



SERIES



THINK THANK GOVERNANCE & MANAGEMENT

edited by Erika Perez-Leon

As they have become more public and open in their communications think tanks now face another challenge: how the organisation presents itself and how it organises itself may be at odds with each other.

ENRIQUE MENDIZABAL

SERIES

THINK TANK GOVERNANCE AND MANAGEMENT

Each candidate for board membership should be an experienced professional with a strong reputation for integrity, creativity, and thoughtfulness.

RAY STRUYK

SERIES

THINK TANK GOVERNANCE AND MANAGEMENT

In this series:



The governance and management of think tanks and policy research organisations is not an easy subject to discuss. It is full of complexities, and the discussion has to take into consideration the different contexts in which think tanks operate. There is not a cookie cut model for effective governance, but there are certainly some guidelines that organisations in all contexts would benefit from following. What is the best governance and management structure for a think tank? How does it affect its work and how can it drive research? Who is at the heart of your work, outputs or people? This series includes opinion pieces, case studies, interviews, and shared experiences intended to give an overview of the discussion on the topic.

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THINK TANK GOVERNANCE AND MANAGEMENT

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THE SCENARIO



“A well-funded and very visible organisation with a weak board and senior management may be gone from one day to the other.”

ENRIQUE MENDIZABAL

THE OPPORTUNITY



“Whatever the type of think tank board, it is important for these organisations to clearly define the role of each part of its governance structure: of the board of directors, the executive director, and the assembly or the secondary boards.”

ANDREA MONCADA AND ENRIQUE MENDIZABAL

WHAT TO DO



“It is crucial to promote such processes to strengthen think tanks’ management skills in order to contribute not just to their governance and strategic capabilities. They should also seek to help them excel for their creativity, aptitude for innovation and an actual ability to produce high-impact knowledge that informs policy and practice to promote democratic, prosperous and inclusive societies.”

ORAZIO BELLETINI



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(...) Think tanks need to remember that everything they do is about people and their ideas. The organisation's governance and management needs to reflect this. Even more than policy influence as a guiding objective; the nurturing and unleashing of its staff full potential should be at the heart of everything it does.

ENRIQUE MENDIZABAL

Creating an environment conducive for success: a think tank is only as good as it is managed and governed

BY ERIKA PEREZ-LEON



Erika Perez-Leon is the editor of the series Think tank governance and management, edited in June 2016.

One of On Think Tanks' main themes is the governance and management of think tanks. This theme encompasses governing bodies, boards, senior management and line management, fundraising and the allocation of funds, communications, human resources, finance experts, etc. Funneling the topic would not streamline the discussion: one of the main arguments is that governance and management for think tanks have to include all of these areas. The complexity of these organisations demands this, and, to create an environment conducive for success, the roles for each of these areas should be carefully crafted.

A think tank's set-up can mark the difference between success and failure. A proliferation of outputs and success in influencing policy is only temporary if the internal structure of an organisation is not strong. As Enrique Mendizabal points out:

[Think tanks] need a strong, competent and committed board to steer them through choppy waters. A weak board will miss the tide, it will not be able to support its director (it may not even be able to appoint the most appropriate director), won't be able to invest in long term initiatives or in new skills for future challenges (...) A well-funded and very visible organisation with a weak board and senior management may be gone from one day to the other.

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What exactly do “governance” and “management” entail? This is a broad topic, and providing a succinct and precise definition is a difficult task, but Enrique does offer his point of view:

Governance I defined as the organisational arrangement –the way the various parts of the organisation are brought together and the rules of their interactions. Management, I said, had more to do with the practical aspects of the organisation’s functioning: project and team management, staffing, line management, etc.

In general, establishing a governing board from an organisation’s start is good practice. This board, however, can come in different shapes and forms. Small think tanks with limited funding need the support of external (and voluntary) experts, while those with a larger permanent staff body and a bigger budget can afford multiple boards to meet their organisational needs.

Defining the think tank label is an ongoing topic of discussion, and this is reflected on how they are governed. The lack of clear and definite parameters on the definition means that there is quite a bit of leeway on what a think tank’s governance system is or should look like. There are, however, things to keep in mind when setting up governance structures. On “What Keeps Think Tank Directors up at night: Reflections on funding, staffing, governance, communications and M&E” Enrique shares some thoughts:

Whatever the governance structure a few things could be considered as good practice:

- **Make sure the board is locally relevant**
 - **Make sure the board has the right mix of skills**
 - **Do not make it too board heavy**
 - **Think about what is right for a think tank**
 - **Quality control**
 - **Staff management**
 - **Leadership**
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In “Think Tank Boards: Composition and Practices,” Enrique and Andrea Moncada take an in-depth look at different kind of think tanks and their board structures.

Orazio Belletini, in Strengthening Grupo Faro's Board of Directors, shares Grupo FARO's experience restructuring its statute in 2012 and establishing a Board of Directors identified as its highest governing body and tasked with leading the organisation's most important processes.

In 2013 Andrea Moncada did a mini series on Ray Struyk's book "Managing Think Tanks", where she provided summaries of each chapter in the book. All entries are definitely worth reading, but there are a few that are most relevant to this series. On the subject of boards and their composition, she quotes Ray Struyk:

Each candidate for board membership should be an experienced professional with a strong reputation for integrity, creativity, and thoughtfulness. Beyond this, at least some members should have substantial experience in public policy development, social science research and evaluation, and corporate finance. It is also important to include someone with a background in working with the media or other form of communications.

Andrea also summarises Struyk's chapter on management, highlighting the importance of senior managers to make time to address basic administration and financial management tasks. The chapter on Creating Team Leaders is especially relevant to this series.

It is the boards who ultimately "own" the organisation, and it is them who are usually held accountable for legal issues and top management decisions. However, at the head of a think tank's day to day operations are their executive directors. This might be one of the hardest roles to fill. Just as think tanks are complex organisations, it can only be expected that the role of their leaders be equally, if not more, complex.

Enrique interviewed Simon Maxwell, former director of the Overseas Development Institute. In the second part of the two part interview, Simon says:

I always say that think-tank Directors are doomed to fail, because the job description is so wide. How can you be the world's best researcher, best communicator, best fund-raiser, best leader of change, and best manager, all at once? Of course, you can't.

Furthermore, Enrique reflects on an article by colleague Leandro Echt on the challenges think tank directors face. These include making decisions that involve a huge diversity of

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issues and dealing with a broad range of stakeholders. According to Leandro's research, there are certain traits that are indispensable for a leader of a research organisation:

- Knowledge of the national policy making process is important
- Experience in volunteering seems to be useful when it comes to mobilising others
- Humility to make others shine
- Excellent communication skills”

There are also guidelines that can be useful when selecting a leader. Focusing on the human aspect of leadership, Enrique refers to the capacity of executive directors to empower their staff to deliver the organisation's mission. It is not about micro-management, but rather about equipping a team with the tools they need to deliver. The success of an executive director lies in his or her skill set and the structures that surround them. No man is an island, so they say, and think tank executive directors are no exception. Surrounded by capable team leaders and managers, they are able to provide adequate guidance to their organisations. In his first article on think tanks' governance and management challenges, Enrique writes:

Supporting the EDs is the Senior Management Team. These are different in every organisation but play a similar role. They are the first management/leadership layer below the ED and can define the overall structure of the organisation.

As important as it is to identify (and breed) good leaders, it is also important to know when to promote change. Raquel Zelaya shares the experience of ASIES in Guatemala. ASIES accepted that their governance structure needed a change and embraced it, capitalising on the experience of research fellows to strengthen the academic skills of junior researchers and eventually grant them full research management functions.

Change should be embraced as an opportunity to move forward. What is necessary to set up a think tank is not always what is necessary to sustain it, and it is a trait of great leadership to understand when it is time to hand over the reins to those with new energy to steer the organisation in the right direction. Director transitions are unavoidable and necessary.

For more accounts on the roles of Executive Directors see On Think Tanks' series on Latin America and African think tank leaders.

Good governance and management does not end with effective leadership. There has to be a solid communications practice within the organisation, both internally and externally,

and think tanks have to be prepared to employ professionals in the field. This is another challenge for think tanks in terms of governance and management:

In practice, the roles of heads of communication, management, and finance are held by senior researchers who may at some point shown an interest in these issues or were simply unlucky in the way that roles were allocated.

This has to be reevaluated if an organisation wants to have a strong governing structure that can ensure its success in the long(er) run. Organisations today are places of collaboration, where hierarchical models are no longer in the trend. “Support” roles, or whatever you want to call them, have to be given the same importance as “production” roles (or whatever you want to call them) and must be included in governance structures. Tasking researchers with communications and finance management not only belittles the importance of these roles, but also takes away time from those researchers to do their actual jobs.

On a different note, in his article “The Next Capacity Development ‘Thing’: Management for Researchers”, Enrique writes about his views and experience with performance reviews in relation to management responsibilities.

Finally, for me, the main problem of the performance review process was that it replaced serious investments in good management. In a context in which researchers had little time as it was (they were doing research, attempting to influence policy and fundraising) managing teams was not a priority -and managing the youngest in their teams was even less so.

At the end of the day, the most valuable asset for think tanks is their people, and their professional well-being and development is directly affected by good (or poor) governance and management.

Without the right governance and management, think tanks cannot expect to take full advantage of the support that their funders and supporters offer (...) Without serious governance and management reforms, early on, the funds and support received may be as good as wasted.

ENRIQUE MENDIZABAL

Addressing think tanks' governance and management challenges to take full advantage of new funding and support opportunities

BY ENRIQUE MENDIZABAL



Enrique Mendizabal is the founder of On Think Tanks.

On February 2014 I participated in an event organised by SMERU Research Institute in Jakarta on governance and management of think tanks. The event was intended to kick start a conversation that I had wanted to have at the now postponed KSI conference planned for the previous week in Yogyakarta (which had to be cancelled due to a volcanic eruption).

Below (and in the next two articles) I present an outline of what I talked about and some of the comments and contributions made by the audience. We followed Chatham House Rule to encourage the participants to share their own experiences.

The event's dynamic was the following: It was chaired by Pak Asep, SMERU's Executive Director, and I talked through some of the points below (not all nor in that level of detail). Pak Asep and the participants interrupted me whenever they felt like adding something or asking questions. After each section we had a rather open and increasingly honest discussion and were able to reflect on the importance of these issues for think tanks.

Before jumping into the topic proper I had to address a question in every one's mind: what is a think tank? I tried my luck by suggesting that a think tank is just a label; that an organisation that attempts to inform or influence policy by drawing heavily on its research (or research done by others but which they add value to) could be called a think tank.

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Then of course I was asked about governance and management. Governance I defined as the organisational arrangement –the way the various parts of the organisation are brought together and the rules of their interactions. Management, I said, had more to do with the practical aspects of the organisation’s functioning: project and team management, staffing, line management, etc.

I think I got away with it.

Why don’t we want to talk about this?

I started my talk offering some views about why this is not as popular a subject as it should be. Discussions about governance and management tend to be left for later on in capacity development efforts. Neither the think tanks nor their funders seem to be keen to raise these issues earlier on.

I suggest two reasons for this:

- Few directors want to openly declare that they or their staff lack the necessary competences to manage their organisations. Few would want to let everyone know that their organisations lack a functioning board, that their finance teams are overwhelmed with the challenges of managing the think tank’s finances, or that their researchers work in a system that lacks the necessary management structures of modern enterprises.
- For their part, donors are sometimes too politically correct. They do not want to be seen as being too nosy and prefer to “pretend that all is ‘good enough’”. Instead they focus on the kind of things that are open for all to see: communications, research quality (although this is also a contentious issue), and evaluation (of influence).

Why is it important to deal with this?

The problem is that without the right governance and management, think tanks cannot expect to take full advantage of the support that their funders and supporters offer. They cannot expect lessons to be learned, or that new funds will be used to improve their work or to seek out new opportunities. Without serious governance and management reforms, early on, the funds and support received may be as good as wasted.

Let’s take some examples:

- **Communications capacity building.** This is a favourite of funders and is often delivered through a series of workshops for research and communication staff. Few think tanks in developing countries have competent communication teams (teams, not staff) and even fewer award the communications directors (or who ever is in

charge) a place in their senior management teams. Without the right teams and in the right place within the organisation, the tools and skills shared through these workshops will not go far – not even mentoring. The participants will certainly learn something but nothing that can be easily and sustainably applied.

- **Core funding.** Core funding or institutional funding is fundamental for think tanks. However they manage to get it, they must have a minimum of it to maintain their core functions and, above all, their own initiative. A think tank that relies on funder/client-devised projects is seriously limited in its intellectual autonomy and worth. But access to institutional funds is not enough. The think tank needs to be able to use those funds to explore and design its own initiatives. This demands a Senior Management Team make-up that few organisations have, a human resources strategy that is beyond the reach of most think tanks, and wizards in the finance department. It should not surprise us then that institutional funds do not translate in think tanks driven initiatives and are instead used to cover central services or allocated across the organisations as small incentives for researchers to undertake personal research projects.
- **Sustainability.** A popular objective among funders supporting think tanks is that they would like to see their grantees achieving a certain degree of sustainability in the future. Sustainability less to do with accessing new and more sources of funding and more with organisational resilience. Think tanks are political actors and are therefore (or should be) subject to the merciless ebb and flow of politics and organisational life. They must be able to deal with political attacks, sudden funding cuts, censorship, sudden jumps in demand, changes in the political agenda –for or against their interests, unexpected resignations of senior staff and even of their executive directors, etc. They need a strong, competent and committed board to steer them through choppy waters. A weak board will miss the tide, it will not be able to support its director (it may not even be able to appoint the most appropriate director), won't be able to invest in long term initiatives or in new skills for future challenges, it may not be able to protect the organisation from political attacks, etc. A well-funded and very visible organisation with a weak board and senior management may be gone from one day to the other.

Addressing think tanks' governance and management (Boards, Executive Directors, Senior Management Teams, and central services)

In this second of three articles on governance and management I will address 5 of the main issues outlined in the previous article.

The last article dealt with the importance of addressing governance and management as soon as possible –before accepting core funds or engaging in capacity building exercises.

So what are these governance and management issues that think tanks need to address early on? This is not a complete list. Over the years I have gathered some cases and anecdotes that suggest that the following are important. The following are just short summaries of some of the main challenges and questions for each governance and management issue:

Boards

I like to repeat that Boards own the think tanks. This comment required clarification at the event. By this I mean that, ultimately, boards tend to be either legally or organisationally responsible for the organisations. In the US, whose NGO legislation is the basis for Indonesian (I was told), boards are legally responsible; in Indonesia they are also responsible for their funding –but this is not something that is taken up much.

There are many kinds of boards. Some are made up of the think tank's researchers (internal boards) and some are entirely external. Some have been set up by the think tanks and some by donors and some were set up by the founders before the think tanks were created.

Whatever their shape or form, the boards are ultimately responsible for the organisations. They must therefore be strong, competent and committed to them.

