



Event Outcome Report

## Governance in Philanthropy Roundtable

**Event Date:** 31 October 2019

**Event Location:** King Khalid Foundation, Riyadh, Saudi Arabia



## Governance in Philanthropy Roundtable Overview

Over the years, foundations and non-profit organisations in the Gulf Region have increased both in size and scope. The desire to generate scalable impact through philanthropy has also grown, and questions about efficiency, strategy and transparency in the sector have been raised and discussed across various regional and international platforms.

Pearl Initiative's research on the sector demonstrates that donors and non-profit organisations believe that improving governance practices is a priority for the Gulf Region's philanthropic sector. The key to meeting this need is for the promotion and implementation of sound governance mechanisms that promote greater efficiency and accountability across the sector.

This roundtable convened leading representatives based in Saudi Arabia from the sector to launch the "Governance in Philanthropy Fundamentals" guide and toolkits, developed in collaboration with King Khalid Foundation. The publication is delivered as part of the Pearl Initiative's Governance in Philanthropy programme, which aims to promote the implementation of governance best practices in philanthropy.

### Speakers:



**Yasmine Omari**  
*Executive Director*  
Pearl Initiative



**Elham Al Sanie**  
*Director of Capacity  
Building Programme*  
King Khalid Foundation



**Lujain Ubaid**  
*Co-Founder*  
Tasamy



**Naif Al Khalifa**  
*Chief Executive Officer*  
Hawkamah Solutions



**Hammam Zare**  
*General Manager*  
Majid Society

## Introduction and Welcome Remarks

Elham Al Sanie from the King Khalid Foundation welcomed the guests. Ms. Al Sanie highlighted the increasingly important role governance plays in ensuring the efficacy and success of non-profit organisations. Defined as the policies, procedures and relationships that regulate an organisation, good governance practices promote transparency, accountability, efficiency and trust across the philanthropic sector.

The King Khalid Foundation has and continues to contribute to the capacity building of the sector through various workshops and training programmes targeted towards board members and senior management of non-profit organisations. More recently, they have partnered with the Pearl Initiative to deliver guides and toolkits to facilitate the adoption of best governance practices in philanthropy.

Delivered as part of the Governance in Philanthropy programme, Yasmine Omari introduced the [Governance in Philanthropy](#) guide and toolkits, and the manner in which they can be utilised. She further elaborated on the programme and its mission to support corporate and institutional donors striving to be more strategic and impactful in their giving.

To further advance the mission of the programme, the Gulf Business Philanthropy Circle was launched earlier this year to share challenges, best practices and deliver recommendations to corporate and institutional donors to drive strategic philanthropy forward.

Yasmine highlighted that the Pearl Initiative had conducted [research](#), where significant data on the governance expectations of institutional donors pointed to the three (3) main challenges in the sector, these being; transparency, reporting and impact. To this end, she noted the urgency to practically address and equip the relevant players in the sector with the tools to ensure greater transparency, and more strategic giving which in turn will maximise impact in the wider sector.



## Panel Discussion

### Understanding Governance

Building on the introduction given by Elham Al Sanie with respect to defining governance, Elham Al Sanie proceeded to moderate the panel, highlighting that governance is a management system, and like any system, it has multiple understandings and interpretations. For this reason, agility in governance is key to its successful implementation, particularly across diverse cultures. It was said that the challenge lies not only in defining the system, but in applying it effectively.

Speaking about his experience in Majid Society, Hammam Zare explained that their governance journey started with the assembly of the Board of Directors, which then trickled down across the entire organisation. Today, governance has become a top priority for the organisation.

As the founder of an endowment, Tasamy, Lujain Ubaid offered her perspective, stating that Tasamy's journey with governance began early on in their establishment through the endowment charter. This has helped them to define roles and responsibilities early on to ensure their financial sustainability.

It was further suggested that in dealing with philanthropic capital, the need to adopt a culture of accountability and transparency has put extra pressure on the non-profit sector to adhere to the highest principles of governance. Naif Al Khalifa from Hawkamah Solutions argues that non-profit governance today competes with systems and standards applied in the Private Sector, which demonstrates the progress made over the past years.

