

# Reflections

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## READERS WRITE

### **Organizational Learning and the IFC'S Mission Impossible**

Peter Senge

## FEATURE ARTICLES

### **Global Action Networks: An Organizational Innovation**

Steve Waddell

### **Tribal Leadership: An Interview with David C. Logan and John King**

George Hall

### **Learning and Performing through Hastily Formed Networks**

George Roth

### **The Defining Features of a Megacommunity**

Chris Kelly, Mark Gerencser,  
Fernando Napolitano,  
Reginald Van Lee

## BOOK EXCERPTS

### **The Tao of Sustainability**

John Ehrenfeld

# Global Action Networks: An Organizational Innovation

BY STEVE WADDELL

**GANs, or Global Action Networks, are a leading innovation for scaling impact to address issues of common good. GANs are a specific type of innovation that contrasts starkly with traditional approaches to global challenges and opportunities that focused upon national and intergovernmental organizations. Over the past few decades, as the pace of globalization has increased and environmental issues have grown, the limits of the nation-state have become increasingly apparent. This article introduces the five strategic qualities of GANs, the stages these networks typically move through, and includes examples of successful initiatives the author has been involved with.<sup>1</sup>**



**Steve Waddell**

A new type of “global system” is bubbling up all around us in response to the inability of traditional strategies to address critical global challenges. Rather than the government-led strategy of the post World War II world that endured into the 1980s, or the business-led strategy that accompanied the triumph of capitalism and the fall of the Berlin Wall, or the civil society-led strategy promoted by community and global activists, this is a multi-sectoral strategy referred to as “Global Action Networks” (GANs). The resources and competencies of all the sectors are combined to overcome weaknesses of each, assemble the resources needed, and produce innovation. These GANs are giving a new meaning to the word “network,” and their success depends upon our ability to create the new knowledge, their capacity, and the necessary resource systems.

The GANs are forming around all critical global issues. They include Transparency International taking on corruption; the Forest Stewardship Council addressing forest sustainability; the Youth Employment Systems (YES); the Global Fund to Fight AIDS, Malaria and Tuberculosis; the Microcredit Summit Campaign; the Global Partnership for the Prevention of Armed Conflict; and the Global Water Partnership. Today there are about four to five dozen GANs in relatively advanced stages of development, and many others are being developed.

The networks are diverse in issue and structure, but they share five strategic elements. Their strategy is:

- 1. Global and multi-level** (across and beyond the local, national, regional and international levels of governance);
- 2. Interdisciplinary action-learning** with reflective action (to produce synergies between knowledge development and practice);
- 3. Cross sectoral, with inter-organizational networks** (linking international agencies, governments, businesses, civil society organizations and other actors while still utilizing hierarchies or markets as appropriate);

## The Global Reporting Initiative (GRI)

**G**RI organizes multi-stakeholder processes to develop the Guidelines for sustainability reporting with respect to economic, social, and environmental performance, for use by all organizations. GRI has five main structural components: a Board of Directors (16 members), Stakeholder Council (60 members), Technical Advisory Committee (nine members), Secretariat (30 staff), and Organizational Stakeholders (currently 500). There are five stakeholder groups represented on the first three governance components: business (41%), civil society advocacy organizations (14%), labor (0%), and intermediary organizations (academic, research, and professional organizations) (44%). Organizational Stakeholders (OS) members comprise organizations of any type, size, and location, and are the membership component of GRI.

GRI has a budget of approximately 3-4 million Euros and a staff of about 30. It develops reporting frameworks' sophistication through multi-stakeholder processes. This includes developing more comprehensive supplements for specific industries as well as further developing the overall framework. It educates people about the framework, promotes its use, and maintains a database of reporters. Over 1000 organizations—including many of the largest multi-nationals—are listed in GRI's database as known reporters, and GRI is constantly being made aware of other organizations that have used the Guidelines.

4. **Systemic (transformational) change** generating through a range of non-violent, boundary-crossing and diversity-embracing activities (agenda setting, knowledge generation, capacity building, resource mobilization, conflict resolution, education, certification, etc.);
5. **Public good** producing in areas of global sustainability and security.

Applying all these strategies means GAN participants include organizations like the United Nations, World Bank and other governmental organizations traditionally associated with global governance; the World Economic Forum, International Business Leaders Forum, the World Business Council for Sustainable Development and other "peak" business organizations and their members; the World

Social Forum, CIVICUS and other global and local non-governmental organizations. In effect, these networks are creating a sort of new "global membrane" for sense-making, norm-creating and action-taking with regards to complex global issues.

