



## Best-practice governance principles for community-based organisations

**Diverse Representation:** Ensure the Board has members from diverse cultural backgrounds, gender, age groups, and expertise, reflecting the communities served by the organisation. Diversity fosters inclusive decision-making and deeper understanding of community needs.

**Strategic Vision:** Develop and regularly review the organisation's strategic plan to ensure that it aligns with the mission. The plan should outline goals, performance indicators, and action plans to drive the organisation forward effectively and build its resilience.

**Engage Stakeholders:** Regularly engage with stakeholders, including beneficiaries, community members, volunteers, investors and partner organisations, to understand their needs, concerns, and expectations. This engagement fosters community ownership and strengthens organisational impact.

**Financial Stewardship:** Ensure transparent financial management, including sound budgeting, regular financial reporting, and financial controls. Strive for sustainability by diversifying funding sources and cultivating donor and investor relations.

**Governance Excellence:** Establish and uphold strong governance practices, including regular Board evaluations, refreshing of Board membership and orientations for new members, and clear roles and responsibilities for Board members and management. Comply with relevant laws, regulations, and ethical standards.

**Risk Management:** Implement robust risk management practices to identify, assess, and mitigate risks that may impact the organisation's operations or reputation. Have contingency plans in place to address potential challenges.

**Community Impact Measurement:** Establish mechanisms to measure and evaluate the organisation's impact on the communities it serves. Use data-driven insights to inform decision-making and improve service delivery.

**Board Development:** Prioritise continuous learning and development for Board members to enhance their skills and expertise. Provide training opportunities on topics relevant to the organisation's mission and operations.

**Collaboration and Partnerships:** Foster collaboration with other community organisations, government bodies, investors and relevant stakeholders. Strategic partnerships can expand the organisation's reach and improve service coordination.

**Transparent Communication:** Maintain open and transparent communication with stakeholders, including regular updates on organisational activities, achievements, and challenges. This builds trust and enhances support from the community.