The development of governance practices in the non-profit sector is on par with the development of corporate governance as applied in the private sector.

Naif Al Khalifa





## Deriving Value from the Board

Following the introductory statements from the panellists, the structure and responsibilities of non-profit boards were discussed in detail. Although the board's main responsibility is to ensure the financial sustainability of the organisation, the senior management is responsible for the communication of critical information to the board. This channel of communication will ultimately define the effectiveness of the board.

An additional factor that impact the effectiveness of a board is its structure. On this subject, the panellists highlighted the following:

- The board should consist of anywhere between 5-13 members, as stipulated in the new law governing non-profit organisations in Saudi Arabia.
- Members should have diverse experiences and backgrounds.
- The chairman should be heavily involved and active in order to engage members in the activities of the organisation.
- The board should meet quarterly and hold annual board evaluations to assess their engagement levels.
- Technology should be deployed as and when necessary to ensure greater interactions with the members.

Some of the challenges that were discussed include:

- Lack of benchmarking data to measure the success of governance practices in the non-profit sector.
- Inconsistencies in the language used to describe and define governance standards.
- Recruiting board members.

The main responsibility of the board of an endowment is to ensure its financial sustainability.  
Lujain Ubaid

## Stakeholder Management

Stakeholders in the non-profit sector include the board, beneficiaries, employees, donors and government regulators, among many others. This is a challenge in the sector, as organisations work with key players to generate social change. Further, the often complicated and conflicting meanings of governance pose a great challenge to organisations that are managing multiple stakeholders.

The panellists suggested the following to ensure the successful engagement of stakeholders:

- Undertake a biennial assessment of stakeholders, understanding their needs and impact on the organisation.
- Identify internal and external stakeholders and adopt targeted management frameworks.
- Devise a strategic communications plan based on the findings of the assessment to ensure the sustainability of their relationships.
- Raise awareness amongst stakeholder communities, not only about activities, but also regarding governance structures.
- Maintain and purport ethical conduct when dealing with all stakeholders.
- Develop and enhance stakeholder communication routinely to ensure their engagement.

The panellists added that donors often rely on detailed reports as an effective form of engagement.

The way in which management presents information to its stakeholders defines the success of their engagement with them.  
Hamam Zare



## Transparency

Transparency is a key element of corporate governance. Lack of transparency across business operations can cause grave damage to the economy. As such, in a sector that aims to do social good, financial and non-financial disclosure becomes even more critical, not to mention the public demand for greater transparency in philanthropy.

The points below summarise the key insights shared by the panellists:

- Transparency creates trust with all stakeholders, particularly the wider society.
- Although transparency is not a burdening task, it could be a financial burden on an organisation.
- Transparency facilitates access to greater resources by maintaining successful relationships and building trust.
- Transparency stems from the culture of the organisation, which is set by the senior management and the board.

## Recommendations

The key outcomes of this session are summarised below:

- When funding non-profit organisations, donors look for three main elements:
  - Information about beneficiaries,
  - Financial reports, and
  - Impact evaluation.
- Grant-making foundations play a critical role in developing the capacity of the non-profit sector by demanding specific financial and non-financial reports.
- Internal controls help promote the effectiveness of governance practices across the organisations and ensure their implementation.
- Reporting should be tailored to the nature of the audience.

