

EXECUTIVE SUMMARY

of

**BPW International President's Report
on Organization Review and
Reform Recommendations**

by

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EXECUTIVE SUMMARY

A resolution on *Organization Review and Funding Strategy* at Luzern Congress in 2005 called for the BPW International Executive Board to submit a long term strategic policy starting from 2008 and a new organization design, to be supported by a clear and transparent financial strategy and a modern constitution. The four parts of the review and proposed reforms were presented accordingly.

I. LONG TERM STRATEGIC PLAN

The three reform goals for BPW International are recognized as

Goal 1: An organization whose members are identified by their high values.

Goal 2: An organization that grows and continues to make a difference.

Goal 3: A professionally managed organization, which can sustain itself financially.

To go forward BPW must first understand the state of the world for women and the status of BPW.

- ***Understanding women's issues:*** Many issues that have an impact on working women in the 21st Century include women's participation in the workforce, equal participation of women and men in power and decision making roles, gender pay gap, ageing population; violence against women, climate changes, international migration; women and information and communication technology (ICT). The understanding of these issues would enable BPW affiliates to plan more comprehensive projects and advocacy policies to help women to overcome obstacles that block them from achieving their full potentials as well as improve its own management and increase membership.
- ***The review of Goal 1*** revealed that for BPW members to identify with high values, BPW branding needs to improve. BPW Aim is to "Develop professional and leadership potentials for women at all levels" and BPW Ambition is to strive towards "Equal participation for women and men in power and decision making." The proper use of BPW names and logo should be enforced.
- ***The review of Goal 2*** revealed that BPW affiliates did make a difference through their projects at local levels, but an international project to achieve global impact is needed. BPW both gained and lost members over the years, but the losses tended to exceed the gains in the last two decades. This was due to high competition with other women organizations, affiliates not paying dues and therefore abrogated, ageing clubs, communication lost, and lack of access to benefits meeting members' expectation, under-reporting total members and members move to other cities or countries.

The recommended long term strategies supported by EXCO are:

- **Say what you do and do what you say Strategy:** Reform BPW values by (a) improving BPW brand (b) encouraging members to make a difference (c) recognizing them through awards and (d) publicizing BPW accomplishments. Triennium themes, Awards, correct usage of BPW logo and names can be used to reinforce BPW brand.
- **Make a Difference through Action Strategy:** Enhance impact of BPW activities by (a) helping to raise necessary resources for selected "BPW Listed Projects" in *BPW Social Stock Exchange* and (b) implementing a "Flagship International project" to support International theme. If possible, the impact should be measured in terms of advancement towards Millennium Development goals.
- **Make a difference through Advocacy strategy:** Strengthen BPW advocacy by (a) raising awareness on key women's issues, (b) establishing BPW positions for advocacy, (c) advocating in partnership with other women's organizations, (d) expanding advocacy potential (e) coordinating and building professionalism of BPW advocacy at the UN and other international bodies and (f) promoting advocacy training and skills. For (b), there should be an Ad Hoc Taskforce set up to translate BPW resolutions from past Congresses into BPW positions for Advocacy.

- **Strategy of Inclusion and Engagement:** BPW shall offer benefits to attract a variety of women's groups of all ages, nationalities, within business, professions and corporations. Benefits should be communicated via various channels and at the right time to encourage members to engage in BPW activities and take advantages of these benefits. *Members must be financial to access the benefits.*

To improve benefits to grow BPW, BPW should offer more varieties of benefits and activities instead of gearing towards one specific group. To retain members, Member relocation service should be provided so that if BPW members move to another country, they can easily join BPW in the new country. If there are no BPW clubs there, they should know how to join as member at large or how to start a new club.

To improve communication to grow BPW, communication via printed material and Internet (e.g. BPW web site, BPW e-mail group, BPW roster online, BPW business and membership page) are needed. More collaboration with affiliates is also needed to disseminate international information in a format and channel suitable for local members. E-mail groups by interest, E-newsletters and newer social network platforms such as *face book* should be considered to further improve communication.

II. FINANCIAL SUSTAINABLE POLICY

The review of Goal 3 shows that the BPW financial sustainability is improving. BPW operated with a surplus in 2004-2007 as the result of (i) improving budget estimates, (ii) increasing income with diversified sources, (iii) improving expense management and (iv) managing accumulated fund.

A triennium budget is approved at Congress three years ahead of time. Many times this approved budget overestimated dues income because membership dropped more than the estimate. Some trienniums, the total members were overestimated by as much as six thousands. BPW can still experience financial stress even when actual expenditure was under the budget expenditure, but exceeded actual income. Accurate estimate of budget income from dues for 2005-2008 helped improve financial sustainability.

Increasing income is a must. Though BPW has been increasing dues rates in the last two decades, over time, this did not result in significant increase of income because membership continued to drop. A vicious circle where International dues went up and the membership went down presents a serious problem. Even when dues in official currency stays the same, Foreign exchange rate (F/X) can still increase dues in non-official currencies. Income from other sources, e.g. legacy fund, fund from selling goods, fund raising, friends and fellows, interest income, collection of past dues, etc. are also needed.

