

# INGO ACCOUNTABILITY CHARTER REPORT 2015



SOS CHILDREN'S  
VILLAGES  
INTERNATIONAL



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# 1 STRATEGIC COMMITMENT TO ACCOUNTABILITY

## 1.1 Statement from the most senior decision-maker of the organisation

This is the fourth year that we have submitted a Report to the INGO Accountability Charter. Accountability is one of our four [cornerstone values](#) and we work on making this visible in everything we do. By rigorously maintaining accountability at the heart of the decision-making process – and consulting with all stakeholders and balancing their concerns, fully integrating that consultation into the decision-making process – the organisation is able to arrive at the best decisions.

We applied this approach in our long-term planning: in particular, in the development of our 2030 Strategy. Throughout 2015, we undertook a massive consultation exercise, involving people from throughout our federation and beyond to understand fully the need for our services, the strengths of our organisation, and the specific ways we can have greatest impact. In addition to clearly defining our focus on strengthening families and providing direct care, the process affirmed a stronger emphasis on supporting young people through to independence, advocating for children's rights, and giving children and young people a voice. Furthermore, to reach ever more children, the strategy commits us to forming stronger relationships with partners in civil society, global foundations, international forums and multilateral organisations. Our 2030 Strategy which was reviewed and endorsed by the legal bodies of the federation, therefore, has accountability at its heart.

Of course, one can never be complacent. We continue to tackle new challenges every year, and we must do so in a way that is consistent with our accountability to the children and families we support, employees, partner organisations, donors, and indeed broader society. Thus, in order to strengthen our accountability towards our stakeholders, we are now more effectively measuring the results of our work, which helps us to ensure that we achieve the best possible outcomes and impact. In 2015, we initiated a formal results-based management project, and the countries that have piloted the approach have reported numerous benefits (see [NGO3](#)). Measuring our results and constantly improving the impact of our work means a *lived* accountability for us.

In 2015 our commitment to accountability and the related values of openness and honesty were reflected in a project to further optimise the General Secretariat's services to member associations. At the same time, financial constraints brought on by the weakening of the Euro indicated the need to reduce the budget of the General Secretariat. Based on the results of a federation-wide survey of member associations and workshops with stakeholders, a number of services were optimised or cut, and the General Secretariat's budget was reduced by approximately 10% through reductions in both non-personnel expenses and staff headcount. However, no cuts were made to our programmes for children and families.

Moreover in 2015 strengthened accountability was also reflected in the progress of the Integrity, Compliance and Legal unit (see especially [5.19](#)), which further strengthened corruption prevention and awareness-raising activities. We are also working on formalising an additional feedback and complaints handling process to complement already existing processes (see [NGO2](#)). We also carried out a pilot project which aims at measuring the carbon footprint of the General Secretariat office facilities in Innsbruck and Vienna (see [EN16](#)). The year 2015 was in addition marked by the preparations for the General Assembly in June 2016. Major work was done in the Cooperation in the Federation project (see 2.9) with the final outcome of updated federation statutes that better reflect the roles and responsibilities of legal bodies within the federation.

Finally, we would like to highlight that at the end of 2015, Richard Pichler stepped down as Chief Executive Officer to assume a new role as our Special Representative for External Affairs and Resources. In the interim period before a new CEO is appointed, the operational responsibilities for the General Secretariat are being shared by the three members of the Management Team, which consists of the Chief Financial Officer, Chief Operating Officer, and Director of International Competence Centres. We therefore sign this statement jointly.

As one of the values embedded in our identity, *accountability* will continue to be a central principle guiding us in the future. The report that follows is, we hope, a testament to this.



Norbert Meder  
Chief Financial Officer



Carsten Völz  
Chief Operating Officer



Tom Malvet,  
Member of the Management  
Team- Director International  
Competence Centres

## 2 ORGANISATIONAL PROFILE

### 2.1 Name of the organisation

SOS Children's Villages International – General Secretariat (GSC)

### 2.2 Primary activities

#### We care for children

SOS Children's Villages is a non-governmental and non-denominational child-focused organisation which provides direct services in the areas of care, education and health for children at risk of losing parental care and those who have lost parental care. The universally accepted Guidelines for the Alternative Care of Children and the UN Convention on the Rights of the Child form the international framework for our actions.

SOS Children's Villages works with different kinds of families: biological families, SOS families and foster families. Within the SOS Children's Villages Programme, action is taken through three types of intervention:

1. Direct, essential services
2. Capacity building
3. Advocacy

For more information please see our [report from 2013](#).

#### We raise funds for our work with children

To be able to do our work for children, we need a sound financial basis. We create this by raising funds through various channels, from sponsorships via governmental subsidies to corporate partnerships. For more information please see our [report from 2013](#).

### 2.3 Operational structure of the organisation, including national offices, sections, branches, regional and field offices, main divisions, subsidiaries and joint ventures

The General Secretariat (GSC) leads the federation's daily operations, facilitates member cooperation, and implements and monitors the decisions of the federation's legal bodies. The GSC provides services to member associations, focusing on member capacity development. The GSC consists of the International Office (IO) and six International Offices in the Regions:

- Asia
- Central and Eastern Europe & Commonwealth of Independent States (CEE & CIS)
- Eastern & Southern Africa (ESAF)
- West & Central Africa (WCAF)
- Middle East & North Africa (MENA)
- Latin America & the Caribbean (LAAM).

At the IO the functions are organised into International Competence Centres, which bundle skills and knowledge from throughout the federation. This ensures the right competences on international subjects and increases the relevance of IO support and topic leadership. In addition to the International Competence Centres, the Finance and Controlling department is also part of the IO.

A graph of the GSC structure as well as more detailed description of the operational structure can be found in section 2.3 of our [2013 report](#) to the INGO Accountability Charter.

### 2.4 Location of organisation's headquarters

SOS Children's Villages International  
Hermann-Gmeiner-Str. 51  
6020 Innsbruck, Austria

### 2.5 Number of countries where the organisation operates, and names of countries with either major operations or such that are specifically relevant to the accountability issues covered in the report

SOS Children's Villages works in 134 countries and territories. Details can be found on our [website](#).

## 2.6 Nature of ownership and legal form. Details and current status of not-for-profit registration

SOS Children's Villages International is registered as an association in the Register of Associations at the Federal Police Headquarters in Innsbruck, Austria. As laid down in its statutes, SOS Children's Villages International is a non-governmental, non-political and non-denominational organisation and operates as a non-profit charitable social development organisation pursuant to Art. 34 ff. of the Austrian Federal Tax Code (BAO) working exclusively in the public interest or in support of people in need.

SOS Children's Villages works in 134 countries and territories around the world. In most of these 134 countries and territories, an autonomous association (or a similar legal set-up for example a foundation or trust) is formed as a separate legal entity with its own statutes and board of directors who work on an honorary basis (irrespective of the legal set-up, all are referred to as associations in this report). These associations are members of the SOS Children's Villages federation and, as such, must comply with the SOS Children's Villages International statutes and principles for child care and education, as well as a predetermined set of financial and administrative guidelines. As of December 2015, we had 117 full member associations in 111 countries. Most of our member associations run their own child care, education and healthcare programmes, and also conduct local fundraising. Eighteen member associations, called promoting & supporting associations (PSAs), do not always run programmes in their own countries but specialise in fundraising to provide financial support for programmes in other member associations that are not financially self-sufficient. Thus, national associations have the right to apply for PSA funding through the federation. All members of the federation have the right to request services from the GSC.

In the few countries and territories where no autonomous member associations are established, the GSC directly runs the programmes and operations. However, the aim is to set up fully functioning member associations in all countries and territories in which we operate.

## 2.7 Target audience: Groups of people we serve including geographic breakdown

The following information is the same as in last year's report.

The federation of SOS Children's Villages is active across five continents (Africa, America, Asia, Europe and Oceania). As mentioned in section 2.5, an overview of our programmes and the countries and regions where we are active can be found on our [website](#). Our principal beneficiaries and stakeholders are children who are without parental care or at risk of losing it, their families and their communities. This group is not limited to children and adults who are directly supported by our programmes: through our advocacy work at national and international levels, we support children and adults worldwide who are part of our target group.

Other stakeholders are: our donors, sponsors, staff, volunteers, external partners, governments, national and international institutions, foundations, academic institutions and the organisations with whom we work or who support our activities to improve the lives of our target group.

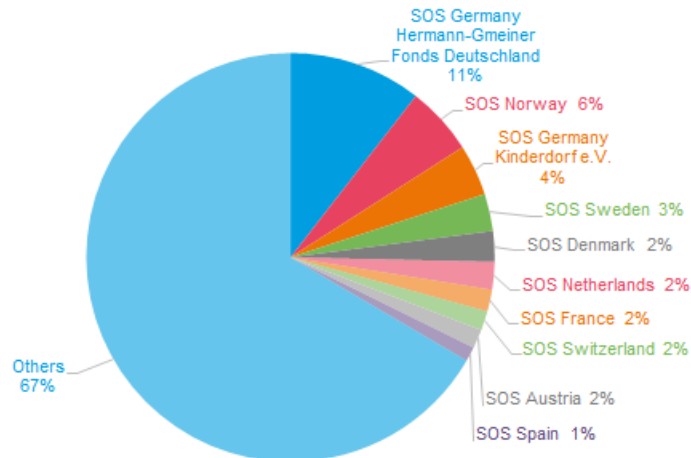
## 2.8 Scale of the reporting organisation

As published in our [2015 International Annual Report](#) in 2015 the federation had a total gross income of €1,123 million (preliminary figures).

According to the statutes of SOS Children's Villages International, each member association is required to pay a membership fee. The membership fee system contains two fee elements (a governance fee and a support fee) which cover the running costs of the GSC. In addition to this, GSC costs related to special projects and actions are financed through other, dedicated income sources. For further information about these fees and their coverage we refer to our [2013 INGO Accountability Charter report](#).

GSC income in 2015 was €41.7 million (preliminary figures), of which €34.0 million was membership fees.

## GSC Income 2015



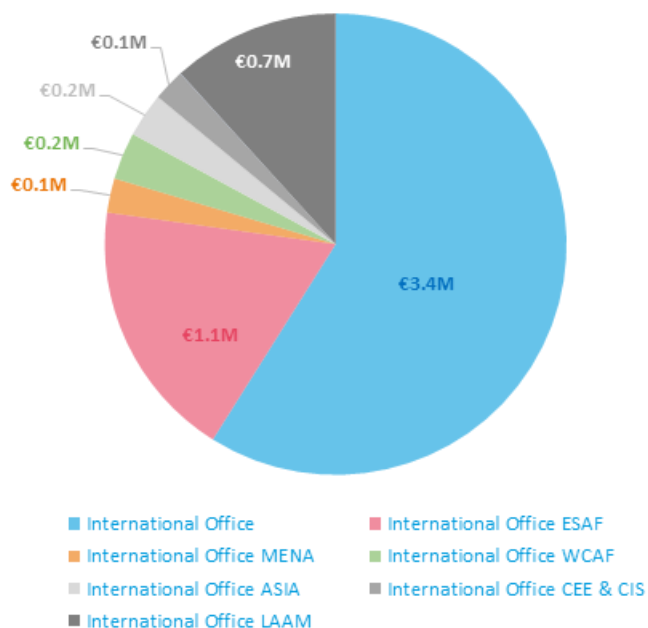
The above split of the PSAs includes only their membership fee; other income received from these PSAs is included in 'Others'.

Elements included in 'Others':

- Membership fees from national associations paid by PSAs in order to save transfer costs
- Direct membership fees from SOS Italy, SOS Luxembourg, SOS Finland, SOS United States, SOS United Kingdom, SOS Belgium, SOS Canada, SOS Iceland
- Non-membership fee income received from all member associations
- Other SOS Children's Villages associations and local income from GSC offices (occasional donations, legacies and bequests, donations in kind, direct donations from abroad, revenues, fees from other facilities, sale of assets, rent, bank interest and miscellaneous revenues)

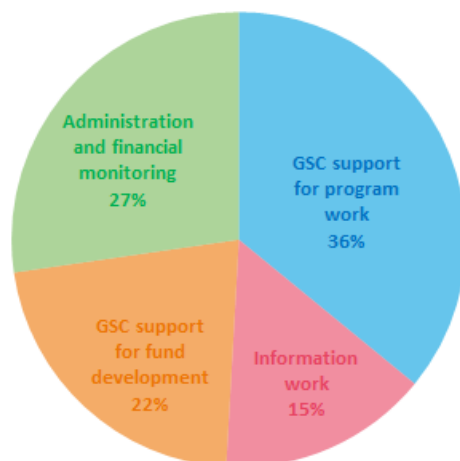
GSC assets include land and buildings, furniture, vehicles, equipment and machines, projects under construction, licences, royalties and leaseholds. Total GSC assets are €5.8 million and are distributed as follows to the different GSC offices:

## GSC assets as of 31-Dec-2015



The total expenditures of the GSC for 2015 are €42.3 million (preliminary figures), which corresponds to 3.9% of the preliminary total SOS Children's Villages worldwide expenditures of €1,079 million. This expenditure is distributed as follows:

## GSC expenses by segment 2015



The number of employees can be found in section [5.12](#).

### 2.9 Significant changes during the reporting period regarding size, structure, governance and ownership

As highlighted in the introduction to this report, in 2015 a project was carried out to assess and focus the services of the GSC to further optimise the services provided to member associations and the federation, as a whole. At the same time, financial constraints brought on by the weakening of the Euro indicated the need to reduce the budget of the General Secretariat. Based on the results of a federation-wide survey of member associations and workshops with stakeholders, a number of services were optimised or cut: However, no cuts were made to our programmes for children and families.

With regards to some services, higher service levels were requested. Thus, some services were also increased, for example Global Emergency Response. This decision is also in line with previous strengthening of our emergency work based on outcomes of the Organisational Review conducted in 2012/2013. The final emergency preparedness and response concept was presented and approved at the end of 2013. This meant the official kick-off to implement structures and procedures started mid-2014, including the recruitment of the International Director Global Emergency Response at the beginning of 2015.

In 2015, SOS Children's Villages provided relief and protection in 24 formal humanitarian emergency operations in 22 countries around the world, and delivered emergency relief and support, including care for unaccompanied and separated children, in even more countries. Our main focus in emergencies is protection and care of children, particularly unaccompanied and separated children, and helping to reunite families and support them in staying together. We prevent family separation by providing emergency shelter, food and non-food items, sanitation and hygiene, first aid, and child-specific supports such as child friendly spaces and interim care centres. After the emergency phase has passed, our SOS Children's Village is still there to help families restart their lives, help get children back in school, and help communities develop resilience. Emergency work is also anchored within our 2030 Strategy.

As requested by the review panel in its response to our report last year, we want to also highlight the progress in some projects that shape our culture and how we cooperate within the federation:

#### Cooperation in the Federation

In 2015 major work was done within the Cooperation in the Federation project, which deals with updating the SOS Children's Villages International statutes and specifying member associations' rights and responsibilities in a way that can guide the federation as a dynamic entity for children well into the 2020s. The project formalises the results of the Organisational Review (conducted 2012-13) in our statutes and rules of procedure as a federation. An online survey was held among all federation members to gather their views on relevant topics of cooperation. Based on the results of the survey, the International Senate – the overriding policy and supervisory body of the Federation – expressed its principle agreement to the following principles of cooperation:

- We are a federation of autonomous, interdependent member associations and support each other in a spirit of solidarity.



- We continuously grow and develop our programmes pursuing the highest possible impact and ensure their viability by fostering a mutually respectful partnership between the member associations.
- We are jointly responsible to promote, strengthen and protect our global brand.