Some of the common challenges we find with boards include:

- **Weak boards in relation to the executive director (ED):** often the ED has all the power and the boards are only called upon to legitimise what he or she wants. This is not good.
- **Boards are too strong in relation to the executive director:** the opposite is not ideal, either. A board should be involved but not too much. This is a challenge that think tanks with internal boards face.
- **The right mix of skills and experience:** most boards are made up of individuals with knowledge and experience in the policy and research issues that the think tanks are dealing with. They have been brought in for their ‘academic’ qualifications or their fame and prominence in politics, economics and society. But they do not necessarily know how to be board members of a think tank; they cannot help when it comes to finances, or communications, or staff management. They are at a loss when the conversation turns to the balance sheets of the think tank and the tedious and necessary discussions about contracts, tax legislation and NGO law. These issues, however, are fundamental and any board must be on top of them. Some think tanks try to address this by encouraging retired CEOs or entrepreneurs to join their boards.
- **Boards are un-committed:** I have not come across many boards that are willing or able to dedicate the necessary time to the think tanks they govern. Finding ways to get them involved is always a challenge for executive directors. This is particularly important when it comes to managing the transitions of executive directors. These are the responsibility of the boards and must be handled by them.

Executive Directors

Executive Directors (EDs) in many think tanks are usually the most senior researchers. They do not always get recruited or headhunted from a broad short list of professional directors but, instead, it is often that it was their turn to take on the position. Few that I have met really enjoy being the EDs – they rather be doing their own research. As a consequence few have developed the leadership and management skills that such a complex organisation like a think tank needs and demands from them. (Simon Maxwell said that Think Tank Directors are doomed to fail because their job descriptions are too wide.)

They may be intellectual leaders and in many cases highly influential in their own right but they may still lack the skills and experience to do some of the most important aspects of the job:

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- **Manage donors and clients:** raising funds to do a piece of research is not the same as raising funds for an organisation. The latter demands an on-going and rather strategic management of the relationship with the funders that would be unnecessary for a single researcher. They need to have an excellent understanding of the think tank's entire research agenda and engage with a much broader community of funders.
- **Financial management:** many think tanks say finance when they really mean accounting. Most 'finance teams' only deal with accounting. The EDs, however, have to deal with and be on top of finance: the strategic use of the organisation's capital –stocks and flows.
- **Recruitment:** EDs are responsible for most of the senior level recruitment. They have to make sure that their Senior Management Teams are up to the challenge of running the think tank. Even if they can count on the support of an HR department, they still have to take the lead (and responsibility) in the appointment of key staff. There is a skill in choosing the right people for the job and avoiding the temptation of picking someone based on personal biases.
- **Talent management:** think tanks' most valuable assets are their people. Their staff can make or break them. Hiring the brightest minds in the country (which is already a challenge) is not enough, though. They have to be supported by an equally brilliant human resources team, managers, communicators, and a coherent vision for how all these individuals will fit and work together.
- **Board management:** working with and taking advantage of their boards is a challenge for many directors. This is not surprising the boards themselves are not always capable of supporting their directors. Still EDs lack of skills and experience in this respect can be a key cause of the problem.
- **Communications:** think tank are as much about communication as they are about research. They would not be think tanks if all that they did was communicate other people's work and ideas but they wouldn't be think tanks either if all they did were carryout research. At the helm of the think tank's communications is the ED. He or she may be the public face of the organisation or prefer to let others shine under the spotlight; but the ED will always have to be involved in crafting the organisation's main arguments and its style and channels of communication.

These challenges are just some of those that directors face. A few years ago, also based on an event at SMERU I outlined some other concerns. The solution to this "impossible role" may be in finding the right support mechanisms and mentors. Or in combining intellectual leadership of 'research directors' with more managerial competencies of deputy directors or CEOs.

This may be difficult to accept but it would be a mistake to think that asking for help of this kind is a sign of weakness or unfitness for the job. The CEOs of the most successful companies have teams of people supporting them in every respect.

Senior Management Teams

Supporting the EDs is the Senior Management Team. These are different in every organisation but play a similar role. They are the first management/leadership layer below the ED and can define the overall structure of the organisation: an SMT that includes a head of communications represents a very different organisation than one where all the members are senior researchers or one where the ED has appropriated all SMT roles for him or herself.

The board owns the organisation and must support the ED. But the ED must be able to count on his or her SMT to deliver his/her and the board's vision. And ideally, EDs can count on their SMTs to help them develop the most appropriate vision for the organisation.

Common challenges that need to be addressed include:

- **No SMT:** it was highlighted at the event in Jakarta that many think tanks do not have SMTs. At most, they rely on an Executive Direction (made up of the ED and maybe a deputy or assistant or a senior researcher). This may be OK for a small organisation but a single person cannot manage mid-size think tanks.
- **Composition of the SMT:** should it be a purely administrative space limited to the ED and his or her assistants? Or should it involve only the most senior researchers and/or heads of programmes? Should it involve heads of finance or operations? What about a head of communications? Some of these questions can be addressed by being rather creative and, for instance, allowing people from different levels in the organisation into it. For example, the think tank may not be ready for a director of communications at the same level of a head of programme but may still allow the head of communications into the SMT. After all, the SMT is about managing the organisation in all its aspects.
- **Competences and responsibilities of the SMT:** ironically, the most inexperienced EDs may find it harder to delegate to their SMTs. In these cases the SMTs become little more than a sounding board of the ED – a legitimising space – or, later on, a source of internal and disgruntled opposition. Delegation, however, is easier said than done and this is a skill that needs to be learned and should be supported by think tank funders.
- **Unclear and unpaid roles:** often the responsibilities that SMT members take go unremunerated – no budget is allocated to cover the time they dedicate to organisation-wide responsibilities. This, coupled with the fact that their roles are often unclear and dependent on the willingness of the EDs to delegate, can transform the SMT into a management black hole rather than the enabler it ought to be.
- **Communications:** another challenge faced by SMT is how best to communicate with the rest of the organisation. Even very effective SMTs struggle when

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it comes to sharing its proceedings and decisions with the staff. Decisions go unnoticed by people who needed to know, staff feel disconnected from the senior leadership, trust can be lost, etc. The effects of poor internal communications are never clearer than at this level. If SMT fails to connect to the rest of the organisation it undermines whatever successes it may have had.

- **Crisis only SMTs:** according to the participants some think tanks have crisis only SMTs. This means that their members are only called upon to deal with emergencies or situations that demand an immediate response.

Communications, management, and finance (competences and links)

Some of the challenges here are the same as those faced by the directors. Think tanks are not always the most attractive employers in their countries. The private sector is likely to offer higher salaries for the core central services, without which a think tank cannot operate. As a consequence, these aspects of the organisation are often under funded, understaffed, and under skilled. In practice, the roles of heads of communication, management, and finance are held by senior researchers who may at some point show an interest in these issues or were simply unlucky in the way that roles were allocated.

Think tanks are working around the problem of limited skills in communications. These are highly transferable skills and the supply of local communications experts is sufficient for the needs of think tanks – they may need some guidance on working for think tanks but that is about it. Far more important is that these communicators are hired into the right positions rather than as very junior assistants.

But management and finance functions still remain a challenge. The business of think tanks isn't a straightforward one. These are not easy organisations to run. By their very nature they face complex legal frameworks that demand a great deal more from their accountants than would be at first expected. Their funding models pose important questions about their financial sustainability that require far more expertise and experience than most administrative assistants or accountants charged with them may be capable of.

Unfortunately, researchers have a way of thinking, sometimes, that if it is not about research it cannot be 'that' important or difficult – well, they'd be wrong. So rather than a problem of skills alone, the challenge really lies in the combination of their limited skills and the relatively low importance awarded to these roles within the organisation. They are often isolated, sat in a dark corner of the office, instead of having an ever present position, mingling with the researchers, and engaging in exiting and even emotional discussions with them.

Think tanks do not just manage projects; they do not just pay invoices; nor do they simply public briefing papers. Their projects have to generate ideas; they have to encourage the best minds to work with them; and they have to communicate complex arguments and ideas. To achieve this they need more than just good researchers.

The Indonesian think tanks were interested in the opportunities that more experienced financial managers could offer them. Could they help develop alternative business models, develop parallel income-generating enterprises, secure loans for them, etc.

This demands a kind of interaction and familiarity of each other's work that is rare to find in a think tank.

Of course, the usual reaction to this is that it's not only hard to find competent managers and financiers it's also expensive. Why would an MBA graduate want to join a think tank or manage its rather limited funds? The solution may lie in putting together a more diverse board that incorporates these skills; using consultants to help set up basic systems, partnering with other think tanks to pool resources, etc.

Organising research teams

Still, research is at the centre of any think tank. Some think tanks organise themselves along disciplines, others according to research areas, others based on policy issues, a few on initiatives, and some as a loose group of experts. Research, you see, is about more than just the research agenda.

The choice often has less to do with strategy and more with history. Along the way, each think tank has tried to balance several interests: those of their researchers, those of their audiences, and of their funders. They have also had to take into account their own resources, their capacity to imagine and design the best possible arrangement, and the influences they were subject to in this field.

Some challenges to consider are:

- **Public versus private:** as they have become more public and open in their communications think tanks now face another challenge: how the organisation presents itself and how it organises itself may be at odds with each other.
- **Career prospects:** the way a think tank organises its research teams (and other teams for that matter) has an effect on its capacity to attract promising young and well established researchers. A think tank organised by disciplines (economics, sociology, politics) may not be as inspiring as one by policy issues (banking policy, infrastructure, education, health).
- **Cohesion and identity:** discipline or sectorial arrangements can be easier to manage but may not make it possible for researchers to work across disciplines and sectors thus helping to build organisation-wide arguments and initiatives. Tackling real life problems or addressing clear policy questions rather than working within broad policy issues or sectors may offer think tanks a way to improve their organisational and intellectual cohesion.

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- **Flexibility:** some arrangements are more flexible than others. Some allow think tanks to reinvent themselves without having to change their entire staff, while others make it impossible to do so; then again, these may be much better at establishing a well-known brand based on a credible and long term body of specialised work. Some think tanks address the need for flexibility by relying on senior researcher to develop their own bodies of work and allowing younger researchers to move around as if in an internal market of experts –this makes it possible to adopt new ideas and shed old ones without much trauma to the organisation. Others prefer to develop broad-enough policy or sector programmes that may be able to work for a range of funders and on several more specific policy issues –thus maintaining at least some funding and issue flexibility. There are trade-offs in each model.
- **Creative decommissioning:** a key element of the organisation of a think tank’s research work has to do with its capacity to make the difficult (and unpopular decision) of closing down on entire areas of work. Policy agendas change, often issues come back into fashion, sometimes they never ever see the light of day again. Think tanks’ management must decide whether it should continue to support initiatives or programmes that fail to attract the attention of funders, policymakers, or the public. Some issues may be worth sticking too for as long as it takes; others not. The organisation of the research function can make this process truly traumatic or turn it into an opportunity for the think tank. In essence, does the way that the think tank has organised its research functions encourage researchers to continuously defend their ideas and objectives, thus testing their own assumptions and views of their own work’s worth? Few do; most think tanks’ programmes or groups operate under the assumption that their work is important and face very little challenge within their organisations –as long as the money rolls in...

Addressing think tanks' governance and management (Line management, staffing, and monitoring for management)

This last article on governance and management for think tanks deals with three important issues: line management, staffing, and monitoring for management.

The first one addressed the importance of dealing with governance and management. The second article focused on think tanks' boards, the executive direction, senior management, central services, and research teams.

Line management and performance appraisals

There is a set of very specific challenges related to managing staff and monitoring their performance. They may overlap somewhat with the challenges faced by the ED, SMT and the manner in which research is organised and how it relates to other teams within the think tank, but they deserve special attention.

Line management goes beyond what maybe the responsibility of Human Resources departments and is, in practice, the responsibility of line managers –who are, often in a think tank, very busy researchers. Line management faces several challenges:

- **Unclear roles:** at the heart of the difficulties that think tanks face in relation to managing staff is the absence of good quality job descriptions (e.g. for a social researcher). Few think tanks have a job description for every post in their organisation –and if they do, few of their members of staff would be able to find them. Many only prepare a job description when they decide to look for a replacement or hire a new person. Job descriptions are not only useful for hiring

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staff, they are crucial for managing existing staff. The job descriptions should describe the objectives of the post, the holder's line management, the posts roles and responsibilities (often to great detail), the competencies that are expected of the employee, and even the organisational values that they are expected to uphold.

- **Unremunerated management:** management is rarely ever paid for. Managers are expected to manage their teams (often more people than is advised) on top of their already busy days. It should not surprise then that few take this role seriously or are able to award it the attention it deserves.
- **Performance appraisal systems:** these can be rather useful to focus managers' attention on their charges and to ensure that their own struggles do not go unnoticed for long. But a performance appraisal system will not solve an inadequate governance (for instance, one in which researchers do not get to interact with their managers -except for the 2 times a year they meet to fill in the appraisal forms). It is also important to build up the system slowly: 360 degree appraisals may not be possible right away and linking the appraisals to salaries may generate more problems than what they are intended to solve.
- **Potentially effective managers in a poorly governed environment:** management will be easier if managers do not have more than 5 people under them; it will be improved if they are able to share the burden with others or if they and their charges can receive additional support from mentors within or outside of the organisation. An effective HR team will be able to spot weaknesses and support new managers to be better at this new important task. Empowered communications teams will make internal communications work in favour of staff management making it easier for staff to access information relevant to this function; etc.

Staffing - finding, retaining, and 'letting go'

This is a recurring issue throughout the challenges described above. Hiring staff is not always done professionally (relying more on word of mouth or personal contacts) and efforts to retain staff are limited to trying to find new funds for them. These are not sustainable nor appropriate options for a think tank.

Far from needing an HR department to deal with this, think tanks need to remember that everything they do is about people and their ideas. The organisation's governance and management needs to reflect this. Even more than policy influence as a guiding objective; the nurturing and unleashing of its staff full potential should be at the heart of everything it does.

Firing (or letting go) is a particularly contentious issue. Since their origins are usually in the NGO world or in academia, think tanks award firing a very negative connotation. Many organisations prefer, instead, to move staff around, promote it, create new positions

for them, and change their status to associates (rather than full time staff members); anything except letting them go. And when they have to get rid of staff they inevitably do it in the least productive possible ways.

This has the opposite effect of what was intended. It creates more work for those who are performing effectively, it undermines managers and their power to define and decide the future of their programmes or initiative, it undermines formal procedures instituting, instead, an informal way of doing things, etc.

And in the long run, too, it increases the cost of staff.

Monitoring for management

A final governance and management issue to consider, and that has the power to tie everything together, is monitoring. Monitoring is often meant to focus on the monitoring and evaluation of a think tank's influence. Funders like to focus on this and think tanks tend to oblige – maybe because it keeps monitoring out of their organisation's private space.

Monitoring for management is less interested in the impact that a think tank has or on measuring any degree of their contribution to change but rather places greater value to the organisation's internal functioning: to knowing about what it does and learning how to do it better.