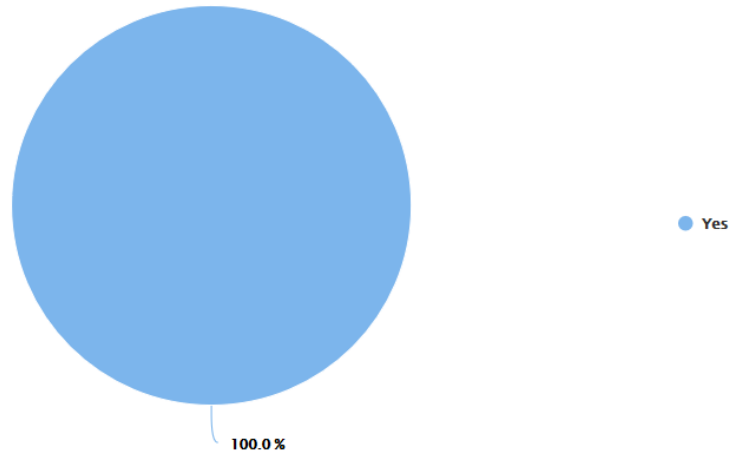


## Closing Session

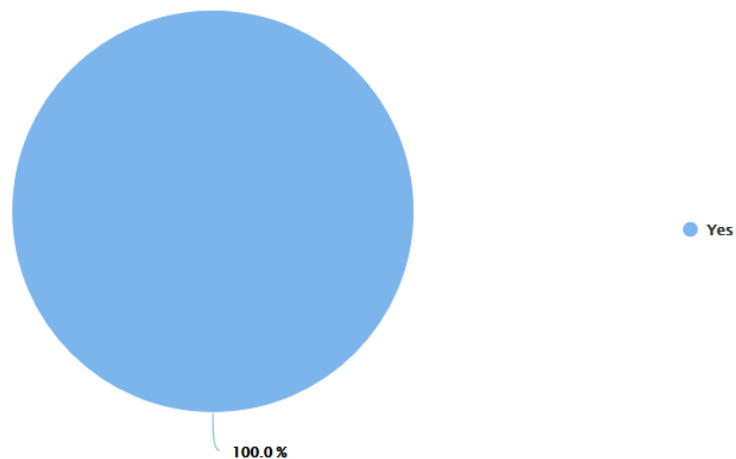
### Audience Engagement

Before closing the session, Yasmine Omari engaged with the audience through the Pearl Initiative's live polling application. The charts below summarise the responses from the audience.

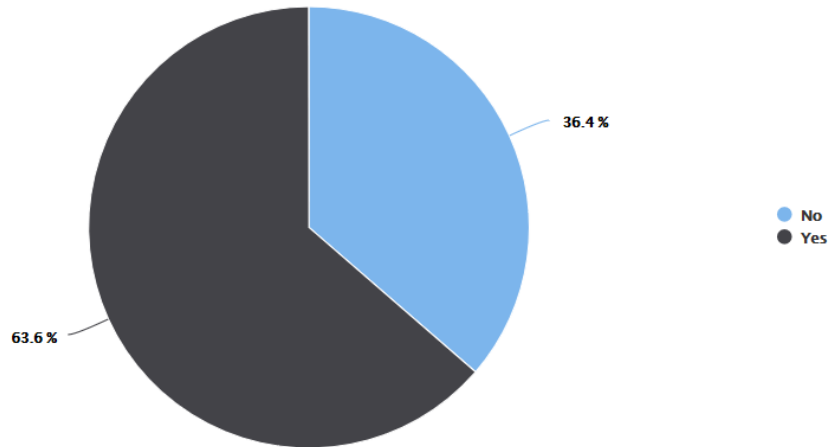
Do you think there is a need to improve governance practices in the non-profit sector?



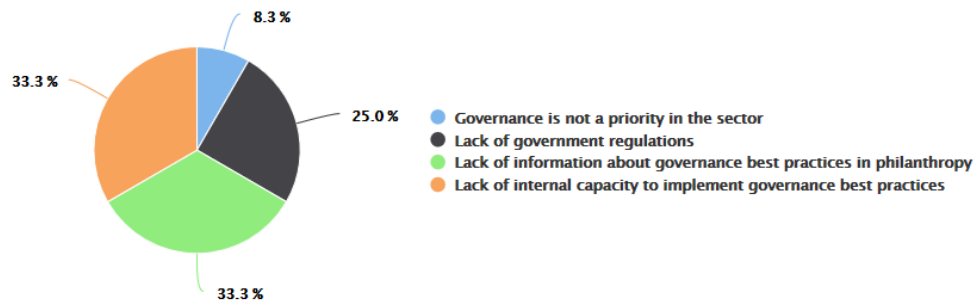
Do you think that there is a need to improve governance practices within your organisation?