### The Development Challenge

GANs' success will be tied to the ability to respond to four dimensions of complexity:

- **Social:** incorporating the three key organizational sectors of business, government and civil society;
- **Spatial:** involving actors that are local, regional and global;
- **Temporal:** creating actions to produce desired results that are separated by long periods of time;
- **Dynamic:** reflecting that participants in the issue system are taking actions that impact others in the system in hard-to-predict ways.

Realizing GANs' unique potential to address critical global issues requires identifying and developing the strategies, structures and governance systems that will take GANs through a scale of development that is similar to traditional organizations, such as the creation and development of the contemporary welfare state, multi-national business corporation and global NGO.

We have passed through early stage knowledge, tool and methodology development focused upon concepts such as "partnership" and "collaboration." However, understanding the GAN network development challenge requires appreciating that they really operate at four levels: organizational, partnership, network and system. GANs are organizations in that they are legal entities that must operate within the laws of a nation where they are constituted (a problematic proposition for a generator of global public goods). From this perspective they have the trappings of traditional organizations, almost always being incorporated as a non-governmental organization (non-profit). Therefore, at this level the challenge of strategy development appears relatively traditional, involving a Board, a staff leader with some title such as

“executive director,” and staff members organized by some hierarchy and combination of geography, stakeholder and task.

However, GANs’ core work is carried out through partnerships. The concept of partnership as used here involves agreement about a defined set of actions that each party will complete in a specific geography or relationship to accomplish a relatively narrowly defined task – this often equates to people’s use of the term “multi-stakeholder partnership.” For example, organizations working with the Global Water Partnership agree upon a set of actions to build “integrated water resource management” capacity in a specific country.

In the Global Reporting Initiative, a set of organizations agree to work together to develop a framework for measuring organizational environment-economic-social impact in a specific industry, say the financial industry. The GANs provide a defined space where participants can coordinate their actions to realize their partnership goals (and support independent goals). In these partnerships the GANs typically act as a convener of stakeholder organizations operating in a GAN’s particular issue domain – corruption, water, forests, youth, poverty. One of the intricacies is that when a GAN is most successful, these stakeholder organizations perceive themselves as “owners” of the GAN (sometimes reflected in formal membership structures).

### Microcredit Summit Campaign (The Campaign)

In 1997 more than 2,900 people from 137 countries gathered in Washington, DC and launched the Microcredit Summit Campaign. After reaching its original 10-year goals, the Microcredit Summit Campaign is now working to ensure that:

- 175 million of the world’s poorest families, especially the women of those families, are receiving credit for self-employment and other financial and business services by the end of 2015.
- 100 million families rise above the US\$1 a day threshold by 2015.

The Campaign is a project of Results Educational Fund – a 501(c)(3) organization headquartered in Washington, DC. It has 15 Councils for all the various stakeholders (e.g.: micro-credit practitioners, advocates, educational institutions, donor agencies etc.). More than 6,300 institutions have joined one of the Councils. The most important Council is the practitioners who actually deliver microcredit.

In addition to the global and regional meetings, staff in Asia and Africa travel country-by-country leading one-, three-, and five-day trainings. The basic building block of the Campaign is the Institutional Action Plan. Each Council Member institution agrees to submit its Institutional Action Plan each year, reporting on the previous year and setting goals for contributions that it intends to make toward the fulfillment of the Summit’s goal in the coming years.

The Campaign has a staff of seven (five in Washington, DC and one each in Asia and Africa) and an annual budget of about \$1 million.

TABLE 1 Organizing Levels of GANs<sup>2</sup>

	Organization	Partnership	Network	System
Number of Legally Distinct Organizations	One	Small to Modest	Global Sum of Partnerships	All stakeholders in the issue domain
Organizing Structure	Hierarchical	Spoke and wheel	Multi-hub	Diffuse
Operating Logic	Administrating/ Managing	Coordination	Coherence	Diverse Self-Direction
Operating Focus	Organization	Task	Task Relationship	Dispersed
Participation	Closed	Highly controlled	Loosely controlled	Definitional

The power of these very specific task-focused partnerships arises out of the connections that form between them to create the GAN network level. Taken as a whole, the partnerships represent a complex network. At the network level, the GANs' operating focus is to ensure coherence between the collective whole of the partnerships. To have influence upon an issue globally, such a large number of organizations must be engaged in partnership activity that a GAN cannot reasonably aspire for "coordination"; rather, the drive is for "coherence" – movement collectively in a specific direction to address an issue. GANs identify highly strategic partnership actions to influence an issue domain to move in a certain direction. For example, the Global Water Partnership identified as such an action the promotion of integrated water resource management; the Forest Stewardship Council develops a system of certification of forests; the Microcredit Summit Campaign sets ag-

gressive goals and gets organizations to report on how they are addressing the goal. This requires comfort with a great deal of ambiguity, as specific partnerships will advance at different rates with respect to the strategic action, specific initiatives will start at different times, and of course being global requires sensitivity to local conditions. Core functions of the GAN in their issue domains are to:

