



# Case Study

## (In)formal Governing bodies that work well in practice: Why Not!?

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# ABOUT CASE STUDY

Good governance of civil society organisations is essential for public trust and the sustainability of the civil society sector. Research reports on the state of civil society by the EU TACSO 3 project, based on surveys of more than 1,000 CSOs, have identified CSO Governance in the Western Balkans and Türkiye as a challenge in recent years.

As a consequence, the EU TACSO 3 Project commissioned three case studies on CSO Governing Bodies from the Western Balkans and the Türkiye region. The aim of the case studies is to provide an up-to-date understanding of current governance practices in the region. These case studies provide the core evidence of current practice and challenges facing governance, to be used as material for training and development opportunities for members of governing bodies, and senior staff of CSOs in the region.

The case studies present a variety of practices in terms of governing bodies, including key roles and responsibilities as well as the reasons behind the chosen governance arrangements. The case studies shed light on perceived advantages and challenges in terms of governance from the people within in their daily operations.

These up-to-date examples provide inspiration and a basis for reflection on the issues and dilemmas faced by CSOs in real life, with practical lessons learned with a view to initiate and inspire organisations to strengthen good governance practices. The case studies may be used as reading for interested parties and as capacity building training material.

The author and the EU TACSO 3 project team thank the Why Not team for agreeing to be part of this project and for their unconditional support during the research.



# A LOCAL CHAMPION: OVERVIEW OF WHY NOT?

The Citizens' Association Why Not (Zašto ne?), established in Bosnia and Herzegovina, is active in different yet interconnected fields. It aims to create innovative platforms that encourage democratic and civic engagement in modern society.

The organisation was founded in 2001 as a youth peace organisation. Initially, their aim was to work on the demilitarisation of society and establish the right to conscientious objection. The organisation's mission was eventually expanded.

It now focuses on the creation of a safe, healthy, active, efficient and responsible society of Bosnia and Herzegovina through the promotion and establishment of political accountability mechanisms, strengthening and building civic activism, and the use of new media and technologies. It works in collaboration with other civil society organisations, institutions and individuals.

The organisation has a staff of 24, supported by additional external collaborators, and a large volunteer base. Through related initiatives, several hundred people are involved in their work. The organisation is a member and a founder of national and regional networks.

The logo for 'ZaštoNe' features the word 'ZaštoNe' in a bold, sans-serif font. The 'Zašto' part is in a dark blue color, and the 'Ne' part is in a red color. To the right of the text is a stylized icon of a red and blue house with a white exclamation mark inside it.

# GOVERNANCE STRUCTURE & DECISION-MAKING

Why Not operates a governance structure consisting of an Assembly, a Governing Board, and an Advisory Council. In addition, an informal Coordination Body plays a key role in operational and strategic decision-making.

The **Assembly** is the highest governing body and has the power to amend the statute, appoint and dismiss its President, who chairs the Assembly, as well as the members of the governing bodies and the Executive Director. At annual meetings, it adopts the financial accounts and the budget, as well as the Governing Board report.

It decides on the formation of new governing or management bodies, and on joining coalitions and networks. Besides the permanent members, the statute allows for honorary membership for persons or legal entities with demonstrated contributions to the promotion of the goals and activities of the Association.

This option is not utilised, though. The Why Not Assembly is composed of six members, half of whom are women. Most of them are the founders as well as long-term employees of the organisation, including the Executive Director.

The decision-making power is held by those actively working in the organisation, which is rooted in the Why Not organisation's long experience and is also based on practical realities. Statutory changes recognised that the ones who have the greatest stake in its work are the long-term employees, and this existing reality was formalised by institutionalising their role.

A 50%+1 rule applies to convene and to pass decisions in the Assembly. The only exceptions are for the adoption of the Statute, any decision to terminate the association, the recall or expulsion of board members, which all require a two-thirds majority vote. Voting is public, unless a secret ballot is called for, while the session can be held by electronic communication.

The **Board of Directors (Governing Board)** has the power to adopt the strategic plan, work programmes, and annual plans and propose programs and development plans for the organisation. The statute allows both members of the association and external persons to be elected for a four-year term.

However, in practice, all five board members are persons with relevant knowledge and experience coming from a partner or relevant stakeholder organisations of Why Not. The President of the Board, elected by and among the ranks of their own, is a former long-term employee of the organisation. She (in this case) has valuable insights on how the organisation operates inside-out. The value of the board is in its advisory and oversight function, providing strategic guidance and external expertise.

Decision-making is structured around majority voting, but consensus is sought whenever possible in practice. Given the background of its members, interviewees suggest that major disagreements are almost non-existent – indeed, differences exist on the approach, but they do not diverge on strategic directions.