There are a number of priorities in this respect:

- **Monitoring the performance of the governance arrangement:** the board, the ED, the SMT and the various teams and levels of the organisations need to be monitored closely to determine how well the work, individually and as a whole. Good governance arrangements make this easy: the board monitors the ED, the ED can monitor the SMT, SMT members can monitor their teams and programmes, etc. In essence this kind of monitoring is about knowing if the organisational form is fit for purpose.
- **Monitoring staff's competencies:** if people are the most important asset then people deserve special attention in any monitoring effort. Appraisals are as much about judging their performance as giving the organisation the information they need to support them. Appraisals are a great source of information when thinking about capacity development needs, for example. Therefore, far more important than focusing on targets (e.g. number of papers published or new contracts) it is to pay attention to competencies (e.g. leadership, critical thinking, strategic capacity, decision making, communication, working relationships, etc.).
- **Monitoring projects/initiatives:** monitoring the projects and initiatives that the think tanks implement is crucial to know whether the organisation is delivering

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on its commitments but it is also a great source of information about: what seems to work (e.g. what works well in relation to research activities, events, publications, networking, etc.; projects are, after all, an opportunity to compare how the same tactics fare across the organisation and over a long period of time) and whether the organisation is making or losing money. This last point merits special attention as few organisations know how many days its staff spent on any given project. What is the point of spending thousands of dollars finding out if a think tank had influence or not if it cannot even tell if, in doing so, it went broke?

- **Monitoring quality:** across the organisation, everyone can be judged by the quality of the work they produce. Everyone will, of course have different outputs to be judged by but it should be possible to find them and use them to keep an eye out for a dip in standards.
- **Monitoring the context:** organisations do not exist in a vacuum and it is worth reminding ourselves of what the context is up to outside. Is the organisation, as it is governed and managed, in its focus and strategy, relevant and sustainable in the long term?

Monitoring then is crucial to pre-empt the challenges that besiege any think tank. Better catch them early and do something about them while there is still time.

Re-caping

The point of the last three articles is to encourage think tanks (certainly the Indonesian think tanks starting to work within the KSI) to enquire about their governance and management situations, explore what may be working well and what may be in need of a fix, and to seek, without any shame, for help.

At the same time, I hope it encourages their funders to bring up this elephant in the room. These are important issues. If left unresolved they will be the biggest stumbling blocks they will face.

Think tanks do not just manage projects; they do not just pay invoices; nor do they simply public briefing papers. Their projects have to generate ideas; their publications have to encourage the best minds to work with them; and they have to communicate complex arguments and ideas. To achieve this they need more than just good researchers.

SERIES

THINK TANK GOVERNANCE AND MANAGEMENT

It is important that there are clear leadership roles within the organisation: all the way from the director down.

ENRIQUE MENDIZABAL

What keeps think tank directors up at night? reflections on funding, staffing, governance, communications and M&E

BY ENRIQUE MENDIZABAL

Over the last year or so I've been discussing challenges (as well as opportunities) with many think tank bosses and their funders. From time to time I've published a few reviews or broad recommendations. I've had the chance to review several think tanks for my book as well as for specific consultancies. Others, like CIPPEC and the Think Tank Initiative, have surveyed and interviewed their partners and grantees about this, too. There are a number of issues that keep coming up:

Funding

The bottom line is the bottom line. Think tanks are universally concerned with their funding environments and their own individual prospects. Of course, they face different challenges depending on their business models and their countries' policy context. I have identified three broad types of funding environments:

- **Aid dependent:** where money for well-established think tanks is readily available
- **Newly middle income or post-conflict:** where money for think tanks has or is in the process of disappearing fast but no options are readily available.
- **More mature middle income:** where a local philanthropic community exists or is developing and/or where regional investment or development agencies have picked up the role of funding research.

The challenge for funders is to make sure that the second scenario above is avoided.

But funding is more than just about the next project. Inevitably, all think tanks need to build up reserves or an endowment that may allow them to make strategic decisions about their research agenda and policy engagement.

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Foreign funders can help by paying greater attention to leveraging domestic funds as a way of guaranteeing their grantees long-term financial sustainability. Currently, the onus is placed on the think tanks. Funders give them money but condition it to them being able to 'win business' in the future from other sources. But if all funders do the same, then who are these think tanks going to go to next? The only way forward is for research funders to get together, pool their research funds through national (independent) research councils or bodies and use these to leverage domestic public and private funds.

Staffing

Think tanks tend to face two concerns related to staffing: how to find the right staff and how to retain them. There are two extreme scenarios to consider. The number one factor affecting think tanks' capacity to staff themselves appropriately is the availability of trained researchers, communicators or managers. I have written about the importance of investing in universities of high standards as a way of supporting think tanks. In my view, 'workshops' or 'post graduate' degrees just won't do. With this in mind, two extreme situations arise.

- Where there are not enough qualified researchers but aid funds are readily available: this leads to think tanks having to compete with well-funded Ministries of Economy, Central Banks, Aid Agencies, and the private sector by offering salaries that are, in many cases, nominally higher than those paid to researchers in the United States or Britain. These salaries are simply unsustainable but they also lead to the poaching of the few competent researchers left in universities and hence the cycle is completed: if no researchers are left in universities this lowers the quality of teaching which lowers the quality of graduates which limits the options of think tanks who have to poach them from academic departments or other agencies, etc. The race to offer increasingly higher salaries in on and this cannot end well for think tanks.
- The other scenario is where there are at least more competent researchers but significantly fewer funds to attract them and keep them for long enough to make a difference for the think tank. In these contexts, think tanks also compete with well-funded government agencies and the private sector: and lose. Their only chance is to seek to offer opportunities to access policymaking spaces (of power) or post-graduate degrees abroad. In these cases, think tanks particularly struggle to attract more mature researchers (between 35 and 45) who have some experience in government and solid academic credentials.

Often the solution sought is to 'build their own' but this is easier said than done. The Belgrade Centre for Security Policy, however, has been able to do it: have a look at their Belgrade School for Security Studies and their Internship Programme. It is worth learning from it.

Think tanks should also consider hiring internationally. It is not uncommon to find

‘foreigners’ working for think tanks in the US or the UK. Good researchers, good communicators and good managers can work anywhere. If a think tank needs a good economist and cannot find him/her locally, they should widen their search to other countries. There are many excellent economics, sociologists, public health experts, scientists, communicators, and managers very keen to work in developing countries for local (or only slightly higher) salaries. The idea that all expats need to be paid expat salaries is misplaced and keeps many think tanks from advertising globally.

Funders, too, have a role to play here. They could (and should) demand that new posts filled with their funds are advertised more widely (and they should help) so that anyone who is eventually employed is clearly the best candidate for the job.

Research agenda

Developing the right type of research and on the right issues is another challenge for think tanks. What is the right research agenda? A number of factors come to play in this decision:

- Where is the money? Inevitably, think tanks without endowment need to consider who is funding what.
- What do we know? This has to be matched with the centres’ capacity; particularly, the areas of expertise of their staff.
- What is important today? Somehow they must make sure that their research pays attention to policy issues that are current and relevant to policymakers, the opposition, the media, and the public today.
- What is going to be important tomorrow? but it would be a serious mistake if they did not keep an eye on the future and paid attention to problems that are emerging and are not yet in anybody’s agenda.
- Who are our audiences/publics? I prefer the idea of focusing on a public than on an audience but in any case, it is important to know who is it that the think tank is trying to communicate with. It may be a local audience, an international audience, an institutional one, individuals, etc.
- What do they need? Often think tanks spend a lot of time and effort on long primary research and academic standard studies when all that was needed was a short analysis of a few options. A randomised control trial can help but so can a simple cross-tab exercise: USD200,000 over a several months versus 1 hour’s worth of work over lunch.

Having said this, I consider that think tanks tend to make things more difficult than they need to be by paying too much attention to point 5 above. I have written before that research agendas and research teams can be organised in a way that is de-linked to the way the think tank communicates.

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Governance

Governance is a broadly unexplored issue. Ray Struyk is one of the few who has given this sufficient attention. Many think tanks inherit their governance structures. Academic think tanks have complex boards made up of the very researchers who make up the think tank's senior staff (which makes any change difficult if not impossible but at the same time creates stability) and tend to have extremely cumbersome quality assurance processes that make the road from idea to publication extremely long; NGO think tanks tend to rely heavily on boards made up of representatives of other NGOs or of the international community which tends to insist on advocacy rather than research; other think tanks have boards that are entirely international to avoid any partisan affiliations (but this de-links them from local politics) while others are overtly political (which is not the same as partisan) in their choice (but this makes them uncomfortable grantees for international funders).

Whatever the governance structure a few things could be considered as good practice:

- **Make sure the board is locally relevant:** Even the think tank has international members these ought to be interested in the think tank's country and politics.
- **Make sure the board has the right mix of skills:** The Board is there to help the director and his/her staff. Board members should have: content knowledge, context knowledge, and expert knowledge on key issues such as management, finances and accounting, fundraising, communications, human resources, politics and policymaking, etc.
- **Do not make it too board heavy:** Some think tanks have boards, advisory bodies, international boards, managerial boards, etc. Then they add boards to programmes and projects. All of this costs money to manage. Think tanks need to think about what is absolutely necessary.
- **Think about what is right for a think tank:** A board for an academic research centre may not be useful for a think tank. A think tank board needs to be 'out there' on behalf of the think tank. It needs to approve ideas quickly and open spaces for the researchers.
- **Quality control:** One of the best comments I have ever heard about quality control is from Mairi Dupar from the Climate and Development Knowledge Network. When interviewed for a position and asked about how to ensure good quality she said: the best quality assurance solution is to hire competent people. A lot can be done by simply focusing on hiring the right staff. If all else fails, however, it is useful to make sure that there is always someone looking after certain issues or types of work so as to ensure consistency in quality. A simple solution is to make sure that the line-management system chosen includes ongoing quality control by mentoring.
- **Staff management:** Some think tanks organise themselves as consultancies with lots of hierarchies and levels. This takes time to manage and can also create

silos; but it feels organised if the organisation is quite large. Others, like SMERU in Indonesia have an interesting system where all researchers are pooled into three groups: senior researchers, researchers, and junior researchers. On any given project they work they are groups into teams by the Director and Deputy Director (often junior researchers act as project coordinators in small projects as a way of building their capacity). At the end of the year their performance is reviewed by consulting their peers about it. This allows researchers to learn from each other and develop several skills. It also provides several opportunities for line-management and mentoring.

- **Leadership:** It is important that there are clear leadership roles within the organisation: all the way from the director down. Too many think tanks are bogged down by consultation obsession and nothing ever gets done.

Digital or not digital

Since leaving RAPID I have taken a slightly conservative stance to ‘research communications’. While I believe that engaging with old and new media and making use of as many communication channels and tactics as possible is a good idea, I am not happy with the way that some organisations and consultants seem to be ‘pushing’ their own approaches on think tanks from all sorts of contexts. Behind this is an assumption that if a think tank is not ‘online’ it must be because they do not know how. They also forget that the introduction of new communication practices in developed countries was met with significant resistance by their researchers.

The fact is that there are other reasons for this resistance. Many think tanks are already very successful at communicating with their main audiences. They do this by using context-sensitive approaches that donors and consultants cannot ‘see’: face to face meetings, professional and social networks (the real ones not the digital ones), etc. Many policymakers and researchers in developing countries went to the same universities and schools. There are not that many (see staffing challenge).

Not ‘doing digital’ (as a proxy of not trying new approaches) often has more to do with a decision to keep doing what works rather than ignorance. In this case, my recommendation is to think hard about whether the way people access information has changed or is going to change – and how. This should determine the sense of urgency for the think tank. If change is underway or is expected then think tanks should consider preparing themselves to it.

If twitter is not being used today by the relevant policy communities, then this is the perfect opportunity for a think tank to start engaging with it as a way of setting the rules for the way that twitter will be used to discuss policy. In the developed world, many think tanks have been caught by surprise by the rise of the web. As a consequence they are now catching up to other policy players and having to learn how to play by their rules. If think tanks get in early (and doing so it not expensive) then they can set the rules.

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Become a think tank

Related to the point above, one of the main challenges that think tanks face is behaving like think tanks. Since many of their researchers come from academia, their funders tend to be biased towards PhD and academic research, their boards are heavily academically biased (partly because academic carries significant credibility in developing countries), and the idea of a think tank is still relatively new, think tanks and their staff find it hard to behave as think tanks and thinktankers. What does this mean?

I have encountered many researchers in think tanks who are unwilling to express an opinion unless research is done on the issue in question. But, I ask them, if you are supposed to be an expert on this subject, what is wrong with saying: “In my opinion ... this or that”? Other researchers I have met are sitting on great opinion pieces, briefing papers or policy briefs but are not sure about publishing them unless they are peer-reviewed; but by the time they are the moment has passed and the issue is no longer of public interest.

Donors tend to focus on skills when it comes to capacity development: research, communications, etc. But really, what many think tanks need is to be exposed to ‘the ways of think tanks’. This can happen by hosting think tank researchers or communicators from countries where the ‘think tank way’ is more developed, visiting these organisations to see how they do it, including board members with think tank management experience who may encourage the directors to take risks, etc,

Monitoring and evaluation

This is never going to go away. As Rich says, dollar for dollar, think tanks get more attention than any other organisation on this issue. Lately, the trend in Randomised Control Trials has entered the world of think tanks and there are some donors and researchers suggesting that it is possible to carry out experimental or quasi experimental evaluations of think tanks’ influence. From what I have seen, we should treat these claims with caution. My advice to the think tanks under evaluation is to demand evidence that they know what they are doing. And to donors, I’d argue that they have, among their grantees, RCT experts who could try to tackle this issue: why rely on external consultants when this can become an excellent learning opportunity?

In any case, monitoring and evaluation should build up from the bottom up: and ask more basic questions. I would argue that the first thing that all think tanks should consider is if they are doing the most appropriate things for the context they face. This basic question can be extremely challenging to answer but is likely to offer very important recommendations. And why not turn it into a research question of the think tank’s own researchers to tackle?

Then they should make sure that all activities: research, management, accounting, communications, are done right. Often evaluations focus on impact on policy but little

attention is given to the quality of the research or of the communication activities that are supposed to lead to that impact; and the problem tends to lie here. What is the point of spending time and money evaluating impact when the research methods are questionable or the press releases were poorly drafted or the websites are unfriendly?

Related to this, separating communications, from governance/management, from communications is not useful. What is the impact of ‘research communications’? This cannot be answered without considering the subject, type, and quality of the research, the organisation’s governance, its management, funding, etc.

There are, however, lots of very pragmatic tools to keep an eye on individual activities. Nick Scott has written on monitoring communications. But there are other things that can be done to keep an eye on research quality and management.

In the end, any monitoring and evaluation approach chosen must consider that think tanks are not just about influencing policies directly but also fulfil a great deal of other functions (education of elites, prepare new policymakers, create and maintain spaces, help set the agenda, disrupt consensus, etc.). It is in all these functions that their real value lies.

My advice for think tanks is to look for external researchers willing to carry out frequent reviews that consider their organisations within a historical context and place as much attention to the numbers and web-hits as their do to their organisational culture.

Think tanks may choose several models on which to base their governance structures, according to the interests and objectives of the institution. We have seen that there are three broad board models among the think tanks we have gone over, and that these are more commonly found in certain organisations and in certain regions.