- Identify the strategic intervention from a global perspective,
- Support the convening spaces to form partnerships,
- Speed advancement by facilitating the sharing of lessons about how to advance, and
- Encourage partnerships to press on with determination by presenting examples of successful partnerships.

Key indicators of a GAN's success are (1) its network meaningfully engages a continually increasing number of organizations in its issue domain,

## Forest Stewardship Council (FSC)

A group of timber users, traders and representatives of environmental and human-rights organizations met in California in 1990 to discuss how they could combine their interests in improving forest conservation and reducing deforestation. Today FSC operates through a network of National Initiatives in more than 45 countries and has certified forests in more than 80 countries. FSC has a diverse membership of over 750 organizations from environmental and social groups, the timber trade and the forestry profession, indigenous people's organizations, community forestry groups and forest product certification organizations.

FSC membership and Board are divided into economic (business), social (indigenous and community development NGOs) and environmental (NGO) chambers, and each chamber is equitably balanced by North and South. The Board is elected by and is accountable to the membership. As the highest decision-making body in FSC, the membership meets in general assembly every three years and votes on the direction of FSC.

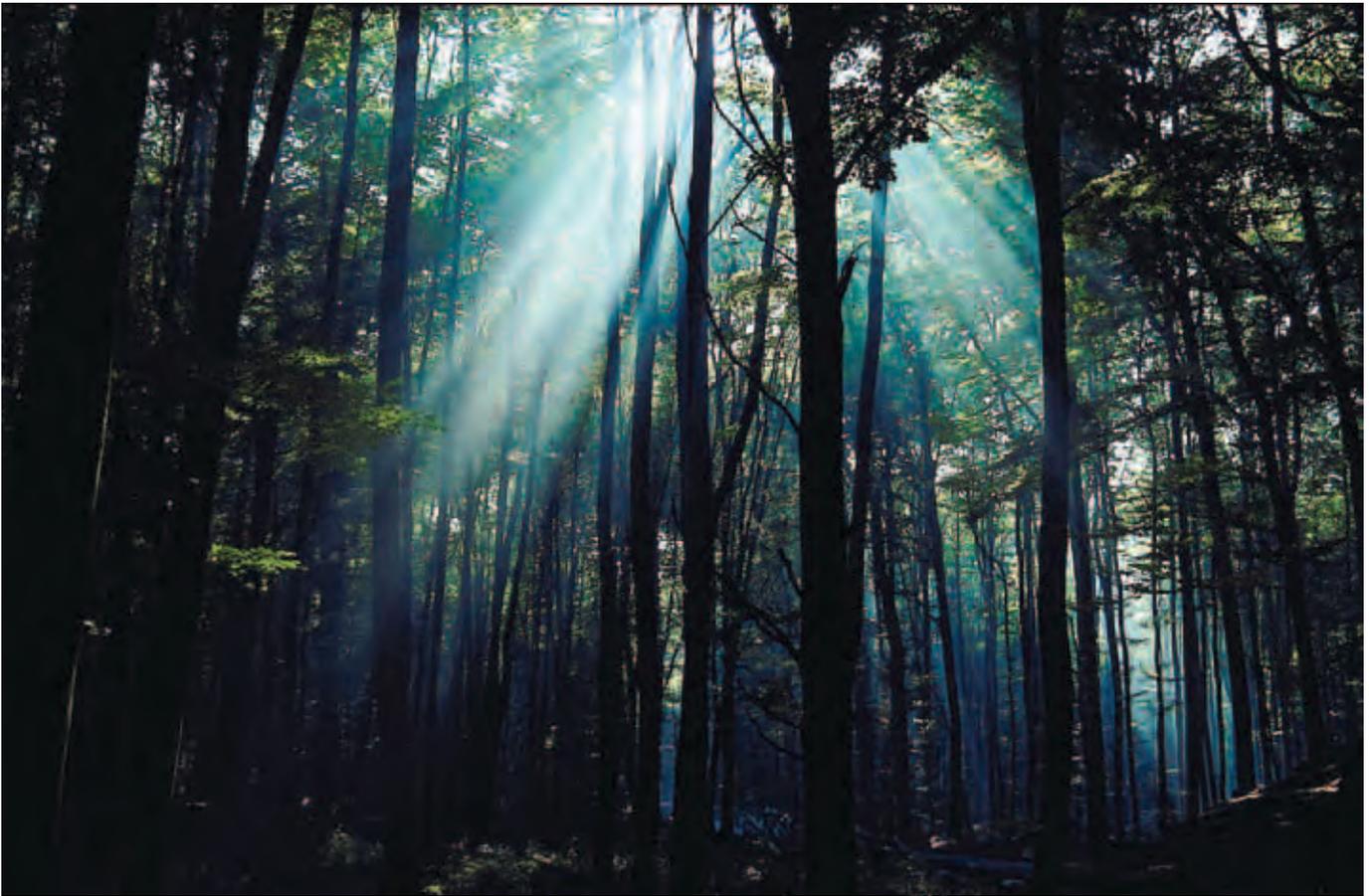
FSC aims to re-create the production chain with respect to forest products to integrate responsible practices so that forests are managed to meet the social, environmental and economic needs of present and future generations through three types of activities:

It provides the framework for the development of policies and standards throughout the FSC network. To ensure consistency, FSC accredits these national/sub-national standards.

As part of its accreditation program, FSC accredits certification bodies for credible certification to its standards. FSC provides the international framework to market and promote FSC with the support of the Regional Offices, National Initiatives, certification bodies, certificate holders and supporting partners.

To date, over 100 million hectares have been certified according to FSC standards while several thousand products are produced using FSC certified wood and carrying the FSC trademark.

In 2008 FSC had a budget of about \$3 million and a staff of about 20.



(2) organizations that are not involved in its network are changing their actions in ways that integrate the network knowledge, standards and values, and (3) the movement of broad measurement indicators for the GANs in the desired direction. The latter represents the “global issue system” that the GAN is aiming to shift. It is not necessary for the network to engage every organization in an issue system, or even anything like a majority of organizations in an issue system (indeed, some posit 5–10% as being sufficient).<sup>3</sup> The GAN aims to create a compelling vortex in the issue system that draws others into it. When a GAN is successful, organizations operating outside a GAN’s standards will be thought of as “illegitimate” by others in the system, and denied opportunities necessary for organizational success.

### **Development Stages**

To realize this type of role in addressing global challenges, there appear to be four stages of development for GANs.

#### ***Stage 1: Initiating***

GANs may start with something like the five strategic elements in mind, as new entities. Or, an entity may slowly evolve into a GAN. In either case, there are three types of initiating paths. One emphasizes a period of two to three years of consultation and mulling over by various stakeholders in an issue. Three years of discussions among timber users, traders, and environmental and human rights organizations preceded founding of the Forest Stewardship Council (see box on page 4).

A second group of GANs arises out of the imagination of one or a couple of organizations or individuals. For example, the Youth Employment Systems is the product of the Education Development Corporation and WWF and Unilever birthed the Marine Stewardship Council. When one organization has a leading founding role, the GAN often starts as a “project” or “program.” For example, the Microcredit Summit Campaign is still legally a project of an NGO called Results Education Fund, and the

TABLE 2 **GAN – Development Stages and Activities<sup>4</sup>**

Initiating	Problem/Solution Definition	Infrastructure Development	Realizing the Potential
<ul style="list-style-type: none"> <li>• Visioning</li> <li>• Convening</li> <li>• Identifying leadership stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Defining the problem</li> <li>• Piloting a core physical technology solution</li> <li>• Building initial centralized network piloting structure</li> </ul>	<ul style="list-style-type: none"> <li>• Broadening application of the physical technology solution</li> <li>• Deepening understanding of the problem and social technology solutions</li> <li>• Increasing network membership and decentralizing structure</li> </ul>	<ul style="list-style-type: none"> <li>• Enhancing legitimacy and value</li> <li>• Creating inter-GAN connections</li> <li>• Creating global action norms</li> </ul>

Global Compact remains structurally attached to the United Nations Secretary General's office. Transparency International, on the other hand, was very much the work of an individual, Peter Eigen.<sup>5</sup>

The third path can occur when there is already a relatively well-developed "global space" for the participants. For example, global conferences on the topic of water issues were organized from time to time, which led to the realization that more formal and permanent organizational arrangements would be valuable. This led to the formation of the Global Water Partnership and the World Water Council.

Both governments and NGOs are dominant initiators of GANs. Government is clearly dominant with health issues and when very large sums of money are involved. NGOs are more dominant as founders with environmental and social concerns and when the need is to mobilize widespread grassroots action. Business and NGO/business-initiated GANs have also been initiated in sustainable development arenas.

