

A proposal for boards and CEOs on how to prepare  
their organisations for disruptive change

# Riding the Wave

... rather than being swept away

# Thank You!

The International Civil Society Centre thanks all members of the Disruptive Change Working Group<sup>1</sup> for their commitment and outstanding contributions.

Without the generous support from the Rockefeller Foundation and the Robert Bosch Stiftung this project would not have been possible. A great big “Thank You!” to the Rockefeller Foundation for its hospitality at the wonderful Bellagio Center and for its financial and technical support. We are also very grateful for the financial support we received from the Robert Bosch Stiftung.

International Civil Society Centre  
Agricolastraße 26  
10555 Berlin  
Germany  
Phone: +49 30 20 62 46 97 11  
Fax: +49 30 20 62 46 97 19  
[mail@icscentre.org](mailto:mail@icscentre.org)  
[www.icscentre.org](http://www.icscentre.org)

©2013 International Civil Society Centre. All rights reserved.  
Printed on 100% recycled paper.

Project Coordinators: Burkhard Gnärig and Linda Heyer  
Design: Tanja Lemke-Mahdavi

Every effort has been made to verify the accuracy of the information contained in this publication. All information was believed to be correct as of October 2013. Nevertheless, the International Civil Society Centre and the contributing organisations cannot accept responsibility for the consequences of its use for other purposes or in other contexts.

With support from



Robert Bosch Stiftung

Illustrations:  
Backcover, pages 2 and 26: Christoph J. Kellner, studio animanova

# Contents

## EXECUTIVE SUMMARY

3

## INTRODUCTION

6

## SOURCES OF POTENTIAL DISRUPTION

9

The planetary disruption  
Political disruption  
Disruptions to the role of intermediary

10  
11  
12

## PREPARING FOR DISRUPTION

16

Disruption as a threat and an opportunity  
Key elements of disruption preparedness:  
Governance  
Management  
Organisational culture

17  
18  
20  
21

## PROTOTYPES OF DISRUPTION-RESILIENT ORGANISATIONS

22

The active disruptor  
The opportunistic navigator  
The conservative survivor

23  
24  
25

## CALL TO ACTION

27

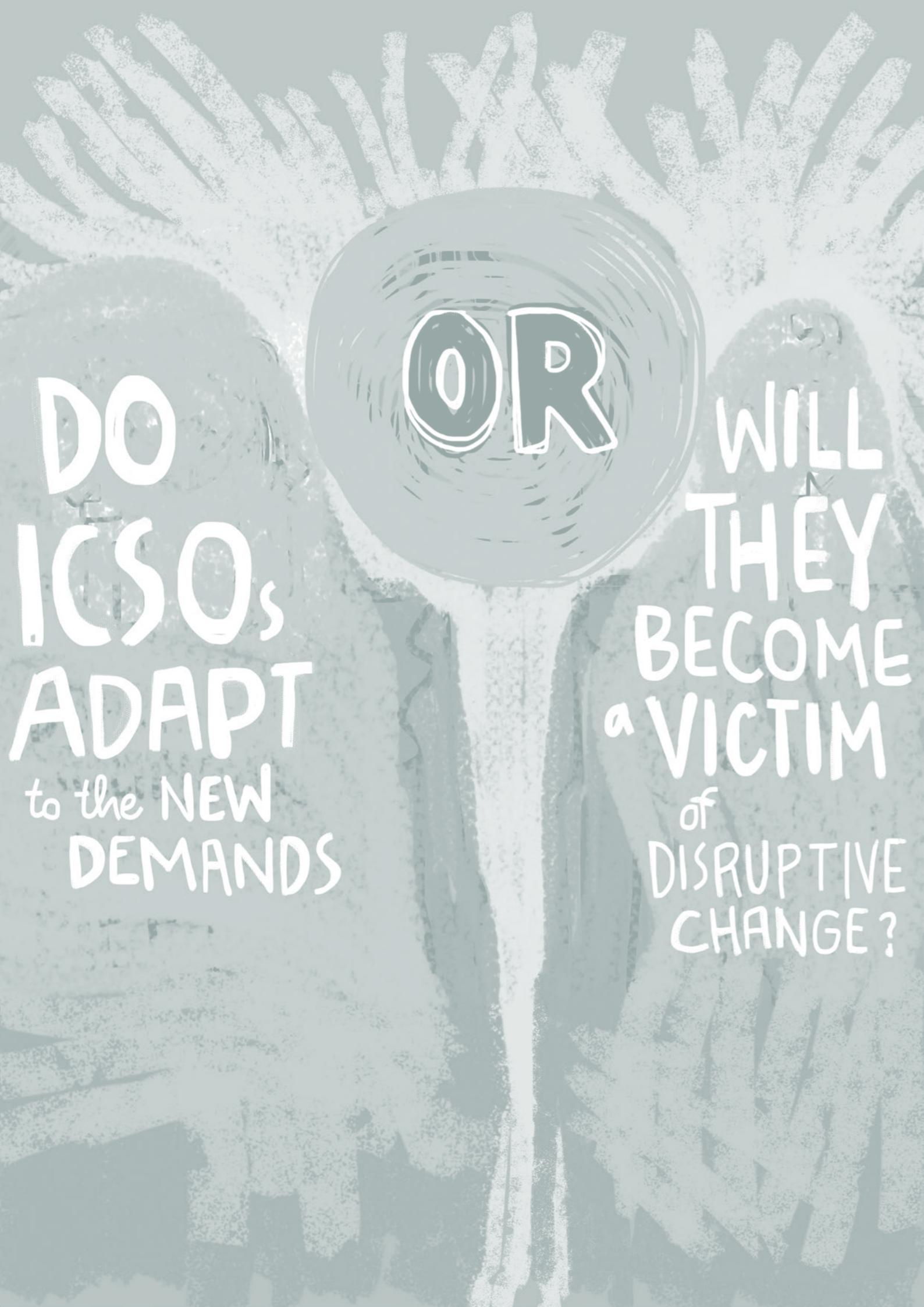
## ANNEX

32

Literature  
Members of the Disruptive Change Working Group

33  
35

<sup>1</sup> A list of members of the group can be found in the annex.



## EXECUTIVE SUMMARY

## Scale + speed + surprise = disruption

Change has always happened – and international civil society organisations (ICSOs) have often brought about significant change. But over the last 20 years change itself has changed: it has become faster, more fundamental and more surprising. When these three elements come together, we experience disruption. To date, disruption has mostly been confined to the corporate sector. Examples of victims of disruption include record companies, newspapers, telephone companies, bookstores and many other industries. Proud and highly successful companies such as Kodak or Encyclopaedia Britannica have fallen victim to disruption. There are, however, also winners of disruption: Apple and Amazon are two of the most prominent examples, companies that made a fortune by driving disruption. Disruption creates winners and losers, and much depends on how a company positions itself in the face of disruption. To date, there have not yet been any examples of disruption among civil society organisations (CSOs). However, clear signs are emerging that disruption has started affecting our sector, including – and possibly quite prominently – ICSOs.

## Planetary disruption – a dimension of its own

Humanity is overstepping the earth's planetary boundaries and accelerating towards developments that will cause dramatic economic and social disruption on a global scale. If we continue on this path, we will leave behind a much less accommodating environment to the coming generations. For all ICSOs, whether they are human rights, development, humanitarian or environmental organisations, this means that rather than getting closer to reaching their goals, the gap between reality and what they hope to achieve is increasing. Therefore, fighting planetary disruption is the most important mission for all ICSOs. In order to most effectively confront planetary disruption, ICSOs have to learn how best to navigate other disruptions coming their way.

## Turning disruptions from threats into opportunities

Instinctively we perceive disruption as a threat. But hiding from or fighting the threat is not the best possible strategy to tackle disruption. Much more promising is a positive perspective on disruption. Identifying disruptive change as an opportunity and positioning the organisation to exploit disruption for the benefit of its mission is a better approach. When major disruption occurs there will be little space left between being a disruptor and being a victim of disruption. In these situations, looking for neutral ground will rarely be the best strategy. Preparing for disruptions is not only a management challenge; it is also a great opportunity for change management. Leading change driven by an exciting vision is preferable to initiating change from a burning platform.

