FAQs to support consultation process: stakeholders

Update 21 June 2017

Why are you not proposing to change the Council structure at the same time?
The working group recommended Council change the size and composition of Council (see the Options paper availble https://internetnz.nz/organisational-review-consultation-2017), to ensure the Council had the right structure and composition to support the new structure. This would include whether to introduce appointed positions. The Council agreed with this but decided to postpone any changes to the board until next year, to ensure stable governance as we undertook this review. We expect any changes would be voted on at the 2018 AGM.

We want to see the options paper.
The Council has made this available at
https://internetnz.nz/organisational-review-consultation-2017

How will you ensure the same level of accountability for the running of the registry and .nz policy?
It is proposed that an expert advisory group be put in place to ensure the ability of this .nz function to draw on expertise and knowledge and give a degree of independence to the .nz policy function. Position(s) would be put in place reporting to the Chief Executive but with independence in the execution of regulatory powers.

The Council is committed to the ongoing management of the registry to the same high standard as now. While formal inter-organisational SLAs will no longer be required, the organisation will still need all the same metrics that ensure the quality provision of the registry service.

Our transparency has always been an important part of our accountability framework. The Council is absolutely committed to continuing to be transparent, publishing all performance indicators and Council reports, including recommendations by any advisory board.

The three organisations are performing well. Why do we need to change?
The three organisations are performing well. However, during the course of the review we heard that there were opportunities for us to be even more effective and deliver even more to our members and stakeholders. We have 18 governors for an organisation of 30-40 employees. Our governance and management structures – which have been in place since 2002 – are cumbersome and a lack of single point of accountability makes it difficult to progress work across the group. We are expending a lot of energy making our structure work and creating some confusion for our stakeholders. The Internet and its impact has changed significantly since 2002 and is evolving even more rapidly, and in ways we cannot predict. We need to be faster and more agile to keep pace with the changes in our environment so we can deliver more for our members and New Zealand's Internet users. However, we have not made any decision to change yet and are still considering carefully whether there is a strong case for change.

How does this proposal align with the Hine report?
Both the working group which developed proposals and Council, in considering them, have taken the TLD principles into account as we formed the proposals. Our view is that the published TLD principles,developed four years ago (https://internetnz.nz/tld-principles) are consistent with the Hine Report from over 15 years ago. Whilst the Hine report is an important historical document, it has been replaced by our current day principles which we have no intention of retreating from in this proposal.

Original release

Purpose and scope of the review

Why did you undertake a review?
We were set up in 2002 in a certain way for very good reasons, but our context has changed a lot since then. We've updated our strategic direction, but we haven't taken a comprehensive look at how we're set up since 2008.

Our capability and professionalism as an organisation has matured significantly since 2008.
The scale and impact of the Internet on society over the past decade has also been enormous and is evolving even more rapidly, and in ways we can't necessarily predict. This makes our group's broader mission even more important to New Zealanders than it has ever been. It also makes our ability to adapt and respond to those changes more critical.

As a group, we face increasing competition from the opening up of other top level domains and the choice people are making between different ways of conducting business online (eg through social media, apps). We expect that domain growth will slow – like it has already in many other places around the world. What will not slow down is our need to pursue the objects of the society through the organisation that we have created and crafted over the decades.

In light of our maturity, and the changes in our environment, the Council undertook the review to ensure we were well set up to deliver on our objectives right now and into the future.

Who did the review?
A Working Group was established in December 2016 to own the review and provide recommendations for full Council consideration and decisions. The Working Group comprised of five Councillors, one director from each of NZRS and DNCL, and one independent person.

The Group appointed independent management consultancy MartinJenkins in February to support it with the review. MartinJenkins have extensive expertise supporting organisations like ours and the Group believed their assistance would be useful in developing a comprehensive view of the issues, and opportunities, for our group.

Whose views were taken into account?
The Working Group gathered insights from staff, external stakeholders (including members, former governors, public sector partners, other membership groups and funding recipients) and the Chairs of the Council and two subsidiary boards. It also had conversations with each of the chief executives.

What was the process of the review?
The review was initiated in December last year, following a discussion at the Council's Strategy Day meeting in September when Council took a high-level look at how InternetNZ (INZ) as a group was working, including whether the structure of the group is aligned with its strategy. The Council identified some topics for further investigation, including role clarity, duplication of work, necessary demarcation, lost synergy and clarity of story.