ANDREA MONCADA AND ENRIQUE MENDIZABAL

Think tank Boards: composition and practices

BY ANDREA MONCADA AND ENRIQUE MENDIZABAL

Like any organisation, think tanks must have a solid and appropriate governance structure to enable them to deliver their missions. An important aspect of this is the presence of a strong and independent Board of Directors that is successful in procuring financial resources for its institution as well as in guiding the organisation by its founding principles, and encouraging innovation when necessary.

For this article we reviewed the governance structures of several think tanks, such as those that are supported by the Think Tank Initiative. We sought for a regionally diverse group that would allow us to observe the different ways in which think tanks' boards, particularly those in developing countries, were organised. We also delved into think tank boards' characteristics and practices, board appointment models, and the different criteria employed for choosing and appointing board members.

Overview

In order to go into detail on the particularities of each type of board, for instance the manner in which their members are chosen and their roles, we must first identify and explain some different kinds of think tanks. For this purpose, Diane Stone's classification, which relates to their origin, can be useful:

- Independent civil society think tanks established as non-profit organisations;
- Policy research institutes located in or affiliated with a university;
- Governmentally created or state sponsored think tank;
- Corporate created or business affiliated think tank;
- Political party (or candidate) think tank.

The nature of each, as we will see ahead, can tell us a great deal about their governance structure. For example, most state sponsored think tanks will not have the same type of board than, for instance, an independent civil society think tank, or a political party think tank. Think tanks could all also have secondary boards such as advisory boards or management committees depending on their origin.

Several factors such as the legal, economic, political and social context of a nation can also influence the way a think tank manages itself. The political architecture and the regime type, for example, may determine just how much independence think tanks can have,

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or how closely affiliated they are to the government: their boards (or lack thereof) can reflect this. In less democratic countries, legislation regarding non-profit organisations can be quite restrictive, and so board members must work in a very different setting than in fully democratic nations. Philanthropy might not be as widespread either, and so board membership may be difficult to present as an attractive option to potential donors.

A corporate board

We have so far identified three broad types of think tank boards among the organisations and institutions that we have reviewed. The first type is the most common: a board of directors that is in charge of mainly two tasks: defining and maintaining the think tank's original goals and values, and determining and ensuring its finances. These are corporate boards in the sense that they are quite similar to those of for profit organisations. They can also be referred to as legal boards, as their responsibility for the finances and appropriate functioning of the think tanks is determined by their country's legislation. This board of directors usually appoints an Executive Director, who has the responsibility of overseeing the staff and all the think tank's day to day activities.

A corporate board's role can have three aspects: legal, functional and symbolic. As mentioned above, these boards are commonly mandated under law to ensure the accountability of their organisation and guaranteeing its fiscal integrity (as think tanks usually receive legal advantages such as tax breaks as other non-profit organisations). Their functional aspect can vary widely, as we will see later on: they can evaluate the centre's performance, appoint the executive director, and conduct fundraising activities, but they might also be involved in more direct managerial activities. Finally, their symbolic aspect entails ensuring the think tank's prestige and public image.

We found that the majority of the think tanks in our sample who had corporate boards were from India and its neighbours such as Sri Lanka, Pakistan and Bangladesh. This might be due to an Anglo-Saxon influence as these were previous British colonies, who inherited legislation that treated eleemosynary institutions as public bodies that represented the public interest, and placed a lot of emphasis on keeping the public trust. Ecuador's Grupo FARO, which also presents a corporate board, was founded by individuals who had been educated in the US, and who may have come into contact and become influenced by this governance structure.

There are certain variations to this model. Some boards establish that membership is on a voluntary basis, and the executive director is always chosen among board members, as is the case in Pakistan's Social Policy and Development Centre and Sri Lanka's Institute of Policy Studies.

The membership board

The second type of think tank board is a departure from the standard model. In some think tanks, an assembly is formed, consisting of all those individuals that are associates

to the organization, usually its researchers and founding members. This assembly is the highest governing body and periodically meets and chooses the Executive Director and an Executive Council, either from within the members or from the outside. Examples of think tanks with this kind of administrative structure are the Instituto de Estudios Peruanos in Peru, the Institute for Social and Environmental Transition in Nepal, the Institute of Policy Analysis and Research in Rwanda, Honduras' Foro Social de Deuda Externa y Desarrollo, the Asociacion de Investigacion y Estudios Sociales in Guatemala, Fundacion ARU in Bolivia, Ecuador's Centro Ecuatoriano de Derecho Ambiental, among others.

We found that this type of board was most common among Latin American think tanks. A possible explanation for the prevalence of this model in this region is that many of these organisations have NGO origins and many were set up with strong democratic values at heart in order to counteract the authoritarian nature of Latin American governments. Hence, these democratic values are expressed in their governance structure.

In this model, the Executive Council is more like a management committee than a board of directors in the sense that it is in charge of the organisation's day to day activities. It is possible to deduce then that it is the Assembly that is in charge of ensuring that the think tank's main goals are achieved by electing for the Executive Council and the Executive Director those individuals they feel are best suited for the task.

The project leader's advisory board

The third type of think tank board is found among those organisations that are affiliated to a state institution such as a Ministry or Department. We found, for example, that the Ethiopian Development Research Institute, which refers to itself as a "semi-autonomous think tank", has no board of directors but rather an executive director who answers directly to the Office of the Prime Minister (and he also happens to be the Prime Minister's chief economic advisor). It counts, however, with a Technical Advisory Committee, a kind of advisory board which consists of several state ministers as well as the think tank's executive director and director of programs, which is presumably in charge of offering advice and guidance regarding the type of research and the overall position the institution should undertake, always in line with governmental interests. According to Diane Stone:

For governmental institutes, there may no board of trustees in place. Administration, including the hiring and firing of institute directors, is handled by senior bureaucrats in accordance to civil service codes. Instead, an 'advisory council' or 'scientific panel' may perform some roles of oversight – depending on how frequently it convenes.

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Government – affiliated think tanks do not need a board of directors to keep the public trust or to ensure that the institution stays true to its mission because its mission is very much influenced by the government or the state institution it works under. This model is particularly found among semi-official Chinese think tanks, albeit with some variations in each organisation:

Semi-official think tanks are not completely independent because they are independent legal persons founded by the government (as supervisor unit: yewu zhuguan danwei or guakao danwei). They are headed by government-nominated personnel and accept start-up capital from their supervisor government agencies. They also receive a steady flow of administratively appropriated funds as fee for regular research tasks assigned by their supervisor. Their policy outputs are thus somewhat shaped by government directives.

The prominence of project leader advisory boards in this region can be explained by the fact that think tanks were created as instruments that legitimised and consolidated existing regimes. This legitimacy fell on the capability of think tanks to disseminate government agendas and obtain public support. Furthermore, East Asian think tanks have historically gotten financial and intellectual support from the state or the private sector, and tend to be state-directed.

This is not to say that government – affiliated think tanks never have boards of directors. For example, the Chinese Centre for International Economic Exchanges seems to have a Board of Directors, most of who are current and former public officials, as well as academics and individuals from the business sector. It is also under the supervision of the National Development and Reform Commission, a central government department that follows the Ministry of Foreign Affairs.

Secondary boards

As we have seen above, think tanks may have a board of directors and a second body that either supports or replaces it. They may, for instance, have a Management Committee. This management committee can be made up either of members of the board in the form of a sub-committee to advice and monitor the executive director, or comprise of members of the board to effectively manage the think tank. It differs from the board of directors in that it has a more day to day role in the organisation's activities. In one case we found that the Executive Director was also the president of the management committee (in the Institute for Empirical Research in Political Economy, of Benin).

There can also be an Advisory Board, like in the Indian Institute of Dalit Studies. These are usually made up of individuals who have had experience in the public sector and in academic research and who give guidance on the types of research that the institute should undertake. In this particular case, the Chairman of the board of directors is also a member of what they call the Research Advisory Committee, as well as the founding Director. Unlike the board of directors, advisory boards do not have fiduciary responsibility and so are not responsible for the institution's audit or state of its finances.

Advisory boards that are comprised of eminent scholars and professionals may add prestige to the institution (Stone, 2005). Orazio Bellettini, the Executive Director of the Ecuadorian think tank Grupo FARO highlighted in an interview that the members of its advisory board provided significant support during the initial years of the institution by giving it the credibility and expertise that were associated to their names. He felt that whenever international agencies and public institutions recognised these individuals, their interest in Grupo FARO increased significantly.

Who are the members

The individuals that make up the boards of directors are chosen according to the think tank's orientation and policy interests. Most boards try to include academics that have expertise on the think tank's subject matter, and who can bring prestige to the organisation, thus increasing its chances of obtaining funding. Individuals from the private sector may also be present, offering them links to possible future financial resources. In semi-official think tanks, former and present public official, close to whatever branch of government is supervising or sponsoring the organisation, make also up the board membership. In the think tank boards that we reviewed, there were always representatives of these three groups.

Members with ties to economic resources seem to play a particularly important role in the Latin American countries where corporate philanthropy is more common. In some Argentinean and Chilean think tanks, those individuals from the corporate sector that make up the board provide them with institutional funds. They also have a say in setting up the general guidelines of the institution according to the work by Braun, Ducote and others.

Thus there are two broad models for recruiting and putting boards together. The first is the "distinguished person" model and the second, the "expert advice" model as describe by Struyk. In the former, interest is placed upon getting individuals that are well known and respected, and not necessarily experienced in public policy or in the organisation's subject matter or activities. In the latter, board members are far more aligned with think tank research and policy interests as well as management needs.

However, most think tank boards do try to include a diverse number of people, aside from their professional backgrounds. This has the effect of providing the Executive Director with several points of view on topics of discussion.

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The domestic and foreign members

There is yet another difference: the domestic and the foreign member. Some think tanks have international advisory board members while others stick to local ones. The ones that look for foreign members are often the ones which present themselves as technocratic, that want to keep a safe distance from the political debate, or aim to maintain a rather plural position amidst a highly politicised context. An example of this is the Peruvian institute Grupo de Analisis para el Desarrollo (GRADE), which has an advisory board that consists mostly of well-known academics from the United States.

Domestic members are more likely to have formal or informal affiliations to political, economic or social interests and are therefore more common of think tanks with a 'clearer' political mission.

Who appoints the board?

We also found differences in the way the board of directors is appointed. Three models are the most common, based on think tanks' origins. In the first model, the Executive Director leads and appoints the board; these may be called appointed boards. This is common among think tanks that are founded by an individual who may assume the position of Executive Director and puts together a board during the institution's initial years. For example, Nicolás Ducoté, the founder of the Centro de Implementacion de Politicas Publicas para la Equidad y el Crecimiento (CIPPEC), an Argentinean think tank, was the executive director for the organisation's first year and brought people into the board.

In the second model, appointing boards, one or more board members take the lead and appoint the executive director and other board members, either from within the think tank or from the outside. This is usually how executive directors are appointed in the corporate type board and in think tanks originating from among its main funders.

In the third model, a promoter or third party, such as an individual, a university, an NGO, a donor, a foundation or a corporate agent, leads and appoints both the board and the executive director. The University of Wisconsin-Madison's Institute for Research on Poverty works under this promoter led model: the appointments of both the director and the members of its Executive Committee are made by the university. A variation on this is that the promoter appoints the board and it then appoints the director; or the director is appointed first and then, with the promoter, appoints the board. This type of model can also be found in government-affiliated think tanks.

Board characteristics and practices

Finally, we took a look at board characteristics and practices among those institutions that are supported by the Think Tank Initiative, in order to identify regional differences

among them. Think tanks from Eastern and Southern Africa had the biggest boards, the largest comprising of 29 members. The smallest think tank boards came from Latin America and the Caribbean with just two members.

Size notwithstanding, institutions from Latin America and the Caribbean had the highest number of board meetings per year in 2009 and 2010, compared to all other regions. The average maximum for all of the other think tanks was four meetings.

The rate of attendance in Latin American and Caribbean think tanks may be explained by the prevalence of membership boards in this part of the world: as mentioned before, the board of directors chosen by the assembly act more as a management committee than as a legal board of directors, and so they would have to meet more often to deal with their tasks. Attendance rate was also highest in this region, followed by board members from think tanks in Eastern and Southern Africa. The lowest rate of attendance came from think tanks in India.

Typically, think tank boards of directors are in charge of hiring the executive director, evaluating his or her performance, evaluating the think tank's financial performance, fundraising, setting budgets, and ensuring that the organisation stay true to its foundational principles. However, one of the main problems of think tanks is that responsibilities and tasks are not appropriately defined for each body, and so think tank boards may become distracted and less effective because they have to deal with issues that are more operational.

Board functions and tasks: challenges and recommendations

As mentioned above, a common problem among think tank boards is that their functions are not clearly set out and thus they can become unnecessarily involved in more managerial tasks. For instance, the board may concentrate on day to day activities that could be otherwise handled by the staff, or they are passive in the sense that they only react to staff initiatives and information rather than assert their leadership by indicating the topics for the think tank's agenda or making recommendations for key strategic reforms.

Sometimes board members may get too involved and even go around the director and secure projects or appoint staff to them, making it difficult for the director to be accountable for the results of the centre. Authority is also often not clearly defined as the board's role is unfortunately poorly outlined.

Some of the interviews with think tanks' executive directors in *On Think Tanks* shed some light on what they consider important aspects of the board as well as of the latter's relationship with the staff and with funding. For example, Orazio Bellettini from Grupo FARO has indicated that the institution identified the need to strengthen the board of directors in order to improve the quality of their leadership and governance. Members of their board have expressed their awareness of the importance of their role in governance

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and institutional sustainability and have expressed a willingness to participate in programs geared towards improving their capacity as board members. Thus, Think Tank Initiative funds have been used for improving and strengthening the board's role as well.

Grupo FARO also believes that the board should have a more active role in fundraising activities, as well as in managing think tank relations with the private sector and with international donors. Bellettini expressed his conviction in increasing the proportion of the institution's budget coming from small, local donations, and the board would be likely to be involved in obtaining more resources from local philanthropists.

In another interview, Simon Maxwell, former director of ODI, indicated that it is important to recognise that good governance requires that the boards develop the think tank's strategy and mark it as their own. This can avoid misunderstandings in relation of where the true ownership of the institutions lie: staff may believe that they own it but, with the exception of membership boards where staff members are also board members, they do not. In order to do there needs to be good communication between the board and the staff. Simon Maxwell pointed out that during his term as Director of ODI, it was difficult to manage conversations with the board.

Another example of the relationship between the board and the staff was provided by Monica Galilea, the former Communications director of Centro de Analisis y Difusion de la Economia Paraguaya. She indicated that if it were not for the board's continuous interest and support for the institution to have more systematic and structured communication, it would've been quite difficult to establish a Communications Unit and an external communications plan. This new unit resulted in those communications tasks that had in the past been dealt by board or staff members to be led by specialised communicators, thus freeing the board from more day to day activities.