## Building a disruption-resilient organisation

We identified three different strategies for how to position ICSOs towards disruption: the “active disruptor” actively advances potential disruption rather than trying to avoid or mitigate its effects. An ICSO that merges with a “virtual CSO”<sup>2</sup> or forms its own virtual entity might be an example of this strategy. The “opportunistic navigator” carefully screens changes in its environment and prepares itself to quickly embark on a deep-rooted process of change should that become necessary. An example of such might be an ICSO that cooperates or partners with virtual CSOs, social entrepreneurs and other new and potentially disruptive entities in order to strengthen its awareness of change and to be prepared in case disruption occurs. The “conservative survivor” builds on its reputation, size and bank account. This strategy tries to navigate around disruption as much as possible and is the riskiest approach once disruption becomes unavoidable. An ICSO that monitors developments and growth rates in the virtual CSO sector and reviews its own income in comparison, but otherwise takes a “wait and see” approach, could illustrate this tactic. To date, most ICSOs tend to lean towards this strategy.

## Disruption is already happening to ICSOs

ICSOs' role as intermediaries between donors and recipients is being threatened from different angles all at once and, as disintermediation accelerates, a much stronger disruption can be expected. The largest ICSOs, which very much depend on the income from their intermediation services, are especially prone to disruption. They should carefully analyse what they can expect, and review and adapt their business models accordingly. Given the urgency of this threat and the fact that the challenges are very similar for a number of organisations, ICSOs should get together to jointly explore strategies to address the different strands of disintermediation. Another field in which major disruption is emerging is the increasing political pressure on civil society worldwide, which limits ICSOs' potential at local, national and global levels to pursue their missions. ICSOs can tackle this disruption most effectively by working together and supporting each other, as well as national and local CSOs, in the defence of citizens' rights.

## Call to action

The report concludes with the recommendation for ICSOs to stop ignoring emerging disruptions and start preparing for the related opportunities and threats, both within their own organisation and in cooperation with other organisations. A number of concrete proposals for how to strengthen ICSOs' resilience to disruption provides leaders with a “to-do list” for their organisation.

# INTRODUCTION

The year 2012 marked the end of two iconic global brands: unable to compete with the internet-based Wikipedia, Encyclopaedia Britannica ended print production after 244 years in business and Kodak, a firm that in 1976 “accounted for 90% of film and 85% of camera sales in America”, and which was “regularly rated one of the world’s five most valuable brands”,<sup>3</sup> could not adapt to the demands of digital photography and filed for bankruptcy after 124 years of operation. The year 2012 also marked the emergence of a major challenge to traditional university education: “Since the launch early last year of Udacity and Coursera, two Silicon Valley start-ups offering free education through MOOCs, massive open online courses, the ivory towers of academia have been shaken to their foundations.”<sup>4</sup> Could disruptive change of such a magnitude also threaten top brands among international civil society organisations (ICSOs) such as Amnesty International, Greenpeace, Oxfam or Save the Children?

This question was at the centre of the deliberations of a group of about 20 experts and leaders<sup>5</sup> from ICSOs and some of their key stakeholders who worked together from January to August 2013, trying to identify strategies to detect, prepare for and navigate disruptive change as it arises. The Disruptive Change Working Group communicated via an online platform and email, and held several telephone conferences and one face-to-face meeting in Bellagio, Italy as a basis for their collaboration. This text reflects the inputs and discussions of the whole group.

To date, disruptive change has not been a major topic for ICSOs. There are no examples of disruptive change forcing major ICSOs to close down and, until recently, there has been little debate about the possibility of such a looming threat.<sup>6</sup> However, as many examples from the corporate sector demonstrate, being unaware and unprepared is one of the defining attributes of victims of disruptive change. It is therefore a matter of prudent management to carefully assess existing and expected developments in order to identify and mitigate risks of potential disruption.

Rather than going through innumerable sources of potential disruption, we looked at a few of the most likely ones, identified common threads and discussed strategies for how best to detect, prepare for and navigate future disruptions. We cannot say for sure which disruption will become most critical, or when and in which way it will happen, nor can we propose detailed strategies for one specific disruptor. But what we can say with fair certainty is that disruption will come to our sector and, in fact, a number of disruptive developments are well on their way. ICSOs that do not take these developments seriously and are not properly prepared will suffer and may even fade away.

While there was ample agreement in the group that many of the changes ahead hold a highly destructive potential and that many ICSOs will be under serious threat, there were varying opinions as to how best to react to these findings. Some members of the group argued that

3 The Economist, 14 January 2012, <http://www.economist.com/node/21542796>

4 The Economist, 20 July 2013, [www.economist.com/news/business/21582001-army-new-online-courses-scaring-wits-out-traditional-universities-can-they](http://www.economist.com/news/business/21582001-army-new-online-courses-scaring-wits-out-traditional-universities-can-they)

5 A list of members of the group can be found in the annex.

6 The paper Reinventing international NGOs through new technology possibilities looks at the disruptive potential of ICT for our sector. An abstract of the paper can be found at:

[www.thecrowleyinstitute.org/wp-content/uploads/2012/04/2012-02-23-Sum-of-the-Parts-Paper-4-Abstract-ICT4D-Version-0.7.pdf](http://www.thecrowleyinstitute.org/wp-content/uploads/2012/04/2012-02-23-Sum-of-the-Parts-Paper-4-Abstract-ICT4D-Version-0.7.pdf)

The paper Horizon 2025 – Creative Destruction in the Aid Industry looks at possible changes in the flow of funding. The paper can be found at: [www.odi.org.uk/resources/details.asp?id=6687&title=creative-destruction-aid-industry-development-kharas-rogerson](http://www.odi.org.uk/resources/details.asp?id=6687&title=creative-destruction-aid-industry-development-kharas-rogerson)

achieving ICSOs' missions, such as eradicating poverty or protecting the environment, is more important than preserving ICSOs: if the way in which ICSOs approach their missions is no longer appropriate, ICSOs should be left to fade away. Others pointed out that thousands of qualified and dedicated staff, well-established partnerships around the globe, millions of supporters and highly-appreciated global brands could all be very helpful in navigating the changes ahead and that we should try everything we can to preserve the existing ICSOs. In our text we have managed – at least to a certain extent – to accommodate both perspectives: we identify some of the key qualities CSOs of the future will have to possess in order to help bring about change. We very much hope that existing ICSOs will take direction from our prototypes of disruption navigators and turn themselves into disruption-resilient organisations.

## SOURCES OF POTENTIAL DISRUPTION

During the discussions preparing for the Bellagio meeting, the working group identified six areas of potential disruption:

- Overstepping planetary boundaries
- New players/new ways of working
- Political disruption
- Disruption at community level
- Disruption at donor level
- Lack of trust and transparency

As we discussed these areas, three major clusters of disruption emerged: Planetary boundaries as the overarching disruption to human civilisation on a global scale, disruptions to ICSOs' role of intermediary and political disruption in ICSOs' working environment. These three categories will be briefly outlined below.

## The planetary disruption

The fact that humanity is increasingly overstepping our planetary boundaries – the mother of all disruptions, so to speak – must be the starting point of our journey. Only recently did the World Bank warn that without further measures to contain climate change, a 4°C increase in the average global temperature may occur as early as 2060.<sup>7</sup> This would have disastrous consequences around the world, with the most dramatic effects felt by the poor in the global South. Climate change is not the only threat humanity is facing: in 2009 a group of 28 scientists lead by Johan Rockström from the Stockholm Resilience Centre identified nine major areas in which humanity is approaching – if not transgressing – the earth's planetary boundaries. In addition to climate change they identify biodiversity loss, primarily by destruction of habitats, and the release of nitrogen, mainly by the unsustainable use of fertilisers, as the three areas in which humanity is already pushing the limits of what our planet can sustain. Overstepping planetary boundaries means leaving the "safe operating space for humanity" within which the stable and conducive living conditions of the Holocene can be maintained.