Do you consider your organisation to be transparent?



What would you consider to be the main challenge to adopting governance best practices in philanthropy?



# Appendix 1

## Event Agenda

09:00 – 09:30 Registration

09:30 – 09:45 Welcome Remarks

09:45 – 10:00 Introduction to the “Governance in Philanthropy Fundamentals” guide and toolkits

10:00 – 11:30 Panel Discussion

*This panel will discuss challenges, opportunities and recommendations for implementing greater standards of governance and transparency in the philanthropic sector.*

11:30 – 12:00 Networking and Wrap-Up

### Key Information

**Number of Attendees:** 28 attendees

**Profile of Attendees:** CSR and Sustainability Managers, Family Offices and Directors managing philanthropic capital, and Heads of non-profit organisations

### Attendee Feedback:

Quality of registration & administration – **80% satisfaction rate**

Quality of networking experience – **50% satisfaction rate**

Overall quality of event – **74% satisfaction rate**





## Appendix 2

### Panellists

#### Lujain Ubaid, Co-Founder, Tasamy

Lujain Ubaid is the co-founder and CEO of Tasamy for Social Entrepreneurship, a non-profit dedicated to establishing an ecosystem and a safe haven for social entrepreneurs in the region. Previously honoured by HRH King Salman for her various volunteering activities conducted during her tenure at ALGhad forum, an esteemed national youth development focused organisation in which she was a founding member of the strategic planning team. Born and raised in Riyadh, Saudi Arabia, with her background in finance she diversified her knowledge by participating in the Harvard Business school Women Executive Leadership Program, as well as Columbia Business School's Executive Education Program for Non-profit Organizations. She is also an Acumen Global Fellow and she worked as the Chief Strategy Officer for Ignis Careers in Hyderabad, India. A CEDPA Alumna, she has been representing the social entrepreneurship field in the region at several national and international conferences, forums, and summits.

#### Naif Al Khalifa, CEO, Hawkamah Solutions

Naif Al Khalifa is an administrative expert who is specialising in Corporate Governance and Internal Audit, Human Development, Financial Analysis & Investment and Risk Management. He is also a keynote speaker in related professional platforms and communities. Naif led a group of companies and contributed to strengthening the Internal Control of several companies through his engagement in board memberships, and the membership of Internal Audit Committees, and through the consulting engagement. He worked as the Head of Internal Audit Department of Abdul Latif Al Essa Group, Assistant to Senior Auditor at PricewaterhouseCoopers, Member of the Audit Committee of Riyadh Valley Company, Board Member of Al Khalifah Gold & Jewellery Factory, Managing Partner of Hawkamah Solutions Company, as the CEO of Masarat Global, and Vice-Chairman of the Executive in the First Project Company. In the area of consulting work, he led several projects within the Vision 2030 initiatives for government institutions, and supervised projects of governance review and design in commercial and non-profit organisations.

Naif holds a bachelor's degree in accounting from King Saud University in 2003. He has received several development programmes that have influenced his professional experience and knowledge, including specialised programs in Risk Management, Fraud Detection, errors and fraud in financial reports.

Naif is a member of the Saudi Organization for Certified Public Accountants (SOCPA), a member of the IIA, and a candidate for the membership of IIA Board of Directors, a member of the Saudi Accounting Association (SAA). In addition to his professional experience, Naif is interested in writing and disseminating of knowledge in his areas of interest. He has several publications in Al-Eqtisadiyah Newspaper, Arqaam newspaper, and contributed to the preparation of master's and doctoral theses as an expert in his field. He issued his book entitled (What is the Management of Internal Audit and Risk Management Within Institutions) in Arabic. Naif Al-Khalifa is well-versed, good interlocutor, and has many relationships with individuals and institutions associated with his field of expertise, and he has passion for media and IT fields.

#### Hamam Zare, General Manager, Majid Society

Hamam currently works at The Society of Majid Bin Abdulaziz for Development and Social Services (Majid Society) as the general manager, where he specialises as a management and marketing consultant.

