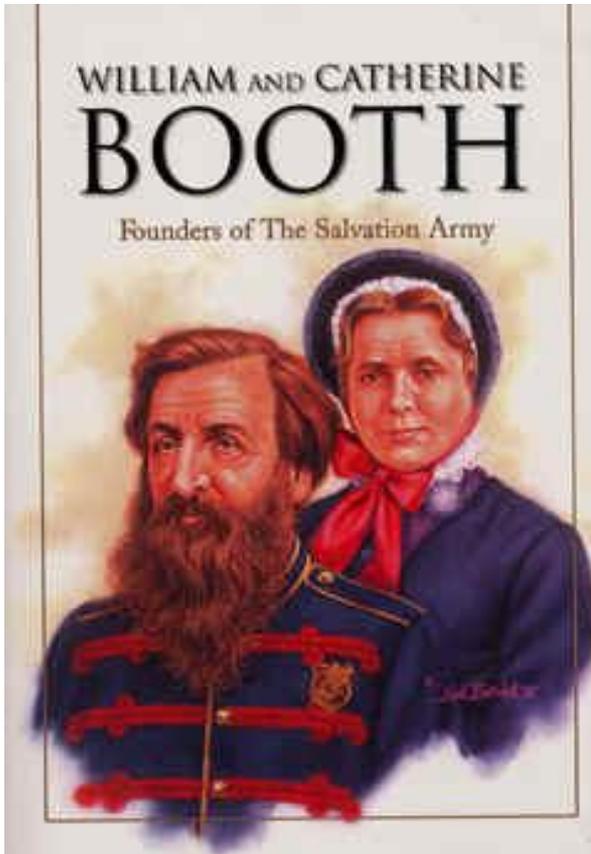


International Perspectives of EFFECTIVE GOVERNANCE



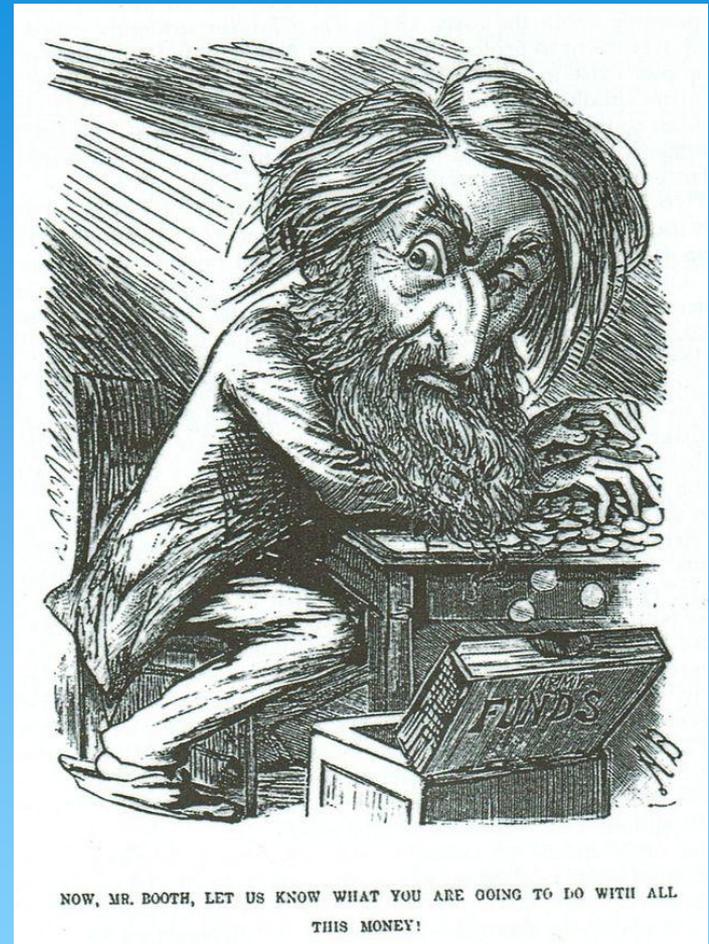
The Salvation Army commenced operations in the East End of London in 1865 as a result of compassionate action on the part of William and Catherine Booth. They felt a genuine love for individuals and families living in their own community who were suffering from the effects of poverty, substance addictions, and a lack of education. Their compassion prompted a pragmatic response to move into community to facilitate social change.