Without any significant change, the development path people around the globe follow today will lead to a chain of major disasters which will threaten the survival of billions of people, lead to violent conflicts over ever-shrinking resources and disrupt human civilisation as we know it. These developments will not happen in one "big bang" but rather in a series of increasing disruptions, causing more and more damage and claiming a continually growing number of victims. These developments also threaten the survival of ICSOs. Regardless of whether an organisation focuses on human rights, environmental protection, poverty alleviation or children's wellbeing, none of these missions can be fulfilled in a world of self-inflicted doom.

At present, however, an increasing number of major emergencies, many of them caused by our overexploitation of resources, keep all ICSOs involved in humanitarian assistance very busy and their balance sheets looking healthy. Adaptation to and mitigation of climate change potentially provides plenty of work and new sources of income for many ICSOs. This

development may end up dividing the ICSO sector into two opposite parties: one camp of organisations will grow considerably larger by helping to manage the unfolding disasters, arguing that they cannot change the world anyway, and another group rooted in the belief that the only way they can ethically strive to fulfil their mission is to fight for a system change towards global sustainability and justice.

In the paper *A Safe and Just Space for Humanity – Can we live within the doughnut?*<sup>8</sup> Oxfam's Kate Raworth brings the concept of planetary boundaries and ICSOs' fight for social justice together by adding the concept of "just" to that of "safe". The Oxfam paper turns the circle of the Stockholm Resilience Centre into a ring, or "a doughnut", illustrating the need to bring people living in poverty and lacking access to our planet's resources into the doughnut by increasing their consumption. Only if we can base global economic development on a fair and equitable social foundation and stay within our environmental ceiling, can we avoid a dramatic disruption of human civilisation. Bringing together and rebalancing social and environmental concerns is the cornerstone of a sustainable world of nine to ten billion people, all of whom have the right to a decent and healthy life.

For ICSOs the fight against this planetary disruption means that specialising exclusively in environmental protection or development is no longer feasible. Environmental organisations need to include social aspects in their missions, just as development organisations can no longer ignore environmental concerns. Revising and invigorating their missions may also help overcome some of the smaller disruptions which threaten ICSOs from many different directions. Some of these disruptions will be briefly reviewed in the next chapters.

## Political disruption

CIVICUS 2013 *State of Civil Society* report points out that "a shocking 57% of the world's population live in countries where basic civil liberties and political freedoms are curtailed."<sup>9</sup> For years, CIVICUS has reported on the shrinking space for civil society worldwide. These developments have also been experienced by many ICSOs. Work in many countries has become more difficult and often more dangerous. Some ICSOs were even forced to stop working in specific locations or countries altogether because of political interference, corruption or violence. Employees and other civil society activists have been jailed or even killed. Local and national partners have often been intimidated, oppressed and persecuted. Often political disruption occurs in a setting where people most urgently need ICSOs' support. If ICSOs' work with the people who are most affected by poverty, oppression and environmental degradation becomes impossible, the very basis of their existence is threatened.

For a number of years, ICSOs have also observed a shrinking political space at the international level. While during the 1990s ICSOs were able to strengthen their access to UN and other international bodies, around the year 2000 this development stagnated and recently turned towards a negative trend. The two main reasons for this development are a backlash

<sup>7</sup> World Bank, Turn down the heat – why a 4°C warmer world must be avoided, [http://climatechange.worldbank.org/sites/default/files/Turn\\_Down\\_the\\_heat\\_Why\\_a\\_4\\_degree\\_centrigrade\\_warmer\\_world\\_must\\_be\\_avoided.pdf](http://climatechange.worldbank.org/sites/default/files/Turn_Down_the_heat_Why_a_4_degree_centrigrade_warmer_world_must_be_avoided.pdf)

<sup>8</sup> Kate Raworth, A Safe and Just Space for Humanity. Can we live within the doughnut?, Oxfam Discussion Paper, 2012, [www.oxfam.org/sites/www.oxfam.org/files/dp-a-safe-and-just-space-for-humanity-130212-en.pdf](http://www.oxfam.org/sites/www.oxfam.org/files/dp-a-safe-and-just-space-for-humanity-130212-en.pdf)

<sup>9</sup> CIVICUS, State of Civil Society 2013 – Creating an Enabling Environment, p. 6, [http://socs.civicus.org/wp-content/uploads/2013/04/2013StateofCivilSocietyReport\\_full.pdf](http://socs.civicus.org/wp-content/uploads/2013/04/2013StateofCivilSocietyReport_full.pdf)

in many industrialised countries against the growing movement towards a more direct democracy where citizens participate in political decision-making beyond and in addition to their role as electorate, and the growing global influence of authoritarian countries such as China, which increasingly limit citizens' involvement in political decision-making at the global stage.

The shrinking of civil society's political space, both at national and global levels, is especially worrisome in a situation where our overstepping of planetary boundaries and the continued population growth (much of which occurs in countries with a poor state of civil rights) demands more ICSO involvement rather than less. On the other hand, recent protests and civil unrest in many countries indicates that citizens will not forego their right to political participation. And in crisis situations participatory approaches have proven more resilient than authoritarian ones. ICSOs should therefore not react to political disruptions by lowering their demands or giving up their political engagement. Maintaining a long-term perspective and strengthening their own resilience looks like the better strategy.

## Disruptions to the role of intermediary

"The information and communications revolution has transformed the role of intermediary organizations at all levels, from local to global. Citizens can now have a direct voice, make themselves heard quickly and loudly, and need not rely on intermediary institutions to reach wide audiences." (Francisco Sagasti, Working Group Member)

There has been intense discussion in our group about the relevance and severity of threats to the intermediation role of many ICSOs. In the chapter on individual donations we will briefly describe the different positions. Only the future will tell which perspective is right. For the purpose of this paper it suffices to underline that there is a real possibility of major changes in – or even the loss of – ICSOs' role as an intermediary between donor and recipient. And, given the fact that for many ICSOs intermediation generates the largest part of their income, carefully watching developments in this field is a matter of prudent management.

Over the last few years, changes in ICSOs' roles as intermediaries are becoming increasingly visible. These changes happen simultaneously in several areas of ICSOs' work. Here are three of the most important ones:

### Individual donations

Until very recently, the average individual in a wealthy country in the global North who wanted to support people in the global South, more or less unavoidably had to go through one of the ICSOs fundraising in her/his country. Organisations such as Oxfam or CARE had practically exclusive knowledge of the most challenging problems in specific countries in the South and had exclusive access to the local organisations addressing these. Any support to such causes and organisations had to go through one of the ICSOs. On average, the donor had to pay between 20 and 30 per cent of her/his donation for fundraising, administration and other overhead costs of running the ICSO's operations in the donor country. At the end of the year the donor would receive a thank you letter containing a report on the progress of her/his project, a photo and the documentation required to claim tax relief.

With the spread of the internet, individuals across the world can find each other and connect without any institutional intermediary. The internet enables individual donors to identify an organisation they would like to support, find out details of a specific project and regularly check its progress. Why wait until the end of the year before receiving a written update if I can see a live stream on what happens in the project or even get in touch directly with the project's leadership and find out what I want to know?

As pointed out before, there are two different perspectives on how far the emergence of the internet and virtual CSOs will threaten the intermediary role ICSOs have played to date. We will briefly outline each of these below.

### Scenario I – disruption will occur

Today, all the technical means to support direct communication between the donor and her/his project already exist. Over the next few years two developments will take place which will secure the breakthrough of internet-based direct giving: access to the internet in the poorer parts of the world will be improved to the point where practically everybody can access the web, and donors in the North will shift their preference towards giving directly to the beneficiary. While the expectation that internet access will very soon be available everywhere is no longer contested,<sup>10</sup> the question of whether donors will prefer giving directly still spurs some lively debate. But it seems likely that, once the generation that grew up with the internet will reach the age when they earn enough to donate regularly, they will wonder why they should go through an intermediary organisation that will keep 20 to 30 per cent of their donation if they can donate directly to the final recipient with much lower or no deductions at all. Additionally, internet-based direct giving usually provides numerous opportunities for active involvement with a project via crowd-sourcing and social networks, attracting younger people. In contrast, ICSOs are often only able to offer membership in the organisation. For ICSOs this probably means that they will either have to completely give up the role of intermediary or offer the service at a much lower price and in a completely different set-up.