At this stage, one critical challenge is to inspire participation of a sufficiently representative group of organizational stakeholders with a sufficiently broad range of views, so that it can be seen as "legitimate." However, the size must also be sufficiently small that the new GAN does not become overwhelmed with coordinating among the stakeholders. It helps, of course, if stakeholders are

already familiar with one another. The founding group will tend to be small if stakeholders do not have a history of working together (e.g., as with the Marine Stewardship Council), and larger if they do, as with the Global Water Partnership and World Water Council.

To attract diverse stakeholders, the initial definition of "the problem" must be broad enough to encompass a wide variety of views and yet narrow enough to provide focus. At this stage, the initial discussions can be likened to a focus group – the goal is to identify the breadth of views about an issue and the initial definition of the stakeholders. Another challenge at this stage is to avoid paralysis with questions about the permanent structure of the GAN, and to begin "doing things" together to address the issue of concern. The way a GAN is organized should arise out of the experiences of how to do the work. However, people often find the ambiguity of this approach difficult and want to build a structure based on theories about how it *ought* to be. Such theories can often lead to an overly complicated and burdensome structure that actually inhibits the way the work gets done. This can be seen in some of the very elaborate stakeholder groupings and voting processes in GANs.

A third initiating challenge is to mobilize the resources necessary to go through the expensive and time-consuming process of consultations and collective discussions. A founding stage requires participation of very senior people from stake-

holder organizations, and their time is a scarce commodity. Developing a GAN cannot work as simply an “add-on” to a full-time job. The GAN must present a way for the participants to fulfill their core responsibilities so participants’ organizations understand the importance of spending time on GAN development.

Typically, at this stage funding comes from foundations, donor agencies, and the founding organizations (which usually donate staff time and travel costs). One key challenge is to ensure global and sectoral representation, which usually means providing funds for at least travel for NGOs in the southern hemisphere.

The sectors all face particular challenges at this stage: governments have trouble accepting the need to work as “peers” rather than being “in control”; business finds difficult the “muddling through” without clear, identifiable outputs and targets; and NGOs are challenged to accept the need to experiment with developing the meaning of shared ideals rather than start with rigid definitions of them.

### ***Stage 2: Defining the “Problem” and “Solution”***

The issues that GANs are addressing are complex global ones. Typically, individual founders think they understand the problem, but initial discussions invariably disclose an unsuspected breadth of perspectives. The stakeholders forming the GAN must have a shared understanding of each other’s perspectives of the challenge – although they do not have to agree with it. Developing this shared understanding among a small core group of diverse founders is a key developmental step – the understanding will continue to grow throughout the GANs’ life, but an initial shared understanding must be developed with founders.

This task of problem definition is wrapped up with “putting the issue on the global and local agendas.” The process of developing a shared understanding involves raising the issue with organizations around the world, creating a global discussion

about the topic and its relevance to diverse stakeholders. Transparency International had to first make “corruption” a discussable issue, rather than one that people could not talk about.

A key implicit strategy in GANs’ founding is to create multi-stakeholder solutions. However, how to structure the stakeholders’ working relationships (e.g., issues of board structure, relationships between constituencies, ensuring global to local integration) all take significant time to address. During this stage, there is a relatively small founding group of stakeholders who lead the activity. In most cases, stakeholders collectively explore

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their diverse perspectives and design their organizational structure over a period of about five years. This stage provides important lessons about how to structure the GAN, drawn from doing the work together.

Another task is developing ideas about how diverse stakeholders can work together to address the problem. Usually this begins with a focus on a physical technology solution – a solution that focuses on a definable process of learning, capacity development, and measurement. This very often means case studies, dissemination of a particular technological approach (e.g., microcredit to address poverty), and assessment-based processes. These processes include construction of indices (Transparency International); measurement frameworks (Global Reporting Initiative); monitoring (Fair Labor Association, Social Accountability International); certification processes (Marine and Forest Stewardship Councils); and financing

mechanisms (the large health GANs, such as the Global Fund and the Global Alliances for Improved Nutrition and for Vaccines and Immunization).

These physical technology solutions are largely theoretical at the beginning of this stage. The theories are transformed into a series of experiments and actions, to test how they can be applied. This means finding pilot sites with organizations that are willing to be involved in the development and creating an initial network.

However, these physical technology solutions are not the most innovative aspects of GANs. More innovative is the global application and social/strategic technology behind GANs – the idea that stakeholders in an issue, who are traditionally adversarial, should get together globally to develop the solution to a critical common good issue.