Against the background of stakeholder input, the federation-wide project team developed a draft version of the statutes that was discussed with the steering group and the International Senate. The draft statutes were also shared with all member associations for their feedback in 2016. The International Senate reviewed the final version of the statutes in April 2016 with its new principles of cooperation and recommended them for members' approval at the General Assembly in June 2016.

### Virtual Collaboration

To strengthen our organisation, we need to foster closeness and collaboration across the federation. At the same time, it is of high importance that we make best use of all co-workers' expertise and knowledge, no matter where in the globe they are based. The Virtual Collaboration initiative comprises several global projects that are rolling out collaboration tools to help SOS colleagues connect with each other. The initiative includes four areas:

- The new intranet and collaboration platform, which combines the Global Intranet with team sites, blogs, communities and other collaboration features, will be launched in late 2016.
- The Mediabox, the successor of the Text and Picture Agency, which is a central depository for texts (reports, studies, stories etc), pictures, videos and audio files, accessible for all SOS Children's Villages co-workers via the Global Intranet. The new system will go live in 2016.
- The Info Hub, a new process for non-standard information requests will be fully integrated into the new intranet. The concept was developed as part of the Organisational Review that took place in 2012-13. The platform supports the communication flow between SOS co-workers who request specific information and SOS co-workers who can provide this information, across the whole federation. It allows better knowledge sharing and gives easier access to information. The Info Hub will be rolled out globally in 2016. After the roll-out, the Info Hub platform will be used as the main communication and information tool between PSAs and the General Secretariat to receive non-standardised and programme-related information in a direct, efficient and transparent way.
- The communications tool Lync/Skype for Business is available in an ever-increasing number of our member associations. Along with the Office 365 platform, Lync/Skype for Business allows us to connect with our colleagues all over the world in an instant.

These initiatives contribute to ensuring cohesion and strengthened accountability within the federation.

### 2.10 Awards received in the reporting period

An example of an award won by a member association in 2015: The Government of Rwanda awarded a certificate of appreciation to the SOS Children's Villages family strengthening programme in Rwanda.

### 3 REPORT PARAMETERS

**3.1 Reporting period:** January – December 2015.

#### 3.2 Date of most recent previous report

The period January – December 2014. Last report was submitted in October 2015.

**3.3 Reporting cycle:** Annual.

#### 3.4 Contact point for questions regarding the report or its contents

Ms Manuela Radelsboeck, Organisation Development Advisor, [Manuela.Radelsboeck@sos-kd.org](mailto:Manuela.Radelsboeck@sos-kd.org)

#### 3.5 Process for defining report content

The compilation and development of the report has been conducted following a clearly defined process, which is reviewed and refined after each process cycle. The process is based on broad involvement throughout the GSC with respective experts providing input. As in past years, the Management Team provided key guidance for preparing this report and oversaw the progress and final outcome, thus also providing a formal internal approval of the report and its contents. The Independent Review Panel's feedback is discussed with the Management Team, who then decide on actions that serve to further strengthen our accountability practices in the future. Thus, the process triggers strategic discussions and decisions which are integrated in our planning.

The process contains clear communication and awareness-raising steps:

- The CEO shares the report and the panel feedback with the Management Team and the President
- The report and the panel feedback are published on the global intranet as well as on the external website. Staff members from the whole federation are invited to provide their feedback and comments. When publishing the reports in the last years, some GSC and MA staff commented on the importance of further strengthening accountability.
- Panel feedback is discussed in the relevant expert areas.
- Relevant information on INGO Accountability Charter webinars or new developments are shared within the organisation.

This process also triggers discussions on our communications policies and review of how we can communicate even more transparently and thereby improve internal and external accountability. We have worked on further improving external transparency via the international website, and recent developments include for example new reporting forms for feedback and complaints and child safety incidents, now available on the website (see [NGO2](#)).

#### 3.6 Boundary of the report

Membership in the INGO Accountability Charter is held by the GSC, which is the executive office of SOS Children's Villages International. This report therefore focuses on the activities and policies of the GSC itself. As the majority of our programmes are implemented by our member associations, we include information on the entire organisation of SOS Children's Villages where we think it will help the reader to understand the role and operations of the GSC.

As clearly stated in previous reports, our federation policies are well aligned with our accountability standards. We are committed to further strengthen alignment, implementation, and monitoring in member associations in order to show evidence that charter commitments are lived across the federation. Please see [3.8](#) for more information.

#### 3.7 Material content limitations

There are some areas for which the organisation currently still has limited information. One example would be the development of an environmental management system. In 2015 a pilot project to measure the carbon footprint of the GSC Austria offices was initiated. Please see [EN16](#) for the results on the CO<sub>2</sub> emissions for the GSC offices in Innsbruck and Austria.

In 2015 we started formalising an additional feedback and complaints handling process to complement already existing processes in the areas of child safeguarding, fraud and corruption as well as child and village sponsorships. The feedback and complaints handling mechanism was approved by the

Management Team for piloting in the GSC and six member associations in 2016. Initial experiences from piloting the mechanism are shared in this report (see [NGO2](#)).

### **3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities. Assurance that national entities comply with accountability commitments.**

SOS Children's Villages International is a shareholder of Joint Systems Fundraising & IT Services GmbH which provides outsourced shared services such as fundraising systems and fundraising expertise to a number of member associations. The reason for outsourcing is primarily to facilitate access to expertise which is not available in-house.

As explained in our [2014 report](#), within the federation, SOS Children's Villages International defines the policy framework for all member associations. Policies are structured in basic policies, core policies, quality standards and policy support documents. Depending on the type of policy, different approvals are required by the General Assembly (basic policies), the International Senate (core policies, quality standards) or the Management Team/international directors (policy support documents) before a policy is valid in our organisation. The [International Statutes](#) and 'Who we are' (our vision, mission and values statement) provide fundamental frameworks guiding all member associations.

The SOS Children's Villages Policy on [Good Management and Accountability Quality Standards](#) (GMAQS) sets the quality standards in the areas of management and transparency, integrity of the organisation and protection of assets. The quality standards are mandatory for all entities of the federation and apply to all member associations, specifically to board members and members of the management, who have a leading role in ensuring good management and accountability. Please refer to our [2013 report](#) for a more detailed explanation of the different standards.

Generally projects are set up to develop, implement and roll out newly developed policies. Depending on the policy, specific measures to support the implementation and application are defined. These measures may include development of policy support documents, toolkits or implementation workshops. For example, the SOS Children's Village Programme Policy is implemented in all 25 member associations in the CEE & CIS Region. In order to support the implementation, a toolkit for the implementation of the programme policy in CEE & CIS was developed, and different workshops such as location development workshops or re-innovation workshops were carried out.

Monitoring of policies and standards is ensured via internal functional audits regularly carried out by international offices in the regions. Through these audits, the teams check whether member associations (MAs) are working according to the processes and standards as defined in policies and relating policy support documents. The different GSC functions are responsible to conduct internal audits in MAs with focus on their respective area. However, we are working on a concept to align these audits carried out by the different functions in order to get a comprehensive picture of the overall performance of the MA in relation to required standards and processes. Thus, in the future cross-functional audits will be implemented. Pilots for such audits are being carried out in two member associations in 2016.

Based on the above description we also want to provide the following example from a regional office: In the International Office Region LAAM a manual on procedures/processes was developed based on the [GMAQS](#) and related policy support documents (the Internal Control Systems Handbook and the [Anti-Fraud and Anti-Corruption Guideline](#)). This manual is the basis for MAs to implement adequate processes to good management and accountability, to minimize internal control risk and to implement mitigation measures. Processes for example include the handling of procurement, availability of petty cash or of cash gifts from sponsors. The processes contain clear process steps and responsibilities. Internal controls/audits carried out in member associations are compiled according to this manual, as through these audits, the audit teams check whether MAs are working according to the processes as defined in our policies. The manual was piloted in a couple of MAs in LAAM in 2015 and roll-out to further MAs in the region is being carried out in 2016.

In response to the review panel's question on how the GMAQS relate to the Charter framework we want to highlight that our accountability commitments as detailed in the Charter framework are transversally covered within our different policies, not only in the GMAQs. For example the commitment on good governance – broken down in the governance indicators – is anchored in our federation statutes, the corresponding Roles of Procedures, the National Association Manual as well as in the GMAQs.

### **3.9 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report**

There are no significant changes from the previous reporting period in terms of timeframe, boundary or measurement methods. In terms of scope, the report covers the GSC.

**3.12 Reference Table:** Not applicable.



## 4 GOVERNANCE STRUCTURE AND KEY STAKEHOLDERS

### 4.1 Governance structure and decision-making process at governance level

Good governance of the federation is based on distinct responsibilities and accountability of governing bodies, observing a clear separation of powers. In the federation, the legislative (policy-making) and executive (management) bodies take on separate tasks and responsibilities, primarily segregating strategic leadership and supervision (legislative) from operational leadership and implementation (executive). The legislative bodies within the federation are the General Assembly and the International Senate and the executive body is the Management Team. The Management Council is an operational decision-making body, acting within a mandate and accountability defined by the International Senate. Please see our [federation statutes](#) available on our website for more information.

### Federation Structure 2016



### The General Assembly

The General Assembly which is convened every four years is the supreme decision-making body of our organisation. Each member association (117 at the end of 2015), represented by its chairperson, has the right to participate and vote at the General Assembly. The most recent General Assembly took place in June 2016 in Innsbruck, Austria.

### International Senate

The International Senate is the overriding policy and supervisory body of the federation. The International Senate consists of the President of the federation, the Vice-President and 20 persons whose term of office starts with the ordinary General Assembly during which they are elected and ends with the next ordinary General Assembly. The updated federation statutes state that re-election shall be permitted for a second and third (final) term of office (see article 5.4 in our new federation statutes available [on our website](#)). The members of the Management Team are ex officio non-voting members of the International Senate.

As of end of December 2015, the members of the International Senate have served for the following amount of time:

- 10+ years: 2 members
- 6-9 years: 2 members
- 3-5 years: 10 members
- 2 years or less: 8 members

The lengths of service show that the majority of International Senate members are currently within their first or second term. Thus, the current rate of turnover generally indicates a proper amount of renewal in the Senate.

The Senate has several functions which include deciding on federation policy and drawing up of procedural guidelines. Three Senate committees have specific tasks in terms of programme and financial auditing, as well as leadership selection. Each committee holds at least two meetings per year. In 2015 the Programme Audit Committee met two times and the Finance Audit Committee as well as the Leadership Selection Committee met six times. The Senate committees make recommendations for Senate decisions, but do not make decisions on behalf of the Senate, unless the Senate explicitly mandates a committee to take decisions on precisely limited matters.

### The Management Council

The Management Council is an operational decision-making body, acting within a mandate and accountability defined by the Senate, which strengthens operational decisions and gives leverage for their implementation in the federation. The International Senate establishes the Management Council to support the Senate in its tasks and to support the Management Team to ensure strong involvement of all stakeholders across the federation (see article 6 in our [federation statutes](#)).

The Management Council consists of the Management Team (CEO, COO and CFO), four members representing those member associations specialised in fundraising to support the programmes of fellow members (the three biggest contributors and one with a smaller contribution) plus four members who receive international funds to implement programmes. The Management Council meets at least four times a year. In 2015, the Management Council met four times.

Based on the updated federation statutes, the role and responsibility of the Management Council will be further defined in an updated version of the Rules of Procedure.

### The Management Team

The Management Team is the executive body of the federation and consists of the Chief Executive Officer, the Chief Operating Officer and the Chief Financial Officer. It is led by the Chief Executive Officer. The Management Team is responsible for implementing the decisions taken by the General Assembly and the International Senate and handling the federation's day-to-day business and management requirements (see article 5.8 in our new [federation statutes](#)).

## 4.2 Division of powers between the highest governance body and the management and/or executives

As previously reported, the President of SOS Children's Villages International is a legislative, non-executive position. However, the President does receive remuneration, since the presidency is a full-time commitment.

The President is responsible for the day-to-day appraisal of the Management Team. The Leadership Selection Committee provides support in organised annual appraisal talks.

### 4.3 Number of members of the highest governance body that are independent and/or non-executive members

As of end of December 2015, all members of the International Senate are non-executive. For more information about our structure, please refer to Section [4.1](#).

### 4.4 Mechanisms for internal stakeholders (e.g. members or employees) to provide recommendations or direction to the highest governance body

We have a number of formats that are especially designed to channel and use expert know-how across the federation and thereby provide internal stakeholders the opportunity to influence strategic directions. As the review panel asked for more specific evidence that the described formats lead to meaningful engagement of internal stakeholders, we have included examples that show how internal stakeholders can use their know-how to influence relevant decision-making and strategy development.

- General Assembly

The most direct link is the presence of all member associations, represented by their board chairperson in the General Assembly. The most recent General Assembly was held in June 2016 in Innsbruck. During this meeting, the General adopted the new federation strategy, which will guide the organisation until 2030. Moreover, the General Assembly approved the new federation statutes.

Our new federation statutes state that at ordinary General Assemblies, members have the possibility to bring in motions relating to items on the agenda of the General Assembly and proposals for additions to the agenda. These motions shall be communicated in writing to the president of the federation at least four weeks before the date set for an ordinary General Assembly (see [5.2.4 federation statutes](#)).

- Recommendations brought into Management Council and International Senate meetings

Topics to be discussed in the Management Council and International Senate are prepared with the involvement of GSC and member association staff. For example, in its meeting in September 2015 the Management Council discussed and provided input on the draft results-based management concept and an outline of the three-year implementation plan that was developed and recommended by the project team. In this way, bringing topics and recommendations into Management Council and International Senate meetings allows internal experts to contribute their valuable expert know-how and shape strategic decision-making.

- Broad stakeholder involvement within projects

In general, internal stakeholders from different parts of the organisation are involved in the different projects that are developed within the organisation. The formats of involvement of internal stakeholders in the Strategy 2030 project as described in [NGO1](#) are a specific example of how stakeholders across the federation contributed with their relevant know-how and shaped the future strategy of the organisation. Project steering committees for such global projects typically comprise a broad range of stakeholders from all levels of the federation, from GSC experts to member association representatives. Also the implementation structure of the Strategy 2030 project is characterized by broad involvement of stakeholders, specifically also MAs.

- CVI Representatives are part of national boards

Almost all national boards also have members representing the global federation (CVI Representatives) who ensure regular exchange of ideas and information between the federation and its members. For more information on CVI Representatives, please see section 2.3 in our [2013 INGO Accountability Report](#). Members associations use this channel to bring in their feedback, suggestions and requests. For example, national associations in the CEE/CIS region raised the need to exchange more closely with PSAs on the topic of self-sufficiency of national associations. This request was taken up and PSAs and respective experts from the GSC were invited to the next regional board and national directors meeting, in order to exchange on the topic. Another example of a topic raised by national directors was the issue of liquidity reserves for Sustainable Path Member Associations – member associations who shall become increasingly financially self-sufficient and sustainable in the long term. The topic was taken up by the CVI Representatives, brought to the attention of relevant colleagues in the GSC, and further addressed by regional leadership as well as Senate members at the International Senate meeting. As a result, the regulations were adjusted accordingly in 2016.

- Staff council for General Secretariat locations in Austria

At the GSC's two locations in Austria, employees can bring forward issues to the staff council. The staff council discusses issues brought forward with the management. In 2015 six staff meetings took place in each of the two office locations in Austria and a company agreement was attained regulating

end of service conditions for the 2015 restructuring process. Please see section [NG09](#) for more information on the number of topics the staff council was dealing with in 2015 and how they were resolved.