### Scenario II – only minor change will happen

Over the last five to ten years, a number of virtual CSOs such as Kiva or Global Giving have appeared which offer minimal intermediation services at very low cost to the donor (zero to five per cent). However, this development has not had any adverse effect on the traditional form of intermediation offered by ICSOs. This is understandable because only the programme-driven intermediation by ICSOs can offer high quality intermediation which secures the strategic impact of individual donations and provides assurance on the appropriate use of the funds. Therefore ICSOs' intermediation role will continue to exist as long as the organisations take good care to explain the added benefits they bring to both donors and recipients, and to justify the level of overheads they charge.

<sup>10</sup> For example: Google Loon – Balloon-Powered Internet for Everyone, [www.google.com/loon/](http://www.google.com/loon/)

## **Governmental and foundation support**

Over the last decades, partly with the help of ICSOs, many local and national CSOs in developing countries have acquired a level of professionalism and efficiency which enables them to meet the requirements of funders from the global North. Together with their traditional strengths, such as local knowledge, access and legitimacy, they have become attractive partners for any donor. And increasingly, they apply for funding from Northern donors without using the services of an intermediary.

Simultaneously, the approach of many donors is changing: partly to save costs, partly to avoid criticism of neo-colonial behaviour, more and more donors provide their grants directly to national CSOs in the countries they want to support. By cutting out the “middle man” they mirror the slowly evolving change in the behaviour of individual donors and intensify the pressure on intermediaries to realign their services or find a different business model.

Another development intensifies the pressure on ICSOs: in areas where an intermediary is still required, such as in large multi-stakeholder, international or global programmes, ICSOs are frequently confronted with competitors from the for-profit sector. More and more companies, often large multi-nationals, are bidding for projects ICSOs have traditionally run. And often they offer their services at a cheaper price and are awarded the contract. Even where intermediation continues to be required this does not automatically mean that it will be conducted by ICSOs as the established players.

## **Campaign coordination and leadership**

The opportunities created by digital communication are also affecting traditional ways of campaigning. With the emergence of social networks and other platforms of mass communication, individuals can rally behind a specific cause without depending on established organisations. ICSOs used to identifying an issue to campaign for, to laying down the strategy and to starting searches for mass support, find that their role as initiator and leader of campaigns is seriously threatened. Rather than providing the platform and setting the agenda, they increasingly find it hard to follow the dynamism of events coming “from nowhere”. The Arab Spring or the recent protests in Turkey are examples of new forms of mass mobilisation that are completely independent from political parties, trade unions, CSOs or other well-established structures. Complaints that predictability and continuity of political developments are under threat describe possible consequences of this political disruption but do not answer the question of how to approach it.

While ICSOs usually welcome new forms of civic action as signs of citizen empowerment, they have not yet found their role in this dramatically changing environment. New players such as Avaaz and Change.org are better able to harness people's voices globally in support of local activism. They may serve as examples for ICSOs of how to effectively link to citizens' campaigns, in addition to being attractive strategic partners in mass mobilisation. One of the aspects of civic activism which may need systematic support from the structured part of civil society concerns the longer-term effects of citizens' protests. All too often a successful campaign creates only short-term change which reverts back as soon as people have declared victory and gone back home. The continued turbulence in Egypt is a prime example. In these situations, well organised CSOs which are regarded as legitimate actors by the

people may be able to play a strategic role as guardians of the progress the citizens' movement has achieved.

As we reach our planet's boundaries and fights over the distribution of scarce resources intensify, the number of crises grows alongside the number of popular protests. The disruption of social peace will increasingly spur uprisings like the Arab Spring, demonstrations like those in Greece, Spain, Turkey and, most recently, Brazil, or movements such as Occupy or the Tea Party. In response to these disruptions, political decision-making already has and will continue to happen in an increasingly rushed and ad hoc manner. If ICSOs do not manage to develop campaign mechanisms to influence fast decision-making, and if they do not find ways to relate to these citizens' movements, their role in civil society will diminish.

Looking at all three examples, we find a number of strong indicators that ICSOs' intermediation roles concerning finance and logistics of North-South cooperation as well as political campaigning are under serious threat, and that in all three fields “business as usual” will not be a viable response to the challenges and opportunities ahead.

# PREPARING FOR DISRUPTION

Given the sources of potential disruption briefly reviewed above as well as many others, such as ageing supporters in the North, the loss of trust in the wider public due to a lack of transparency and accountability, and numerous others which may emerge, ICSOs are well advised to put disruptive change high on their agenda and to start preparing for disruption. Below you will find some critical areas ICSOs may wish to consider.

## Disruption as a threat and an opportunity

The term “disruption” is often used in a negative context. Normally we do not want to be disrupted in whatever we are doing. Disruption means the end of continuity. Something new, something we are not used to arises and we need to react to it and re-position ourselves. It is no wonder that from the very beginnings of this project we found it easy to identify threats of disruption but struggled with looking at disruption in a positive light. But the more we learned about disruption, the clearer it became that in situations of dramatic change, being a disruptor was usually a much safer and preferable place than being disrupted. Embracing change usually provides a better position from which to influence the terms of change and its direction, while resisting change often leaves you without any influence over the turn of events. From business, where disruptive change has been observed and researched for years, we know that companies which were unable to embrace change and tried to defend their traditional products and/or ways of working usually failed to prevail, while companies which were able to re-invent themselves had a much better chance of thriving under the new conditions.

In other words, the general mindset in which an organisation approaches disruption plays a crucial role. Finding ways in which to look at disruption in a positive spirit and with a proactive mindset is essential. We will come back to this issue in our review of organisational culture. Besides developing the right culture, securing the right leadership is also a decisive factor. Governance which is ambitious and flexible and which periodically reviews the organisation’s mission against changing demands in the outside world, and management which is pragmatic, agile and prepared to share power and responsibility are crucial elements of disruption preparedness. The chapters on governance and management will take a closer look at these requirements.

What also became clear in the course of our discussions was that there is very little, if any, space between embracing disruption and rejecting it. Ignoring disruption once it happens is rarely an option and trying to stay out of it does not look like a very promising strategy either. In general terms, the best strategy in approaching disruptive change seems to be taking the threat it poses seriously and trying to position yourself optimally to use the opportunities it provides: to ride the wave rather than be swept away. In many cases this will require the courage and the flexibility to question long-held organisational truths and practices, and even core elements of the organisation’s mission.

## Key elements of disruption preparedness: governance

When looking at the changes the different participating organisations face, we found that most of them struggle to keep pace in adapting to the very rapid changes happening in the outside world. As a result, they tend to focus on their internal agenda rather than taking their lead from external demands. This introspection leads to an increasing gap and more ruptures between what the world and the organisation's mission require and what the ICSO can deliver.

Originating at a time before the onset of the recent wave of dynamic globalisation, most ICSOs are set up as federations, confederations or loose networks of autonomous national affiliates with power mostly engrained at the national level. Today's global challenges such as poverty, arms proliferation, climate change and other planetary boundaries require global responses. But most ICSOs can only react on the basis of the lowest common denominator between competing national interests. This dangerously limits their options to cope with change: rather than proactively driving change, they try to avoid it, and rather than pre-empting developments, they are forced to manage the damage once change has happened. Thus they are increasingly threatened by global disruptors, and less and less able to effectively use global opportunities to promote their mission.

If an organisation is being swept away by disruptive change, its governing bodies carry the final responsibility for the disaster. But they are not only responsible – they also play a critical role in navigating disruption. Assemblies and boards can ignore or recognise disruption, they can lead or prevent their organisation's adaptation and they can even bring about disruption – either disruption which makes the organisation fail, or disruption which makes it thrive.