While boards may have a wide array of roles and priorities, there are good practices or principles that all could follow. For example, the board should be locally relevant, in the sense that all board members should have an invested interest in the economic, social or political development of their think tank's country. This includes international board members. It is also advisable to not make think tank governance too board heavy (for example, having a legal board, an advisory board, a management committee, etc.), as this costs money and time to maintain. More complex governance structures are also more difficult to explain to staff and third parties and this can dramatically affect communications and coordination between them.

Board members should also have a good mix of skills: content knowledge, context knowledge and expertise in areas such as management, finances, accounting, human resources, etc. Hiring competent people, after all, assures quality control. Furthermore, someone in the board (or more) should be focused on guaranteeing consistency in the quality of the centre's outputs.

There should be a clear channel of communication between the board and the rest of the staff, particularly the executive director. The staff can, even if it does not legally 'own' the

organisation, help shape the board's manner of thinking: Simon Maxwell, former director of the Overseas Development Institute, has said that, for instance, the director can shape the membership of the board by suggesting rotating memberships, by familiarising the board with the staff and with the think tank's projects and outputs, or encouraging the board to review its own performance at least once a year.

Finally, think tanks should reflect on what is right for them. Certain boards fit certain think tanks better: for example, a board for an academic research centre might not be a good fit for a think tank. Leadership roles must also be clearly defined in order to streamline think tank output.

Conclusions

The three board models

Think tanks may choose several models on which to base their governance structures, according to the interests and objectives of the institution. We have seen that there are three broad board models among the think tanks we have gone over, and that these are more commonly found in certain organisations and in certain regions. Corporate boards of directors, also known as legal boards, are responsible for the governance of the organisation and legally responsible for it. They originated from English common law, which considered that charitable institutions were public and thus had to be governed in a way that protected the public trust; many think tanks founded under this tradition present this governance structure.

Membership boards consist of think tank members, which may be current or former researchers and staff and are organised in an assembly. This gives membership boards a more democratic characteristic as the board of directors and the executive director are chosen by this assembly. They are more commonly found among Latin American think tanks.

Finally, there are project leader boards, which are most commonly found in government – affiliated think tanks and do not necessarily present a board of directors per se, but may just consist of an executive director appointed by a ministry or a governmental department. We found project leader boards were more common in East Asia, as think tanks in this region originated as instruments that legitimised regimes and leaders, and many have kept this close relationship with their respective governments.

Secondary boards

Think tanks may also have secondary boards such as a management committee, which oversees organisations' day to day activities, and advisory boards mainly focused on quality assurance. The latter is comprised of individuals that give guidance to the board of directors on matters such as research themes and may add prestige to the institution. These can be found in all types of think tanks.

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Types of board compositions and board members

The combination of board models and the types of individuals that make a part of them have a significant impact on the way a think tank approaches and achieves its objectives. Think tanks may either prioritise including a diverse group of people in their boards or individuals with specific skill sets and expertise that are more in line with the think tank's interests. Individuals with links to corporations, and financial resources, may also be pursued. Those think tanks affiliated to a governmental ministry or department usually have boards appointed by government officials, and the individuals chosen are likely to be current or former public officials and other agents close to the government. Others, such as more technocratic think tanks, may prefer to include in their board of directors or secondary boards individuals that can assure the independence and impartiality of the institution, usually international members.

Recommendations for good board practices

Whatever the type of think tank board, it is important for these organisations to clearly define the role of each part of its governance structure: of the board of directors, the executive director, and the assembly or the secondary boards. A board of directors should be a group with a varied set of skills, with strong interests in the think tank's main areas of work, that has a good relationship with the rest of the staff and that has a clear leadership quality. Efficient think tanks are those that do not misallocate main managerial decisions among these bodies but rather set clearly outlined tasks for them (Struyk, 2006).

SERIES

THINK TANK GOVERNANCE AND MANAGEMENT

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ANDREA MONCADA AND ENRIQUE MENDIZABAL
Authors, *Think tank Boards: composition and practices*

In our experience, establishing and consolidating a think tank requires people, ideas and financial resources. Leadership is fundamental to attract people, create the conditions to generate ideas and to manage the financial resources that help transform those ideas into proposals and concrete action plans.

ORAZIO BELLETTINI

Strengthening Grupo FARO's Board of Directors

BY ORAZIO BELLETTINI



Orazio Bellettini is the Director of Grupo FARO in Ecuador. This article is part of a series of articles emerging from a long term mentoring project that also includes ASIES, in Guatemala.

When Grupo FARO was established in December 2004, its founders decided to create an Advisory Council integrated by a group of reputable individuals with distinguished trajectories in different professional paths and a clear commitment to public service. This collegiate body was formed by scholars from different countries, including Augusto de la Torre and Rafael Correa from Ecuador, Andres Velasco from Chile and Merilee Grindle from the United States. Their support was crucial for FARO's first steps, since by taking part in the Advisory Council they transferred their personal legitimacy onto the organisation and encouraged others to support the idea of establishing an independent, non-partisan, pluralistic, and secular think tank in Ecuador.

During the initial years of FARO, the Advisory Council's main role was to suggest which topics and objectives should be pursued by the organisation. In some cases, they participated alongside staff members in meetings with potential donors, and in other cases they provided contacts with institutions and individuals that could be interested in supporting Grupo FARO's nascent work. However, as the organisation's workload became increasingly complex, it became clear that it needed an additional body that could be more actively involved in the think tank's strategic decision-making processes. Grupo FARO needed more professional support.

As a consequence, with the support of leading scholars with experience in setting up NGO boards and based on best practices from think tanks in Latin America and the world, Grupo FARO reformed its Statute in 2012 to establish a Board of Directors with the legally recognised competence to govern the organisation's most important processes. The Board was established as Grupo FARO's highest governing body, whose collegiate members represent diverse professional, political, religious, and cultural backgrounds, and whose participation adds value to different aspects of the organisation's work.

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In said statutory reform it was established that the Board would be made up of a minimum of 4 and a maximum of 7 members (chosen by the members themselves), who would nominate a President for four-year periods. Additionally, the Executive Director would now participate in it without vote and would serve as its Secretary.

According to the new Statutes, some of the functions of the Board are the following:

1. Oversee the accomplishment of the organisation's mission, vision, values, statutes and policies;
2. Approve the Code of Conduct;
3. Look after Grupo FARO's technical and financial sustainability;
4. Approve the organisation's investment and financial management policies;
5. Choose, and if deemed necessary remove, the Executive Director;
6. Accept resignations, remove, and designate new staff members;
7. Be informed of and approve the Strategic Plan;
8. Be informed of and approve the Annual Operations Plan and the Budget;
9. Be informed of and rule on the Executive Director's reporting;
10. Evaluate the Executive Director's performance;
11. Reform the Statutes following lawful procedures; and
12. Arrange for external auditing, be informed about them and approve it.

Addressing strengths and weaknesses

The first (and current) Board at Grupo FARO is composed of 5 members with different professional trajectories and scholarly specialisations who were invited to participate on the basis of their commitment to the importance of having an organisation that carries out rigorous and independent public policy analysis in order to improve it.

These members are Susana Cabeza de Vaca (President), Carolina Portaluppi, Alfonso Barrera Valverde (+), José Joaquín Brunner, and Manuel Chiriboga. Their initial challenge was to establish and consolidate this body. Through a self-assessment carried out in 2013, they considered to have made progress in their ability to perform functions such as critically approving the Annual Operations Plan and the Budget, assessing the Executive Director's performance, and participating in strategic decisions such as an overhaul of Grupo FARO's research programme.

However, they also acknowledged that there remain substantial challenges in strengthening their role in other tasks, such as fundraising, serving as institutional spokespeople, and building partnerships with public and private organisations that further FARO's mission and strategic goals.

In turn, with the Think Tank Initiative's support, Grupo FARO and ASIES of Guatemala are implementing a process to strengthen their leadership and management skills. Strengthening their governing bodies is fundamental both for an effective internal functioning and to achieve external impact in public policy.

Grupo FARO and ASIES have been working closely with a team of mentors specialised in think tank management in a series of managerial improvements for each organisation. During the initial stage of this project, the existing literature as well as leading think tanks were surveyed to identify best practices in management. Additionally, the two organisations had the opportunity to exchange information and share their own learning experiences in terms of strengthening management and leadership skills.

Furthermore, the project has fostered the development of publicly available knowledge outputs related to these issues that can be of use primarily for other institutions devoted to public policy research. Ultimately these public goods could be used within a projected 'Think Tankers Academy' to develop future leaders for think tanks.

Looking into the future

After a full year of work, we have clearly identified key guidelines to promote Grupo FARO's institutional development in line with its current standing as well as the political and institutional context in which it is embedded. Some of the variables related to Board strengthening that were identified during this process include adding new members that complement existing capacities with private sector experience and who are more tightly connected to regional and international knowledge networks, all of which will enhance Grupo FARO's ability to face upcoming challenges.

In our experience, establishing and consolidating a think tank requires people, ideas and financial resources. Leadership is fundamental to attract people, create the conditions to generate ideas and to manage the financial resources that help transform those ideas into proposals and concrete action plans. Yet, unlike public servants who can count on Public Administration training programmes and business people who can turn to Business Administration programmes, there are no training platforms that cater specifically for managers that work for think tanks and similar policy-orientated institutions.

Hence, it is crucial to promote such processes to strengthen think tanks' management skills in order to contribute not just to their governance and strategic capabilities. They should also seek to help them excel for their creativity, aptitude for innovation and an actual ability to produce high-impact knowledge that informs policy and practice to promote democratic, prosperous and inclusive societies.

Governance and management strategies and skills have never been a strong forte among the think tank community: Struyk attributes this to the fact that most think tank directors focus exclusively on what they believe are their organisation's main tasks (...)

ANDREA MONCADA

Why pay attention to management?

BY ANDREA MONCADA



Andrea Moncada is a journalist at Semana Económica in Peru.

*The next three articles are a series of chapter summaries of Ray Struyk's book, *Managing Think Tanks*.*

The title of this article is also the title of the first chapter of Ray Struyk's book, *Managing Think Tanks*. During the following weeks, we will be publishing chapter summaries in order to delve deeper into governance structures, staff management, improving leadership and streamlining administrative processes. (For a preview see this Masterclass on managing human and financial resources.) Governance and management strategies and skills have never been a strong forte among the think tank community: Struyk attributes this to the fact that most think tank directors focus exclusively on what they believe are their organisation's main tasks – expanding the number of policy options considered to address a nation's problem, providing hard facts and analysis to political parties and NGOs, empowering small players in the political process, etc. Also, directors tend to be academics who have little experience in management, thus overlooking administrative details important to the think tank's efficient functioning.

There is a more fundamental reason for senior managers at think tanks to make time to address basic administration and financial management tasks: their organizations will work more efficiently. Dynamic, charismatic leadership cannot offset flawed administrative systems

Managing Think Tanks provides guidance to think tanks and other research organisations on addressing problem areas they might encounter. Each chapter is filled with specific, real-world examples from think tanks around the globe gathered from interviews with leaders of ten leading Western think tanks and more than thirty think tanks in transitional economies. Struyk also relies on his thirty years of experience working at think tanks, fifteen years studying and mentoring them, as well as on a close study of superior management practices recommended both for non-profit and for-profit organisations.

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The donor community has worked on institutional development in the past. These efforts have tended to focus on the needs of young institutions, such as equipment to support research operations and Internet access and home pages. Donors have also tended to organize workshops that addressed the needs of start-up NGOs more generally, providing skills to new and comparatively simple operations.

However, changes are happening in the world of think tanks in developing countries. A considerable number of think tanks around the world either have or will reach what is called the “second stage of development”:

“Second-stage” institutes are at the point where they move from a low, often highly variable level of operations and a small number of sponsors to a higher level of activity—a larger staff, more projects, greater specialization in staff assignments, and more opportunities in the policy process and for educating the public on current policy issues.

When they reach this stage, think tanks have to alter their management and financial systems in order to be efficient and effective.

Of course, these think tanks are not the book’s only target audience – foundations and other supporters of think tanks, such as bilateral and multilateral donors, who are interested in helping think tanks improve their processes.

Check back with us every week for a new chapter summary. The following chapters of *Managing Think Tanks* will touch upon the following:

- Motivating staff to be productive and encouraging valuable staff to remain with the organization (essential elements include staff assessment, training, and compensation);
- Organizing highly relevant training;
- Controlling the quality of the product presented to clients, particularly through a peer review process;
- Communicating effectively the results of research to policymakers and the general public;
- Working successfully with the board of trustees or board of directors— getting the best advice from the board on strategic issues without having board members too involved in management questions;

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- Developing new products and services and identifying new clients and other opportunities;
- Understanding how to compete for government contracts;
- Determining an overhead rate that is accurate and will withstand the scrutiny of outside auditors;
- Generating information essential for senior managers on the organization's activities, broadly defined;
- Structuring the research staff—when and why to employ teams of researchers or individual senior researchers supported by a research assistant or two; and
- Creating strong team leaders—the key middle managers at think tanks who direct projects and have the most interaction with policymakers.

Getting the most out of your board

Most think tanks around the world have a board of trustees or directors that oversee the think tank's functions and performance. The board can be a very valuable asset, and yet, problems abound within them. This is due to factors such as ill-defined roles, an ineffective use of its members' talents, and the president (or Executive Director)'s shortcomings in working creatively with the board in order to get the most out of it.

This week's Managing Think Tanks chapter deals with the structure and potential contributions of the board of directors – a chapter that presidents or executive directors of think tanks would do well to read, as it outlines methods that they can use to work more effectively with the board. Their main objective should be to get the board to spend its time advising on key issues for the development of the institution.

There can be two kinds of boards in think tanks: a management board and the board of directors. The management board is in charge of mostly day-to-day activities, and the board of directors is more involved in strategy and has ultimate fiduciary responsibility. While this is the standard model, there are variations influenced by the political, economic and social context that influenced the think tank's origins. This chapter deals with the standard model.

Board functions are usually outlined in national law that governs nonprofit organisations. They are basically two: maintaining accountability, and safeguarding the public trust. Regarding the former, boards have to ensure that the organisation's resources are properly spent. As to the latter, they must guarantee that think tanks are contributing to the public good (since they are awarded legal and tax advantages for being nonprofit institutions).

However, common board problems stem from board members undertaking functions beyond what they should, resulting in an inefficient use of time. Such problems are:

1. Time spent on the trivial. Items of trivial scope or importance receive disproportionate attention.
2. Short-term bias. The board concentrates on day-to-day items that could be handled by the staff rather than issues that may have much greater consequences for the organization.
3. Reactive stance. The board responds to staff initiatives and information rather than asserts leadership (e.g., indicating topics for the meeting's agenda).

4. Reviewing, rehashing, redoing. The board spends too much time reviewing what staff has already done; this should be a management function.
5. Leaky accountability. Board members “go around” the president to assign tasks to staff members, making it hard to hold the president responsible for results.
6. Diffuse authority. The specific responsibilities of the president and board are not well defined, frustrating accountability.

In order to prevent these problems, a good starting point is to put together a clear statement of the organisation’s mission. When the board accepts it, indicators that measure the think tank’s performance should be added – for instance, conduct of policy research at a high professional standard. Once the board has been convinced that its role is to work on the big-picture issues of the think tank’s mission, the next step is for presidents and board members to clearly know their management responsibilities.