At this stage, one challenge is to avoid jumping to the “solution” too quickly and being impatient with the dialogue necessary to really hear and comprehend various viewpoints. This means, at this stage, skilled facilitators who can work well cross-culturally are particularly important. Too often people do not appreciate the challenges of working across sectors, languages, and ethnicities, and hire support staff who are like them or who only have experience in one sector.

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Another challenge is to have enough “mass” to actually get the key issue on the global stage. Participants may discover that they have included too narrow a perspective about a problem to meaningfully engage the number of stakeholders necessary. They may end up being seen as an NGO caucus or as a particularly narrow geographic group.

Also, a GAN at this stage can fail if it is dominated by linear thinking and details. The process of problem definition is an iterative one that is wrapped up with experiments about the definition of the solution. Of course the GRI began with a broad understanding that something was needed to harmonize and promote triple-bottom-line accounting globally, but the current concept of “guidelines” only developed out of numerous discussions and today the definition continues to evolve. The Global Water Partnership founders were interested in integrated water resource management (IWRM) as a “solution,” but the meaning of IWRM in diverse settings and creating a shared meaning has been a major part of GWP’s work.

Another danger at this stage is a desire to be “global” too quickly. People may be too action oriented and become impatient with the need for pilot site development to test and refine “solutions,” and become over-stretched geographically. This over-stretch will sap resources because of the cost of travel and meetings, and because of the time necessary for communications and holding the network together.

### ***Stage 3: Developing the Broader Change Infrastructure***

The average GAN is somewhere in this stage. Some (e.g., Building Partnerships for Development in Water and Sanitation and the Ethical Trading Initiative) are of an age that would suggest they should be in this stage, but they are still working with an initial learning set of activities. They have not adopted the broad “system-organizing” agenda that characterizes this stage, and they may continue to be productive working at the earlier stage.

At Stage 3, solutions have been tested and the challenge is scaling up. A report on the Global Compact as it entered this stage pointed out that a substantial number of “national networks” had arisen as an under-recognized resource, and one focus in this new stage is to further develop the network with more countries. For the GRI the key unit is corporations rather than nations, and it



focuses very much on the number of corporations using its framework.

However, there are two developments at this stage that would not have been anticipated by many GAN founders. One involves scaling up by scaling out – broadening of the core solution in ways that were not obvious to the founders. For example, the Forest Stewardship Council is now developing the concept of certified watersheds. Transparency International became adept at supporting its national chapters to develop legal infrastructure, and has succeeded in institutionalizing its concerns with global organizations (e.g., the OECD, which now has an anticorruption convention).

The second development is the shift from a focus on physical technical solutions to a social solution focus. Typically, early GAN leaders come with physical science backgrounds (e.g., medical doctors and forestry, labor, environmental science, and

measurement specialists). At this third stage of development, GANs must build their managerial, network, and change development competencies. The chores are not development of the technical solutions (although these continue to be refined), but seeing their use and application on a grand scale. This social technology orientation is a critical and difficult shift for GANs. It means shifting focus from refining assessment approaches and promoting “fixes” (e.g., microcredit and integrated water resource management) to taking learning processes to a deeper level that can realize significant systemic societal change. The challenges GANs are facing are not simply about what we are doing in the world; they are also about how we *are* in the world as individuals, organizations, nations, and global society.

The networks must become more decentralized if they are to reflect their empowerment missions and maintain their agility. They must learn to communicate between the parts (e.g., national

chapters, participant organizations), rather than having a centralized mindset of working through the global secretariat. GANs are leaders in moving from the twentieth century world, where organizations were the dominant unit (e.g., in the form of governments, corporations, and community-based ones) to a world in which networks are the key organizing logic.

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With this comes the challenge of being both local and global – “glocal.” A number of innovations are emerging to avoid traditional hierarchies with either the local or global “in charge.” “Participation” at this stage becomes emphasized rather than formal “membership.” Most of the GANs are to a remarkable extent self-organizing and give real meaning to the concept of “subsidiarity.” Stakeholder groups and regional/national units (e.g., chapters, country coordinating mechanisms, regional partnerships) are almost always self-governing, with minimal accountability structures upward.