ICSOs' governing bodies are the guardians of the organisation's vision, mission and values. Once an organisation has agreed on these key parameters everybody is reluctant to reopen the debate. On the one hand, it is important to maintain a widely shared general direction of the organisation. On the other hand, changing the parameters usually requires a painful discussion which may lead to unsatisfactory compromise. For these reasons most ICSOs do not regularly review their vision, mission and core values against the changing demands of the outside world. On the contrary, often even the proposal of such a review is perceived as heresy and causes strong rejection. While this is understandable given the ethical foundation of ICSOs, it is not helpful in situations of dramatic change which require an in-depth review of the organisation's reason to exist. A governance structure which categorically rejects the idea of adapting the organisation's core parameters to a changing world can be the decisive factor in the demise of the organisation. On the other side, policies to secure a regular review of the key parameters of the ICSO, a review structure which combines wide participation with efficient decision-making and governing bodies which are courageous enough to adapt the core parameters if necessary, make sure that the organisation stays relevant and effective.

The board is the key player in navigating disruption. Its most immediate task is to moderate sources of internal friction in order to make sure that the organisation can concentrate its efforts on dealing with external disruption. Fights between board and assembly, between board and management or between different board factions have a dangerous potential to distract an organisation's attention from the much more important challenges created by the outside world. On the other hand, an all too cosy relationship among governing bodies and

between governance and management may result in a dangerous level of complacency and lack of vigilance and alertness to external developments. Too little diversity in the board often leads to a mutual reconfirmation of a shared world view which may be outdated, while too much diversity – a theoretical challenge for most of today's ICSOs – may lead to a cacophony of voices which hamper the identification of key challenges and clear lines of action.

Often boards are overwhelmed with internal issues and do not take the time to look strategically at the outside world. Bringing external board members in and being more strategic when setting the board's agenda will go a long way in focusing the board on its most important tasks and in directing the organisation's antennae to the outside world. By displaying a strong strategic focus geared towards the changing external demands the board can set an example for the whole organisation. Helpful tools supporting effective board performance are a skills-based board selection process which makes sure all board members are qualified for their demanding role and which secures diversity of perspectives, regular self-evaluations, occasional external assessments of the board's performance, and transparency and accountability at all levels of governance and management.

In its discussions, the working group coined the expression "self-disruption" which in its negative form means elements of structures, policies and organisational culture which hamper the organisation in its efforts to deal with external disruptors. In the positive meaning "self-disruption" is a conscious attempt to disrupt an organisation's routines in order to better cope with external disruption. We have spoken about the advantages of becoming a disruptor over being disrupted. And the first step for any well-established organisation to turn itself into a disruptor most likely is self-disruption: questioning the organisation's basic assumptions, thinking "outside the box", interrupting the routines. In a situation where external developments require in-depth organisational change, a well-composed and effective board is the best-positioned entity to initiate self-disruption. The importance of the role of the Board Chair in such a situation cannot be underestimated. The more critical the challenges which the ICSO faces and the deeper the required changes, the more the organisation will depend on capable and courageous leadership. Therefore ICSOs are well advised to put a lot of ambition and effort into selecting the right Board Chair.

Obviously smooth cooperation between board and management is a cornerstone in adapting to disruption and ensuring positive organisational change and adaptability. A clear and appropriate distribution of roles and responsibilities – and the allocation of all required powers – between board and Chief Executive Officer (CEO) are of critical importance. Selecting a CEO who is able to manage the organisation in times of frequent, demanding and sometimes unexpected change is probably the most important task of any board. Conducting regular and demanding reviews of the CEO's performance is another key role the board needs to play.

## Key elements of disruption preparedness: management

In many disruptions of the past there were two obvious entry points for embarking on and adapting to the disruptive process: a strategic one at the very beginning, when it became clear that disruption was possible (in Kodak's case in 1975, when the company built its first digital camera) and a crisis management one at the point in time when it became obvious that disruption would happen (for Kodak, 25 years later at the turn of the millennium when customers started switching to digital photography). The strategic entry point should be addressed by management and board working together; but once the strategic entry point has been missed and crisis management becomes a necessity it is the CEO's and senior management's task to take the lead.

In order to successfully tackle the crisis phase of disruptions, organisations need to be able to act fast and decisively. For management this means creating a high and sustainable level of trust across all levels of the organisation. Only when a resilient level of trust exists among management, between management and staff and between management and board, will the organisation be able to react quickly to manage the crisis and turn disruption into opportunity. Management can strengthen trust by "living and breathing" transparency and accountability, and by securing transparency, accountability and comparable standards across the organisation. Another pillar of trust is frequent and clear communication, which means that management regularly informs staff about developments in the organisation but also listens to their reactions and takes their perspectives seriously. Management that trusts staff will empower its colleagues. Such a wider allocation of power in turn will make the organisation more flexible to react to change and more resilient to disruption.

Another important aspect of organisational resilience is the diversity of management and staff. Managers frequently recruit people who mirror their own qualities. But rather than aiming for a team of clones of the Senior Management Team (SMT), management should make a deliberate effort to secure diversity of backgrounds and perspectives, and hire people who can challenge the organisation's well-established ideas and convictions.

In times of crisis managers need to muster the courage to take the risks which are unavoidably linked to any change. As the most senior leader in management, the CEO needs to exhibit personal courage and integrity. A CEO who claims the glory of success and blames others for failures will not be able to count on the full support of his colleagues when change needs to happen. But if colleagues can be sure that the CEO will share the glory and take the blame, they will be more prepared to accept the risks which go along with change.

However, all too often ICSOs, which usually follow a federated model, have not or have not sufficiently empowered their global CEO to make decisions for the whole organisation. In a situation of a major crisis, where decisions need to be made quickly, the ICSO can be paralysed by the need to make decisions unanimously with up to 50 national CEOs involved. Should decision-making prove impossible under such circumstances it is likely that the principle "every man for himself" will prevail, which may lead to the organisation falling apart. Dealing with global disruptions unavoidably demands a fully empowered global leadership: at the strategic level it requires a fully empowered global board and, at the crisis management level, a fully empowered global CEO and SMT.

## Key elements of disruption preparedness: organisational culture

The larger an ICSO is, the more it will have to make sure that its internal processes are working well. The more it directs its attention to its own way of working, the more it will struggle to keep its focus on the outside world. The fact that many ICSOs have very recently grown very rapidly and have become large entities means that they are still struggling with adapting their way of doing business to the new dimensions of their work. One participating organisation identified the strong growth they have been able to secure as their major challenge. Other ICSOs are engaged in several years of extensive reorganisation processes requiring their full attention. In the short term, such a predominantly internal focus is a risky distraction from changes in the outside world. If it continues over a long period of time, this may generate an even more dangerous self-centred organisational culture.

"Culture eats strategy for breakfast" – this is a typical ICSO experience: you may have the most relevant and consistent strategy possible, but if it is not supported by your organisation's culture it will fail. In terms of disruptive change, if your organisational culture resists rather than embraces change, any strategy to navigate disruption will misfire. An organisation which proactively navigates disruption will frequently find itself in uncharted territory where well-established ways of working are often counter-productive and where new approaches have to be developed to secure success. In such an environment more mistakes will be made than in a well-explored traditional field of work. Only organisational cultures that support experimenting, allow for mistakes and accept failure as an important way of learning will prevail in these circumstances.

In the business sector, innovative companies provide time and opportunities for staff to explore and invent; reward systems motivate people to take calculated risks. ICSOs can learn from corporate examples. They should encourage a more entrepreneurial culture, which includes the freedom to try, fail and learn, and provides an environment in which talented staff can work in teams to create new perspectives and develop new ways of working. However, encouraging staff to be entrepreneurial and innovative is not enough: all too often ICSOs are not very good at systematically reaping the benefits of their learning and experience. ICSOs need to put systems in place to consolidate, evaluate, learn, adapt, assimilate and disseminate improvements based on the outputs of entrepreneurial and innovative staff. For instance, in our discussions we reviewed possibilities to establish dedicated units which promote and systematise learning and research, incubate new ideas or track potential disruptors. In brief, not only do ICSOs need to create a culture that appreciates and supports learning, they need to develop into learning organisations.