- Regular leadership meetings

One example would be the GSC Leadership Team meeting, where leaders from the regional offices and the International Office come together. Another example would be the PSA Leadership Forum, which is a platform for leaders of member associations in Western Europe, North America and Australia to share knowledge and set priorities, to discuss issues as well as act as a sounding board for the Management Team and Management Council.

Most regional offices also host annual meetings that bring together all national directors and presidents from member associations in that region. For example, the MENA region organised a national directors and board presidents meeting in August/September 2015, in order to exchange on current challenges. The meeting also focussed on national governance and cooperation in the federation. Outcomes of such meetings are also shared on the Global Intranet.

- Channels to inform and exchange on actions by the International Senate and other legal bodies  
Internal stakeholders are informed of actions and decisions by the International Senate and the other legal bodies via the following channels (more detailed information can also be found in our [2013 report](#)):

- The 'Management and Senate News' section of our Global Intranet, which is available to every employee with internet access in the SOS Children's Villages federation.
- Management and Senate updates are also sent directly to upper-level GSC and member association management via an email newsletter.
- Regular virtual/online meetings, namely our twice-yearly Federation Town Hall and regular GSC Café, give co-workers opportunities to address their questions and comments directly to the Management Team and President in an open, live forum that encourages further discussion and reflection. During the Federation Town Hall, national and managing directors can directly and in real-time submit questions to the Management Team and President. The recording is available to all staff. In 2015 we had six GSC Cafés. The individual Management Team members (CEO, CFO, COO) also actively seek dialogue with staff in regular exchange sessions. For more information please see section [NGO9](#).

#### 4.5 Compensation for members of the highest governance body, senior managers, and executives (including departure arrangements)

Apart from the President, all International Senate members are board members in their national associations. As of end of December 2015, all are non-executive and work without remuneration. The President, although non-executive, receives expense allowance, as it is a full-time commitment. The current federation statutes provide that the amount of the President's expense allowance shall be defined by a designated Senate Committee and recommended to the Senate for approval (see 5.5.2.12 in [federation statutes](#)).

We have compensation systems linked with a job grading system in place which is applicable to our management positions. In setting up compensation structures, we benchmark with other NGOs and the relevant local labour market. There is currently no direct link between performance and salary. But we are working on updating our performance management system until 2017.

The decision to publish salaries is up to individual member associations.

#### 4.6 Processes in place for the highest governance body to ensure conflicts of interest are identified and managed responsibly

As we have reported previously, a strict division of powers is established to avoid conflicts of interest. There is a strong focus on avoiding conflicts of interest in the selection of national board members. For example, current co-workers, relatives of a co-worker or board member, or persons with a commercial relationship to SOS Children's Villages are not eligible to become members of the board. This is anchored in our National Association Manual, our member association model statutes and our guideline on 'Recruiting the right board and association members'. The latter is recommended to all member associations. According to the new federation statutes approved in June 2016 all new statutes or amendments to members' existing statutes shall be communicated to the Chief Executive Officer without delay and require the confirmation of the same to become effective.



The issue of possible conflicts of interest is also addressed in the orientation phase of new International Senate members, thus raising awareness in order to handle potential problems. Boards regularly assess their own performance to ensure effectiveness (including the handling of conflicts of interest) and also establish rules of procedure, which guide their own activities and structures.

We currently do not have a separate conflict of interest policy, but regulations dealing with potential conflicts of interest in board member recruitment, board work and self-assessment are anchored in respective sections in our policies, guidelines and tools. The importance of preventing people from misusing their position or authority to further personal interests is also mentioned in our Good Management and Accountability Quality Standards. Our Code of Conduct, which every co-worker and board member is obliged to sign, also contains a section on the responsible use of power and position. (Please see section 4.6 in our [2014 report](#) for more details.) Please also see [NGO2](#) for the roll-out status of the Code of Conduct.

Our Anti-Fraud and Anti-Corruption Guideline also contains regulations on how to deal with conflicts of interest. In addition, our feedback and complaints handling working paper states that the next level of supervision is involved in cases where a conflict of interest may arise. In 2015 the Management Team also approved an international policy support document on GSC Procurement that describes procurement standards within the GSC offices including regulations on how to responsibly handle conflicts of interests.

As stated in [section 3.8](#), monitoring of policies and standards is ensured via internal functional audits regularly carried out by international offices in the regions. Through these audits, teams check whether member associations are working according to the processes and standards as defined in policies and relating policy support documents. In the future, cross-functional audits also will help to get a more comprehensive picture of the overall performance of member associations.

Moreover, in response to the panel's request to provide evidence that the current documents on conflicts of interest are well known and applied by decision-makers, we want to share the following example on how our conflict of interest regulations are applied. Within one member association, a board member was highly qualified to carry out a project for the association. However, a conflict of interest was identified as the association would have paid for the services and the board would have decided on the results. Thus, according to our code of conduct and other regulations, the board member was excluded from the tender.

#### **4.10 Process to support the highest governance body's own performance**

As mentioned earlier in this document and described in previous reports, members of the International Senate are members of their national association boards. Detailed procedures concerning the election of International Senate members can be found in section 4.1 of our [2013 report](#). Information on how long International Senate members have actually served can be found in section [4.1](#) of this report.

On federation level, the Cooperation in the Federation project led by the International Senate demonstrates the importance of reviewing and improving the international governance structure. At the end of 2015 an external leadership review was started, in order to assess how decision-making processes work within the federation and how different stakeholders cooperate. This assessment was led by the consulting firm McKinsey and involved a variety of stakeholders: President, Vice President, the International Senate, the Management Council, the Management Team and also various member associations.

The initiative had the following objectives:

- to strengthen functional "bridges" between the different entities/stakeholders of the federation (bonding)
- to foster decision making as close as possible to the beneficiaries
- to create a widespread environment of trust, support, and decisive leadership

One outcome of the review was to foster the structured and unstructured interaction between the stakeholders (management and International Senate). In order to achieve this, the International Senate decided to hold a special seminar dedicated to team building during the next International Senate meeting. Another step is to hold an annual retreat with participation of the different stakeholders.

Member association boards are responsible for planning their own succession and for maintaining a strong and active membership base to ensure the local rooting of their organisation as well as its healthy development. Broader membership enhances accountability and facilitates the succession planning of the board. Therefore, boards should regularly assess their own as well as the status of the membership base and – based on the strategic direction they set for the association's development –

analyse possible gaps in the knowledge, skills and experience covered by the existing members. It is strongly recommended that member associations do this about six to nine months before the next General Assembly with board elections, in order to have enough time to look for new members. More information on the recurring steps of board self-assessment, recruitment and succession planning as well as orientation is available in section 4.10 of our [2014 report](#).

The following examples show how the performance of member associations' boards is evaluated and how the described procedures support the effectiveness of national boards:

For example, the board development planning process in SOS Lesotho contains the following steps:

1. Board self-assessment: board members carried out a self-assessment based on a self-evaluation questionnaire in 2015
2. Board retreat: The summary and analysis of the assessment are discussed during the board retreat in 2016
3. Board development plan: based on the results of the discussions during the retreat, a board development plan is worked out, defining the priority areas that need attention.

The following improvements were observed after the self-assessments and board retreats in SOS Lesotho, but also in other MAs in the region (e.g. SOS Nigeria, Ghana, Namibia and Swaziland):

1. Board members' engagement was enhanced, especially board chairpersons
2. More strategic issues as well as more critical questions regarding the overall performance of the MA were raised in board meetings
3. Board leadership succession and recruitment of new board members have been started.

Moreover, we want to provide an example with regards to SOS Armenia and SOS Georgia. Based on the results of the self-assessments carried out by the national boards of the two MAs in 2015, they developed action plans which contain concrete improvement initiatives with clear responsibilities and timelines for the upcoming year. Besides identifying development actions to be taken over the coming year, the self-assessments were beneficial for the boards in clarifying the role and responsibility of their work and to become more self-steered.

Another example we want to provide is that SOS Hungary used the Governance as Leadership framework taught by the Harvard Kennedy School for a self-reflection workshop of the board. As a result of the self-reflection workshop, the board decided to improve its "Shared governance" and thereby strengthen their role in steering the association in good cooperation with the national director. The Harvard Kennedy School Executive course "Governance as Leadership – Mobilizing Your Nonprofit Board" aims at helping non-profit executives to exercise leadership that results in better, more engaged boards. More than 60 SOS Children's Villages managers, mostly from national associations who are closely working with boards, have participated in the course from 2012 to 2015.

We also want to share an example of an external evaluation – the case of SOS Israel. The evaluation carried by KPMG Israel aimed at assessing the association's governance set-up with the purpose of benchmarking it against our international standards but also against similar NGOs. The external evaluation was very helpful and triggered valuable improvements, for example, strengthened succession planning for board members.

#### **4.12 Externally developed environmental or social charters, principles or other initiatives to which the organisation subscribes**

Our work is guided by two externally developed frameworks: The UN Convention on the Rights of the Child and the universally recognised Guidelines for the Alternative Care of Children. Additionally, SOS Children's Villages' new Strategy 2030, which was endorsed by the General Assembly in 2016, explicitly embraces the Sustainable Development Goals (SDGs) and will specifically guide our work towards the achievement of five SDGs that are particularly relevant for our target group and thus for our organisation:

- SDG 1 – No poverty (implementing appropriate social protection schemes)
- SDG 4 – Quality education (equal access and high quality education)
- SDG 8 – Decent work and economic growth (reducing youth unemployment)
- SDG 10 – Reduced inequalities (Promote the inclusion of all)
- SDG 16 – Peace, justice and strong institutions (focus on ending violence against children)

These 5 SDGs relate directly to SOS Children's Villages' programming and will form a central part of our work over the coming decades to ensure the inclusion of children without parental care or at risk of losing it in sustainable social and economic development. While we identify these as the SDGs and targets towards which we can make the greatest contribution through our programme and advocacy

work, we will also contribute indirectly to other SDGs, such as SDG 3 (good health and well-being), SDG 5 (gender equality) and SDG 17 (partnerships for the goals).

#### 4.14 Stakeholder groups of the organisation

As reported last year, our stakeholders include, in the first place, our target group – the children, families and communities with and for whom we work. Our stakeholders are also our donors, sponsors, co-workers, volunteers, external partners, governments, national and international institutions, foundations, academic institutions and organisations with whom we work or who support our activities to improve the lives of our target group. Please see also section [2.7](#).

#### 4.15 Process for identification, selection and prioritisation of key stakeholder groups

As reported last year, identifying the children, families and communities with whom we engage is an integral part of the programme planning process which is carried out in line with the SOS Children's Village Programme Policy and other relevant organisational policies. In order to develop programmes at locations where there is the greatest need and in areas where we can have the highest impact, the programme planning process includes a country-specific child rights situation analysis conducted by external experts. Besides identifying where to work, the child rights situation analysis helps us to define what kind of programmes to establish and to set the scope of our response, with due respect to national conditions and in the spirit of the UN Convention on the Rights of the Child and the Guidelines for the Alternative Care of Children. In addition, where programme changes or new programmes are required, location development workshops are held. Please see [NGO1](#) for more information.

Analysing the status of our target group in a particular country is a crucial step in reconfirming why the organisation should establish a programme in that country, or to justify the need for more programmes. Once the decision has been made to establish more programmes in a specific country, a feasibility study which includes an in-depth needs assessment is made in a selected location/area. Supplementing the child rights situation analysis, the feasibility study encompasses the data collection, analysis and assessment necessary for preparing the project design and provides background information on:

- The overall justification for the project
- The potential target groups, their needs and anticipated positive/negative effects
- Important assumptions which may be decisive for the success or failure of the project

Importantly, this needs assessment applies various participatory methods, including consultation with children. As part of these studies a package of appropriate responses – our programme interventions – are then designed in accordance with the best interests of the children. Furthermore, our programme interventions are rooted within the community and build on existing initiatives and resources, in the interests of building solid foundations for sustainability. Partnerships and networks are developed for the purposes of service provision, capacity building and advocacy at national level. In cooperation with community-based partners, SOS Children's Villages sets up a process to identify the beneficiaries of our programmes when the implementation phase of the programme starts. Please see also sections [NGO1](#), [NGO3](#), [NGO6](#), [PR6](#) and [EC7](#).

## 5 PERFORMANCE INDICATORS

### 5.1 NGO1 – Involvement of affected stakeholder groups to inform the design, implementation, monitoring and evaluation of policies and programmes

As described in our [2014 report](#), child participation is anchored in our core policy, the SOS Children's Village Programme Policy. It expresses the organisation's stand on how to best approach the situations of individual children and sets a framework of actions for the whole SOS Children's Villages organisation.

'Participation' is also the key word used to describe the character, process and ultimately the outcome of the new federation strategy. In the course of the strategy development process, which was concluded with its adoption at the General Assembly (June 2016), several steps were taken to include important stakeholders in the process. To ensure broad participation and buy-in from all member associations, three online surveys were carried out and shared with all member associations:

- 1<sup>st</sup> survey around external trends and disruptors: The aim of the survey was to help us identify the most important driving forces shaping future opportunities and threats to our achieving impact up to the year 2030 (response rate: 64%).
- 2<sup>nd</sup> survey rating of strategic options: This survey, which asked member associations to prioritise strategic options, helped ensure that the strategy reflects associations' experience. It also contained questions on facts and figures that were needed to further refine strategic options (response rate: 87%).
- 3rd survey rating of strategic initiatives and financial feasibility check: The last survey was used to build mid-term objectives and long-term ambitions and to prioritize the implementation of the strategy considering national and regional realities (response rate: 91%).

A strong commitment to the strategy was shown by almost all members associations during the General Assembly, as the strategy was approved for the next 14 years by 103 members associations, 1 association voted against and 2 abstained.

#### **Involvement of children and families in decisions that directly affect their lives**

Every child participating in one of our family strengthening or alternative care programmes has their own individual development plan. Detailed information on the processes of the child's development with his or her full participation can be found in our [2013 and 2014 report](#). Furthermore, 88% of all young people (age 13+) in our programmes in 2015 participated actively in decision-making for SOS programmes, child rights advocacy, or cultural and sports groups in their communities.

A coalition of 20 young people from 10 countries, representing all SOS Children's Villages regions, was formed at the beginning of 2015. This coalition consulted in person with around 200 young people in their countries about decisions that affect their lives. The input developed by young people strongly influenced the 2030 strategy development process. As a result, "Empower Young People: Strengthen their care and employability" became one of our seven strategic initiatives. Additionally, a call to strengthen youth participation was carried out during the General Assembly. 100 member associations fully supported the commitment to take big efforts to strengthen youth participation in all our families and programmes, in all countries and on global level. Four member associations rather supported this commitment until 2020 and there was not a single member association did not support this initiative.

In many programmes, we have established village committees, which consist of a number of children in the programme who directly contribute to the programme management, give feedback to the programme leaders and bring in their ideas (approximately 850 children/young people are part of those committees).

Our gender equality policy specifically also highlights that in all our programmes caregivers promote equal participation of girls and boys, for example in decision-making platforms in order to build their confidence. For more information on the gender equality policy, please see [NG04](#).

#### **Self-evaluation processes**

Family strengthening self-evaluations are conducted on an annual basis in our programmes, as part of the annual planning cycle of overall development of family strengthening responses. The main objectives of the self-evaluation are to: assess progress towards achievement of quality standards in SOS Family Strengthening Programmes, identify barriers to achievement of objectives and results, and specify course correction or changes required. In general, it is recommended to member associations that programme stakeholders, including partners (such as service providers and



community stakeholder) and participants themselves (including children and parental caregivers), should be involved in the self-evaluation process. If this is not possible, it is of paramount importance that their satisfaction level with the programme (services received, collaboration, areas for improvement, etc.) is assessed.