Within a few short years, this passion to see individual and community transformation had attracted many followers and spread outside of England. During this process of expansion the foundations for what is now the International Salvation Army, serving in 128 countries around the globe, were established.



Rapid Global expansion was only possible due to partnerships with Government bodies and the very generous fiscal contributions of church congregations and the general public. The movement had patrons at the highest levels but also had its ardent critics. One of the strongest voices of the day asked a very demanding question:

“Now, Mr Booth, let us know what you are going to do with all the money”



CORE VALUES

The core values of integrity, accountability, transparency, and good governance prompted William Booth to establish from the very beginning a rigorous and robust accountability framework which was implemented around the world. One of the primary features of this framework was a clear separation between Booth and the Movement's finance system. While he aggressively pursued program development and implementation others were tasked to make sure the finances were adequate to the task and clearly accounted for so that there were no question marks.

In 2014, the present international leader, General Andre Cox, called for a celebration of our 150th Anniversary. While this was a great time of celebration and acknowledging the many blessings of God it was also an occasion to ask some very important questions:

‘Is The Salvation Army still relevant in the 21st Century?’

‘What is its impact and is it possible to measure program and relational outcomes?’

‘Are we fully in compliance with local contextual registrations and codes of practise?’

‘Are we fully transparent and accountable in all aspects of our ministry and service?’

ACCOUNTABILITY MOVEMENT



To answer these questions the “Accountability Movement” was launched and every country required to engage in a process of inquiry, review, and reporting on four major themes:

Governance

Finance

Impact Measurement

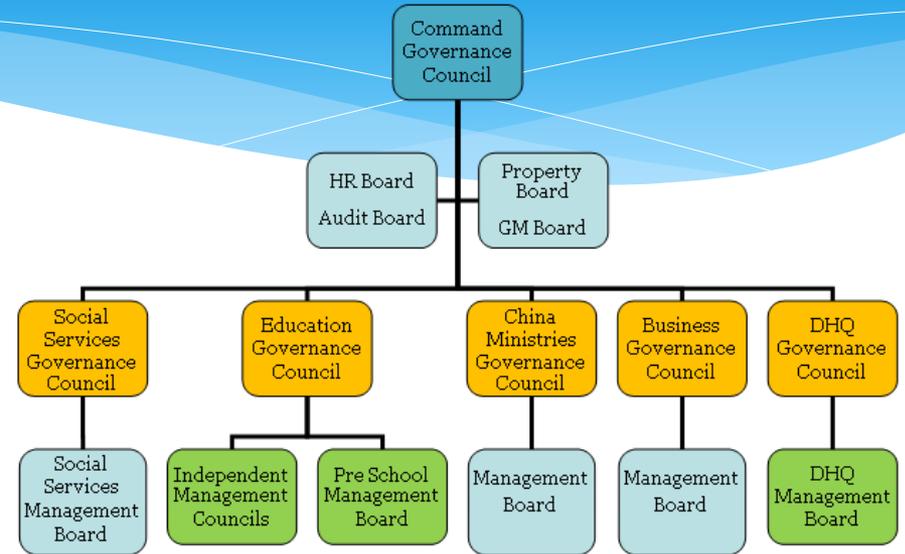
Protecting the Vulnerable

With regard to Governance you can image the complexity of establishing a model which would adequately serve in each of the 128 countries.

In Hong Kong alone we face the challenge of creating a Governance structure to serve 5 streams of work. In 2013, we simply had a single Council which attempted to manage strategic planning, compliance, due diligence, and operational turnover.

