. A short joint communication about the MS merger will be given at the beginning of the meeting, and a separate meeting for AA and MS Country Directors in the merger countries will be held in continuation of the ARO meeting. HR/OD Regional and national staff will also be invited to participate in that information sharing session.
- 36) The Change Process Manager and the AAI Regional Director for East and South Africa will plan to go jointly to each country to meet with Senior Management Teams and all staff to set out the plans and to answer questions. They may also meet with Board and GAs where relevant

HR/OD

- 37) AA and MS will make every effort to retain highly competent and committed staff and will ensure continuous/regular communication with individuals on the merger process and opportunities;
- 38) In the event that there are duplicated positions or redundancies, the decision on who will remain will be based on a joint and independent assessment of qualifications and commitment (competencies). In other words staff will have the opportunity to apply for vacancies.
- 39) The competency and not the cost shall determine which staff become redundant.
- 40) In the 2 Associate Countries (Kenya and Uganda) present CDs were selected by ID EASA and National Boards and will continue unless and until the National Boards determine otherwise;
- 41) In other countries a new position of director will be filled when the country enters the Association phase with engagement of national Board and AA and MS at that stage.
- 42) We will commit to provide support and training to managers to deal emotionally and professionally with the change management process. We will need to budget for counselling and training in managing HR aspects of the merger.
- 43) Money for any redundancies and for legal costs should be covered 50:50 by MS and AAI
- 44) We will have to look at the legal implications (labour laws) of the merger and the nationalisation in relation to any redundancies. We noted that we will need to examine the risk that if we are offering new contracts in a new organisation, will we need to pay redundancy packages when people change jobs.
- 45) Have an HR session in the EASA Regional meeting with MS and AA CDs on HR aspects of merger processes. AAI HR Managers may be brought into this meeting.
- 46) Both CEOs will present the merger to all staff in all countries

- 47) HR will be part and parcel of the Change Management Committee at national level, and of the work of the Change Process Manager, the Steering Committee, and the Steering Group
- 48) It will be responsibility of CDs to explain and communicate these principles and nurture and support motivation of staff. In turn, affected CDs will also be provided with nurturing and support by their respective line managers, while recognizing the conflict of interest that they are put under.

MANAGEMENT STRUCTURE AND CONFLICT MANAGEMENT SYSTEMS

In-country Change Management Committees (CMC)

- 49) Change Management Committee (CMC) in each country made up of maximum 6 persons (3 from AA and 3 from MS) to include CDs, and 2 staff from each unless otherwise agreed by AA and MS.
- 50) Facilitation by independent external consultant who will convene, chair and facilitate meetings. Independent consultant will report to Country Change Process Manager. Change process manager will support selection of these facilitators
- 51) CMC can establish sub committees to advance on specific actions or areas of work (eg HR/OD, Governance, Programme, Finance, Funding etc. as and when required
- 52) CMC will ensure interaction with national Boards, PACs, partners,
- 53) CMC is also collectively responsible to ensure staff of both organisations is informed, engaged and consulted as a whole and as individuals.
- 54) CMC is also responsible to support the national process of merger AND associate/affiliate development

Regional Level: Change Process Manager (CPM)

- 55) A Change Process Manager (CPM) will be based in the AAI Africa Regional Office in Nairobi and will be responsible for supporting and driving the country merger and nationalisation processes.
- 56) The Change Process Manager will work closely with the AAI International Director for EASA
- 57) The CPM will preferably be in post from 1st October 2008
- 58) AAI and MS will share the costs of the CPM
- 59) The CPM will design a format for country specific change management plan.
- 60) The CPM will support the development of ToRs and establishment of CMCs.
- 61) The CPM will facilitate the recruitment of the in-country Change Management Facilitators and will draft ToR for these positions

International Level: Steering Committee and Working Group

- 62) An international level Steering Committee (SC) will be formed to include MS' Secretary General and International Director; AAI's International Director for EASA, the International Director for Europe and New Countries, and the Manager for Europe and New Countries. Functional leads internationally or from within the EASA region (HR/OD, Finance, Policy/Programmes...) will attend Steering Committee meetings at the discretion of the SC.
- 63) The CPM will act as Secretary to the SC and will draft TOR for the SC
- 64) The SC will be responsible for oversight, review and conflict management through quarterly review meetings/teleconferences
- 65) The SC will delegate the day-to-day responsibility for oversight, review and conflict management to a Working Group comprising AAI's; International Director for EASA, and the Manager for Europe and New Countries, MS' International Director and the CPM. The CPM will draft TOR for the Working Group

OTHER ISSUES.

- 66) The CPM will also support the merger process in Nepal. It will later be decided if and how the inclusion of Nepal will impact on the composition of the Steering Committee and the Working Group, respectively.
- 67) The merger process in Central America will be supported in a parallel process by MS' International Director and AAI's Manager for Europe and new countries.
- 68) It has been agreed to establish some international functional technical brainstorming sessions: on IT, Finance, HR, Programme (including partnership, ALPS) to help prepare and support the process early on. These brainstorming sessions should take place this year, if possible by November. Their job will be to:
 - ⇒ Map tools and policies, as well as ongoing processes/groups (not to duplicate but to reinforce existing processes)
 - ⇒ Identifying commonalities, resolving issues and identifying issues needing more work at regional or national level
 - ⇒ Establish "non-negotiables"
 - ⇒ Establish what are likely to be the stumbling blocks for CMC at national level
 - ⇒ Reporting to the Steering Group: Output will inform the Change Process Managers in establishing the ToRs for the Change Management Committees
- 69) MS and AAI have carried out assessment of each other in all countries. Reports of all these assessments are available.

70) Dialogue workshops have taken place with MS and AAI staff and management in all countries. Reports are available on all these processes

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