From our work with member associations, we can conclude that there are good attempts to involve programme partners and participants in the annual self-evaluations. This is also complemented by involvement on a micro-level, where children and parental caregivers are strongly involved in the family development process, which puts a strong emphasis on the strengths, capacities and resources of the participants. Participants are not considered as passive recipients of services, but as active agents in their own development, with whom we partner to find the best solutions to the situations that they face in their lives. In this regard, they are fully involved in decision-making processes concerning their situation, as they give feedback on provided interventions. Recommendations that are drawn from the evaluations feed into the following year's plan. This exercise provides a platform for the programme team and its participants to exchange, which allows for mutually beneficial dialogue where all parties are free to express their views.

If vulnerability is defined correctly, it helps to select the most vulnerable from the target group to participate in the programme and to identify some relevant areas of intervention to assist the families and communities to reach self-reliance. As a result, programme admission committees were formed, and these are now responsible for programme participants' enrolment into the programme. The committees comprise programme staff, community stakeholders (such as teachers and social workers) as well as community leaders. Most programmes also ask the communities to give a definition for vulnerability within their own local contexts. While the overall target group for the programme may be clear, some children within the target group are in more vulnerable situations than others and that vulnerability can best be described by the people living in a certain locality, as it often varies from community to community.

### **Involvement of community-based stakeholders in our programmes**

SOS Children's Villages works with governments as well as various community-based duty bearers to develop strong social support networks for children and their families. Please refer to section [4.15](#) and [NGO6](#) of this year's report and [NGO1](#) of [our 2014 report](#) for a more detailed explanation of the involvement of community-based stakeholders in our programmes and location development workshops, which bring together key stakeholders of a location to jointly define a future vision for the location.

In 2015, location development workshops took place in South Africa, Nigeria, Ethiopia, Swaziland, Togo, Senegal, Zanzibar, Chad and Côte d'Ivoire to share practices, build capacity and ensure the meaningful participation of community-based partners and stakeholders.

A workshop on building strong social support systems was held in November 2014 in Ethiopia in order to share promising practices on how to work with community-based organisations and local authorities as key implementation partners to build sustainable responses to the situation of the target group. In this workshop, participants represented 15 member associations from three different regions.

Subsequently, in 2015, representatives from 23 member associations from all regions participated in a workshop in Brazil, which looked at financial and overall programme sustainability through community-based approaches. Amongst the key learnings were the following:

- Community-based approaches can be more sustainable, with the SOS Children's Villages programme being a 'catalyst' more than an implementer.
- Working in partnership and networks paves the way to sustainability and avoids duplication of responses.
- Working with community-based partners in family-like care, as well as family strengthening, brings better support to foster families.
- Community-based savings and credit groups are producing excellent results in economic empowerment of families.
- Community-driven economic empowerment initiatives strengthen sustainability and working with community-based organisations is key to the integration of SOS families.
- Furthermore, it is important to build partnerships with civil society, government, academic institutions, and private sector to contribute to our programme responses.

These key learnings are used to further develop our approach on how to work with community-based organisations. Best practice examples around involvement of community-based stakeholders are also reflected in the following:

- In Malawi and India we have well-functioning village savings and loans groups in a number of communities, as a key part of the economic empowerment of families. To keep knowledge on-site

and to get community buy-in, field officers were trained to train village agents and community based organisations.

- In Côte d'Ivoire, community-based stakeholders were involved to set up pilots for community-integrated SOS families and foster care. Local and government authorities have been very active in the set-up of these pilots. They provided useful ideas during the design of the projects and are part of the committee that will select eligible children for the projects. Social workers and psychologists to support the projects will be volunteers of the Ministry of Social Affairs. Legal advice on placement in foster families is being provided by local representatives of the Ministry of Justice. Community leaders are part of the selection committee, and play a critical role in the identification of eligible children, of potential foster parents and of houses to host the community-integrated SOS families.
- In Angola, we have a community-based school in partnership with the government, which focuses on improving accessibility and quality of education: The programme is currently meeting the needs of over 1,200 children (47% of them female) with a free and good quality education. Of those school children, 164 are SOS programme beneficiaries. The government became engaged in such a way that they started mobilizing resources and were able to make joint decisions (such as child admission criteria and future developments for the school). The Ministry of Education currently covers the salaries of 72% of the staff and regularly donates teaching material and text books for students.

### **Involvement of children and families in our programme and advocacy work**

As mentioned in section 4.15, the programme planning process and particularly the feasibility study includes a needs assessment which applies various participatory methods, including consultations with children. Detailed information can be found in our previous reports.

In 2015, SOS Children's Villages continued its efforts to support children and young people to participate in the formulation of demands and proposals for the Sustainable Development Goals (SDGs). SOS Children's Villages supported young people with care experience to participate in high-level events on the SDGs at the UN Headquarters in New York and the European Development Days in Brussels. SOS Children's Villages, leading the Movimiento Mundial por la Infancia de America Latina y el Caribe<sup>1</sup>, also coordinated the development of Child Friendly Versions of the SDGs, which can be found [here](#).

In the frame of our joint project with the Council of Europe, Eurochild and the European Commission to train professionals working with children in care, we finalised in November 2015 the Handbook "Realising Children's Rights - A training manual for care professionals working with children in alternative care". Young people with care experience were consulted to provide inputs to the development of the handbook. More information about the project can be found [here](#).

### **Development of SOS Children's Villages policies**

As we have reported previously, wide member participation is ensured in the development of our policies. Please see NGO1 in our [2014 report](#) for more information.

## **5.2 NGO2 – Mechanisms for stakeholder feedback and complaints on programmes and policies and in response to policy breaches**

### **Feedback and complaints handling mechanism**

SOS Children's Villages always strives to provide highest quality care and support. In this regard, we recognise the importance of learning from the people, communities and partners we work with, so we can constantly improve the quality of our work. Thus, we welcome feedback and complaints regarding our work and use them to constantly foster organisational learning. SOS Children's Villages welcomes any feedback or complaint related to the services, actions and policies the organisation is responsible for or which are within our sphere of influence.

We have independent processes defined in the following areas, as feedback and complaints in these areas require very specific attention and procedures. This is also explained on our [feedback and complaints page on our website](#):

- Child safeguarding concerns and allegations: [Our website](#) contains a child safeguarding page including a [reporting form](#) where any child safeguarding concern or incident can be submitted.

<sup>1</sup> The Movimiento Mundial por la Infancia de America Latina y el Caribe is the Latin American and Caribbean Chapter of the Global Movement for Children (MMI-CLAC), which brings together efforts from organisations, people and children to build a world fit for children.

For more information please refer to the [the section on Child Safeguarding on the international website](#).

- Fraud and corruption allegations: Steps to be taken concerning reporting, investigation and responding are stated within our Anti-Fraud and Anti-Corruption Guideline [available on our website](#).
- Complaints related to international child and village sponsorships: Most feedback and complaints related to international child and village sponsorships are best dealt with by the SOS Children's Villages association where the sponsorship is registered. You can find a link to the national websites [here](#) under "Choose a country". However, any concern related to international child and village sponsorships can of course also be directed to the International Office using the reporting form on the website or sent to [donor.services@sos-kd.org](mailto:donor.services@sos-kd.org). This e-mail address is provided on the [sponsorship section on the international website](#). Furthermore, all international sponsors receive a sponsorship handbook that guides them in where to submit potential inquiries.

In 2015 we started formalising a feedback and complaints handling mechanism that gives all external stakeholders an easy-to-use format to bring in their feedback and complaints at any time on all other topics not covered by the above-mentioned processes (for example feedback and complaints concerning overall programme quality and advocacy, fundraising practices, or concerns related to staff).

This mechanism was approved by the Management Team for piloting in May 2016. The approved feedback and complaints handling working paper is [available on our website](#). The policy support document defines the principles, standards and procedures that enable external stakeholders to submit their feedback and complaints and how SOS Children's Villages responds to these. Regulations in this document exclude the above-mentioned topics (child safeguarding, fraud and corruption, and international sponsorships). It aims to close the gaps and to put in place a comprehensive complaints handling system.

On **federation level**, feedback and complaints on the areas in scope can be addressed through the [reporting form](#) on the international SOS Children's Villages website. During the piloting phase, the responsibility for receiving, recording, acknowledging receipt, monitoring and responding to feedback and complaints coming in via the international website lies with the Digital Fundraising unit of the International Competence Centre Fund Development and Communications in the International Office (IO).

Each **member association** is required to define relevant contact points for stakeholders to provide feedback or raise complaints regarding the areas in scope (see above) and to ensure proper communication of their channels to their stakeholders. As a minimum requirement, member associations will be required to establish a dedicated e-mail address for external stakeholders to provide feedback and complaints in scope (as mentioned above). The national/managing director assigns the responsibility for receiving feedback and complaints coming in via the e-mail address and other channels and for the sequential steps of recording, acknowledging receipt, forwarding and responding to a specific unit in the national office.

From July to December 2016 the feedback and complaints handling working document is being piloted in the GSC and the following six member associations (one association from each region): SOS Philippines (Asia), SOS Bosnia and Herzegovina (CEE & CIS), SOS Zambia (ESAF), SOS The Gambia (WCAF), SOS Jordan (MENA) and SOS Brazil (LAAM). As of August 2016, all six pilot MAs had established and promoted a national feedback and complaints e-mail address. Some pilot MAs had also already established additional channels to receive feedback and complaints, for example via social media, phone numbers or suggestion boxes in villages.

The channels are being promoted differently across the pilot associations. For example on websites, via newsletters, staff are informing external stakeholders in direct interactions or the procedures and channels are being explained in policies and guidelines, e.g. visitor's guides. As of August 2016, we have received positive feedback on the mechanism but we have not received any cases via the new process so far. However, as the piloting phase has just begun, we expect more results to come as awareness of the channels increases among external stakeholders. In our next report we will provide information on further developments and how feedback and complaints reported were resolved through the new process.

Based on the learnings from the piloting phase in 2016, the working document will be updated and further improved. The updated document will be presented to the Management Council for their approval at the beginning of 2017. Afterwards, roll-out to further MAs is planned.

In addition to the mentioned mechanisms, we do have self-evaluation processes and other mechanisms to bring in feedback from programme participants, which we consider part of a broader feedback and complaints handling system within our organisation. Please see [NGO1](#) for further information on these mechanisms.

As noted in previous reports, our Code of Conduct contains the commitment that if staff members become aware of any breaches of the Code of Conduct, the colleagues are duty bound to report these to their respective manager or to the next level if applicable. For more information on the Code of Conduct roll-out, please refer to the section below on Code of Conduct roll-out. Please also see [NGO9](#) for more further details on internal grievance mechanisms.

For information on further developments of the Integrity, Compliance and Legal department, please refer to [SO3](#).

### Child safeguarding

SOS Children's Villages is unique among child-focused NGOs in that we are child care practitioners with guardianship and/or daily responsibility for the direct care (including housing, education and healthcare) of some 86,200 children and young people.

Through the SOS Children's Villages Child Protection Policy, all employees and associates of SOS Children's Villages are obliged to report any concerns, suspicions or allegations of any child abuse. Types of child abuse are described in the [SOS Children's Villages Child Protection Policy](#), along with the mandatory steps to be taken by the employee if a case of abuse is suspected. The [SOS Children's Villages Code of Conduct](#) emphasises that each employee is personally responsible for reporting. In any case of suspected abuse, the very first priority is to immediately secure the safety and well-being of the alleged victim.

The particular steps for dealing with the reported incidents vary depending on the type of abuse, the individual context and the local laws, but every concern or incident reported is taken seriously. Reported allegations of child abuse are assessed, managed and documented by the child safeguarding team within the framework defined in our child safeguarding reporting and responding procedures. The national director of the member association is ultimately responsible for any decisions and action taken.

During the full incident assessment, the details of all reports available to that date are reviewed; more information about the incident is collected when necessary, and immediate actions and next steps are decided. The full incident assessment is also used as a frame for the regular review of the incident.

If the reported allegations include a possible criminal offence, the incident is reported to the appropriate national authorities. Reports on child safeguarding incidents are shared with the Management Team regularly and with the Programme Audit Committee of the International Senate bi-annually.

The Child Protection Policy introduced in May 2008 is a binding document for all member associations and the General Secretariat. The implementation of the Child Protection Policy is reviewed on an annual basis through our child safeguarding survey. The survey is based on the assessment tool developed by the Keeping Children Safe coalition, of which SOS Children's Villages is a member. With the survey, we review four critical areas of our work in regard to child safeguarding:

- Putting policy into practice
- Organising staff (this includes Code of Conduct implementation, capacity building and establishing clear reporting and responding procedures)
- Planning and implementing (it includes local mapping, risk assessment, planning and implementing actions and child participation)
- Monitoring and review

According to our Child Safeguarding Survey, 94 member associations confirmed that they fully meet the requirement to promote and distribute the Policy to their co-workers. Only 4 member associations did not meet this requirement, 19 member associations met this requirement partly. International offices in the regions follow up with those member associations that do not or only partly meet the requirements to identify what support is required to ensure compliance. We also check if there are any limitations in relation to the survey itself that dilute the results. For example, experience showed that sometimes language barriers have hampered submission of correct data.

In March 2015, a new policy support document, "Working together. GSC roles and responsibilities in child protection reporting and responding", was approved and launched for implementation in all GSC offices. The document sets a clear frame for all GSC offices in the following areas:

- Dealing with child safeguarding incidents reported directly to the GSC



- Information flow and cooperation between the GSC and a member association when dealing with a child safeguarding incident reported to the member association
- Escalating child safeguarding incidents to the GSC in cases when a conflict of interest is identified in a member association

The implementation process was organised in all GSC offices through virtual and physical trainings. It was accompanied by online communication via intranet pages and strongly supported by the line management. The implementation process was finalised in all regional offices and the International Office by March 2016.

In 2015, two working groups were established to work on new policy support documents updating the existing framework for child safeguarding reporting and response procedures in member associations and on child safeguarding investigations. The working groups were composed of representatives of different member associations and GSC offices. Both documents were approved by the Management Council in March 2016.

As part of strengthening the child safeguarding reporting and responding procedures in the organisation, training focused on child safeguarding investigations was provided in November 2015. The training was facilitated by trainers from Keeping Children Safe, and it was the first step in creating a global pool of certified internal child safeguarding investigators. These co-workers lead internal child safeguarding investigations commissioned by the GSC and can support investigations commissioned by member associations.

In order to provide more opportunities for both internal and external persons to report child safeguarding concerns and incidents, [a child safeguarding page on the international website](#) was launched in 2015. Besides information on child safeguarding policies and procedures of SOS Children's Villages, there is also a [reporting form](#) where any child safeguarding concern or incident can be submitted. It is possible to submit also an anonymous report there.

#### **Allegations of corrupt conduct**

Regarding the handling of allegations of corrupt conduct and breaches of the [Anti-Fraud and Anti-Corruption Guideline](#) and other corruption-relevant policies, please see [SO4](#). The Integrity, Compliance and Legal unit has drawn attention to the [Anti-Fraud and Anti-Corruption Guideline](#) throughout the federation in several workshops, through specific intranet articles, direct emails and other channels. The emphasis on particular aspects of the Guideline and further corruption prevention relevant aspects of other SOS guidelines has continued in 2016.

#### **Code of Conduct roll-out**

The Code of Conduct was approved by the Secretary General in September 2011 as part of the implementation of the Child Protection Policy and to date has been adopted by most of the member associations. As of December 2015, the Code of Conduct was rolled out in 82% of member associations globally. Within the remaining MAs, a local Code of Ethics exists, which is based on our global Code of Conduct Standards.