Managing fixed expense was not easy when historically BPW offices were located in or near the top 25 highest cost of living cities in the world. When BPW office in Battersea, London (which is the second highest city for cost of living) and membership dropped, fixed expenditure (e.g. salary, office overhead) exceeded the income from dues, creating financial stress. Variable expenses such as executive and communication expenses were easier to manage, especially through the use of technology.

The BPW accumulated fund is composed of money remaining from the sale of Battersea office and General fund (equity). In 2005, the Battersea Fund became a protected fund that cannot be used to cover expenditure overrun or loss from Congresses unless approved by the Board of Directors. In 2007, Battersea fund was restored to the original amount of the sale of BPW office at Battersea with the profits from Luzern Congress and unused interest income of Battersea Fund. The General Fund, which is the cumulative net annual surplus and deficit of BPW International, bounced back from being a deficit to a surplus in 2006.

The reform measures proposed by EXCO are as follows

1. **Improve budget estimate:** The challenge is how to set budget estimate where budget expense would never exceed actual income, even when total membership for the next three years are difficult to predict accurately. The propose approach is for Congress to approve budget policy in term of percentage first. A surplus and budget expenditure would be specified as the percentage of income.

For example if Congress aims to have 5% of income to become annual surplus, budget expenditure would be 95% of income. So if actual income goes down, the budget expenditure would be adjusted down accordingly. To further improve the budget estimate, each proposed constitutional amendment or resolution should come with an estimate financial impact.

2. **Increase income:** BPW should increase income, but diversify its sources. The target income from dues should shift from 82% of total income in year 2006 to 70% of total income by year 2017. BPW should focus on increasing membership and make money or raise funds.
 - International Dues: No dues increase for 2009-2011. The aim is to increase members by 5% to increase income from dues, increase in minimum members required from 100 to 120 members for a Federation and from 20 to 25 members for an Associate club. To mitigate F/X risks, the dues will be invoiced only in the official currency.
 - Raise funds: BPW should continue with the typical strategies including the sales of goods, Friends and Fellows programme, BPW Business page and apply for project funding from International Agencies and governments. To attract more legacy fund, all donors of the legacy fund should be honored. It is proposed that the legacy fund and funds raised from Fellows be combined into an education fund (“Make a Difference” fund) where the interest would be used to support BPW education initiatives. Congress is another way to raise funds, though not always reliable. Other fund raising suggestions include BPW “listed” projects, web advertisements, applications for project funding from corporations, corporate cards for members, BPW International Foundation and Husband Support Programme. Fund raising experts should be identified to assist in this effort.
3. **Manage Expense:**
 - Manage operating expense: BPW can reduce cost yet provide better services for members, if it takes advantage global price competition and a variety of free technology that can serve as platform to improve BPW services to members. During 2006-2008, BPW office in Bangkok can cover more staffing, more meeting days, more goods, etc. for the same or less money and offer more web services using free technology platform such as Google Group.
 - Pay for Performance Policy is proposed as reimbursement policy where expense of executives, chair of committees and taskforces and representatives to the UN are set partly as fixed expense and partly as variable expense. Fixed expense covers their efforts in doing volunteer work and reimbursed after a report submission. Variable expense varied with respect to the income and executives’ performance.
 - Existing Projects and Seminars budget amount should be increased and BPW affiliates should be allowed to apply for it instead of only chairs of committees and taskforces. Projects should be reimbursed based on the deliverable, not for traveling expense.
4. **Manage Accumulated Fund:** As the Battersea fund is a protected fund, there needs to be enough funds in General Fund reserve to cover unexpected financial loss. Congress should be called to approve that the accumulated fund should not go below “a certain amount” to keep BPW financially sustainable. If the surplus exceeds this amount, the surplus can be used at Executive Board discretion.

III. ORGANIZATION DESIGN

1. Management

The review of Goal 3 in part for BPW International to be a professionally managed organization showed that Information and Communication Technology (ICT) has played a major part in improving dynamism, continuity, expertise and professionalism of BPW managements over the years. Recent improvements through technology were

- Vote online and digitally archive discussion and vote result to improve executive dynamism.
- Digital Archive of information and communication to improve continuity,

- Web services to allow members to find answers to their enquiries 24 hours a day.
- Web information can improve members' knowledge on BPW matters.

For BPW executives, having resources, for chairs of committees / taskforces, such as guidelines and handbooks and funding support are necessary to improve their professionalism and expertise. However, these resources were often underused. It is more effective for Presidents or Vice Presidents to assign the tasks and coordinate committees and taskforces' activities.