The Board is convened at least three times a year. Sessions can be held in person as well as online. Informal engagement with the executive arm is regular, and it is used to consult on strategic matters and major decisions that need to be taken, typically those responding to external challenges.

The Why Not statute allows and foresees an **Advisory Council** to support the association's work. Composed of experienced individuals in relevant areas and with recognised integrity, the Council serves the Board of Directors to gather opinions from one or all of its members. The members of the Advisory Council, including its chair, are elected by the Assembly, upon the proposal of the Executive Director. This body, however, has not yet been formally elected – this is still a work-in-progress.

The Executive Director manages the work and all the employees of the organisation. He (in this case) is responsible for implementing the governing bodies' decisions, and reports to the Governing Board annually. These tasks are delegated to the President of the Assembly in his absence. A distinguishing feature of Why Not's governance structure is its **informal Coordination Body**, which is composed of programme coordinators, editors, and key staff members. This body, while not officially recognised in the organisation's statute, plays a crucial role in decision-making, particularly in operational matters.



As the Assembly members are part of this body, this informal governance mechanism serves as an “extended assembly” that feeds into decisions to reflect on the organisation's core mission and ongoing projects, as well as operational decision-making. These deliberations lead to consensus-driven decisions or feed arguments to the Executive Director that strengthen the organisation's internal buy-in.

There is a shared view by interviewees that this body is beneficial for the organisation allowing senior staff that are not assembly members to be at the heart of shaping the strategic orientation and operational decisions of the organisation.

It was considered by some interviewees that this body may eventually constitute the new Assembly in a future version of the statute. However, due to current priorities, the focus has been on the implementation of planned activities, rather than statutory changes that would formalise these changes.



# STAKEHOLDER ENGAGEMENT

Why Not engages with multiple stakeholders, including journalists, civil society actors, donors, and policymakers. Stakeholder involvement occurs through regular engagement at their own and partners' events, as well as active participation in national and regional networks. Coupled with work on joint projects, stakeholder opinions have been taken on board in operational matters and have a strategic influence on the organisation.

Why Not, however, does not have formal processes and frameworks to gather and streamline stakeholders' input. Partner CSOs and relevant institutions input has been informally gathered and discussed with staff and in the coordination body. A notable example of donor involvement is having their representative at the project steering committee.

In view of the interviewees, the organisation's governance structure evolved to recognise the necessity of stakeholder engagement.

The composition of the Governing Board with experienced external members is considered instrumental in building a cooperation and partnership structure with different organisations and partnerships.

This development reflects the evolution of civil society in the country, as well as the need for collaboration is greater, given the decreasing number of active organisations.



# STRATEGIC MANAGEMENT & OVERSIGHT

Why Not has adopted a multi-annual strategic plan. The plan defines the strategic directions of three operational programmes and core projects of Why Not. The organisation's statute prescribes that the Executive Director, in cooperation with the Board of Directors, prepares the strategic plan as well as annual programmes and work plans. The document is later adopted by the Board.

In practice, the strategic planning at Why Not follows a participatory approach and takes place in annual strategic planning sessions. These sessions serve as annual strategic deliberations to review priorities, as well as to address pressing organisational matters such as employee wellbeing.

The primary input comes from employees, while the board members are invited and, due to availability challenges, board members participate in some of the strategic deliberation sessions.

To address this matter, the document is circulated to the board members via digital means to gather additional feedback. The Executive Director presents the outcomes of the strategic planning exercise to the Governing Board before their adoption.

The organisation applies a programme specific, as well as a project specific approach on reporting according to donor requirements.

An Annual Report provides information on key achievements and metrics according to their strategic commitments and programmes. Some interviewees noted that limited resources and capacity constraints prevent more systematic monitoring and oversight.

A board member noted that external pressures, common in the Western Balkans, require them to focus on reactive rather than proactive thinking, balancing strategic objectives with immediate reactions to pressures and threats in shrinking civic space.





# FINANCIAL MANAGEMENT & OVERSIGHT



Financial management is regulated by internal policies, such as accounting, procurement, payments and others. Financial management responsibilities are handled by the Executive Director and the finance coordinator. In general, the Governing Board in its current composition brings valuable input for opportunities and approaches to fundraising as well as for building potential partnerships.

The adoption of final accounts and the financial plan falls under the responsibility of the Assembly. The Board of Directors is tasked to prepare and submit the proposed financial plan to the Assembly and to monitor its implementation. In practice, core funding and long-term costs are overseen by the Executive Director and Financial Coordinator, while teams handle additional operational costs. Regular financial reports are submitted to donors, and annual audits are conducted.