At this stage, when GANs start emphasizing social organizing and change technologies,<sup>6</sup> and connecting and developing the strategies and competencies in this field, they have significantly broadened their problem definition and concept of solutions. One clear challenge at this stage is to categorically develop the needed social technology skills. Founders, being focused on a physical science solution, can become overly fixated on refinement of the particular tool (e.g., an assessment methodology). They may forget that the

goal is not a super-accurate methodology, but real change. Usually, being physical learners, founders are uncomfortable with such social technologies as social network analysis, deep change processes, network dynamics, and systems of accountability. A new skill set needs to be developed, and this means a comparative loss of status for those who thrive with physical science.

Perhaps the most obvious challenge at this stage is managing stakeholder groups that are at different stages of development. With the oldest participating organizations, the GAN must generate activity that is shifting into the social change emphasis, while at the same time the GAN must bring in new participants who will focus on the physical science activity. The mix will become increasingly complex as the GAN continues to expand.

By this time the initial funders are often tiring of providing support, and one key challenge at this stage is for a GAN to develop an economic model of sustainability. So far, there is no easy solution to this challenge, but the answer lies undoubtedly in two directions. One is to creatively integrate the traditional donation-funding of civil society, profit-based funding of business, and taxation-based funding of government. The other is to push these funding strategies into new directions. For example, this year for the first time 12 national governments agreed to place a fee on international travel to support international development.

At this stage the founders may have trouble letting go. As the network grows substantially in scale, the old familiar ways of working with a relatively small group must change in favor of more institutionalized and formal accountability and transparency processes. Otherwise, the GAN will be seen as a “clique,” others will find entry difficult, and the GAN will be unable to attract new participants.

***Stage 4: Realizing the Potential***

Because they are a new type of organization, none of the GANs has reached its full potential. And as a group, they have barely begun to interact, so

their collective impact on the global scene has not yet been felt. However, a few of the GANs appear to be moving into a more advanced developmental Stage 4. The following description is based on the hypothesis that GANs *do* continue to develop and grow – and, of course, many reasons they may not are outlined as challenges to this stage of development.

Fifteen years from now, a much stronger sense of global citizenship will likely be shared worldwide, as a complement to our particular ethnic, linguistic, and national identities. When people look back at the rise of global citizenship, GANs will likely have played an important role. They are stimulating actions that reflect global and local concerns, and thereby becoming critical globalizing and integrating agents of diverse viewpoints and resources. We will shift from an *international* organizing framework to a much more global one. One image of the future of a GAN is as a global membrane that will attract organizations around the world that are working on a particular issue. Reluctant participants find legitimacy demands and resource access obliges them to work within systems structured by GANs. A forest company, for example, may not participate directly in the Forest Stewardship Council, but it will find itself working with a market and regulatory framework that are heavily influenced by the FSC. Within this model, with regard to particular issues, GANs will be robust global systems of accountability, knowledge development and sharing, and governance, offering open and easy access to others. They will be sensing and guiding mechanisms for identifying emergent opportunities and challenges regarding their issues, and for developing responses.

GANs-as-global-membranes will support resource transfers, production of public goods and services, co-creation of rules to address global inequities, wealth development, and effective governance. Creating “alignment” within their issue system is a key task – they will be negotiators, arbitrators, and change agents skilled at smoothing the connections between diverse interests of their particular

issue system. They have the ability to do this without requiring homogenization because they are agents that support diversity within globalization with an emphasis on subsidiarity. GANs are known for providing a trust and reputation network that facilitates the flow of knowledge and resources with low transaction costs.

We will undoubtedly have many more GANs in specialized issue areas, as globalization heightens concerns about security, inequity and poverty, and mounting environmental pressures increase the demand for globally coherent and large-scale action. The era in which nation-states were seen as solely responsible for issues of peace and security, for example, will likely be bypassed by strategies to bring together stakeholders to collaboratively address tensions, as can be seen with the recent founding of the Global Partnership for Prevention of Armed Conflict. Disaster relief systems that are arising in response to increasing climate variation will be increasingly integrated into systems with dense ties between all actors, in contrast with the traditional response systems of government and their contractual relationships with NGOs. In the field of international finance, new collaborative mechanisms will build on recent activities (e.g., the Equator Principles).

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GANs will be weaving new global issue systems of accountability. As diverse actors work collaboratively in a GAN, they increase their interdependence and understanding of the global whole. Traditional hierarchical organizations operating



locally and globally will find participation in GANs a highly compelling strategy for realizing their individual objectives. However, although they will find great rewards from participating from the inside, they will also find participation requires increased sharing of information, transparency, and accommodation of diverse goals.