He is working towards achieving qualitative change in the non-profit sector and influencing decision-making by using his experience in establishing professional work standards to achieve expectations among the objectives of strategic planning, administrative and executive procedures, which has led to accomplishing many achievements such as leadership in the implementation of the Annual Sustainability Report by an international review, the issuance and implementation of the Governance Guide at all administrative levels, the implementation of organisational excellence models, and receiving several awards including: King Khalid Award, Makkah Award for Excellence, Sharjah Award for Volunteerism and Prince Mohammed Bin Fahad Award for Best Charity Performance in the Arab World, Great Place to Work Award in Saudi Arabia.



## **Pearl Initiative**

### **Outcome Report**

Among his significant previous positions, he has occupied several spots including Director of Jeddah International Exhibitions and Conferences Center in Jeddah Chamber of Commerce and thereafter Secretary of Jeddah Festival, Country Manager of Dabbagh Information Technology (Saudi Arabia), Advisor to Sultan Bin Abdulaziz Humanitarian City, Executive Director of Arab Conference Company. In addition, his participation in Jeddah Economic Forum (JEF) and Jeddah Festival, where he was a member of the founding team of both of them.

He is a member of many boards, committees and many awards committees. He has presented as a speaker at many local and national events and participated in various workshops and throughout his career.

He was awarded a Bachelor's degree in Business Administration from King Abdulaziz University in Jeddah. In addition to many specialised training courses such as strategic thinking and planning, institutional excellence, building high performance boards.

## Appendix 3

### Traditional Media Coverage



السياسة  
AL-SAYASSAH

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الخميس 17 من ربيع الأول 1441 هـ - الموافق 14 نوفمبر (تشرين الثاني) 2019 م (السنة 51) العدد (18192)

## تستهدف القطاع الخيري غير الربحي في منطقة الخليج "مبادرة بيرل" تطلق دليل "أسس الحوكمة" في السعودية



■ جانب من اجتماع منظمة "مبادرة بيرل" غير الربحية

تضارب المصالح، ميثاق مجلس الإدارة، ومدونة قواعد السلوك للموظفين. من جهتها قالت الأميرة نوف بنت محمد، الرئيس التنفيذي لمؤسسة الملك خالد أن الحوكمة الرشيدة للمنظمات في مختلف القطاعات أصبح مطلب عالمي و وطني، حيث نصت أهداف التنمية المستدامة وروية المملكة 2030 على أهمية بناء مؤسسات قوية وفعالة وخاضعة للمساءلة وشاملة على جميع المستويات. بدورها أكدت ياسمين عمري، المديرية التنفيذية لمبادرة بيرل، إنه ومع زيادة حجم ونطاق وعدد المؤسسات الخيرية وغير الربحية في منطقة الخليج العربي، غدت الحاجة ملحة لتحسين ممارسات الحوكمة في القطاع غير الربحي، عبر وضع خطوط عامة ومبادئ للالتزام باليات الإدارة والحوكمة الرشيدة التي تعزز المساءلة والشفافية.

■ أطلقت منظمة "مبادرة بيرل" غير الربحية العاملة على نشر الثقافة المؤسسية في منطقة الخليج، بالتعاون مع مؤسسة الملك خالد التي تسعى لتحقيق الازدهار في المجتمع السعودي، دليل "أسس الحوكمة" في القطاع غير الربحي، وذلك استجابة لنتائج أبحاث أجرتها المبادرة العام الماضي والتي أظهرت سعي الجهات المانحة والمؤسسات غير الربحية إلى تحسين ممارسات الحوكمة في القطاع الخيري في منطقة الخليج. ويخدم الدليل مبادئ توجيهية تفصيلية عن هياكل الحوكمة في المؤسسات الخيرية وغير الربحية التي تساهم في فاعلية وكفاءة المنظمات العاملة في هذا القطاع، ويتضمن كذلك مجموعة من النماذج التكميلية لهذه المبادئ، ويحتوي الدليل على تسعة بنود، من أبرزها: تفويض السلطة، إدارة المخاطر، سياسة