Roll-outs of the Code of Conduct to further member associations are planned in 2016 and beyond. Within the GSC, 86% of co-workers have signed the Code of Conduct and 58% of GSC co-workers had attended the Code of Conduct Workshop by the end of 2015. From 2014 onwards, each co-worker signs the Code of Conduct together with the contract when joining the organisation. This applies to co-workers in the GSC and in member associations.

Code of Conduct workshop/training opportunities are continuously offered on all levels, in member associations and the GSC. Each co-worker participates in a Code of Conduct workshop, as the workshops prove to contribute to better understanding and acceptance amongst staff. Within member associations, the national director ensures the roll-out of the Code of Conduct with support of the Human Resources function.

### **5.3 NGO3 – System for programme monitoring, evaluation and learning (including measuring programme effectiveness and impact)**

#### **Concept and implementation of a results-based management approach**

As described in our previous reports, before SOS Children's Villages establishes any programme in a country, a child rights situation analysis (CRSA) is performed by an external agency. This provides us with a solid understanding of the needs and how our expertise might help with respect to our target group. Please refer to our [2014 report](#) for more details. On a location level, it is the feasibility study that brings more in-depth insights into the local situation of the target group, involved stakeholders, relevant responses and the recommended role of the SOS programme in making such responses. In



principle, this should include a stakeholder analysis, whereby all relevant stakeholders are identified and an assessment made of who is best placed to do what. The study should also make clear recommendations on how the SOS programme best fits into the picture. It is with the responsibility of national associations to ensure an approach with the most impact, which also means to include local partners. We are currently reviewing our programme review and feasibility study approach to build on information received from CRSAs to ensure long-term impact of our programmes. For more information on how we identify, select and cooperate with stakeholders at the community-based level, see also [4.15, NGO1](#) and [NGO6](#). Our [2014 report](#) provides details about the use of our programme monitoring database and information on the results-based management approach in SOS.

As an organisation, we took the decision to more effectively measure the results of our work, so as to improve the quality of our programmes, ensure that we achieve the maximum outcomes and impact, and strengthen our accountability to our stakeholders. In 2015, a formal Results-Based Management (RBM) project was initiated. Through this project, an assessment of RBM practices, systems, and tools was conducted both internally and externally. In addition, an RBM concept, outline of an RBM guide, draft Theory of Change, and implementation recommendations were developed. The pilot countries (Romania, Ethiopia and Swaziland) report numerous benefits of adopting RBM and will continue to pilot new tools in the coming year. Currently the RBM project is in its second phase. In early 2016, a global Theory of Change was finalised to enhance the 2030 Strategy. More specific theories of change are in development on topics such as youth employability and family separation. In addition, the project team will develop a RBM Guide, implementation plan, and training materials to roll out RBM to member associations in 2017 and beyond. Crucially, the RBM Guide will provide tools, templates, and step-by-step explanations of how to adopt strong RBM practices in programmes.

Social impact assessment is an integral part of results-based management. Broadly speaking, analysing outputs and outcomes can be done in a standardised way, whereas for impact more in-depth analysis is required. Together with experts from the Boston Consulting Group, we developed a formal and rigorous model for assessing the long-term impact of our programmes on individuals and communities, in both non-financial and financial terms.

- To calculate the non-financial, individual-level impact, former SOS programme participants are interviewed by independent researchers on eight key dimensions of personal and family development: care, accommodation, protection, food security, physical health, livelihood, education and skills, and social and emotional well-being. Community-level impact is evaluated according to key dimensions of community development, through individual stakeholder interviews, focus group discussions and any available documentary evidence.
- To calculate financial impact or social return on investment, the model conservatively factors in former programme participants' projected lifetime incomes and financial benefits for the broader community, including savings on public spending (because social support services are no longer needed). It is a forecast of the social return that can be expected, measured in monetary terms, for every dollar (or euro) spent in the programme.

Social impact assessments (SIAs) were piloted in two programme locations and conducted across five further locations in Africa and Asia in 2015-16. It is planned to consequently conduct SIAs in 5-10 countries per year across all regions.

The findings from the seven SIAs were consolidated in a report. Among the most interesting findings was that a convincing majority of former programme participants who took part in the assessments – 79% in family strengthening and 84% in family-based care – were doing well in at least six of the eight dimensions considered. On community level, local stakeholders indicated that they highly value the organisation's work in their communities. The organisation is highly regarded and well positioned in the communities, with some promising examples of community-based approaches.

The programmes' long-term financial impact on society, gauged by the programmes' social return on investment, has also shown positive results, with a €1 investment yielding benefits to society of €14 using conservative assumptions.

The results also reveal potential areas for improvement for the seven programme locations and beyond, which validate aspects of SOS Children's Villages' Strategy 2030 in family-based care and family strengthening, as well as the SOS Children's Villages global theory of change. In family strengthening, programmes should aim towards further improving the living conditions and livelihood of families together with partners, to enhance self-reliance. Some programmes should also ensure they are working with the most vulnerable of the target group, and focus on family preservation and quality care. In family-based care, SOS programmes should work at further strengthening the social and physical integration of SOS families, to ensure smoother transition of young people to independence, and support them to enter the job market, to enable them to better succeed in life.

SOS programmes should also work at further strengthening the community-based approach and empowerment of community-based organisations to enhance sustainability. Furthermore, SOS programmes should aim at further strengthening and enhancing partnerships in order to increase effectiveness and sustainability, such as partnerships for essential supporting services as well as corporate partnerships to boost employability.

The results and learnings generated from the SIAs and the organisation's monitoring and evaluation work are used internally as well as externally. For example:

- Results are shared at NGO conferences (such as the Better Care Network).
- They are also used by the advocacy team for external communication (for example, in UN and EU fora).
- Results are utilised by the Global Leadership Giving team in developing partnerships with companies and major contributors.
- The International Annual Report publishes key figures around our programme work.

Internally, the results shall provide a basis to improve programmes locally and nationally, feed into strategic decision-making and results-based management, inform the global research agenda and exchange learnings between co-workers. Impact and progress against these results as a benchmark is monitored and evaluated against our strategic objectives on different levels:

- International level: quarterly reviews of international action plan and focus area reports, General Secretariat support plans and strategic measures
- International and national level: A federation planning project has been initiated to review and update the existing federation planning approach, further build on its strength and cut down inefficient practices. The planning method and related processes need to be adjusted accordingly to support the translation of the strategy into our planning and reviewing practice. The guiding motivation is to come up with a leaner, simpler and hence less resource intensive approach, that is internally well linked to the core processes of member association and GSC planning. This approach shall allow bringing programme results and learnings into the focus and should be flexible enough to allow adjustments to each national context and the accelerating pace of environmental change.
- Programme level: programme progress reports (shall be further aligned with result-based management)

#### **5.4 NGO4 – Measures to integrate gender and diversity into programme design and implementation, and the monitoring evaluation, and learning cycle**

We have several relevant policies in place within the organisation. A detailed overview is provided in our 2014 report in [NGO 4](#).

As the panel asks for evidence that these policies are implemented, well-known, and have led to positive management response, we explain our policy structure and how policies are generally implemented in section [3.8](#).

Moreover, internal audits are carried out to check whether member associations are working according to the processes and standards as defined in policies and relating policy support documents. Section [3.8](#) provides more details around these internal audits. As requested by the independent review panel, our inclusion policy can be found on our [website](#).

Referring to last years' independent panel feedback, we do not have a separate policy around discrimination, as our policies are based on the principle of non-discrimination in all aspects. Our policies refer to external frames, such as human and child rights. Furthermore, the Guidelines for the Alternative Care of Children is a key reference document for us.

- In our [Education Policy](#) we state that “kindergartens and schools resourced or managed by SOS Children’s Villages follow human-rights principles” and provide “education without discrimination”. SOS Children’s Villages assures access to kindergartens and schools with child-centred education for all children within our programmes, regardless of gender, ethnicity, faith, abilities, health or any other attribute.
- Within our [Child Protection Policy](#) it is stated that “everybody has the responsibility to protect children from all forms of discrimination”. Every child has the right to develop to his or her full potential, with quality education, participation and non-discrimination. The policy is based on the UN Convention on the Rights of the Child, which provides an international framework outlining children’s rights to protection from discrimination (article 2).
- All our programmes, from service delivery to advocacy, work towards protecting children and caregivers from any stigma and discrimination that they may face because they are infected

with HIV, affected by AIDS or have any other special need ([HIV/AIDS](#) and [Child Protection Policy](#)).

### Emergency Policy

SOS Children's Villages' Emergency Policy "Protecting Children in Emergencies" has been revised in 2015. The rationale behind this revision process was to make use of the substantial new experience gained over recent years through our emergency response activities. In addition, the expertise of the recently established international emergency network supported the review of the policy aiming for more adequacy and clarity. During the process, feedback from other experts within the organisation was included as well. After the revision process was concluded, the International Senate officially approved the revised version in April 2016.

The Emergency Policy of SOS Children's Villages contains five guiding principles, which are all based on humanitarian principles:

- We make sure children are secure, protected and able to continue developing amidst emergency situations.
- We make sure children are in a caring family environment.
- We support children and communities to prepare for and to respond to emergencies.
- We carry out a focused and effective emergency response and recognise the importance of responding immediately and with the appropriate scale-up of resources depending on the needs of our target group.
- We maximise our impact through cooperation with partners.

The Emergency Policy and the above principles provide an overall frame and guidance for all SOS Children's Villages emergency related activities (emergency preparedness, response and recovery). It puts a strong focus on child protection in emergency situations and the support of vulnerable children and their families in times of crisis, in order to contribute to the organisation's objectives: "children are protected from abuse, neglect and exploitation and are kept safe during natural disaster and war" ([Who we are](#)). The Emergency Policy was the guiding reference and used as a general framework for 22 emergency projects in four continents in 2015.

The organisation has provided trainings on the content, implications and use of the Emergency Policy in three out of six SOS regions. Furthermore, based on the recent revision and final approval of the Emergency Policy, these trainings are planned to be expanded and intensified. In addition, the organisation intends to inform and train more employees, who are not currently directly working in emergency on the Emergency Policy, for example through webinars.

### Gender

In 2014 SOS Children's Villages International developed a Gender Equality Policy which was endorsed by the International Senate as a working paper. For detailed information, please refer to our Gender Equality Policy through the following [link](#), NGO4 of [our 2014 report](#) and section [LA13](#) of this year's report.

A separate follow-up project was established for the implementation of the Gender Equality Policy. The policy was piloted in 2015 in four member associations with the objective of enabling the four pilots and one regional office to implement the Gender Equality Policy and to gain learnings for the global roll-out starting in 2017. In this regard, gender focal teams have been formed to lead, coordinate, and report on the implementation of the gender policy. They are supported by a help desk for technical support. A toolkit for gender integration was designed and trainings provided. The toolkit provides a unified framework with relevant and practical tools for gender integration in the organisation. It is also a tool for strengthening capacity of co-workers on gender equality, improved accountability and fostering a system for gender mainstreaming at all levels. The piloting countries undertook gender audits, leading to action plans to address the gaps and challenges identified. Moreover, an online platform was created to foster organisational learning and knowledge management. On this platform, pilot participants share and exchange experiences, lessons learned and best practice.

## 5.5 NGO5 – Processes to formulate, communicate, implement and change advocacy positions and public awareness campaigns

### SOS Children's Villages' advocacy positions

As reported previously, our advocacy positions align with our mission statement and strategic priorities and are grounded in:

- Knowledge and experience coming from our programmes
- SOS Children's Villages policies
- Evidence-based research coming from our campaigns and desk research
- External policy initiatives related to our target group.

The United Nations Convention on the Rights of the Child and the Guidelines for the Alternative Care of Children are the international frameworks for the actions of SOS Children's Villages and all our advocacy positions are grounded in them. The UN Guidelines represent authoritative international guidance on the implementation of child rights as elaborated in the Convention. Our advocacy activities at international, regional and national levels aim to promote child rights in line with the UN Guidelines to inspire the necessary and quality reform of social welfare and alternative care systems worldwide.

In order to ensure that our advocacy positions are based on our mission and strategic priorities, SOS Children's Villages has rigorous approval procedures involving the organisation's management.

Following the publication of the handbook 'Moving Forward: Implementing the Guidelines for the Alternative Care of Children', we continued our efforts to support the practical implementation of the UN Guidelines. During 2015, SOS Children's Villages worked with the Centre for Excellence for Looked After Children in Scotland (CELCIS) and other NGO stakeholders to continue the process of developing an implementation measuring tool of the UN Guidelines, called Tracking Progress. This work is ongoing and will continue in 2016.

The SOS Children's Villages advocacy toolkit is based on five pillars: research, planning, implementation, monitoring and evaluation. The advocacy toolkit is used by advocacy staff at national, regional and international levels to ensure that our advocacy work is effective and efficient.

In 2015, with the support of two external evaluators, SOS Children's Villages evaluated its Care for ME! Campaign, which was carried out in the period 2012-2015 and taken up by our offices in more than 40 countries. The evaluation was based national monitoring and evaluation reports, interviews, a survey and a 'harvesting' event which took place 20-22 October 2015 in Nairobi.

In January 2015, the Management Team decided that, based on the learnings of previous campaigns, and in preparation for the development of a new global advocacy campaign, a formalised procedure to select advocacy targets, gather evidence, ensure meaningful stakeholder participation, evaluate impact and establish processes to correct or exit a campaign will be developed.

In particular, the learnings and recommendations of the Care for ME! campaign will be used as an important input to develop a formalised campaigning procedure. In June 2016, SOS Children's Villages adopted its new strategy, and for the first time, advocacy has been identified as one of the main strategic initiatives. Within the frame of our new strategy, we will consolidate and formalise our advocacy practice, including procedures for exiting and correcting a campaign. This work will be carried out in 2016 – 2017. Please see [NGO1](#) for stakeholder involvement in advocacy activities.

## 5.6 NGO6 – Processes to take into account and coordinate with other actors

As reported in previous years, in the planning phase of any programme, SOS Children's Villages carries out a feasibility study which includes an analysis of the key actors at a local level. Contacts are established during the programme planning stage to ensure good coordination with the activities of other stakeholders. If possible, and whenever necessary, these are formalised prior to and/or during the initial phase of the programme implementation. Partnerships are also developed with key actors at national and community-based levels for the purposes of service provision, capacity building and advocacy. Our programmes build on existing capacities and initiatives within the community and support communities to strengthen their capacity to provide assistance to children and families. Our interventions therefore complement the activities of local stakeholders and duplication of work is avoided. For more information and actual examples of how we work together with community-based actors, see also [4.15](#) and [5.1 NGO1](#).



In recent years, international organisations and other international stakeholders have increasingly recognised the special situation and needs of children in alternative care. Collaborating with these organisations and stakeholders is therefore of great importance to SOS Children's Villages to ensure that our international advocacy work is as efficient and effective as possible.

In 2016, our International Office is working closely with 20 member associations to analyse, evaluate and formulate recommendations to improve our advocacy work at international and national levels. One of the main components of this project comprises tacking stock and evaluating how we work in partnership with other stakeholders. This evaluation will include the use of our advocacy resources, including our Handbook 'Working in Partnership'.

At the international level, SOS Children's Villages cooperates closely with international institutions such as the United Nations, the European Union and the Council of Europe. SOS Children's Villages is also a member of or fully supports various NGO networks and groups, of which a comprehensive overview can be found in our 2012 report.