Adoption of a clearly articulated mission statement with corresponding indicators of accomplishment and Executive Limitations helps focus the board’s work on strategic issues.

Meetings can also be made more efficient by setting the agenda and distributing materials to board members in advance. The chapter provides examples of typical agendas for board meetings and typical materials distributed.

Also, it is also more and more common for think tanks (and corporations) to have smaller boards with fewer committees. This way, more work is done by the full board and there can be more open discussion and exchange. They can also better use their time during meetings, the frequency of which is recommended to be two times a year for well-established organisations, and quarterly meetings for younger institutions.

Having appropriate board members is also important for its efficiency: Each candidate for board membership should be an experienced professional with a strong reputation for integrity, creativity, and thoughtfulness. Beyond this, at least some members should have substantial experience in public policy development, social science research and evaluation, and corporate finance. It is also important to include someone with a background in working with the media or other form of communications.

Creating team leaders

There cannot be good research organisation without a good team leader. This week's final Managing Think Tanks chapter is all about team leaders, also known as center directors, department heads, division managers, etc. Their responsibilities, aside carrying out projects, include keeping staff productively employed, ensuring high report quality, promoting a good work environment and obtaining projects for the organisation.

The kind of attributes a team leader should ideally have include the following:

- solid research and policy skills in order to direct staff and be a leader in the policy development process;
- strong interpersonal and leadership skills essential in getting the most out of the team;
- be good project managers. Know what volume of resources is needed to carry out a project and how to schedule and organize these resources effectively;
- strong organisational skills to keep the team fully and productively employed;
- be effective in marketing the team's skills to existing clients; and
- be innovative in assessing the needs of existing and new clients and identifying new policy issues and activities.

Think tanks have not really tackled the problem of ensuring that team leaders excel in the areas mentioned above. Team leaders are usually researchers who were effective and organised at their job, with an interest in marketing, and were thus promoted. Think tanks can improve their effectiveness and productivity by working with future team leaders and existing ones on tasks for which they will be responsible.

Selecting a team leader

The process of selecting a team leader is the first step in ensuring organisational success. Senior management is in charge of this, and they should judge prospective team leaders against a set of rigorous criteria. The most important criteria is that the candidate must have substantive knowledge in the field in which they will be leader. Additionally, they must have proven skills in the relevant policy arena. Interpersonal skills are also quite important: without them, team productivity can significantly decrease and might even cause people to leave.

Supporting the team leader

Since most team leaders were previously researchers, they must learn to move away from research into more managerial tasks. This implies learning how to delegate responsibility.

Senior managers can alleviate the transition from researcher to team leader in several ways. First, they should define the job carefully, so that team leaders know what is expected of them. This can be done by providing a written job description and a list of tasks for the team leader, which should include specifications for how the tasks must be done. Second, senior management should be clear about what the expectations for the team are. They can also monitor performance, using tools such as time sheets to allocate the amount of time charged by the team and team leader, peer review of the team's products, staff coverage projections, etc. Meetings with the team leader in order to discuss how he or she is using their staff and marketing the team's and organisation's services effectively are also useful.

When problems arise, such as bad team performance or unproductive behaviours from the team leader, senior managers should look at their own behaviour towards the team in order to ensure that they are not contributing to the problem, like for example micromanaging team leaders.

The bottom line is that senior management would do well to realize that team leaders are pivotal for the effectiveness of the entire think tank. Thus selection processes for team leaders must be carefully constructed in order to ensure that the appropriate people are chosen for the job. After the hiring, senior managers should mentor and coach the newly appointed leaders. These, in turn, must listen to their team members and be open to different opinions, make their jobs interesting, motivate their team and set goals for it.

You know, I always say that think-tank Directors are doomed to fail, because the job description is so wide. How can you be the world's best researcher, best communicator, best fundraiser, best leader of change, and best manager, all at once? Of course, you can't.

SIMON MAXWELL

The policy entrepreneur: Simon Maxwell

BY ENRIQUE MENDIZABAL

Simon Maxwell, former director of the Overseas Development Institute, is now a Senior Research Associate of the ODI, he chairs the Climate Change and Development Knowledge Network and leads the European Development Cooperation Strengthening Programme. He is also currently Chair the World Economic Forum's Global Agenda Council on Humanitarian Assistance. Other engagements include being a Trustee of the Fair Trade Foundation, a Member of the Policy Advisory Council of the Institute of Public Policy Research and Specialist Adviser to the House of Commons International Development Select Committee. But most crucially for onthinktanks, Simon led a significant drive of change within ODI during his tenure as Director.

In this conversation, Simon Maxwell (SM) and I (EM) continue our discussion the current work and future prospects of think tanks. Simon offers excellent advice to think tank directors and policy entrepreneurs.

Enrique Mendizabal: ODI changed a great deal during the eleven years you were Director. How do you think you did?

Simon Maxwell: You know, I always say that think-tank Directors are doomed to fail, because the job description is so wide. How can you be the world's best researcher, best communicator, best fund-raiser, best leader of change, and best manager, all at once? Of course, you can't – though Alison Evans, who succeeded me at ODI, is doing a brilliant job. The area most think-tank directors are least well-equipped to take on is the management – one reason why we started a project in the European Association of Development Institutes on 'Planning for the Future and Managing Change in Research Institutes and Think-Tanks'. Directors of institutions around Europe contributed some great stories about their own journeys. For me, it was really important that the Board was enthusiastic and strongly supportive – but that's an issue in itself.

EM: Tell me more about Boards

SM: First of all, it's important to recognise that good corporate governance requires that the Board own the institution's strategy. Sometimes, the staff, including the Director, who after all reports to the Board, think they own the institution, and can do whatever they like. They don't and can't. What they can do is help shape the Board's thinking,

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which is power of a kind. And, of course, the staff do most of the work on the strategy, working through the analysis and presenting drafts to the Board.

EM: So there is a clear need for an open conversation between both. How can you manage this?

SM: It's quite hard to manage the conversation with the Board. We tried various options, including open meetings, task forces, workshops, and e-mail discussion.

EM: And what about your relationship with the Board?

SM: In some cases, too, the Director can shape the membership of the Board. When I arrived at ODI, there were no very clear procedures for rotating membership, but eventually we introduced term limits (three times three years), and that gave us the opportunity to think about the types of people we wanted and the competences. Every year, I would draw up a table for discussion with the Chair and the Nominations Committee, summarising the membership status of Board members in our different categories: academic, think-tank, NGO, business, politics, media, finance, HR. Then we would look at gaps to fill, and try to come up with some names, being careful as we did so to pay attention to gender, age and ethnic issues. I was lucky. I had three strong and committed Chairs (Lord Simon Cairns, Baroness Margaret Jay and Lord Adair Turner), and very high calibre Board members. Observing other Boards, I do notice that they work in very different ways. Some, for example, are very much managed by the founders of the think-tank. NGOs often ask far more of their Boards than we did, in terms of time at least, with many more Board sub-Committees. CGIAR Boards seem to meet for days at a time, the best part of a week, I think. Our Board met four times a year for a couple of hours and we had few sub-Committees. When I needed help, I would sometimes suggest a task-force. We had one, for example, on our public affairs programme. We also experimented with different ways for the Board to learn about our work and engage with staff. We would often ask specialist Board members to chair public meetings, or respond to staff presentations. We also had a lunch before every Board meeting, for selected staff to mingle with the Board. Chief Executives are often surprised at how much time they have to spend dealing with Board matters. There is good guidance available, for example the CGIAR guidelines on Centre Governance and materials from the UK Association of Chief Executives of Voluntary Organisations. Don't forget that every Board should evaluate its own performance at least once a year.

EM: ODI has a Board and a Council. Can you explain the difference?

SM: The board (about 12 people) are the legal trustees under UK law; the Council is a wider group of up to 40, whose main formal job is to elect the trustees, but who also play an important role as advisers and supporters. The Council were originally all trustees, and we had no Board, but we all felt the group was too big, so reorganized.

EM: Back to management. What have you learned about managing change? Besides having the Board on your side (or behind you), what else is needed?

SM: Change is not straightforward, and I don't pretend that I was good at managing it. It helped a lot that ODI was growing (by 15% a year on average every year that I was there), and that staff turnover was quite high, typically 15–25%, which is about normal for organisations of that kind in London. That meant we could try new things and bring in new people, allowing new programmes to grow without having to cut others.

Managing change without growth and staff rotation is much harder. If you look at ODI today, there are many long-standing and successful areas of work, like agriculture, aid or trade. However, many of the programmes are 'new', certainly in terms of ODI's 50-year history: poverty, politics, social policy, private sector development, climate change, water, some aspects of the work on food and agriculture, some elements of the humanitarian work. All those developed because entrepreneurs who wanted to be programme builders in the think-tank space emerged.

As a Director, entrepreneurs are your most precious resource. I used to suggest that people in the first decade or so of their careers would mostly be developing their specialist expertise and learning how to operate in a think-tank environment. Ten years in, however, we would want our best people to be developing a 'brand', leading a programme, supervising younger staff, raising money, and influencing policy. With that experience under their belts, they would move to be Programme Managers, perhaps leading a collection of smaller programmes.

EM: People are certainly important. This is by far one of the top concerns of think tanks in developing countries. How to you find, incentivise and develop them?

SM: ODI is a well-known and popular place to work, but the salaries were not high and the work pressures not trivial. Some people were put off joining – and some who did join were burned out – by the fact that every researcher had to meet a personal financial target (equivalent to about twice gross salary costs), and charge out close to 200 days a year. This was in marked contrast to UK universities, where staff were able to double-earn for several months a year. Furthermore, the range of skills we expected was very broad – not everyone can produce great research and do great TV interviews.

We eventually settled on a strategy of 'growing our own' young researchers, recruiting youngish people and helping them to adjust to our work pattern. Some left, but some went on to be among our best senior researchers. The average age fell, to the early thirties, I think, by the time I left, which is young, but not as young as some of the other London think-tanks, whose average age seems closer to mid-20s. That's partly because international development tends to require more international experience, and the quasi-consultancy world in which ODI operates more substantive weight. Most ODI researchers, for example, had spent several years working abroad, a number of them as ODI Fellows, seconded to national developing country governments for two years.

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A word of caution, though. A strategy based on developing younger staff does place a premium on having enough more experienced people to manage and mentor. Sometimes, this was a challenge for us, especially as we grew into new areas. At one point, we invested substantially in leadership (not management) training, for me and some other senior staff, with follow-up coaching, to help us all do better at shaping the Institute and supporting its staff.

EM: And how about incentives? Many think tanks are beginning to develop performance appraisal systems and are interested to find out more about how to link these processes to incentives.

SM: Another interesting and difficult one. I could never make my mind up about performance-related pay. We were encouraged in that direction by some of the business types on our Board, but quite a lot of the staff didn't like it at all. It's difficult to decide whether performance pay should be individually-based or team-based, and there are real problems defining targets and setting unambiguous performance-based rewards in the multi-faceted think-tank world. I did come across one research institute that scored research and dissemination products, but felt that was too difficult for us. Instead, senior staff reviewed the performance of all their colleagues, and a Board sub-Committee reviewed the senior staff. We tried to have a pragmatic mix of promotions, bonuses and additional increments.

People sometimes said cynically that all I cared about was the financial targets, but that absolutely was not true. Raising the money was necessary but not sufficient. I was much more concerned with intangibles like the quality of research and dissemination. What is useful is to have an annual objective-setting session, and to monitor progress – and to make sure that the objectives cover all areas of the work, and not just research (or financial targets!). Of course, circumstances and plans change, so annual objectives are a sign-post not a blueprint. Then, it is important to celebrate success. That's one reason why we were always pleased to receive mentions in ministerial speeches, or win awards, or rank highly in Jim McGann's annual survey of think-tanks.

EM: Really? The Jim McGann index? Surely being mentioned in ministerial speeches and being invited to Davos and other key policy spaces matters more than a global think tank rating. This is an interesting issue though. Many think tanks I've talked to are in two minds about this. They do not think that the index is particularly accurate but still feel compelled to try to be mentioned. What matters when it comes to measuring your influence? How do you know, for instance, that, after 11 years of hard work, ODI is as or more influential than it was when you took charge?

SM: On Jim McGann, what Directors say when they get together is that of course they celebrate when they rank highly, and complain about the methodology when they don't. ODI ranked highly, so there you are. Personally, I think Jim has done us all a great service just by mapping and tracking the think-tank world; and that the methodology would be much better if there were more money for detailed review of programmes and outputs.

In the UK, the Prospect think-tank awards call for submissions and then a panel review them: that is a more satisfactory process, but hard to do on a global scale.

As to measuring influence, and without commenting on whether we were more or less influential over time: as you know, we used a variety of methods to try and see inside this particular 'black box', including 'stories of change', a selection of which now appear on the ODI website. As with much evaluation, attribution is hard. But we were able to claim at least a role in the development and dissemination of some important ideas, like Aid-for-Trade, Good Humanitarian Donorship, and Sustainable Livelihoods. A lot of our project work was designed to shape practical change. Ingie Hovland, remember, wrote a good review of how to evaluate the work of think-tanks.

EM: I have to ask about finance. Individual targets sounds like a terrible burden. Could you not raise money centrally?

SM: I wish I could have raised the money we needed. I tried, and hired advisers to help, but it isn't my forte and the environment was never particularly conducive – unlike what we're told about the US, where Foundations, businesses and philanthropists are more willing to fund policy work. In my experience, funders don't want to give money to institutions, they want to solve global problems, buying a 'product' if you like, so that means constructing projects – which is sort of consultancy. The financial targets were indeed tough on people, and became tougher over time. We did have some sweeteners, though. If people hired research associates from outside, or younger people, they mostly kept the overhead as a contribution to their own targets. That meant that core researchers could reduce their own charge-out time substantially by making good use of others – of course, with attendant management costs and also risks with regard to quality. Some people liked that, some didn't. In later years, we began to move towards team targets, with some problems of moral hazard to be dealt with. And we also discussed whether targets should be adjusted according to ability to earn – with international economists, for example, being asked to contribute more than, say, rural sociologists. Lots of potential moral hazard problems there, too, and an approach that requires a high degree of trust.

EM: Let me got back to products –which, in a way, is what Jim McGann has done particularly well. I have the impression that funders find it easier to fund an organisation when they see it is developing its own ideas and 'technologies': an indicator; a global report on, for example, investment, trade or corruption; stand-alone training or capacity development initiatives; etc. But I found it difficult to see how ODI, with limited innovation funds and a fairly busy consultancy driven agenda, could find the funds and time to do it. In a way, now that I am out I've found it much easier (to develop www.onthinktanks.org) and so have you (The European Development Cooperation Strengthening Programme). What would a think tank need to do to develop a marketable product?

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SM: I think this is partly about entrepreneurship again, having people whose passion is to change the world. It's also about putting the policy process at the heart of think-tank planning. One of my old saws was to say that everyone interested in a particular topic had to ask themselves five questions: 'Who is making What Decision, When are they making it, What Product do you need to influence the decision, and When do you need it?' Sometimes the product is a book, sometimes it is taking someone out for lunch. Almost always, the intervention is needed much earlier in the policy process than you think. The core competence of the think-tank is to find the right balance between books and lunches – and that particular skill is highly marketable.