While organisational culture cannot be changed by management decree, the behaviour of senior management plays an important role in setting the standards. A CEO who consistently embraces a culture of flexibility, openness and innovation, who secures space for others to thrive and who accepts being challenged by new perspectives, provides a convincing role model for a more open and flexible organisational culture.

# PROTOTYPES OF DISRUPTION-RESILIENT ORGANISATIONS

In our face-to-face meeting in Bellagio we explored three different approaches ICSOs can take towards disruption: proactively bringing about disruption, using disruptions opportunistically to advance the organisation's mission, and trying to avoid disruption as far as possible, changing only when it can no longer be avoided. We called the resulting organisational patterns "the active disruptor", "the opportunistic navigator" and "the conservative survivor". Below you will find the key characteristics of these three prototypes of disruption-resilient organisations.

## The active disruptor

The active disruptor is an organisation following the strategy that being a disruptor is the best defence against being disrupted. For newly-established organisations, being a disruptor is a more likely feature than for well-established ones. For example, all of the virtual CSOs which were founded during the last decade are part of the disintermediation pattern of disruption described earlier. They have been founded as disruptors and did not have to go through a painful change process to achieve this status. Meanwhile no ICSO has turned itself into a virtual organisation, as this would require a massive change of their existing missions, set-ups and cultures. However, should a massive disruption to their role as intermediary eventually occur, some ICSOs may consider taking such a radical step.

Looking at examples of disruption in the corporate field, we find that the market usually did not disappear – people still listen to music, take photos and use an encyclopaedia – but the existing market leaders were often not able to shift to new ways of delivering their products or services. For ICSOs this means that, should such a development – for instance loss of the intermediation role – occur, becoming an active disruptor may be the only way to survive. An important question we discussed was, "Can ICSOs disrupt themselves before others do this?". In response, we developed an equation: "Change may happen if the pain of staying the same is considerably larger than the pain of changing." We then asked whether leaders can and should deliberately turn up the heat of the burning platform in order to increase the organisation's pain and its readiness to change. We found that while a "burning platform" can help initiate change, the crucial factor in running a major change process – one which may have to go through a number of stages – is a positive vision which explains how the organisation can fulfil its mission even better if it is prepared to reinvent itself.

We discussed whether ICSOs can prepare themselves better for disruption by trying to decrease the risks involved in any change. One way of doing this could be to systematically train for change, for instance by undertaking more linear and less dramatic changes which may prepare organisations better for handling non-linear shocks. Running pilot projects, building evidence and setting precedents of successful change may be a way forward. Opening up much more to external players may be helpful, for example by entering into partnerships with organisations following different business models or by comparing one's own hierarchical set-up with some of the new network structures. In order to systematically work through their different options, ICSOs may want to develop matrices that discuss and compare the upside and downside of the different approaches.

## The opportunistic navigator

The opportunistic navigator might be a desirable and realistic model for most established ICSOs: it mixes the conservative “wait and see” approach with the disruptor’s proactive change concept. The opportunistic navigator monitors other organisations, carefully adopts their approaches where these are successful, and takes on board innovation developed by others. Organisations of this type wait for others to take the risks and to cover the costs of scouting for disruptive change, and systematically adopt useful ideas and solutions.<sup>11</sup> Alternatively, several organisations may jointly scout for external trends, thereby sharing costs and time.

The ideal organisation combines large size and/or influence with agility and speed. It is ruthlessly opportunistic and ready to adapt to external change. The organisation periodically revises its mission and strategy and, if required, changes its course quickly in order to capitalise on major trends. Opportunistic navigators need to strengthen their capacity to assess and manage risks. External audits can be strategically used to drive change. The organisation invests in piloting and constantly builds evidence to validate the success of existing activities. If projects do not work they are shut down without delay.

For an organisation to benefit most from the opportunistic navigator’s key advantages – adaptability and speed – very effective governance, management and communication systems need to be in place. The organisation’s board will normally be composed of both insiders and outsiders who are elected equally for competence and representation. Decision rights and authority will be clearly assigned, but decentralised across all organisational levels. Despite being criticised externally as overly opportunistic, internally the organisation upholds a culture of trust, transparency and good communication. People working for the opportunistic navigator are opportunistic entrepreneurs: they need to be fast learners, good listeners and active networkers to interpret and implement good ideas from the outside. Following the principle of “hire to the organisation you want to create”, human resources departments actively seek and recruit talent from active disruptors and bring these innovative people on board.

Developing a typical ICSO into an opportunistic navigator requires significant changes in the organisation’s culture. In many organisations, opening up the mission and values to occasional review against shifting external parameters may be considered a heresy. Taking a more entrepreneurial approach will offend many traditional ICSO employees, and creating more flexibility by replacing a top-down structure with one that is geared towards networking may not go down well with the average manager.<sup>12</sup>

## The conservative survivor

The conservative survivor may be the most obvious approach for many ICSOs. However, it is quite a risky one. The typical conservative survivor is an ICSO which has been around for many decades. It is very well established with a strong brand. The organisation has successfully adapted to many changes in the past and is very confident that it will be able to do so in the future. However, the examples of Kodak, Encyclopaedia Britannica and many other companies that disappeared recently illustrate that having a long and successful history may not be an asset when disruptive change strikes. On the contrary, being overly self-confident can make organisations underestimate the severity of the threat they face. Another typical characteristic of well-established organisations is a strong preference to avoid risk. Feeling very secure with where they are, they are reluctant to accept risk which would be involved in any change. Often big reserves underpin the feeling of being completely safe. Having seen many trends come and go, many changes threatening and failing to manifest, the ICSO is convinced that it is unwise to embark on every bandwagon of change that comes along.

The conservative survivor is often a reluctant follower rather than a leader of change. The organisation leaves it to others to experiment and fail and to bear the costs of failure. They can wait for successful approaches to become apparent, and come on board only when the risks of change are low and the benefits have been proven. In our discussion we identified “long-service awards” as a typical feature of such organisations: they have the advantage of many experienced staff who know the ins and outs of their job and have a high degree of expertise, and the disadvantage of the “we have seen it all before/we have tried it before but it didn’t work” mentality, often in combination with a strongly-developed silo mentality. The boards of these organisations would probably also have a number of long-serving members. They would be consensus driven and work under the motto: “If it ain’t broke, don’t fix it.”

When disruption strikes, such an organisation would probably retreat to its core activities and focus on its cash cows rather than exploring new options. It would launch an austerity programme to cut costs in order to make everybody see the crisis, but it would not necessarily look for new roles and sources of income and rather hope that the situation would revert “back to normal”. Looking at these patterns we felt that preparing such an organisation for disruptions presented a major challenge. While the size of the organisation, its reserves and its impressive brand would make it less vulnerable in the first stages of disruption, its resistance to change would make it an obvious victim of disruption. Unlike smaller, less well-established organisations, the conservative survivor does not have to panic at the slightest glimpse of a disruption: they can wait a little longer until it becomes clear that the threat is real. But once the crisis has materialised, its conservative, change-averse culture, its preference of experience over experimentation, its hierarchical structures and its complex and slow decision-making will be serious obstacles on the way to quick and in-depth organisational change.

<sup>11</sup> In business we speak about the “fast follower” strategy, which companies such as Microsoft use effectively, in contrast to the “pioneer” approach of Google and others. See discussion of first- and second-movers in Wikipedia: [http://en.wikipedia.org/wiki/First-mover\\_advantage](http://en.wikipedia.org/wiki/First-mover_advantage)

<sup>12</sup> Bringing the rational and the emotional dimensions of change together is one of the key requirements of success. For further information, please see Chip and Dan Heath, Switch, 2010



**What  
ARE OUR  
STRATEGIES  
To DETECT  
DISRUPTION  
BEFORE IT HITS?**

**CALL TO ACTION**

During the process of developing this report we have come to the conclusion that disruption in our sector is highly likely to happen. It may not happen in the immediate future and it may not affect all ICSOs equally, but it will occur. To date, most ICSOs are not prepared to deal with disruption. ICSO leaders are called upon to take up this challenge and strengthen their organisations' resilience to disruption. The following recommendations aim to provide ICSO leaders with tools for this task.