In addition to the NGO networks and groups that are mentioned in our [2012, 2013 and 2014 reports](#), in 2015 SOS Children's Villages became a member of the Global Partnership to End Violence against Children and the Global Coalition to End Child Poverty. After three years supporting the Beyond 2015 Campaign, SOS Children's Villages joined Together 2030, which brings together civil society to work together towards the implementation of the Sustainable Development Goals. After eight years of being a co-chair of the NGO Committee on UNICEF, in 2015 SOS Children's Villages joined the advisory group, which is a new governance structure that is composed of five organisations which rotate co-chairmanship. SOS Children's Villages also became a member of the Coordination Mechanism for the High Level Political Forum on Sustainable Development, which is the United Nations central platform for the follow-up and review of the Sustainable Development Goals. The Coordination Mechanism aims to facilitate coordination among, and promote the participation of all, civil society organisations that are involved in the High Level Political Forum.

We are informed about the initiatives and advocacy activities of other actors that are relevant to our work through our participation in various networks and our close cooperation with international stakeholders. As a result, we are able to ensure that our advocacy activities complement and do not duplicate the efforts of others.

When SOS Children's Villages cooperates closely with institutional or peer organisations in the frame of a project or on a certain topic, a memorandum of understanding is signed with our partners. Our memorandi include a reference to meeting high standards of accountability, including child safeguarding in line with our international policy.

An overview of SOS Children's Villages' corporate partners, foundations and individuals with whom we cooperate can be found in our [Annual Report](#). As an organisation dedicated to children's well-being, we do not associate with companies, major donors or foundations strongly linked to issues that are directly harmful to children, that put children at great risk, or that are a prominent root cause for child abandonment. Accordingly, in 2015, SOS Children's Villages developed a policy support document which provides guidance on implementing our Fundraising Manual's standards and developing ethical partnerships with donors. The policy support document is accessible for all co-workers working at international, regional and national levels on our intranet. Webinars have been organised to present the policy support document to staff dealing with fundraising at international and national levels. The document has also been included in the induction training of new staff.

## **5.7 NGO7 – Resource allocation, tracking and control**

All entities within the SOS Children's Villages federation allocate resources according to budgets developed through each entity's internal planning process. Internal financial controls within each entity are in place to ensure that spending is in accordance with the relevant legal requirements as well as with internal operating policies and strategic objectives.

At the international offices comparisons of planned and actual figures are conducted periodically and are supported by the SOS controlling system. In the second half of the year, a detailed forecast per cost centre is prepared for all GSC offices.

We are constantly working on improving the controlling infrastructure within the organisation. As an example, in the second half of 2015, an automated tool was developed in order to improve the current process of semi-annual and annual comparison of plan/actual data. The purpose of this tool is to implement a revised standardised approach to analyse deviations based on cost and revenue drivers within the entire organisation. It should further support the management with sound information on an aggregated level (national, regional and international level) and help to focus on important deviations.



This tool was piloted in four member associations (Georgia, Russia, Laos, and Philippines) and several other member associations used the tool voluntarily for tracking for the year 2015. During 2016 the tool is being rolled out federation wide.

As also foreseen in the federation statutes, all material operations are subject to full independent external audit as required by national laws, and these statements together with independent auditors' statements are all published in the relevant jurisdictions.

The purpose of our financial system is to support management in using finance as a tool to lead the organisation towards its strategies and objectives. The financial system is simple and transparent. It is based on accountability and defines responsibilities to ensure the proper use of funds.

A uniform chart of account which is used by the majority of our member associations builds up a solid base of data for decision-making and ensures transparency. This International Chart of Accounts provides entities with an orientation on how to use a particular accounting code, facilitating daily accounting work and a consistent method of book-keeping. Furthermore, it allows consolidation on a world-wide level.

The international policy support document on the International Chart of Accounts provides a detailed description of the accounting structure as well as the explanation of different account codes. This document is updated on a yearly basis and shared with the member associations.

### 5.8 NGO8 – Sources of funding by category e.g. government, corporate, foundation, membership fees, in-kind donations and other

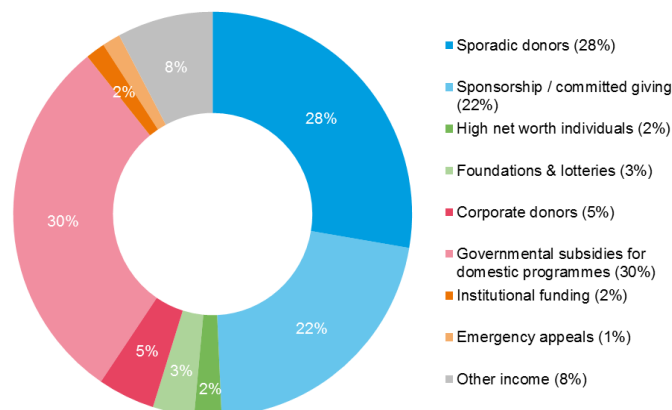
In 2015, 82% of the General Secretariat's income came from membership fees. Of this, 25% was paid by the five largest supporting associations: Hermann-Gmeiner-Fonds Deutschland (€4.4 million), SOS Children's Villages Norway (€2.3 million), SOS-Kinderdorf Germany (€1.7 million), SOS Children's Villages Sweden (€1.2 million) and SOS Children's Villages Denmark (€1.0 million). Further information about funding from our member associations is shown in section [2.8](#).

SOS Children's Villages has managed to grow the total federation income year on year, reaching more than €1.1 billion in 2015. Sporadic donations represent a main part of our total income, but we are also pleased to see a shift towards regular donations. Individual committed giving accounted for 22% of our total income.

Governmental subsidies for domestic programmes, continue to be a large portion of our revenue, and represented 30%, or more than €333 million of our income.

The graph below shows the different funding sources of the whole federation in 2015.

#### Federation Income 2015



### 5.9 EN16 – Total direct and indirect greenhouse gas emissions by weight at the organisational level

A number of environmental initiatives are in place throughout the organisation (i.e., the use of energy-saving appliances or digital communication tools – see [EN18](#) and [EN26](#)). However, a systematic approach for environmental management at the organisational level has so far not been established within SOS Children's Villages. To address this need we ran a pilot project to measure the carbon

footprint of specific locations in 2015. As the GSC consists of offices in 16 countries on four continents, the Management Team decided to start the pilot project with a limited scope, focusing on GSC office facilities in Innsbruck and Vienna. In cooperation with an external master's student from University of Applied Sciences Technikum Wien, environmental key performance indicators (KPIs) were defined in order to measure the carbon footprint of the office locations.

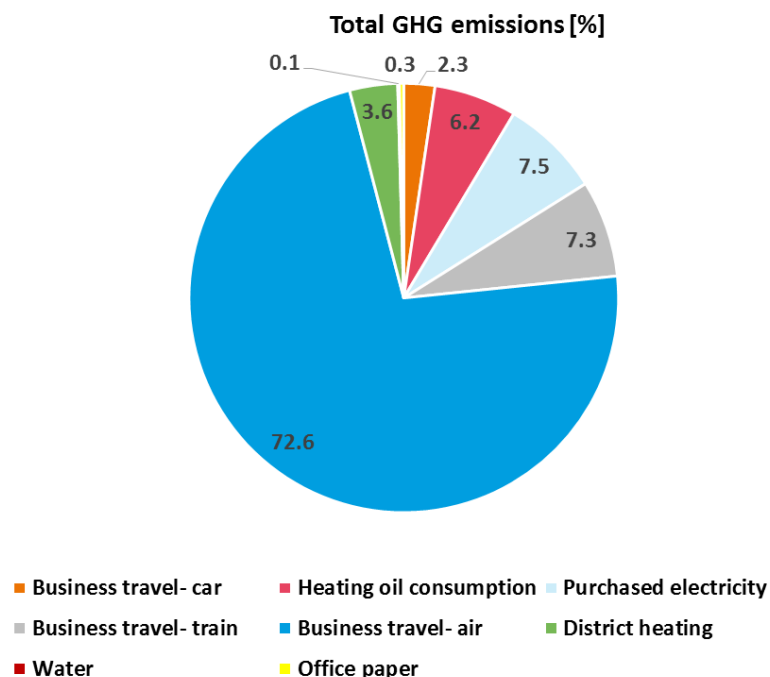
The operational boundary of our pilot project includes an analysis of the premises' energy efficiency, material efficiency, water consumption and business travel. In 2016 these KPIs were piloted based on 2015 data. CO<sub>2</sub> emissions were calculated based on the Greenhouse Gas (GHG) Protocol as well as DEFRA emission factors (Department for Environment, Food & Rural Affairs, UK).

The data below presents the baseline carbon footprint of the GSC Austria office locations in Vienna and Innsbruck in 2015. In line with the GHG Protocol, the following definitions were used to categorise emissions by emission scopes:

- **Scope 1:** Emissions are direct emissions from assets owned and controlled by the organisation
- **Scope 2:** Emissions are indirect emissions resulting from the generation of purchased or acquired electricity, heating, cooling, and steam consumed within the organisation
- **Scope 3:** Emissions are indirect emissions not included in scope 2, including supply chain emissions

GHG emissions 2015 [t CO <sub>2</sub> eq]	Scope 1	Scope 2	Scope 3
<b>Business travel car</b>	<b>16.84</b>		
<b>Heating oil consumption</b>	<b>44.87</b>		
<b>Purchased electricity</b>		<b>54.00</b>	
<b>District heating</b>		<b>26.06</b>	
<b>Business travel train – total</b>			<b>52.57</b>
...thereof from GSC Austria staff			49.13
...thereof from other regional/national staff (e.g. for international meetings or projects)			3.44
<b>Business travel air – total</b>			<b>522.56</b>
...thereof from GSC Austria staff			286.07
...thereof from other regional/national staff (e.g. for international meetings or projects)			236.49
<b>Water consumption</b>			<b>0.98</b>
<b>Office paper use</b>			<b>2.39</b>
<b>Sum</b>	<b>61.71</b>	<b>80.06</b>	<b>578.50</b>
<b>Total emissions [t CO<sub>2</sub>eq]</b>	<b>720.27</b>		

### Emissions by type of activity



- Except for the business travel data, **all data was collected from supplier invoices** where possible to ensure accuracy for the GSC office locations in Austria.
- **Business travel data was collected from our internal travel expense accounting and booking.**

*The data includes all trips that were booked and paid for by the International Office in Austria. In the table, travel data was thus separated into trips by GSC Austria staff and trips by other regional and national staff that were booked and paid for by the International Office in Austria, e.g. for international meetings or projects.*

All other emission categories refer to the office locations and the employees that work at these offices only.

#### Data limitations

- Currently no data is available on staff commuting or waste
- Business travel by air and train includes all travels booked paid by the IO – not only travels by GSC Austria staff
- DEFRA factors are UK factors

A detailed analysis of the data will be carried out in the second half of 2016. Based on the analysis, the management team will decide on further steps, which will be described in our next report.

### 5.10 EN18 – Initiatives to reduce greenhouse gas emissions at the organisational level and reductions achieved

As reported previously, SOS Children's Villages associations support a wide range of local, environmental initiatives in the programmes, but we do not yet have an overarching environmental management system. Please see our [2013 report](#) for results on our 'Green Policy Scan' and considerations for a future management system. A pilot project on the carbon footprint of parts of the GSC is described in EN16.

As reported in prior reports, individual SOS Children's Villages associations actively support a wide range of environmental initiatives each year to reduce greenhouse gas emissions and improve their local environments. These range from projects within the areas of environmental education, education for sustainability, energy utilisation and capacity building, waste disposal, pollution control, tree planting, organic gardening, and healthy living.

The 2030 Strategy of SOS Children's Villages International includes as well a focus on the environment in the context of our educational mandate: "Train care co-workers on how to prepare children, young people and parents to succeed in life, become economically sustainable, gender-sensitive and environmentally-conscious individuals."

### 5.11 EN26 – Initiatives to mitigate environmental impacts of activities and services

As reported previously, the main environmental impacts of the SOS Children's Villages programmes themselves come from operating the homes, kindergartens, schools, social centres, health clinics, vehicles and administrative offices. We strive to reduce our environmental impacts by using energy-saving appliances and lightbulbs, by relying on public transportation and minimising air travel, and by communicating digitally and reducing printing. In our programmes around the world, we encourage local sourcing of food and supplies and use of locally sustainable building materials. Please see EN 26 of [our 2013 report](#) for details.

An assessment of environmental concerns is now required for all construction projects costing more than €50,000, as part of a construction procedure change introduced in 2015. These projects are overseen from planning stage through to completion by a construction advisor. Specifically, the template requires these factors to be considered in the planning phase:

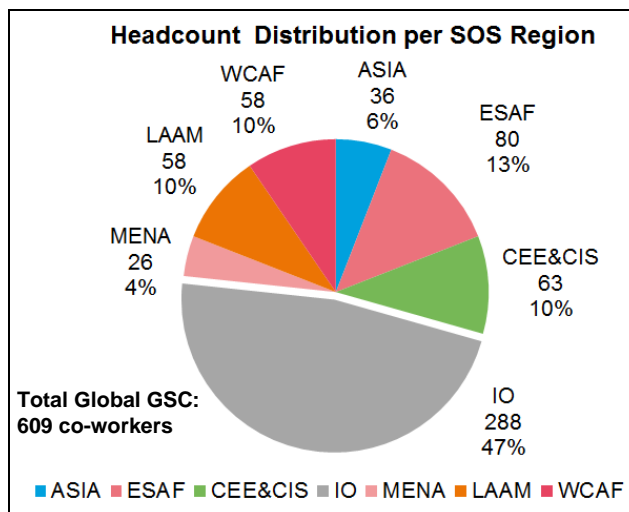
- Are building materials locally sourced and available?
- Would the use of solar power be efficient?
- Would a photovoltaic generator be appropriate for generating electricity?
- Can solar heaters be used to heat water?
- Is there a free area to install solar modules on the plot of land?
- Is there the possibility to install solar modules on the roof?
- Are there possibilities to reduce the energy need in general?
- Is there a need to improve the quality of drinking water (water treatment plant)?
- Is there a functional and working sewage treatment?
- Would an improvement of the heat insulation, and/or a change of windows/doors lead to sustainably reduced energy costs?

## 5.12 LA1 – Size and composition of total workforce

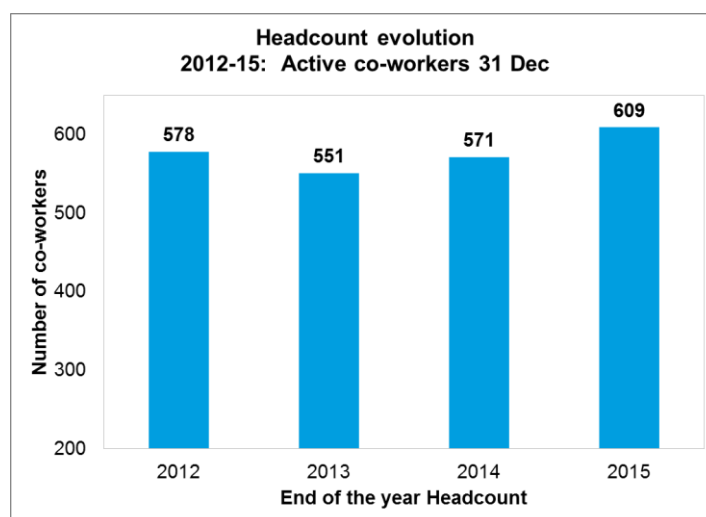
The figures presented in this section correspond to the headcount in the GSC as of 31 December 2015, not full-time equivalents. Co-workers reported are active co-workers (excluding co-workers on extended leave). This overview includes co-workers engaged in limited duration projects.