EM: Do you miss it?

SM: Yes, and No. It's great that ODI is doing so well. I'm really busy, with the Climate and Development Knowledge Network and my European project. I have time for my own website and have signed up to Twitter since our last conversation (only 42 followers as of this morning, but I'm hoping for a million, like Justin Bieber or President Obama). Plus, I'm still an Associate of ODI.

I used to suggest that people in the first decade or so of their careers would mostly be developing their specialist expertise and learning how to operate in a think tank environment. Ten years in, however, we would want our best people to be developing a 'brand', leading a programme, supervising younger staff, raising money, and influencing policy.

SIMON MAXWELL

SERIES

THINK TANK GOVERNANCE AND MANAGEMENT

Directors must be competent researchers and have a strong understanding of the nature of research. They must, also, be able to help the organisation develop a coherent research agenda.

ENRIQUE MENDIZABAL

Director's profiles and how to replace them

BY ENRIQUE MENDIZABAL

Leandro Echt has published an interesting synthesis of think tank directors' background, profiles and qualities via Politics and Ideas.

The best director

Leandro correctly identifies the challenges that think tanks directors face. They must:

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make key decisions that involve a huge diversity of issues: from budgetary choices, to communicational ones; from organizational engineering to staff issues. Moreover, they have to deal with a broad range of stakeholders, both at the internal and external "fronts": donors, policy makers, media, private sector, other colleagues; and the Board and staff.

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As I have written several times before in this blog, the business of think tanks is not only complicated in nature but made even harder by challenges that these organisations face. When looking at the contextual factors that affect think tanks I found that tax, labour and education policy, for instance, can have particular effects on think tanks that do not affect other organisations subject to the same rules.

In 'what keeps think tank directors up at night' I explored a number of challenges that they face:

- **Funding:** Think tank directors need to be competent financial planners and capable of developing business or fundraising for the organisation.
- **Staffing:** Directors need to have an overall vision of think tanks' most important assets: its staff. They must be able to mobilise people as much as cash.

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- **The research agenda:** While they may never be experts in any of the areas of study of their think tanks, directors must be competent researchers and have a strong understanding of the nature of research. They must, also, be able to help the organisation develop a coherent research agenda. This may sound easy for a researcher-Director but it is hardly the case. This is because they often confuse academic research agendas with policy research agendas. They are both important but are not the same.
- **Governance and management:** Directors need to be excellent managers. It is not enough to be a senior researcher in the organisation.
- **Use of new technologies and practices:** Nick Scott argues that think tanks should not be early adopters of technology but this still demands a basic level of technological literacy.
- **Monitoring and evaluation:** A culture of learning would be expected in a think tank. But it is strange to find think tanks that dedicate any time to learn and adapt their work. Directors must take the lead when it comes to learning. Bottom-up learning sounds like evaluation for the sake of accountability only.
- **Organisational culture –and becoming a think tank:** Directors ought to be think tank scholars. There is nothing like a Director who think about what it is that they do.

As a consequence, think tank directors need skills that are difficult to find in a single person. What is the right balance between academic or research knowledge and management capacities?

Across all the interviews that he reviewed, Leandro found some of the following qualities necessary in a candidate:

- Knowledge of the national policy making process is important
- Experience in volunteering seems to be useful when it comes to mobilising others
- Humility to make others shine
- Excellent communication skills

I think it would be worth revisiting the virtues developed by Alain de Bottom as a source of inspiration for directors.

Transition: finding the right director

He followed this post with one on how to manage the transition of executive directors. This post outlines the experiences of Fedesarrollo in Colombia and CIPPEC in Argentina. Both hired internally but followed different processes.

FEDESARROLLO's and CIPPEC's experiences show the value of investing in internal leadership, in order to guarantee a supply of highly-qualified candidates for future transitions. Both organizations chose people who were already part of the institution. Moreover, in every case former directors remained linked to the institution.

Lessons and recommendations

Director transitions are difficult and as a consequence, lessons from successful and failed experiences are in high demand. Here are some ideas that I put together to support two transitions in Latin America:

- Headhunting and HR companies can be helpful to organise the process but they are unlikely to be instrumental in the identification of candidates. While networks ought to be used to find the best candidates, think tanks should also go well beyond their usual communities and search for candidates in other sectors and, even, countries.
- The Board and its Chair are critical to the process. They must own it entirely and lead from beginning to end –including accompanying the newly appointed director. If possible a member of the board (if not the Chair) should mentor the director for at least a year.
- The staff should be involved. This could be by joining the interview panel or participating in a second panel to interview shortlisted candidates. It is the staff that, after all, will work with the director day in and day out.
- Candidates should be given the chance to get to know the organisation before they get to sit their final interviews. This may involve disclosing lots of confidential information. With this knowledge the candidates will be better prepared to develop and pitch their vision of the organisation.
- Think tanks should expect a long process. Not only to find the right candidate but also to prepare the organisation and its partners and audiences, as well as to help them find their own feet.
- It is important that new directors do not take too long to make their first decisions. Having a plan (properly informed) before the director joins the organisation (or takes up the post) should be a condition of appointment.
- Old directors should keep their distance but can, and should, introduce new directors to the staff, to the think tank's partners and main audiences, and to its funders. This is particularly important for think tanks founded by the directors that are leaving.

The executive director is not successful because he or she is brilliant. A successful executive director must have the right competences but also needs the right structure around him or her, and the right tools to manage the organisation.

ENRIQUE MENDIZABAL

Resources for executive directors: competences, structure and tools

BY ENRIQUE MENDIZABAL

Too many resources for think tanks are focused on communications, influence, and monitoring and evaluation. But when you ask them, think tanks prefer to talk about more intimate things: management, human resources, quality control, basic finances (accounting, really), logistics, office space and office management, etc.

Executive directors often have few peers to talk to and there isn't a literature that focuses on their jobs -as opposed to, say, executive directors in the private sector or in more mainstream NGOs.

As part of the mentoring project with ASIES and Grupo FARO we developed a short document that tries to bring together relevant literature and experience related to the executive direction of think tanks.

Tomás Garzón de la Roza is the main author of this document, who was supported by Vanesa Weyrauch and myself: Concepts on Management and Executive Direction.

The document (in Spanish) addresses three key areas: competences, structure, and tools for executive management.

Competences

A key competence for think tank's executive directors is the capacity to empower their staff to deliver the organisation's mission. This is easier said than done, after all, most think tank's executive directors are senior researchers and not natural managers.

Another important competence relates to research management. This involves both managing the technical process (and structure) of a research project as well as managing the team, the people, involved.

Change management is another important competence for a successful executive director. While think tanks do not need to be always changing, the incorporation of new

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technologies, new topics, or the focus on new sources of funding, among others, need to be effectively managed and, most importantly, led.

Human resources is critical, too: being able to plan ahead the progression of staff as well as to identify new people who the organisation needs. Successful executive directors avoid putting staff in positions that they are not ready for and seek to develop the skills they will need in the future.

Structure

The structure of a think tank, at least in relation to its research, can be characterised by two extreme models: Star Researchers and Research Teams. I have come across both kinds of models and while one would expect there to be more think tanks with a bit of both, in fact, each model reflects a very different origin and history. More academic think tanks and those organised as associations (with members) tend to offer their senior researchers almost complete freedom. More managerial think tanks (more prone to invest in communications and influence) on the other hand tend to organise themselves around teams of researchers. In the latter, the organisation has the loudest voice; in the former it is the researchers.

Each, too, demands different competencies from the executive directors.

The structure of the executive direction (the senior management team, for example) also has to take into account the support that research teams need to carry out their work. Communications, programme/project management, finances and accounting, logistics and office management, etc. all must be reflected in the executive team's structure. In other words, a senior management team that is entirely made up of researchers is incomplete.

Tools

The document does not provide a list of tools. Instead it focuses on one that is often forgotten by many think tanks: intranets.

Intranets can be done on the expensive or the cheap side. Investing too much money on them won't guarantee success and its likely to end up costing a lot more. Many organisations have asked me about intranets. They tend to favour expensive branded options; or hiring a company to build one for them –just for them. The recommendation I give is to use open access technology (Google Drive, Dropbox, WordPress, etc.) and maybe pay more attention to the design of the way in which users access information and engage with each other.

At its very basic a simple intranet (a Google Drive or a Dropbox) can help reduce the time that managers spend pointing their staff in the direction of templates, guidelines, staff

manuals, and other documents that should be accessible for all. A small improvement would allow everyone in the organisation to find everything the organisation is working on thus saving the time that researchers waste asking colleagues for ‘that database for the paper we worked on last year’ or finding the database in some old laptop.

And another thing

It is worth noting then that the executive director is not successful because he or she is brilliant. A successful executive director must have the right competences but also needs the right structure around him or her, and the right tools to manage the organisation.

We thought it convenient to profit from the experience of the current research fellows to strengthen junior researcher's academic skills and, in the medium-term, grant the latter group full research management functions.

RAQUEL ZELAYA

From managing research to mentoring: an effective mechanism for a generational transition

BY RAQUEL ZELAYA



Raquel Zelaya is the Director of ASIES in Guatemala.

ASIES was created in Guatemala in 1979 with the goal of carrying out research and analysing issues of national importance in order to promote public policies, improve debates about them and influence their discussion in political and academic circles as well as the media and civil society at large.

Following three decades of institutional work without major changes in our organisational structure and governance mechanisms, the Think Tank Initiative's support has helped us re-visit some of these issues thanks to a series of technical assistance programmes. In this article we share a specific mechanism that we created some years ago to smooth the transition of coordinating functions from the original founding staff to new and younger leaders. We do this in the spirit of a year-long effort to strengthen our leadership and management capacities, which we have embarked upon alongside Grupo FARO (Ecuador) and the mentoring support of Enrique Mendizabal, Vanesa Weyrauch, and Tomás Garzón de la Roza. This project aims to create new knowledge that may help other individuals and organisations facing similar challenges.

Four years ago, all research managers at ASIES had been part of the institution's foundation. After reflecting on it, we agreed that a generational transition was necessary to secure the organisation's sustainability. We thought it convenient to profit from the experience of the current research fellows to strengthen junior researcher's academic skills and, in the medium-term, grant the latter group full research management functions.

The Board pondered the risks that this scheme entailed, given that we had no knowledge of similar experiences. It was questioned, for example, whether senior researchers would agree to change their responsibilities to take up mentoring duties and, more importantly, whether junior researchers would really understand the process they were meant to

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manage. Acknowledging that these challenges had to be confronted, and attempting to keep senior researchers close to the institution, the Board trusted that all those involved would embrace these changes with maturity and it selected the future research managers to be prepared.

The process has been generally very edifying. All the founding research managers agreed to step down from their positions and become tutors. Most of them went on to new positions elsewhere and only one of them was kept in the payroll given that he was also charged with introducing substantial changes in a research programme. Despite this, all of the tutors have been equally committed to their new responsibilities.

Without a pre-arranged time schedule for the tutoring, tutors helped out in planning and research processes, they brought in new idea and suggestions, they consulted, checked drafts and researcher profiles, etc. In all cases their support had to be requested by the current research manager, and they delivered it via e-mail, phone or face-to-face.

In addition to having taken part in ASIES' foundation, tutors are generally scholars that have had or still have high-level academic and/or public tenures.

In time we have seen in the new research managers an eagerness to make decisions on their own, to work together in inter-disciplinary projects, to complete their graduate studies with a view to further specialisation, and to lead a more direct engagement with a wide range of political groups and with the media.

The remaining challenges are to uphold the process in a way that enables mentoring functions to be rotated to other people in the medium-term and to document the experience in order to make it more systematic.

Think tanks need to remember that everything they do is about people and their ideas. The organisation's governance and management needs to reflect this. Even more than policy influence as a guiding objective; the nurturing and unleashing of its staff full potential should be at the heart of everything it does.

ENRIQUE MENDIZABAL

**Author, Addressing think tanks' governance and management
(Line management, staffing, and monitoring for management)**

SERIES

THINK TANK GOVERNANCE AND MANAGEMENT

Better planned, better communicated, and better managed transitions can help propel a think tank into the future. They are necessary for any think tank.

ENRIQUE MENDIZABAL

Director transitions: Unavoidable and necessary

BY ENRIQUE MENDIZABAL

“I’ve been in this job for too long. I’ve run out of ideas.” This is the unfortunate confession of the director of a think tank I met in Serbia a few years ago. The organisation had been a player in its time but had lost its direction.

Most directors would not be brave enough to recognise this and too many of them cling to their jobs for too long. They claim that ‘it is not the right time to go’, that ‘this is a complex job and cannot be trusted on someone young’, or that ‘there is still work to be done’.

This is a difficult subject to address with directors. One has to be careful when asking how long they have been on the job, or whether they have a transition plan. It is, not surprisingly, a sensitive issue.

Funders are also rather concerned about transitions. They like to work with familiar faces and don’t tend to like it when new people take the lead. In a sector in which personal relationships matter a great deal, everyone seems to prefer to keep things as they are. This, as the case from Serbia illustrated so clearly, is a mistake. Transitions are unavoidable and necessary.

So being such an important one let me offer some ideas, some food for thought:

Change is good –often it is necessary: Founding directors do not need the same skills as growth directors or consolidating directors or re-launching directions, etc. Founders are great at coming up with new and revolutionary ideas. After all, they imagined a think tank and got it off the ground. The funding they secured was from risk takers and the staff that they were able to motivate were driven by passion as much as anything else. During the start-up phase think tank directors need to be charismatic, natural-born leaders, entrepreneurial, and risk takers.

But when the think tank is up and running new skills are necessary. Processes need to be formalised and institutionalised. The think tank needs to ‘grow up’ in organisational terms and establish itself as a stable and sustainable proposition. Risk taking has to be measured and this necessarily changes the director’s focus: new funding is needed, new staffing structures have to be developed, new offices may need to be secured, etc.

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And later on, changes in the think tank context and its own stage of development may demand new skills. It is unlikely that the same person (or people) will be able to stay on top of these changes and demands. New people will always be needed to deal with new opportunities and risks.

Change is better planned –even before change is expected: Over the years I have helped many think tanks replace key staff. Every time, I have been asked to look at newly prepared job descriptions and help to develop the recruitment process.

In my view, this is too late. Think tanks should always expect that they will ‘lose’ their best researchers and other key staff. It is a sign of success, if you ask me. They must therefore prepare themselves for orderly transitions. This means having:

- An up to date job description;
- A recruitment plan –randomly meeting people and ‘head-hunting’ them is not a plan;
- An eye open for a few alternatives –especially for very key posts; and
- A budget to deal with the replacement –including funds to cover any loss of income and having to hire someone temporarily.

The issue of replacing the Executive Director, of course, deserves especial attention. There needs to be a plan to do this and it has to be the responsibility of the board.

The board must own the process –the director works for the board: Not all think tanks have external boards (some are civic associations in which the researchers themselves are the members of the governing board and the director is chosen from among them; others are for profit companies with partners who may take turns as directors). But all can task the board or a sub-committee or an individual (usually the chairperson) with the management of executive transitions.