The Council initiated the review with the aim of establishing whether INZ is organised the right way

to most effectively and efficiently achieve its purpose. A Working Group was formed, which appointed independent management consultancy MartinJenkins in February and surveys and interviews with members, stakeholders and employees were completed later that month. The Working Group then developed detailed proposals, which were presented to the Council in May. The Council chose its preferred option, which it is now consulting on.

Case for change

Why do we need to look at changing?
The group strategy (2015–2020) and feedback from stakeholders to inform this review shows that we have come a long way in the last five years towards becoming a more cohesive, professional and effective group. Our three organisations are respected and trusted for their work, highly regarded for collaborative approach and thinking and stakeholders value the expertise of our people. However, what we heard in the course of the review suggests that there are opportunities for us to be more effective, deliver even more to our members and stakeholders, and ensure we are well set up to respond to our changing environment.

We heard our governance and management structures – which have been in place since 2002 – are cumbersome and a lack of single point of accountability makes it difficult to progress work across the group. We are expending a lot of energy making our structure work and creating some confusion for our stakeholders.

The Internet and its impact has changed significantly since 2002 and is evolving even more rapidly, and in ways we cannot predict. We need to be faster and more agile to keep pace with the changes in our environment so we can deliver more for our members and New Zealand's Internet users.

Proposals

What are you proposing to do?
The core proposal is to merge our three organisations into one, governed by one Council. This is a proposed 'operating system upgrade' for us. We aren't proposing to change what we do or pull back in anyway. We are making sure the way we are set up is fit for purpose in our current operating environment to support us to achieve our strategic objectives. This structure would strengthen the work of the group collectively, ensuring that everyone is driving towards the same vision of a better world through a better Internet, promoting the Internet's benefits and uses while protecting its potential. It would also ensure we are flexible and more agile to respond to changes in our environment, allowing us to more easily focus our energy on emerging issues.

Please see the consultation document for more detail including proposed mechanisms to protect the independence of some of our functions.

How did you decide on bringing the three organisations together?
The Working Group developed a set of design objectives and principles to guide its thinking about the future of the group and assess any options for change. The objectives of the Society were the overarching framework.

We considered a range of options that could potentially meet the agreed objectives for this change, including non-structural changes to the way the group works. We believe the option to bring all the functions into one organisation best meets the objectives and principles we set out and provides the best balance of benefit and risk.

Are you proposing any changes to Council?

Alongside changes to our structure we considered the size and composition of our Council. We have not made any proposals to change that at this stage, as we think stable governance is important as we consider how we are set up. However, we intend to review the size and composition of the Council next year, where we will look to reduce our overall size and consider whether to introduce appointed positions. We will be looking to ensure we are the right size and have the right skills represented to support high quality governance of InternetNZ.

How will you protect the independence of some of our functions?

The core of the proposal is to merge our three organisations to become one, governed by one Council. There would still be a strong focus on the high quality delivery of the technology and policy that supports our stewardship of the .nz domain, and our work developing new products. Our commitment to service delivery, and pricing, for the management of the .nz domain would remain unchanged.

It is proposed that an expert advisory group be put in place to ensure the ability of this .nz function to draw on expertise and knowledge and give a degree of independence to the .nz policy function. Position(s) would be put in place reporting to the Chief Executive but with independence in the execution of regulatory powers.

Process and timeframe for providing feedback

Will the Council share a summary of the feedback on the proposals?

Yes, the Council will provide a summary of themes from submissions, with responses as appropriate, at the same time as it announces decisions. No names will be attributed to any submission responses or summaries.

Who will make final decisions?

The Council, as the governing body for the InternetNZ Group, will consider all feedback received and make final decisions. We will discuss decisions with the subsidiary boards and any affected employees in the first instance, before communicating decisions to all employees. We would also share the decisions with members and stakeholders after that.

When will decisions be made?

We are hopeful of making final decisions in August although that is dependent on the volume of feedback we receive. Our intention is to consider feedback and make decisions as quickly as possible so our employees have certainty, and we can focus on our core role as an organisation of advocating for Internet issues on behalf of Internet users.

How do I provide feedback on the proposals?

There is a template online to support you to provide feedback on the proposals. You can find this on the InternetNZ website at https://internetnz.net.nz/organisationalreview. If you wish to meet to discuss the proposals please email Council President Jamie Baddeley (President@internetnz.net.nz) to arrange a time to talk to Jamie, or another Councillor, in person or by phone. Submissions close 30 June 2017.