In light of the recent major paradigm shift and cuts in funding from certain donors, Why Not has to, as many others have done, hold deliberations and eventually make important decisions on financial sustainability.

The Executive Director convened the Coordination Body to discuss the impact on the organisation's work and the need for cost-saving measures, relating to staffing/hiring plans and possible restructuring.

While the Assembly holds the decision-making role, the consultations with the entire coordination body demonstrate that critical decision-making involves relevant stakeholders.

The Governing Board plays an advisory role, offering support and information on funding opportunities with a view to overcoming current issues and preparing for potential financial problems. The Board has not been convened formally on this matter yet, but has already been informally consulted. Interviewees expect this to happen in the near future.



# GENDER & DIVERSITY IN GOVERNANCE

The organisation places a strong emphasis on gender equality, with women holding leadership roles in both the Assembly and the Governing Board.

While not carved in stone, the individual values of Why Not members and employees drive gender mainstreaming in the organisation work. The organisation has also integrated gender considerations into its hiring practices.

While gender balance is maintained, there are no formal written policies on gender inclusion. Interviewees suggested that codifying gender-sensitive governance practices could further institutionalise inclusivity.



# ENVIRONMENTAL SUSTAINABILITY IN GOVERNANCE

Environmental responsibility is formalised as an organisational priority within the statute as the promotion of environmental protection, yet such activities have not been incorporated into the strategy, nor does the organisation have a formal environmental sustainability policy.

The Why Not team sees this matter as a natural part of the culture rather than something that requires separate policy attention. This topic is not focused on by the Governing Board's oversight either.

Nevertheless, in practice, Why Not has adopted sustainability-conscious practices. Fact-checking environment related news are done as part of the scope of the work.

Limiting printed materials, eco-friendly promotional products as well as aviation travel reductions are embedded in project planning, while individual efforts of the staff include recycling or traveling by bicycle.





# LESSONS LEARNED

Why Not presents a unique case of an adaptive structure that blends formal statutory bodies with informal yet functional governance mechanisms that are intended to allow for agility and inclusiveness in an organisational context. Careful selection of Governing Board members allows for flexibility and buffers in times of shrinking civic space. The organisation's focus on inclusive leadership and employee-led governance provides insights for civil society actors navigating similar conditions. It provides room for argument if such practice, coupled with informal decision-making bodies, may leave room for ambiguity and risks of legitimacy and accountability.

## **Participatory decision-making and planning**

Strategic and operational decision-making incorporates key staff beyond statutory bodies, as well as strategic planning sessions involve program coordinators and staff, contributing to internal ownership and alignment between daily work and long-term objectives. Circulating drafts for digital feedback ensures wider participation of governing bodies, even when availability is limited.

## **Experienced and diverse board composition**

Board members bring external expertise and connections. Their background in the civil society and with partner organisations reinforces Why Not's strategic relevance and networking capabilities.

## **Consensus-driven culture**

Although voting procedures exist, decisions are typically made by consensus. This informal norm has fostered internal cohesion and minimised conflicts.

# AREAS FOR IMPROVEMENT

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## **Formalisation of informal structures**

The Coordination Body plays a central role, but its authority and functions are not defined in the statute. Formalising this body in the management function could enhance transparency and clarify lines of responsibility, including in crisis situations.

## **Strategic oversight capacity**

Having employees who serve as Assembly members, particularly when they constitute the entire Assembly, could be a challenge in terms of accountability, oversight, and role clarity. Restructuring the Assembly to include non-staff members or codification of conflict of interest safeguards could ensure clear rules particularly on financial or HR decisions.

## **Lack of formal gender and environmental policies**

The absence of codified policies may hinder the long-term institutionalisation of gender practices and environmentally conscious behaviour. Adopting and monitoring such frameworks could ensure these values are preserved across staff and leadership transitions.



# QUESTIONS FOR DISCUSSION

- Why Not operates with both formal and informal governing bodies. What are your experiences with relying on unwritten norms versus codified rules? How can organisations balance the flexibility of informal decision-making structures with the need for clear accountability and legitimacy?
- Why Not's Assembly is composed (entirely) of long-term employees who hold key operational roles. What are the benefits and potential risks of having staff serve as members of the highest governing body? How can CSOs balance institutional knowledge with the need for independent oversight and accountability?
- In Why Not's case, gender and environmental mainstreaming is practiced without a formal policy. Should CSOs formalise environmental goals in governance structures, and what would be the practical steps to do so? What are the pros and cons of institutionalising such values through official policies?