This was neither efficient or effective and was a long way from Best Practise. Since then we have developed a three tiered model which allows for separation of function and eventually comprehensive stakeholder representation and increased external transparency.

The top tier, Command Governance Council, is responsible for setting Strategic Goals, ensuring that there is universal corporate compliance, and holds the Governing Councils of the various streams of ministry accountable to Vision / Mission / Values while achieving their Goals

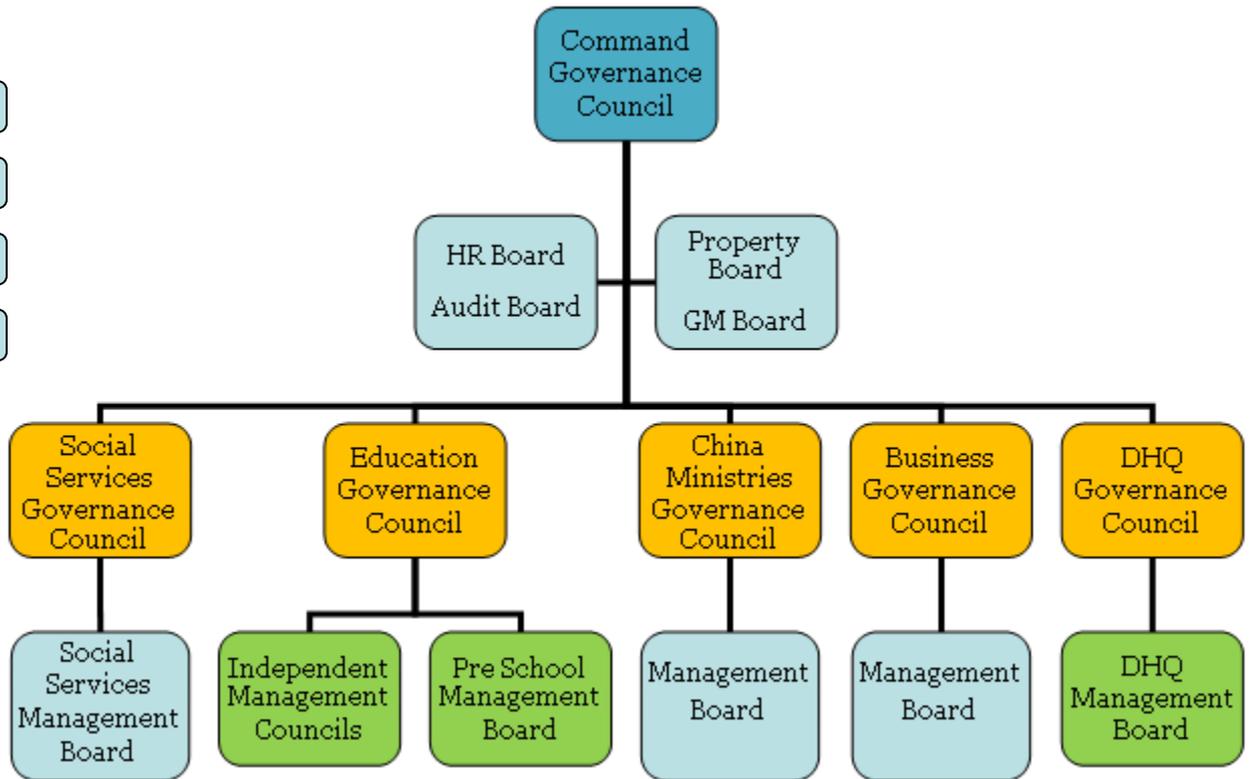
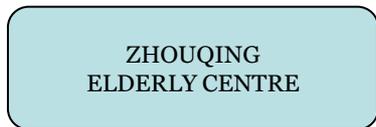
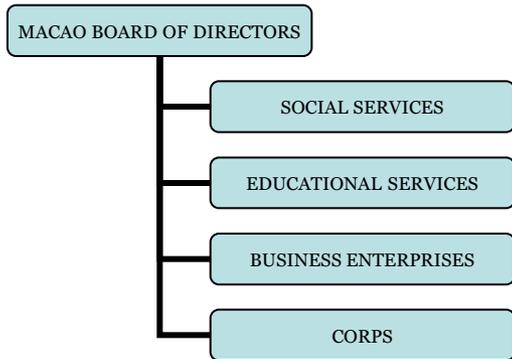
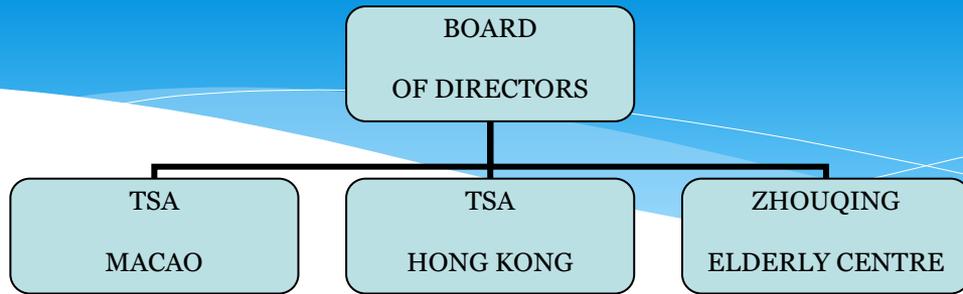