## Systematically scan the horizon

Most ICSOs of today are not well prepared for disruption. As a first step, ICSOs should understand and accept that disruption is not limited to the corporate world. It has only arrived there earlier. In the next few years we can expect to see some significant disruptions affecting our sector. In order to improve their resilience to disruption, ICSOs should develop the capacity to systematically scan the horizon and identify potential disruptions. This does not have to be done by each organisation individually. ICSOs could jointly set up a monitoring function. Any cooperative approach would have to take into account that service-delivery ICSOs may face a slightly different set of disruptions than advocacy ICSOs. While scanning is necessary to identify disruption as early as possible, it does not provide complete protection as disruptions have often not been predicted, either because they come as a total surprise or because signs were misinterpreted.

## Develop a positive mindset for disruption

Rather than asking how we can avoid disruption, our guiding question should be: "How can we exploit disruption?".<sup>13</sup> When we look at victims of disruption we often find that they were mentally unwilling or unable to adapt to completely new demands. If disruptive change becomes real, defensive strategies usually fail. Fearing disruption and heavily focusing on the threat it poses are unhelpful approaches. Both in the strategic phase and once the crisis hits, a positive mindset that aims to use disruption in furthering the mission is absolutely crucial. Leaders who embrace a positive mindset will find it easier to guide their colleagues through the necessary changes. Rather than selecting a "safe pair of hands" – leaders who defend and maintain their organisation's achievements – ICSOs should nurture and select leaders who are willing and able to continually review the organisation's performance with consideration to external demands, and lead through change whenever required.

## Strengthen your organisation's adaptive capacity

Given the high degree of uncertainty and the surprise nature of disruption, preparation has its limits. Being able to adapt to new situations is even more important than preparedness. This requires the humility to accept that the world defines our mission and not the other way around, and that we need to be prepared to adapt to the world and not expect that the world will adapt to us. It also requires a more opportunistic world view where we ask how we can contribute best, rather than what we would most like to do. ICSOs that try to adapt on an ongoing basis, even if the changes of the external world are not disruptive, will be fit to adjust when disruption arises.

<sup>13</sup> Comment from one of the members of our group: "Yes! Back to the roots! Most founders of our organisations have been disruptors, whereas we – their grandchildren – transformed ourselves to conservers."

## Establish an organisational culture which embraces change

ICSOs should methodically develop an organisational culture which is externally focused rather than introspective, and which embraces change rather than rejecting it. Culture changes with experience: if a responsive project creates a positive experience, staff will be prepared to try it again. Agility and speed of decision-making, and courageous leadership that takes risks and rewards experimenting as well as reasonable dimensions of risk-taking, are essential in preparing for and coping with disruption.

Depending on their business model, some ICSOs may be structurally unable to take the risks that come with major change – at least, that is, not until they fundamentally change their relationship and dialogue with their donors so that risks and rewards are explicitly part of the expected giving experience. Risk management will have to become a more prominent management tool, and the rather basic risk assessment processes and mitigation strategies many ICSOs apply will have to be replaced by more professional and reliable ones. Being able to gain from experimentation requires up-to-date knowledge of management and management information systems. Otherwise whatever is learned from the experimentation will be lost or not fully leveraged. To date, few ICSOs have made the investments they need to implement and run these systems.

Exposure to other perspectives of leaders in governance and management and of staff in general is critical: for example through staff secondments between different ICSOs, temporary placements in the private sector, sabbaticals at research and teaching institutions, joint summer schools for ICSOs, and public and private sector participants etc. – anything that makes our disciplinary and organisational boundaries more permeable.

## Develop a strategy for your own organisation to deal with disruptive change

We have outlined three prototypes and suggest that you use them as a starting point to design a strategy adapted to the needs of your organisation. Long-established business models and brand protection often drive ICSOs over time to become conservative survivors. Some members of our group raised doubts that this approach generates sufficient resilience against disruption. There was general agreement that the conservative survivor strategy holds by far the highest risks of falling victim to disruptive change. ICSO leadership choosing this strategy should be well aware of the substantial risks involved.

There is also a related risk that the senior leadership of a fundamentally conservative ICSO adopts the appearance of an adaptive strategy. For example, the organisation employs a "virtual" fundraising strategy but does not attempt to re-engineer any major part of their delivery/operations systems. This apparent "tick box" shift toward the opportunistic navigator category is likely to fail, as the organisation's attention remains elsewhere. It may also soon become apparent how limited "virtual play" is compared to the real disruptors that intensively utilise that approach. Currently, some "conservative survivors" are undertaking changes which may move them into the "opportunistic navigator" category. Two alternative strategies for moving in this direction are available: either to run several parallel business models in order to make sure ICSOs have alternatives when they encounter disruption, or to concentrate on

fewer activities in order to have more capacity to spot and manage disruption and to secure focus and flexibility once disruption strikes. A follow-up project on new business models will explore these options in detail.

ICSOs should not take financial growth as the sole indicator that they are not facing disruption. Financial growth can increase the risk of being disrupted: sometimes costs increase disproportionately and undermine activities that may detect and deal with disruptive challenges or engagement in new sectors or new countries. This can absorb critical leadership capacity and divert attention away from other challenges.

## **Make sure that your global decision-making bodies are able to take and implement the right strategic decisions and that you have an effective global crisis management system in place**

In many ICSOs, the discrepancy between national power allocation and increasingly global challenges can also obstruct a consistent approach to sources of disruption. Once the disruption turns into a crisis there is a danger that, in the absence of a single global decision-maker, ICSOs will revert back to the national level with different affiliates each going their own way in the struggle to survive. Review your global governance and management systems, streamline your decision-making processes with the aim of improving the quality of your strategic decision-making and the speed, effectiveness and consistency of your global management decisions in times of crisis. Global decision-making in the corporate sector may provide useful examples for ICSOs.

## **Review the three most obvious sources of potential disruption and make a conscious decision about if and how you are going to address any one or all of these**

For service delivery in particular, ICSOs' disintermediation is a very real disruption. The fact that after five years this has not yet led to a major shift of resources away from ICSOs does not mean that this will not happen in the next five or ten years. ICSOs are strongly advised to look into this disruption and review their existing business model with consideration to the resilience against this threat. So far, ICSOs have not sufficiently explored the opportunities of taking a virtual approach in implementing their missions. We recommend doing this much more proactively, dedicating more resources to this area and keeping in check the obstacles which ICSOs' traditional thinking and structures put in the way of exploring these significant opportunities.

Political disruption is another major threat. If civil liberties are further curtailed, if CSOs' freedom to pursue their missions is further undermined, ICSOs' work will be adversely affected or made impossible. Considering political disruption as an opportunity acknowledges that strengthening the role of civil societies enables ICSOs to more easily achieve their

mission. Solidarity among all CSOs ranging from small, local ones to very large, global ICSOs in the defence of civil society space will improve effectiveness and strengthen ICSO legitimacy. We recommend that ICSOs support CIVICUS's programmes against the shrinking space for civil society and that they use their reputation and weight to defend civil liberties and civil society activists where they are threatened.

The biggest and most prevalent disruption, humanity's overstepping of planetary boundaries, threatens all ICSO missions. We recommend that ICSOs invest considerable effort in fully understanding the dimension of the threat and take a clear and consistent position in the face of these challenges. In order to bring about change and turn disruption into opportunity, ICSOs need to strategically partner with international institutions and with global businesses when possible. Establishing coalitions of the willing is preferable to seeking consensus between drastically different actors. ICSOs also need to be aware that overstepping planetary boundaries will create many more disasters, crises and violent conflicts, all of which ICSOs will be expected to tend to. This will most likely lead to a massive increase in available funding and donor attention for disaster relief and humanitarian assistance activities. ICSOs are advised to pay very close attention to the dilemma which may arise here: ICSOs may multiply their budget for emergency relief, environmental rehabilitation and poverty alleviation, while simultaneously losing the struggle to achieve their mission with increasing rather than shrinking global numbers of people living in poverty, deprived of their human rights and suffering from environmental crises. Striking the right balance between curing the symptoms and addressing the causes will be essential.