## «مبادرة بيرل» ومؤسسة الملك خالد

### تطلقان «الحوكمة في القطاع غير الربحي»

وقالت الأميرة نوف بنت محمد، الرئيس التنفيذي لـ «مؤسسة الملك خالد» إن الحوكمة الرشيدة للمنظمات في مختلف القطاعات أصبحت مطلباً عالمياً ووطنياً، حيث نصت أهداف التنمية المستدامة وروية المملكة 2030 على أهمية بناء مؤسسات قوية وفعالة وخاضعة للمساءلة وشاملة على جميع المستويات.

ومن جهتها، قالت ياسمين عمري، المديرية التنفيذية لمبادرة «بيرل»، إنه ومع زيادة حجم ونطاق وعدد المؤسسات الخيرية وغير الربحية في منطقة الخليج العربي، غدت الحاجة ملحة لتحسين ممارسات الحوكمة في القطاع غير الربحي، عبر وضع خطوط عامة ومبادئ للالتزام باليات الإدارة والحوكمة الرشيدة التي تعزز المساءلة والشفافية.

أطلقت مبادرة «بيرل»، و«مؤسسة الملك خالد»، دليل «أسس الحوكمة في القطاع غير الربحي»، وذلك استجابة لنتائج أبحاث أجرتها المبادرة خلال العام الماضي، حيث أظهرت النتائج بأن الجهات المانحة والمؤسسات غير الربحية تعتقد بأن تحسين ممارسات الحوكمة يمثل أولوية للقطاع الخيري في منطقة الخليج العربي.

ويقدم الدليل مبادئ توجيهية تفصيلية عن هياكل الحوكمة في المؤسسات الخيرية وغير الربحية التي تساهم في فاعلية وكفاءة المنظمات العاملة في هذا القطاع. وأوصت مبادرة «بيرل» و«مؤسسة الملك خالد» كل منظمة ومؤسسة تستخدم دليلها الجديد، بإجراء تقييم وتعديل مستقل ومخصص لبعض التفاصيل، بما يتماشى مع احتياجاتها التنظيمية والتشغيلية والاستراتيجية.

## Appendix 4

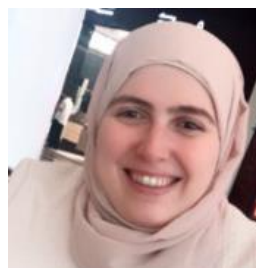
### Pearl Initiative Team

#### Yasmine Omari, Executive Director



An expert in governance for family firms, Yasmine joined the Pearl Initiative as Head of Programmes, and was appointed as Executive Director in 2019. She has experience in the implementation and operation of governance systems, as well as business performance and risk management capabilities for private companies and family offices. Prior to joining the Pearl Initiative, Yasmine was an Associate Director at Deloitte and supported clients in navigating the business challenges faced by entrepreneurial families in business. Yasmine has a legal background and holds a degree in Law and Arabic from SOAS, University of London.

#### Lamia Adi, Senior Programme Associate



Before joining the Pearl Initiative, Lamia worked with Pink Tank, the Dubai-based consultancy focusing on research and knowledge-based conferences in the Gulf Region. In her role at the Pearl Initiative, she supports in planning, managing and implementing governance and diversity programmes across the Gulf Region. A graduate of bachelor's degree in Foreign Service from Georgetown's University School of Foreign Service with a minor in Arab and Regional Studies, she is keen on contextualising research and adding tangible value to the region.

#### Sumaya Nair, Junior Programme Assistant



Having previously worked closely with developmental social enterprises in the UAE, Sumaya is concerned about a wide range of global issues, including conflict zones, humanitarianism and philanthropy. With a degree in International Politics, she is also passionate about corporate governance and the role the private sector has in pushing forward the SDGs. At her role at the Pearl Initiative, she supports in the managing and implementing of the Governance in Philanthropy and Governance in Family Firms programmes in the Gulf Region.