The second tier of Governing Councils specifically set the Strategic Objectives and closely monitor the implementation path and allocation of resources – people, time, and money – via clearly articulated Key Performance Indicators. By separating the various streams of work we have increased our effectiveness by having specific designated time to focus intentionally on one stream of work and its present and future needs. We are also able to invite external professionals to join the team and contribute to the discussion in their fields of expertise thus improving our quality of service.



The last tier of Councils is where the rubber hits the road. It is here that increased efficiency has been achieved. By getting the front line staff and managers together to implement their approved strategic plans and budgets there is no longer a need to have what seemed like endless discussion before action could be taken. The added benefit is to have more and better communication with base line staff so there is improved appreciation and understanding of strategic directions and policy decisions.

The HK and Macau TSA also faces the challenge of multiple registration requirements. In Macau we have the standard AGM, Board of Directors, and Supervision Council. While in mainland China we not only have International NGOs registration but individual PRNE Units. So we can anticipate a structure which may eventually resemble something like this.



INTERNATIONAL PRINCIPLES

Regardless of contextual Governance Structure there is an expectation from International Head Office that all models will incorporate the following principles:

- Distributed authority, responsibility and liability
- A distinction between governance and management
- Increased independence of governance structures (NED)
- Gender equity
- Mutual accountability
- External Accountability
- Skills and expertise mix
- Stakeholder mix
- Strategic and operational mix

Culture of Integrity

The Salvation Army's intention is to not only be in compliance of registration requirements, but to be proactive and exceed best practise in all sectors of its ministry and service delivery. Recently, in my reading and research I came across the phrase "a culture of integrity" rather than a culture of compliance. This rings true to me both in heart and mind. In Christian circles the word integrity refers to a biblical principle that expects we act consistently in a Godly manner across and in all aspects of our lives. To be consistent in our church life, family life, business life and community life. And this life is based on the values of doing the right thing; not because we are required to or will be punished if we don't but because it is the right thing to do. It is our desire and commitment to achieve this in everything we do and say.

2018 OBJECTIVES

Titles which reflect various functions:
ecclesiastical, governance, corporate

Appointment of Non Executive Members at all levels
of our Governance Structure

Establishment of clear concise goals / objectives and
Key Performance Indicators for all Governance
Councils as well as our streams of work

It is our commitment to achieve this by 2018 and we look forward to working in partnership with Government to ensure that the communities we serve can fully trust us because we are transparent in our administration and management, and demonstrate Best Practise without losing our passion and desire to transform individuals and communities so that all may enjoy life in all its fullness.

