

# Advisory service

# The challenge

Policy makers, entrepreneurs and change agents in civil society face challenges which cannot be met with 'classical' institution-building alone, when:

- » dealing with global and complex challenges such as climate change adaptation, migration
- » keeping pace with learning and sharing requirements due to the impact of digitalisation
- » activating creativity and commitment across sectors, organisations, countries and benefit from diversity
- » creating supportive environments for social innovation despite the number and heterogeneity of stakeholders involved
- » fostering scaling-up and sustainability of projects

Setting up an organisation is often too demanding and time consuming. Organisations are too rigid and hierarchical and there is a risk of too complex and inflexible structures with a high degree of bureaucracy. Especially when objectives, methods and technologies are not clear and not uncontroversial, a lot of negotiation, creativity and innovation is needed.

## Our approach

Networks use the wisdom of the crowd. They differ in mandate, objectives, scope, governance, openness and composition. GIZ's approach is based on two distinctions:

# The functions of networks

Advocacy, agenda setting, knowledge sharing, joint learning, coordination, dialogue between diverse and often conflicting parties, keeping in contact, standard-setting, certification, market development, fundraising: in practice, networks may follow a mixture of these functions. They change when interests and objectives of members develop, external conditions alter or internal network dynamics demand it.

#### The constellation of participants:

Are network members natural persons, organisations or mixed? Is the structure of the member group homogenous (peers) or heterogeneous (multi stakeholder)?

From these dimensions, various types of networks are derived, e.g. advocacy networks of heterogeneous persons and organisations; knowledge-sharing networks in homogeneous groups (e.g. communities of practice); keeping-in-contact networks of heterogeneous individuals; networks for dialogue between conflicting parties (e.g. the Extractive Industries Transparency Initiative EITI).

Independent from the role it takes up, the quality of networks matters for GIZ. It is crucial for the provision of services as well as the achievement of institutional goals in the cooperation with networks. Practical experience highlights the following factors for a networks' success:

- » an urgent problem
- » similar perception of the problem
- » an institutional niche
- » a methodical approach that reflects the initial problem and the structure of members
- » participation of relevant stakeholders
- » assured funding

### Our services

Within and in relation to networks GIZ assumes different roles:

- » we participate in the initiation and design of networks
- » we take up secretariat or steering functions on behalf of network members
- » we advise on the organizational development and reform of networks
- » we support the implementation of knowledge, standards and solutions transmitted or created in networks
- » we advise members and their representation in networks
- » we are members in networks of interest to us



Generally, these roles cannot be mixed and potential role conflicts must be recognized and dealt with cautiously.

Networks typically follow a lifecycle in four stages: initiation, design, operation, finalisation or reform. Network properties and GIZ's role may change over time. In some cases, networks transform into formal organisations. However, there is no general rule towards more formalisation. There is a need for stage-specific advisory support.

In the **initiation phase** it is not yet clear if the processes in the group will lead to the foundation of a network or something else that appears more suitable. GIZ accompanies a group of pioneers around a joint vision with a common understanding of core challenges. If asked by participants it provides platforms to meet, facilitates dialogue, indicates options and their consequences and provides knowledge on networks. During initiation, risk and effort are high, but frontrunners also take advantage by creating what they want. Initiation requires privacy for founders to develop their ideas.

During the **design phase** the mission, vision, mandate, services, governance structure and composition of members of the network are defined. GIZ provides case-specific assessments of success factors and accompanies decision making. It helps making services and governance, mandate and member-constellation consistent towards commitment of its members based on their benefits.

In the **operation phase** GIZ offers steering services (secretariat), provides competence development and facilitates online platforms for virtual cooperation. GIZ supports monitoring and evaluation systems and accompanies decisions on the future development of networks. GIZ also supports and advises members in achieving their goals and finding an adequate balance between efforts and benefits.

When a network reaches (or misses) its goal, or ends its planned duration, GIZ helps to determine whether the network should be finalized or re-designed. In some cases networks convert into organisations. Then advice on the process is given and structural models and new roles among the members are discussed.

## The benefits

Network results differ from case to case. Individual benefits are learning and contacts. Individuals become multiplicators and qualify for leading roles in their organisations. Network members themselves take up responsibility for change, accelerate sharing of knowledge and experiences, adapt and co-create solutions. They support scaling up of approaches and form international alliances on specific topics. Networks set standards, develop markets for new or improved products and mobilise additional funds. At society level, agenda setting and political visibility is reached and transparency created, cooperative governance structures and alliances for change are formed and conflicts mitigated. Innovations and technologies for sustainability are generated and disseminated and the application of social and ecological standards is increased.

# An example from the field

The Extractive Industries Transparency Initiative, EITI, is a voluntary multi-stakeholder initiative that promotes collective action through global and national networks of governments, companies, investors and civil society organizations. Its aim is to enhance transparency of payments in the extractive sector, foster a public debate and thus improve the governance of public revenues from the extractive sector.

https://eiti.org/

#### Imprint

Edited by: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

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Eschborn 2018