### Number of GSC co-workers

In December 2015, the GSC had a total of 609 co-workers worldwide, distributed across six International Office Regions and the International Office (as presented in the chart below). The figures represent the headcount of each region, followed by the percentage of the total of GSC co-workers. (See list of abbreviations at end of this document.)



The number of active staff increased from 571 in 2014 to 609 in 2015, as some outstanding implementation steps from the 2012-13 organisational review were only put in place during 2015. Based on strategic decisions to increase the services in some areas, some teams were strengthened, including Emergency Response; Integrity, Compliance and Legal; and Monitoring and Reporting.

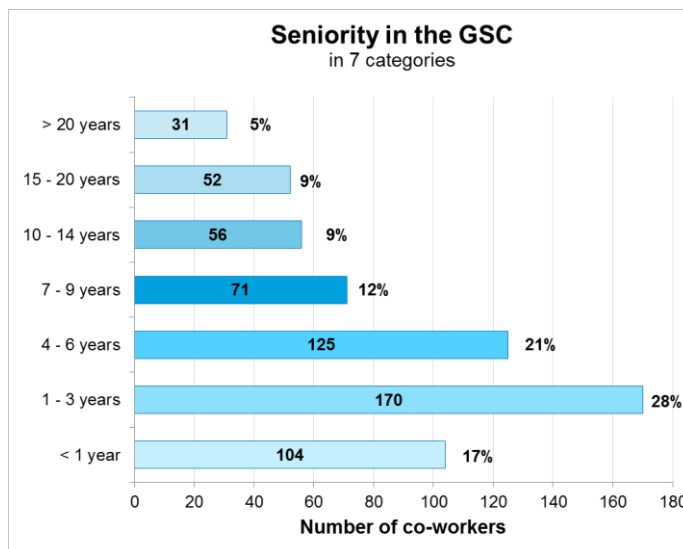


### Composition of GSC workforce

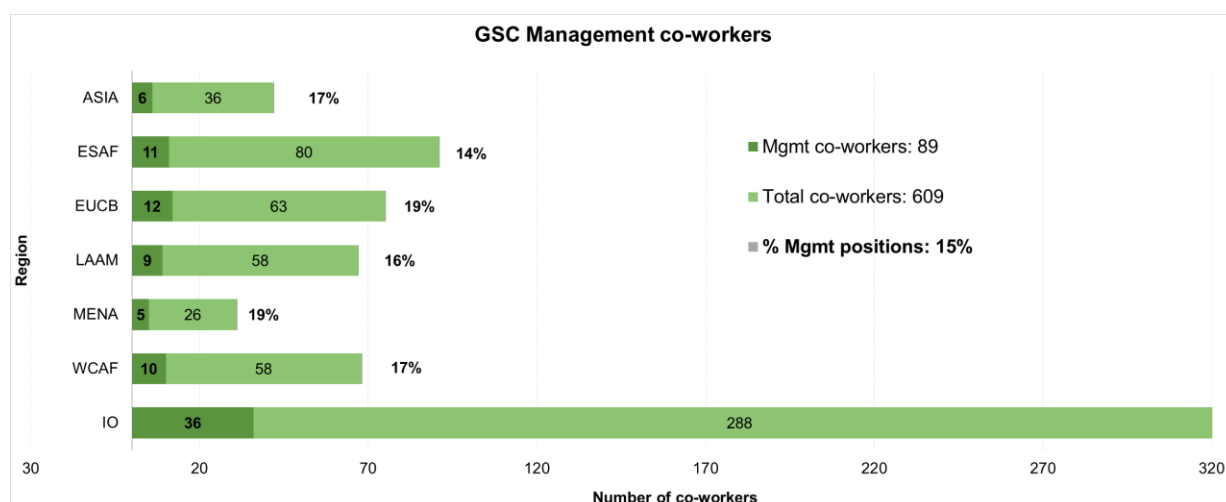
The majority of GSC co-workers (81%) work full-time. Most of the part-time co-workers are based in the International Office in Austria. Most of the GSC co-workers (83%) are employed under unlimited contracts. This is a common practice across all GSC units, which encourages the employees' commitment. Limited contracts are used to employ staff for projects and actions of limited duration.

Working time	Co-workers	% of Total
Part-time	114	19%
Full-time	495	81%
Contract duration	Co-workers	% of Total
Unlimited	505	83%
Limited	93	15%
Internship	11	2%

Seniority in the GSC refers to the time (in years) that an active co-worker has worked for the GSC. The average seniority for GSC co-workers is four years. To provide a better overview, seniority is classified in seven categories, as shown in the chart below. As shown below, 17% of GSC co-workers have worked for the GSC for less than one year.



As of December 2015, 89 co-workers were engaged in management positions in the GSC (which includes the Management Team, leaders of the different International Competence Centres and departments in the IO and leaders of the regional offices and functions). They represented 15% of the total of GSC co-workers globally. The average length of service in the GSC for these co-workers is 7.2 years, +3.2 years above the global average for all co-workers.



**Job family development**

During 2015, the General Secretariat of SOS Children’s Villages International has developed further the GSC job families, a workforce segmentation structure that can be used for several HR processes, including compensation management. Job research and job grading activities took place, leading to a good coverage of the GSC regional jobs. One of our regions, ESAF, has prepared its job family chart already, and planned to use it for structuring its compensation management processes during 2016.



### 5.13 EC7 – Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation

As reported previously, we do not have an official written policy on local hiring for the GSC of SOS Children's Villages, and currently there are no plans to develop one. Our Human Resources Manual provides national associations with a clear policy direction regarding the effective management of staff. It deals with local employment and local employment conditions and states that national staffing patterns are developed for all facilities, based on international guidelines.

International employment is not mentioned in the Manual as the GSC does not assign international staff to national operations, with the exception of very few, time-bound assignments. The graph below gives an overview of our federation staff around the world. SOS Children's Villages hires locally in almost all cases, including for executive staff and legal bodies. In 2015, expatriate contracts in the whole federation numbered 19 (out of a total workforce of more than 36,000).

We strongly believe that the local ownership of programme work and thus its relevance is best ensured by hiring local staff. Consequently, we better serve children's integration in their communities and better support communities in embracing children's rights and developing sustainably.

#### SOS co-workers in the world



Figures are average full-time equivalents (FTEs) for 2015, retrieved on 16 March 2016, and rounded to nearest 100.

### 5.14 LA10 – Workforce training to support organisational development

In general, human resources development activities in member associations are a national responsibility. The General Secretariat (GSC) primarily provides human resources development activities for GSC co-workers. However, the GSC steps in to support national human resources development work on some key topics, such as highlighted in the text below.

At the level of GSC, we used to follow the general policy that 4.5% of payroll budgets should be spent on development actions. In 2015, the real percentage of cost for external training and development as compared to overall payroll costs was about 1% for the International Office.

Reflecting the current situation, we had to adapt our approach for Learning & Development. Instead of focusing only on external seminars and trainings, we now focus more on peer-to-peer exchange and internal trainings from the different internal experts. This approach ensures that webinars and trainings are highly relevant for our field of work and easily applicable for our co-workers. In addition, it empowers internal knowledge exchange among our experts. Therefore, the mentioned costs for external training and developments do not represent our full learning and development portfolio.

Consequently, we also track the total hours co-workers spend in the internal training programmes we offer for all co-workers based in Austria, including all International Office co-workers and co-workers from the CEE & CIS Regional Office based in Vienna. In 2015 the average number of hours per employee was 13.10, which is a total of 3,369 hours by 252 co-workers (the number of co-workers in GSC Austria). Our internal training programme is based on the results of the individual development

plans of our co-workers (as part of the performance management cycle) and on the overall needs of the organisation.

In addition, we have a Fund Development and Communications (FDC) Academy, which offers short online training and best practice sharing sessions on various fundraising topics. In 2015 the FDC Academy offered 20 webinars with the majority of participants being colleagues from member associations.

Moreover, the Programme and Strategy International Competence Centre is hosting a series of webinars on the key, content-related topics of our programme work. In 2015, Programme and Strategy hosted 11 webinars with an average of 47 participants from both GSC and member associations.

In 2015 we offered the following trainings to co-workers in Austria:

Topic	Events	Participants
About the Organisation	19	393
IT	8	74
Languages	7	65
(Self) Management	14	73
Health/Sports	8	90
Leadership Development	5	35

However, for selected skills, additional external trainings have been organised. The table does not include the external trainings that have been organised.

### Evaluation of trainings and successful transfer

As a regular measure to constantly improve our development offers, we do evaluation surveys for each seminar and training. These surveys also ensure that people reflect on the benefit of the seminar and their learnings. In addition, the transfer of the training is followed up individually between co-worker and the supervisor.

We want to share the following training areas as examples of good practice, where performance shows that learnings from trainings have been applied into working practices and have led to great enhancements.

- FDC skill share

In June 2015 the Fund Development and Communications Global Skill Share took place in Austria. The goal was to equip the SOS fundraising and communications global community with the knowledge and skills they need in facing the challenge to boost fundraising income. Over 100 fundraising co-workers from 55 member associations came together for four days of learning, exchanging and sharing. The conference was a great success and a crucial contribution for achieving our fundraising goals together.

- Leadership Development

Beginning with 2015, we regularly offer LEAD Peer Exchange Sessions. These are knowledge exchange sessions for supervisors in the International Office, in which a mix of different methodologies are being used to reflect on the own leadership role, improve concrete leadership behaviours, get new input from peers and HROD colleagues and share best practices. Since the start, about eight sessions have taken place on topics like Change Management, Decision Making and Leadership Styles.

In addition to that, for 2016 it is planned to review the existing LEAD competencies of SOS Children's Villages. This is a competency framework that was developed in 2010 in a comprehensive and federation-wide project in order to have a common basis for leadership initiatives. The planned review will ensure that recent developments in the area of our work and in the field of Leadership Development are being considered adequately. Code of Conduct trainings and Project Management are also examples of best practice. Please see our [2013 report](#) for more details.

- E-Learning:

In 2015 'SOS virtual learning community' provided 1048 certifications in 25 different topics. Building on the established e-learning platform 'SOS virtual learning community', the Regional International Office in LAAM is currently conducting an initiative, in which the e-learning platform will be re-launched with a more sophisticated and differentiated learning approach (i.e. differentiation between rapid learning, e-

learning and blended learning) and a new team located in the IO LAAM. This project will be considered a pilot project for the federation to define the wide approach on e-learning solution and strategy, based on virtual training services, involvement of an expert network, organisational process alignment and an IT platform.

We believe that a culture of ongoing training and life-long learning are key to improving co-workers' performance and to reaching our goals as an organisation.

In its feedback, the Review Panel pointed out that the digital age is bringing challenges but also huge opportunities for our organisations in the coming years and that it would be interested to understand where SOS is on this issue in terms of skills development. For the years to come, e-learning will be considered a promising way to facilitate learning processes in the federation of SOS Children's Villages.

Creating a simpler, agile and digital organisation is a key strategic initiative within our strategy 2030 that was approved by the General Assembly in June 2016. Leveraging technology and digital tools to enhance and expand programme services will be key during the upcoming years. Capacity building and IT skill development among staff as well as the children, youth and families we work with are crucial aspects of this strategic initiative.

### 5.15 LA12 – Performance reviews and career development plans

Performance management at SOS Children's Villages starts with the performance appraisal talk at the beginning of the year, where (1) performance of the previous year is assessed, (2) feedback on collaboration is exchanged, and (3) work and development objectives are agreed for the upcoming year. Part of the discussion is also a medium-term outlook on possible career development. These performance appraisal talks are followed by regular meetings between the supervisors and their co-workers to provide ongoing support and feedback. After half a year, a mid-point review is conducted to ensure that adaptations and corrective measures can be carried out, if necessary. To give guidance in this process, a performance management guideline and several support materials for supervisors and co-workers are in place. Furthermore, we provided some performance assessment trainings for supervisors and co-workers in the International Office (see details below).

In the following, we report on the completion rate of performance appraisal talks in GSC between November 2015 and May 2016. This table refers to the percentage of co-workers who had a performance appraisal talk with their supervisors and agreed on work and development objectives for 2016:

Respective Office	%
International Office	73%
ESAF	94%
WCAF	76%
MENA	90%
ASIA	100%
CEE/CIS	80%
LAAM	60%
<b>Average</b>	<b>82%</b>

The completion rate has been improved in the Regional Offices in ESAF and WCAF. In the International Office and Regional Office LAAM, however, completion rates declined slightly. A contributing factor for this is that some performance appraisal talks have been postponed due to restructuring of specific departments. The average PAT completion rate has slightly increased compared to 2014.

Moreover, we would like to report on a survey that has been conducted in 2015 in some parts of the GSC (IO, CEE & CIS, and ASIA) in order to assess the quality of the performance appraisal talk process. In total, the following results refer to 104 responses (consisting of 31 supervisors and 73 co-workers).

The majority of respondents was satisfied with the alignment of the performance appraisal talk with the annual planning process (63%) and with the linking of individual goals to higher level organisational goals (65%). Even higher (85%) was the satisfaction with the frequency of the meetings. Most people agreed that HROD support on how to conduct and follow upon the talks was considered sufficient (62% strongly agreed). However, many people wished for more pre-information on the timeline and

process and more preparatory trainings (for example, on how to conduct performance appraisals, define measurable objectives and prioritise work goals).

To draw on the results of the survey and improve the process, we provided several internal trainings on how to conduct performance appraisal talks. These trainings were offered to supervisors and co-workers in the International Office (virtually and via classroom learning) and covered the following contents: the objectives of the talk, the roles of supervisors and co-workers, how to evaluate goal achievement, exchange of feedback and how to define new goals.

In addition, the support of HROD as a follow-up to the talks has been improved in the International Office. For example, the department creates a summary of development needs per co-worker and consults with managers regarding possible development actions.

## 5.16 LA13 – Diversity in your organisation displayed in the composition of governance bodies and employees

### Composition of the International Senate

The International Senate (see also section 4.1) consists of 22 members. Apart from the President, all are representatives of national member associations. Twenty different nationalities are represented. Seven members are female (including the Vice-President) and fifteen are male. Thirteen members are between the ages of 61 and 70; six members are aged 51 to 60; and three members are aged 40 to 50.

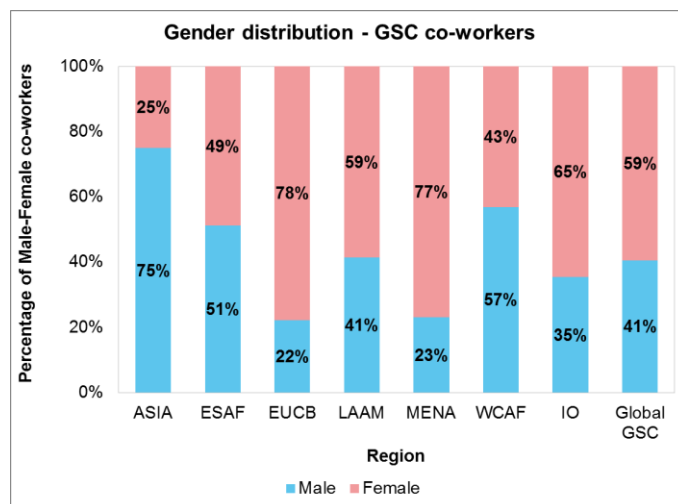
In general our new federation statutes state that nine seats on the International Senate shall be allocated to representatives from ordinary members in a way that ensures balanced representation of geography, gender and other groupings of ordinary members. Also for the other seats a balanced representation is aimed at.