In practice, unfortunately, the responsibility for deciding when to leave and managing the transition process often falls on the executive directors themselves. This creates all sorts of problems. It is hard for someone who is busy running an organisation to decide that it is time to move on. This decision tends to be forced: the directors are either exhausted and decide to give up, they are poached by others unexpectedly and so leave in a hurry, or find themselves in a hole so deep they cannot find a way out –and then it is too late.

And when they are tasked with the transition all kinds of new problems arise. Who could honestly say that it would be easy to find a replacement –for him or her self? And to do it properly while running the organisation and thinking about the future at the same time. This is an impossible task.

While the board should be in charge, it is also important to involve the staff in the process and the decisions themselves. A member of the staff can be in the selection panel and a

separate staff panel could be established to provide the main selection panel with a staff perspective.

It takes time –before, during and after: The transition plan needs to consider that the organisation will need time to get things ready before starting the search, that the search itself will take time –including the time that the newly appointed director will need to start the job, and that the new director will need time to settle into the post. All these stages need to be expected and supported appropriately.

Communication is critical –internally and externally: An orderly transition should not be a matter of concern to anyone. It is a natural occurrence for any organisation. A sudden and haphazard transition, on the other hand... Communicating the decision to change leadership and the process to the staff is a crucial first step. In my view this ought to be done by the board (for the formality) and by the director (as a personal gesture to the staff). But it has to be led by the board (or whoever has been charged with the transition process). The staff needs to know that their organisation is in good hands and that there is a clear path ahead. Uncertainty is the worse enemy of an executive transition.

External actors also need to be informed. Key long term donors and policy audiences ought to find out sooner rather than later. Again, they should feel reassured by the existence of a plan. Donors are more likely to worry about the organisation's management during the transition; while policy audiences are more likely to be interested in possible changes to the organisation's agenda.

In any case, it is important to consider involving the communications team (or the communicator) in the entire process –right from the start.

Again, communications need to be planned for the 'before', the 'during' and the 'after'.

To be involved or to not be involved –that is the question (and a cliché, sorry): There are cases of former directors who have remained involved in the organisations. For instance the founding directors of BCSP in Serbia maintain a very active role in the organisation –and it works. But others prefer to take a step back (and to the side). In many cases, in think tanks where the directors are chosen from among the researchers they cannot de-link themselves from the organisations but must find ways of getting out of the way.

There is no rule of thumb. It all depends on the personalities of the directors, of the wishes of the new director and the strength of the boards to ensure a certain degree of continuity. I am tempted to say that, given how I understand many directors feel and if they can keep themselves out of the way, some involvement may be useful. This could happen via one or more of the following:

- Joining the boards;
- Becoming senior research associates focusing on a key policy issue or running a specific project for the organisation;

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- Joining partner or strategic organisations while keeping an informal link to the think tank; and
- Staying on as mentors to the new directors.

The safest option, however, is to take a step to the side and leave it to the new generation.

A new director need not be like the old director –look into the future: A final idea to consider is that when looking for a new director, boards should not try to find someone who is ‘just like the current director’. Let us assume that the current director is about 50 years old and has been on the job for 10 years. His or her CV will be quite impressive. But was is that impressive 10 years ago? Probably not. The new directors should not be judged against the old directors as they are today but rather as they were in the past.

In other words, they need to be chosen for what they promise to deliver; not for what they have accomplished already.

In conclusion, better planned, better communicated, and better managed transitions can help propel a think tank into the future. They are necessary for any think tank.

The bottom line is that senior management would do well to realize that team leaders are pivotal for the effectiveness of the entire think tank. Thus selection processes for team leaders must be carefully constructed in order to ensure that the appropriate people are chosen for the job.

ANDREA MONCADA
Author, *Creating team leaders*

Management for researchers is not quite the same as research or project management. The latter can be heavy on systems, processes and tools. The former allows people to use these systems, processes and tools to manage.

ENRIQUE MENDIZABAL

The next capacity development “thing”: Management for Researchers

BY ENRIQUE MENDIZABAL

This has made the news in the business world: In big move, Accenture will get rid of annual performance reviews and rankings. Think tanks are not known for having large and complex annual staff performance reviews (most think tanks are small enterprises with a few staffers) but they have been increasingly aware of them and interested in adopting them. Funding is a key driver: how can we nudge our staff to go out and fundraise more? Publications or outputs is another: how can we maximise the number of publications per researcher?

Ex-post: assessing performance of thinktankers

More importantly, though, staff performance assessments are seen as a central part of many think tanks’ efforts to improve their management. They are seen as or expected to introduce new ways of thinking about management and new formal tools for it.

They are an attractive tool for two key reasons, as well:

1. They can be copy-pasted into any organisation, which is relatively easy (even if this cannot guarantee success); and
2. They can lead to a change in behaviour (of managers and managees), which is harder.

Some staff performance review frameworks are linked to salary levels and rewards (such as bonuses and salary increases). Others are linked to non-monetary rewards, too (such as training days, leave days, etc.). But in the end, they all rely on a rather typical annual cycle model:

- Set objectives for the year (or for each third, quarter or half of the year)
- Review progress and the objectives (at least once a year)
- Evaluate performance and set new objectives for the following period
- Repeat

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Some are more nuanced than others and, for instance, run in parallel to organisation-wide annual planning processes.

There are differences in the kind of objectives that are set, too:

- Quantifiable: such as number of publications or income targets
- Qualitative: such as satisfaction of team members and clients
- Task based: such as focusing on the things that were done
- Capabilities based: such as focusing on the skills acquired

Then, there are some that are delivered Top-Down (boss to employee) and others that are 360 degrees.

But they all struggle with the same issue: it is an ex-post model. It is designed to evaluate performance (however that is assessed) rather than to support performance.

The pros and cons: where is management in all of this?

My own experience has been mixed in relation to annual reviews. I've been an advocate of them and also very critical of their value.

Positive effects

As a manager in a think tank and at the head of a 12 person team, I found that the move from "tasks" to "capabilities" was an improvement and the formalisation of the planning and review process meant that I could set aside time to think about my own work and that of my team.

I found it an excellent tool to argue for change (upwards and downwards) and I encouraged others (in my role as union representative - see more below) to use it to ensure that they received all the support they were entitled to.

In other words, the framework, if used properly, could provide structure (the rhythms and spaces) for better management. Accompanied by some management support (for researchers) it could deliver good results. I was rather lucky in that my boss offered some of that and that I worked in a team focused on studying the performance of think tanks (and policy research organisation); so I felt that the annual reviews were a useful tool.

Negative effects

But the system had a negative side, too. First, and foremost, it is very hard to assess the performance of a thinktanker. Not everyone in a team is or should be expected to perform in the same manner. This is seldom considered in setting targets. Also, fundraising and policy influence, two of the main indicators preferred by leaders (and their funders), are often beyond the control of individual researchers. An organisation-wide system has to be fair on all but it seldom can.

A second point to consider is that the exercise is ex-post. It evaluates rather than supports. It is designed to separate the high-performing staff from the rest –and them from the low performing staff. An organisation (or team) of 100% high-performers would break the system. It would end up with a situation in which senior management would have to reward everyone –but then, if everyone gets it, what kind of a reward is that? And is it possible? Pay-linked review systems often set aside funds to provide bonuses and pay increases to a small proportion of the staff –they need to create divisions.

And here lies one of the main sources of opposition to this management approach. It can be divisive and slightly cruel. Annual evaluation time (and especially the days after) was a period when many, particularly young, researchers and support staff, would come to me as their union representative to complain about the process. Some would be furious, felt let down and even betrayed by the organisation. It is inevitable that this kind of system, that ranks staff, will end up with some at the top and others at the bottom. Even if nobody is underperforming (objectively speaking) they will be perceived to be (relatively so). And they will be made to feel that way by the entire process –worse even if it is linked to payment and bonuses. In these circumstances, even tiny bonuses (of a few hundred pounds) would become a matter of great worry and stress. It wasn't the money, though, it was the feeling that they had been judged, unfairly, to have underperformed.

Finally, for me, the main problem of the performance review process was that it replaced serious investments in good management. In a context in which researchers had little time as it was (they were doing research, attempting to influence policy and fundraising) managing teams was not a priority –and managing the youngest in their teams was even less so. Many confused managing staff with getting them to deliver, which, in essence, is “in-project” management. These are different things. Managing involves a lot more and demands more out-of-project time.

The performance assessment process simply established formal moments in the year when they had to sit with their staff. It provided many poor managers with an easy way out: as long as they spent the mandated hours to complete the tables and forms involved, they could claim to have done their job as managers. It meant that for many, the few hours they had been getting in support, mentoring and real management from their team leaders or line managers, were lost to be replaced by structured discussions to fill rather inflexible assessment tables and forms.

The ex-ante approach: better management needs management skills for researchers

In the end, the point is that organisations want their staff to perform as well as they possibly can. This is possible but it requires the to worry less about ex-post assessments and more about ex-ante planing and support:

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“The art of leadership is not to spend your time measuring, evaluating,” [Accenture CEO Pierre] Nanterme said. “It’s all about selecting the person. And if you believe you selected the right person, then you give that person the freedom, the authority, the delegation to innovate and to lead with some very simple measure.”

This is true for quality control, too. A greater effort needs to be placed on management skills for researchers than it has so far.

Management for researchers is not quite the same as research or project management. The latter can be heavy on systems, processes and tools. The former allows people to use these systems, processes and tools to manage.

In many think tanks, management is still considered a burden. Led by researchers and staffed by researchers they consider that research must come first. Communications, finances, accounting, project management, admin support, office management, etc. are often considered and labeled “support” services. Junior or low paid staff are charged with these issues.

This is the same when it comes to the skills that researchers ought to have: Senior researchers’ job descriptions prize academic qualifications and research methods above communication skills and sometimes leave out management experience and skills. A mention of leadership and fundraising is sometimes meant to make up for this but it is not the same. This would make sense if all that researchers did was research but they are always also in charge of staff, fundraising, project management, etc.

And organisations have a responsibility of care for their staff. Allowing a researcher without the skills or the interest to manage others to take on young researchers is, in my view (and with my union hat on) an irresponsibility.

Hence, better management is necessary because:

- It is good for the organisation: good management breeds good research and good communications;
- It is good for the organisation’s sustainability: better managed organisations are better at dealing with risks; and
- It is fair on everyone: better managed organisation are more likely to take others’ needs into account.

Over the last decade we have seen great improvements in think tanks’ and researchers’ communications skills. Funders have invested millions in their grantees communications

capacities and it would be hard to find a think tank now that did not, at least understand, the value of communications.

Management remains a bit of a taboo. Maybe not in US think tanks where the idea of a think tank like an enterprise is not met with repulsion –in fact, it is embraced. Good management, in US think tanks is understood to be central to their performance. Good management is understood to be as important as a good idea; see, for instance, the emphasis that the Center for Global Development places on management. (While we are at it it is remarkable that the quote above is almost the same as CGD’s fourth lesson: “Hire great people and give them plenty of freedom and responsibility”.)

But it remains a taboo across many developing countries and among many of the leading and older think tanks. There, academic seniority still wins over management competence. There, the most senior researchers end up with the top management jobs –regardless of whether they want to or have the capacity to.

There are models to address this: hiring a CEO, for instance, to support a more academically inclined President or Director. But the aversion to “management” often prevents this from even being considered.

In the end, I think that the best way forward will be to follow a similar path as was followed to strengthen think tanks’ communications. Research on management in think tanks, awareness rising workshops, training –ideally more formal than through one-off workshops- on management for researchers and research centres (which is not the same as project management, please), and investments in new cadres of young managers with an eye on leadership positions in the future.

While I have stressed the importance of employing designers in a think tank before, I haven't really thought about how this relates to the roles of Directors of Research and Policy. It seems to me that the heads of research or policy need to be more than just excellent academic or policy thinkers: they also have to be creative minds.

ENRIQUE MENDIZABAL

A workmance: Executive Directors and their heads of research or policy

BY ENRIQUE MENDIZABAL

On my way to a meeting of Latin American think tanks in Guatemala (to launch ILAIPP and learn about social inclusion) I picked up the airline's magazine and found a very interesting article about the relationship between CEOs and their Creative Directors (of relevant companies).

It got me thinking that for think tanks, a similar or equivalent relationship ought to be that between Executive Directors (EDs) and their heads of research or policy (or, at the very least, with the heads of specific research programmes or departments).

A quick Google search led to another unexpected finding. There are quite a few CEOs that are also the creative directors of their organisations. Interesting. In a way, this appears closer to what we see among many think tanks whose executive directors are also charged (or have assumed the role) with developing the ideas and arguments that the think tanks 'sells' or wants to popularise.

While I have stressed the importance of employing designers in a think tank before, I haven't really thought about how this relates to the roles of Directors of Research and Policy. It seems to me that the heads of research or policy need to be more than just excellent academic or policy thinkers: they also have to be creative minds.

In any case, the question, for those think tanks with a head of research or policy, is still very relevant. What should this relationship look like?

- **Support:** Without a doubt, EDs must support their heads of research or policy. They must provide them with all they need to develop, along with their research and policy teams, the ideas, projects and arguments that the think tank requires to be successful.
- **Close and personal:** They have to enjoy a close relationship, characterised by trust and understanding. They ought to be able to "finish each other sentences", work on their own and be away from each other for prolonged periods of time

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without losing track of what the other is thinking, and know that they are “watching each others’ backs”. This implies that the “creatives” in the think tank will know what can and cannot be done, how far they can push their EDs and their organisations, and when to challenge them to do things differently (this is relevant for the next point).

- **Share responsibilities:** I do not know if this is true but I once heard that B&O was able to come up with incredibly original designs because it had separated the design and production function so that it would ask designers to come up with the design and then ask its engineers to “make it work”. I feel that, in a similar way, EDs have to “make it work” for their designers; their heads of research or policy (and even their individual researchers in smaller think tanks). For instance, if a new idea demands a data set to be tested then the ED’s job is to get it: buying it, finding the funds to contract a surveying company, partner with another organisation with the capacity to develop the database, hiring new staff, etc. Whatever it takes.
- **Examined:** The life unexamined is not worth living. Well, the relationship unexamined might be at the very least difficult to endure. This relationship, more than any, ought to be supported by ongoing yet unobtrusive monitoring. A mentor, a couple’s therapist, or, possibly more appropriately, a board member ought to be involved in developing and maintaining the relationship.

So here are a set of questions for both to be asked and answered:

1. For the Executive Directors: Do you have a Creative Director –or any one with an equivalent role– in your think tank? If you do, what is your relationship like?
2. For Heads of Research or Policy (or equivalent “creatives”): What do you need from your Executive Director to achieve your full potential? Are you getting this?

Both sets of questions can help kick-start a conversation that I think may be quite interesting for both parties –and others.

[Think tanks'] staff can make or break them. Hiring the brightest minds in the country (which is already a challenge) is not enough, though. They have to be supported by an equally brilliant human resources team, managers, communicators, and a coherent vision for how all these individuals will fit and work together.

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