## **Draw on the advice and support of the “Disruptive Change Ahead?” Working Group**

There has been very limited knowledge about disruptive change in our sector. With its efforts over the last eight months, the *Disruptive Change Ahead?* Working Group has made a first attempt to systematise the existing knowledge and to raise awareness about the likeliness of disruptive change affecting ICSOs. Within the limits of their other commitments, members of the group are happy to provide advice and support to CSO leaders who feel this would be helpful.

# ANNEX

## Literature

- Banks, Ken (2013), *The truth about disruptive development: The West shouldn't create solutions to problems we don't understand using fashionable mobile technologies*, Stanford Social Innovation Review
- BBC Media Action (2012), *Still left in the dark? How people in emergencies use communication to survive – and how humanitarian agencies can help*, Policy Briefing # 6
- Berkhout, Remko and Jansen, Fieke (2012), *Introduction: The changing face of citizen action*, Society for International Development, Development, Issue 55(2)
- Christensen, Clayton M. and Overdorf, Michael (2000), *Meeting the Challenge of Disruptive Change*, Harvard Business Review
- Christensen, Clayton M. and Wessel, Maxwell (2012), *Surviving Disruption*, Harvard Business Review
- Cordaid (2009), *Global Communities of Change From Control to Engagement*
- Crowley, James and Ryan, Morgana (2011), *Greater than the “Sum of the parts”? Paper 4: Reinventing international NGOs through new technological possibilities*, DRAFT Version 0.7
- Done, Adrian (2013), *Global Trends: Big Numbers – Big Picture*, Forbes.com
- Edwards, Michael (2011), *Thick Problems and Thin Solutions: How NGOs can Bridge the Gap*, Future Calling – Think Piece, HIVOS Knowledge Programme
- Friedman, Thomas L. (2013), *When E.T. and I.T. Meet ID*, nytimes.com
- Gilding, Paul (2011), *The Great Disruption*, Bloomsbury Publishing, London
- Gilding, Paul (2011), *The Great Disruption*, Youtube video (<http://www.youtube.com/watch?v=nrHFkHgW6X0>)
- Happ, Edward G.; Johnson, M. Eric; Obillo, Joel S. and Richardson, Nick (2008), *Are Nonprofits Ripe for Disruption?*, Tuck/Dartmouth, Unpublished DRAFT for Discussion
- Heijne, Bas (2012), *Development Cooperation, Humanism, Crisis: Where to from here?*, Hivos, Future Calling – Think Piece 2012
- Kharas, Homi and Rogerson, Andrew (2012), *Horizon 2025: creative destruction in the aid industry*, Overseas Development Institute
- Mance, Henry (2013), *Charities try their luck with online game*, Financial Times
- Melber, Henning (ed.) (2012), *No future without justice: Report of the Civil Society Reflection Group on Global Development Perspectives*, Development Dialogue, Issue 59
- Naim, Moises (2013), *Why the people in power are increasingly powerless*, Washington Post
- Prizzon, Annalisa; Rogerson, Andrew and Tavakoli, Heidi (2013), *Scenarios and disruptors impacting on Plan International’s evolving business model*, Overseas Development Institute
- Ramalingam, Ben; Scriven, Kim and Foley, Conor (2009), *Innovations in international humanitarian action*, ALNAP Review of Humanitarian Action, Issue 8
- Raworth, Kate (2012), *A Safe and Just Space for Humanity – Can we live within the Doughnut?* Oxfam Discussion Paper

Sagasti, Francisco (2013), *The fractured global order: Characteristics, structure and implications*, Unpublished DRAFT for discussion

Stremmelaar, Josine and Berkhout, Remko (2012), *It's the future calling...*, The Broker – Connecting Worlds of Knowledge

The Broker (2012), *The Future Calling, A Second Life for International NGOs*, Special Report, Issue 28

UNDP (2013), *2013 Human Development Report*

Vaes, Sarah; Huise, Huyb (2012), *Development Cooperation in 2020?*, HIVA, K.U. Leuven

Wikipedia (2012), *Disruptive innovation*

World Economic Forum (2013), *Global Risks 2013*, Eighth Edition, An Initiative of the Risk Response Network

World Economic Forum (2013), *The Future Role of Civil Society*, World Scenario Series

Zinnbauer, Dieter (2011), *Fighting corruption in 1811 and 2011 – what's new?* Transparency International Blog

Zinnbauer, Dieter (2011), *Institutions and corruption: why history matters (part 1)*, Transparency International Blog

Zinnbauer, Dieter (2011), *History matters II – what stone carvings and magic lanterns have to do with fighting corruption*, Transparency International Blog

Zinnbauer, Dieter (2012), *False dawn, window dressing or taking integrity to the next level? Governments using ICTs for integrity and accountability – Some thoughts on an emerging research and advocacy agenda* – DRAFT paper. Social Science Research Network

## Members of the Disruptive Change Working Group

**Joanna Kerr**, CEO, ActionAid International

**Ed Brown**, Director of Policy Advisory Service, African Center for Economic Transformation

**Jonathan Mitchell**, COO, CARE USA

**Nisreen Lahham**, Executive Director, Center for Future Studies

**Uygar Özesmi**, Eastern Europe & West Africa Director, Change.org

**Francisco Sagasti**, Senior Researcher/Advisor, FORO Nacional/Internacional

**Stefan Flothmann**, Director Climate and Energy Program, Greenpeace International

**Josine Stremmelaar**, Coordinator of Knowledge Programme, Hivos

**Frank Mohrhauer**, Head, Governance Support, Policy Implementation and Oversight Dept, International Federation of Red Cross and Red Crescent Societies

**Edward G. Happ**, Chair, NetHope

**Andrew Rogerson**, Senior Research Associate, Overseas Development Institute

**Tessie San Martin**, CEO, Plan USA

**Linda Raffree**, Senior Advisor, Innovation, Transparency & Strategic Change, Plan USA

**Manju George**, Head – Asia, Schwab Foundation for Social Entrepreneurship, Global Leadership Fellow, World Economic Forum

**Caroline Harper**, CEO, Sightsavers International

**Sheela Patel**, Chair, Slumdwellers International

**Thomas Rubatscher**, CIO, SOS Children's Villages International

**Kippy Joseph**, Associate Director – Innovation, The Rockefeller Foundation

**Dieter Zinnbauer**, Senior Programme Manager for Emerging Policy Issues and Innovation, Transparency International

**Burkhard Gnärig**, Executive Director, International Civil Society Centre

**Linda Heyer**, Executive Assistant & Project Coordinator, International Civil Society Centre

## Notes

# The International Civil Society Centre helps ICSOs improve the efficiency and effectiveness of their work.

The Centre is a civil society organisation aiming to strengthen the sector by creating a platform for global debate and action.

Owned by many of the leading ICSOs, the Centre has access to an extensive network of the sector's most influential decision makers and key stakeholders.

The Centre works to initiate discussions, trigger innovation and drive strategic change.

The Centre offers practical support in building leadership, improving accountability and managing change.

In cooperation with experts and thought leaders from civil society and beyond, the Centre scans the horizon for developments which may affect ICSOs.

The Centre explores opportunities and threats and develops specific recommendations helping ICSOs to navigate change.



International Civil Society Centre  
Agricolastraße 26  
10555 Berlin  
Germany

Phone: +49 30 20 62 46 97 11  
Fax: +49 30 20 62 46 97 19  
[mail@icscentre.org](mailto:mail@icscentre.org)  
[www.icscentre.org](http://www.icscentre.org)



SHIPMENT  
IS already