To improve BPW management, EXCO proposes the followings:

- Executive Board Reform: To improve on continuity, International President should serve at least one term on previous EXCO as pre-requisite. To improve the expertise in handling BPW advocacy, Vice President who chaired United Nations Status of Women Committee also coordinate advocacy effort with other International bodies or other international partner. To improve professionalism of Executive Secretary, Executive Secretary should chair Constitution Advisory Committee and have necessary background to serve in this role. To promote growth of membership in the Arab States region, Africa regional coordinator who is closer in proximity and languages to the Arab States region is responsible for them instead of Asia-Pacific Regional Coordinator.
- Board of Directors Reform: To improve on dynamism and continuity, the Board of Directors needs to be more engaged in between Congress. In practice, Presidents of BPW affiliates are regards as members Board of Directors who can vote in between Congress. However, officially, this is not correct according to the constitution, which required that "representatives" from BPW affiliates must be nominated to serve in the Board of Directors. Such defaults in practice should be made official. New Presidents of BPW affiliates should be educated more about BPW.
- Committee / Taskforces Reform: Instead of just distributing Handbook, tasks should also be explicitly assigned to the Chairs to make committees and taskforces work more dynamically in respond to current issues / opportunities. BPW committees and taskforces should be supported by "Expert Groups" to enhance their professionalism, continuity and expertise. The proposed changes are to add Science and Technology committee, Advisory Committee of Past International Presidents and Migration taskforce; merge UNIFEM taskforce into UN Status of Women committee; merge Leadership and Mentoring taskforces to form Leadership and Mentoring committee; merge Communication and ICT taskforces into ICT committee; and upgrade Fund Raising taskforce and Friends and Fellows taskforce to standing committees.

2. Office

Historically, BPW office experienced problems where knowledge was not sustained because of staff turnover, loss of data and lack of or limited access to knowledge (especially when the answer is in storage). Digital archives of Office information was developed so that they can be accessible to both executive and staff. E-mail communications to members and affiliates were also archived for future reference. Digital archives also promote continuity of services when staff can access the same knowledge for answering enquires, regardless of whether BPW uses single office or two office model. Continuity of services can be promoted through offering online web services and outsourcing to service providers with service level agreement.

Office staff retention is important but one cannot assume that it would happen just because BPW has a single office. The review of Office Chief Administrators since 1970 showed that even with a single office, the staff turnover rate was on the up trend until 2001. Many key BPW staff has moved to another country. The turnover rate improved when the two office model was used, as office directors began to work for years instead of months. Having a Director who stays for at least 3 years was a blessing, not a problem. Experience also showed that it is easier to maintain staff as a remote staff member who can work from her home country, communicate and deliver works to BPW executives via Internet.

For the future, buying a BPW office is not yet recommended for 2009-2011 though Battersea Fund has already been restored. It is not difficult to fill the office with necessary staff, but the fixed expenditure (which includes salary and office overheads as well as expenses from benefits required to

retain staff) can easily exceed income from dues if total membership continues to fall. Having an office in a country which does not have cities listed in the top 50 highest cost of living locations in the world would mitigate this problem, as illustrated when the BPW office was located in Bangkok during 2005-2008. However, while BPW members in Asia and North America prefer that the office remains in Asia, presidents of BPW affiliates in Europe prefer that the office to be in Europe (the region where 33 out of 50 top highest cost of living cities are located). This creates a double binding dilemma in deciding on future office location.

To deal with the problem, EXCO proposes to use of 2-Office Model where President's Office is a combination of physical and virtual office and Member Services is outsourced. There will be open bidding for the Member Services that will offer the required services at the price that would promote financial sustainability. For paid staff, the President will have an assistant who work at the President's office. Other staff would work remotely. The provider of Member Services would manage the retention of their own staff to maintain the service quality and continuity according to Service Level Agreements. Digital Archiving should continue to be developed and be accessible by both offices to maintain sustainability of knowledge. Web services and usage of same contact e-mail addresses would promote service continuity.

IV. RESOLUTIONS, CONSTITUTION AND BY-LAWS

The resolution on Organization review and Funding strategy called for a "Modern" constitution to support the reform. While it was recommended that some procedural details of the Constitution should shift into By-Laws or other policy or procedural document that can be changed by Executive Board or Board of Directors in a timely manner, EXCO decided that such changes shall be voted on at Congress in 2011 instead of in 2008 – as there are many amendments required from the proposed reform already.

The recommendations for the way to process resolutions are as follows:

- Executive Board can propose resolutions in between International Congresses for Board of Directors to address any issue that requires immediate decision or action of BPW.
- Group together the resolutions that intend to solve the same problem and vote to select the best solution, instead of voting on one solution at a time.
- Group together resolutions related to women issues which are the mandate from the UN and vote to prioritize.
- Pre-Vote on resolutions prior to Congress. If pre-vote result is 80% or more in favor, then it would only be present for vote, but it would not debated on at Congress.

CONCLUSION

Most recommendations in this report will be transformed into proposed Resolutions and Constitution Amendments. BPW affiliates are encouraged to join BPW International Executive Board in co-submitting these resolutions or constitution amendments if they strongly support recommendations in this report. BPW members world-wide are also invited attend the XXVI BPW International Congress in Mexico City, Mexico during 24-28 October 2008 to take part in shaping the future of BPW.