Today's GANs are still struggling to be "global." The challenge has many dimensions – geographic, cultural, "glocal," linguistic, and contextual issues of the problem they are addressing. When they are successful, they will reflect Friedman's hypothesis that "the world is flat"<sup>7</sup> with fluid connections between the various nodes. The connections will be particularly robust in four different ways. One is interpersonal – people will find the networks rich sources of personal relationships where traditional connections will be less driven by hierarchy (which will continue to exist within organizations) than by shared interests. A second level of connections

will be local to local – people working on an issue in a community or organization on one part of the planet will easily connect with people elsewhere in the network. There will be similarly robust connections at regional and global levels. All will be facilitated by a network logic that will ease flows of information, resource exchanges, and action between the levels.

As a group, GANs will have developed many inter-GAN contacts that build on ones of today (e.g., between the GRI and Global Compact). Youth Employment Systems and WCN (World Conservation Union) will find shared interests in developing youth employment initiatives with an environmental orientation. The Marine Stewardship Council and the Microcredit Summit will find shared interests in developing sustainable livelihoods for small fishers. The one-on-one exchanges will be facilitated by the fact that the GANs have a common organizing logic and value set. These will

help many GANs work together more ambitiously at the regional and global levels. What at one time were numerous unassociated networks will increasingly become collective global governance forums in which the global social contract will be in ongoing development and implementation. It will function not as a set of distinct directives from the top down, but as a fluid system addressing problems and opportunities.

Gradually, the myriad certification processes and voluntary regulations will become a collaboratively developed system with a few clear principles and easily accessed interpretations that reflect environmental, social, and economic concerns. With increased alignment among stakeholders within an issue system, GANs will be dealing with the challenge of alignment between issue systems and distribution of resources.

As a group, 15 years from now, GANs could well be the critical mechanisms for addressing global governance gaps of participation, ethics, communications, and implementation. Today, the Forest Stewardship Council is the closest we have to the World Ministry of Forests; the Global Water Partnership and World Water Councils have a similar role with water. Collectively, the large-scale health GANs may be seen functioning with the World Health Organization and governments as key stakeholders rather than controllers. Stakeholders in an issue system will know how to easily participate directly in the appropriate GAN.

By collectively interacting, GANs will also learn much more quickly from a broader range of experience. By working together, they will much more cost-effectively develop the new knowledge and innovations needed for their development. And by having an identity as a community, they will develop and make legitimate their unique potential.

## Conclusion

Whether GANs will successfully develop their potential as leading structures in a new global governance architecture is still an open question.

They may become epiphenomenal to a reinvigorated set of intergovernmental institutions, such as the United Nations and those of Bretton Woods. GANs may prove incapable of engaging a sufficient number of stakeholders in a sufficient number of issue areas for them to become a critical global organizing logic. GANs may simply become another set of global bureaucracies and talk shops. Individually, they may never develop the type of impact-measuring systems that provide the needed types of feedback. They may simply become accountable to elites, rather than to citizens globally.

Already we see danger signs that some GANs are chasing out the “movement” and “deep change” parts of their missions and activities because it is easier to flow with the status quo, maintaining sustained antagonism involves pain and their change competency is insufficient.

However, the norms that are giving birth to GANs are also part of a much broader set of global trends. The collaborative governance model they represent is one that is increasingly active at the sub-national level as well, mainly because they are more effective than many traditional state-driven solutions.<sup>8</sup> Perhaps the strongest driver of GANs’ development is that they hold the promise of being critical for sustainable development and human security. GANs may not become the dominant global player, but neither are they likely to be insignificant.

Realizing GANs’ potential represents a substantial challenge. However, underestimating the capacity for dramatic change in global governance would be a mistake. The transformation from empires to a nation-state global system only occurred with the end of the British Empire after World War II and the more recent break up of the Soviet one. At the beginning of the twentieth century, four-fifths of the world’s population lived under monarchs or empires; as late as 1950, 70 percent of the world lived under non-democratic rule. Today nation-states are considered the norm and democratic regimes have become much more pervasive.<sup>9</sup> We know our current global action structures are

not producing the outcomes we want. War is still too common, poverty too widespread, inequity too great, environmental destruction too common, climate change too threatening. Dissatisfaction with the status quo, visions for how we can

create a much better world and growing understandings and capacities to realize human potential are, more than anything else, the enabling environment of GANs. ■

## ENDNOTES

- 1 This article draws heavily from:
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- 2 Expanded from a table presented in: Waddell, S. and S. Khagram (2007). Multi-stakeholder global networks: emerging systems for the global common good. *Partnerships, Governance And Sustainable Development: Reflections on Theory and Practice.* P. Glasbergen, F. Biermann and A. P. J. Mol. Cheltenham Glos, UK, Edward Elgar Publishing: 261-287.
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