### Composition of GSC co-workers

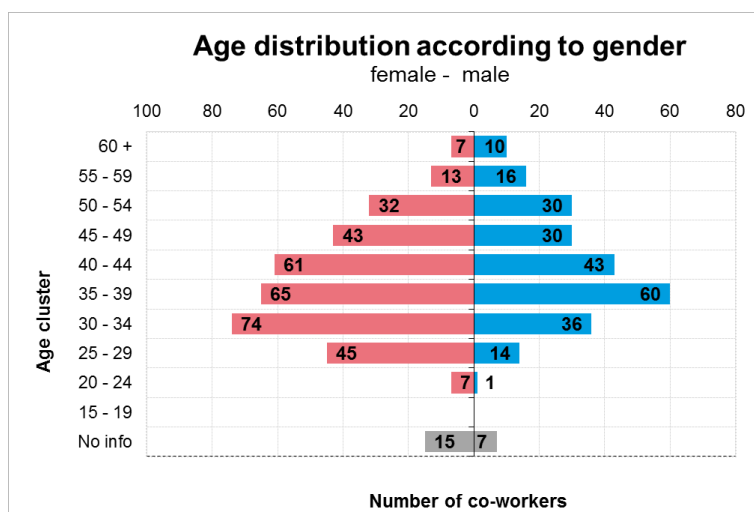
Globally in the GSC workforce, 59% of co-workers are female and 41% are male. A summary of the gender distribution in terms of number and percentage of co-workers is shown in the following charts.

For management positions in the GSC, 46% of co-workers are female (+8% increase compared to 2014).

GSC co-workers	Female	Male	Total	Female	Male
Management	41	48	89	46%	54%
Non-Management	318	202	520	61%	39%
Global GSC	359	250	609	59%	41%



The average age of co-workers in the GSC globally is 39 years. For a more detailed overview of age, please refer to the chart below.



### Percentage of co-workers with disabilities

The number of co-workers with disabilities within the whole GSC is not tracked. Due to other priorities, no process has been put in place to track and drive the topic.

### Gender equality in national management

In the course of endorsing the Gender Equality Policy, the International Senate set clear targets on gender equality for national director positions. SOS Children's Villages aims to increase the number of women in national director positions to a minimum of 35% by 2016. This target has been achieved, as in May 2016 approximately 37% of national and managing director positions were occupied by women. The target is planned to rise to a minimum of 40% by 2020.

### 5.17 NGO9 – Mechanism for workforce to raise grievances and get response. Health and safety standards

The staff council is elected according to the Austrian Labour constitution law as a representative body of staff employed by the SOS Children's Villages International association. Registered in Innsbruck, Austria, it promotes and protects the economic, social, health and cultural interests of employees within the GSC in Austria. Employees with Austrian work contracts can bring forward issues to and raise grievances via the staff council, for example by means of staff meetings.

In 2015 six staff meetings took place in each of the two office locations in Austria and a company agreement was achieved regulating end of service conditions for the 2015 restructuring process. In 2015 the staff council was presented with around 70 queries from staff and took action in 35 individual cases. All queries and actions could be resolved within the social partnership parties. Additionally, employees can contact the staff council individually at any time – via e-mail, phone, Lync or in person. The staff council discusses issues brought forward with management in order to negotiate and develop good solutions. Physical meetings with management take place on a quarterly basis and monthly if needed. During these meetings, the staff council discusses with management on a peer level, requesting information and raising issues regarding accountability, transparency, equal opportunity and overall business governance. The interaction between the staff council and management is primarily concerned with labour law related case management. The staff council and management strive to strengthen the social partnership through constructive cooperation.

Staff can of course also raise grievance via supervisors and regular reporting lines. As highlighted in [NGO2](#), our Code of Conduct demands that if any staff member becomes aware of any breach of the Code of Conduct, they are duty bound to report it to their respective manager or another person in a position to receive such reports. The Management Team actively seeks dialogue with staff in regular exchange sessions. For these sessions, staff can submit questions and concerns beforehand or can also directly address individual Management Team members during the sessions. These exchange sessions take place regularly every 5-6 weeks. Other exchange possibilities and formats, such as the GSC Café, are explained in section [4.4](#).

In addition to the SOS Children's Villages Code of Conduct, which applies universally to all employees, every region has its own employee handbook containing the rights and obligations of both the employee and the employer.



The health and safety of employees are central concerns of the organisation and local labour laws are complied with. In accordance with the Austrian labour law, which has a strong focus on health and safety, a wide range of actions is implemented in Austria. As an excerpt, the following actions can be mentioned:

- A company doctor is available in the office on a regular basis
- Partnership with experts who provide workplace inspections upon request to improve quality and safety
- Designated first aid helpers and regular skill refreshment courses
- Designated fire prevention officers and regular fire drills
- Starting in 2013, we undertook a comprehensive workplace evaluation of all work stations in Austria
- Burnout prevention sessions for supervisors and co-workers in the IO. Our co-workers are our most important resource. Therefore, burnout prevention sessions have been offered to identify specific options to prevent stress and help people cope well with the work demands. This initiative will be continued in the coming years.

In addition we offer a comprehensive internal education programme with one section dedicated to health and sports programmes. For more information on the internal education programme please refer to section [5.14 LA10](#).

### 5.18 SO1 – Impact of activities on the wider community

As is described in our previous reports, before SOS Children's Villages establishes any programme in a country, a child rights situation analysis is performed by an external agency. This provides us with a solid understanding of the needs and how our expertise might help with respect to our target group and the wider community. The analysis of our target group is not a one-time event and the results are benchmarks for the long-term national planning process. Updates are made on a regular basis (e.g. every 3 to 5 years) or if there are any significant changes within the country.

Feasibility studies are conducted to provide even more in-depth analyses on potential locations for programmes. If the feasibility study justifies a new programme, or revision of an existing one, a proposed package of appropriate responses (programme interventions) is developed according to the best interests of the children within the target group and the community as a whole. Please refer to our [2013 report](#) for more details.

#### Understanding our impact

Every day, we observe the impact we have on the lives of children. Children in our care and in our family strengthening programmes have individual development plans, and we watch how they progress against those benchmarks. In addition, the child rights situation analysis, with its holistic perspective, provides a benchmark for assessing how our presence may affect changes in the wider community beyond our direct beneficiaries.

In 2015, in conjunction with Boston Consulting Group, we further developed and refined a methodology for assessing the broader impact of our work, in conjunction with Boston Consulting Group. This Social Impact Assessment (SIA) methodology is described further in [NGO3](#). Important to highlight here is that the SIA considers and measures impact on the broader community, including governments. As the methodology is rolled out to more SOS programmes around the world, we will be better able to draw conclusions about the effectiveness of our programme models. The SIA also feeds into our Results-Based Management project (also described in [NGO3](#)), which is oriented towards internal refinement of our management approach.

Finally, knowledge-sharing activities are increasingly helping us to refine our programmes across the federation. Co-workers are using webinars and conferences coordinated by the GSC to share their successes, failures and open questions, learn from peers and collaborate on problem-solving, capacity building and innovation.

### 5.19 SO3 – Process for ensuring effective anti-corruption policies and procedures

The Integrity, Compliance and Legal (ICL) unit was created in 2015 with the introduction of the International Director position in March and further staffing of the unit in the final quarter of the year. The direct reporting line to the CFO is complemented by independent access to the International Senate and the Finance and Audit Committee. The establishment of the ICL unit shows the strategic importance that anti-corruption holds within the GSC and the wider federation, which is further evidenced by being a frequent topic of discussion amongst meetings of the Management Team/Council and a regular agenda topic of the Finance & Audit Committee.

Within its first year of existence, the ICL unit developed a comprehensive approach to the development and growth of corruption prevention and awareness-raising activities, processes and tools to aid detection of corruption cases within the federation and the alignment of the response and management of such incidents within the federation. Following a risk assessment, initial steps included the enhancement of communication initiatives to raise awareness of anti-corruption relevant guidelines and policies already in place, the concept design of a federation-wide Integrity and Compliance Network at both regional and member association level, and the strengthening and development of additional whistleblower channels and corruption-reporting handling within the organisation. Increased numbers of both advisory requests regarding the [Anti-Fraud and Anti-Corruption Guideline](#) and other corruption topics, as well as reports of alleged corrupt conduct, reflect a growing awareness of and sensitivity towards corruption throughout the federation.

### Relevant Guidelines

As elaborated in the 2014 report, the [Good Management and Accountability Quality Standards](#), supported by the [Anti-Fraud and Anti-Corruption Guideline](#), are the main policies focusing on corruption prevention. The Internal Control System Handbook and GSC Procurement (the GSC policy support document on the topic introduced in 2015; see section 4.6) further outline relevant details of the anti-corruption framework to support member associations as well as the GSC.

To draw staff attention to anti-corruption relevant aspects of the above outlined guidelines and policies, a 'Situation & Solution' series has been initiated and distributed by ICL which focuses on short, clear and simple explanations of crucial, individual anti-corruption relevant topics, such as how to report corrupt conduct. This series will continue into 2016 to aid co-workers in achieving awareness, clarity and assurance when dealing with topics of corruption prevention.

### Trainings/Workshops

Integrity and compliance was on the agenda in two regional meetings with senior members of management of the relevant member associations. Included in these meetings were workshops to outline the goals of the ICL unit, and to sensitise participants to

- The greater threat of corruption to their local and national communities,
- The consequences of non-compliance held for SOS in particular and
- How the ICL unit plans to help the member associations to strengthen their corruption prevention framework.

These workshops will be continued in 2016, with a further two regions to be personally visited and addressed by the ICL unit.

In the scope of the roll-out and implementation of the Integrity and Compliance Network throughout the federation, the ICL unit will assist its local and regional advisors with a comprehensive Training Platform available through the federation's intranet which will act as a primary resource for materials, information and ideas for the advisors to design, compile and carry out local compliance introduction sessions and trainings within their region or member association.

### Incident Reporting and Handling

The handling of fraud and corruption cases was outlined in the 2014 report, and the process is still in place at present. The ICL unit has updated the 'Corruption Incident Paper' used to communicate the status of allegations of corrupt conduct towards individual, relevant stakeholders. Here, particular emphasis has been made on data security, the anonymisation and protection of whistleblower identity, as well as the protection of co-workers allegedly involved in corrupt conduct.

### Norway Annex

The special process of early notification of corruption reports regarding NORAD-funded programmes outlined in the 2014 report is still current. This has been formalised as an Annex to the Anti-Fraud and Anti-Corruption Guideline and communicated to all member associations and made available for all federation co-workers via ICL presence on the SOS intranet.

## 5.20 SO4 – Actions taken in response to incidents of corruption

Existing and proven processes have continued to be carried out. The answer is the same as last year. The Integrity, Compliance & Legal unit maintains a formal, anonymised record of all incoming allegations concerning corrupt conduct that are reported to the GSC through the formal reporting process outlined in the Anti-Fraud and Anti-Corruption Guideline. Furthermore, the progress of the investigation, including outcomes and possible remediation steps are tracked. This data is summarised in 'Quarterly Corruption Case Reports,' (starting Q4 2015) and distributed to the Finance

and Audit Committee as a specialist sub-committee of the International Senate as well as the Management Team, and further consolidated for the Management Council.

Data collected from reported alleged corrupt conduct in 2015 is being summarised in the first-ever Annual Corruption Case Report, compiled by the ICL unit. This includes an analysis of the reports from 2015, such as details on the number of cases per region, country, category (type of misconduct), type of programme affected and source (of the suspicion), amongst others. In addition, the pilot report will include a statistical analysis of the figures from 2010-2014 (covering the period starting with the roll-out of the Anti-Fraud and Anti-Corruption Guideline to present). Additionally, this data is included in the ongoing risk assessment and training/prioritisation of complementary corruption prevention measures. Publication of the report is planned for summer 2016 in coordination with all internal stakeholders, including the International Senate.

### 5.21 PR6 – Programmes for adherence to laws, standards and voluntary codes related to ethical fundraising, including advertising, promotion and sponsorship

SOS Children's Villages International promotes a responsible approach to fundraising in our member associations, with a number of policies and guidelines that ensure children's rights are respected and that advertising and promotion are accurate and truthful. These policies and guidelines have not changed significantly since our last report, so only a brief summary is provided here.

#### Principles

Our *Fundraising Manual* establishes the principle that 'We perform our fundraising activities with transparency and integrity, building long-term confidence in our work among the children and families we serve, our donors, and the general public.' In addition, our *Brand Book* sets out practical guidelines for ensuring that all our interactions with donors and other stakeholders are consistent with our values of courage, commitment, trust and accountability.

#### Privacy

Our Child Protection Policy, which is binding for all member associations of SOS Children's Villages, includes a commitment to the protection of children's privacy. Details are available in section PR6 in last year's report and in our [Child Protection Policy](#). Further detail can be found in last year's report.

#### Sponsorship

Sponsorships are one of the main funding pillars of our organisation. In 2015, 22% of our federation's total income was raised through international sponsorships. We have sponsorship policies and procedures in place to ensure that sponsorship of children in our care is provided ethically, with clear expectations and standards described in the [Sponsorship Handbook](#) provided to donors. Further detail is provided in our [2014 report](#).

#### Institutional funding

When we develop a proposal for institutional funding we follow the logical framework approach which includes thorough analyses of stakeholders, problems, objectives and strategy. Whenever possible, we involve the beneficiaries and the affected communities in the assessment of needs and solutions. Our agreements with institutional partners define clearly for which programmes the funds may be used. Likewise, partnership agreements between SOS Children's Villages member associations responsible for implementing programmes lay out clearly which funds are earmarked for which projects and needs for each project, contract and grant. See section [SO1](#) and [our 2014 report](#) for further details.

#### Transparency and accountability

We publish the names of the GSC's institutional and corporate partners in our International Annual Report, which is freely available [here](#) on our website.

As mentioned in [NGO6](#) we have developed a policy support document to ensure consistency in the application of an ethical approach to developing corporate partnerships at international and national levels. This document confirms that:

- We only accept donations from or partner with companies, major donors or foundations that do not act in contradiction to the interests of children.
- We work with partners who share our values.
- We do not endorse nor give exclusivity to any partner.
- Our partnerships are always governed by a written agreement.
- Decisions regarding direct interaction of our partners with children and families are guided by the best interest of the children.

- We work together in securing and managing partnerships with multinational corporates, global citizens and international foundations.

Binding standards for good management, accountability and transparency and for fighting fraud and corruption were ratified by the International Senate in 2013 and are still in the process of being implemented across the GSC and all member associations. Please see [SO3](#) for details. More information on developments concerning feedback and complaints can be found in [NGO2](#).

## LIST OF ABBREVIATIONS

CVI Representative	SOS Children's Villages International Representative
ESAF	Eastern and Southern Africa
CEE & CIS	Central and Eastern Europe & Commonwealth of Independent States
FDC	Fund Development and Communications
GMAQS	Good Management and Accountability Standards
GSC	General Secretariat
HROD	Human Resources and Organisation Development
IO	International Office
LAAM	Latin America & the Caribbean
MA	Member association
MENA	Middle East and North Africa
PSA	Promoting & supporting association
WCAF	West and Central Africa



# A LOVING HOME FOR EVERY CHILD



SOS CHILDREN'S  
VILLAGES  
INTERNATIONAL

## Editorial team:

Name: Barbara Amberg, Caroline van der Hoeven, Dario Peter, Joel Feyerherm, Manuela Radelsboeck

Contact person: Manuela Radelsboeck

Position: Organisation Development Advisor

Phone number: +43 512 33105395

SOS Children's Villages International

Hermann-Gmeiner-Strasse 51

A-6020 Innsbruck, Austria



Cover picture: Children's hands. Photographer: Claire Ladavicius