

A Taste of Tomorrow

Inspiring Change in the Global Food System

Management Letter 2012



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Introduction

This Management Letter describes the activities through which Fairfood International's longer term strategy will be put into practice in 2012.

The basis for this document is the Fairfood International Strategy 2012-2014. This document also reflects the agreements made between Fairfood and its funders and it showcases the organisation's ambitions for the year 2012.

You can obtain this document online via our website at www.fairfood.org/reports.



1. Management and Governance issues

a. Clear strategy

By April 2012, Fairfood International's Board of Directors will have completed and approved a 3 year strategy (i.e. 2012-2014). This strategy will set a clear focus for the organisation for the next 3 years and, will among other things, clearly define the strategic pillars and its enablers. This strategy will also demonstrate how the two will complement each other in order to realise Fairfood's objective of changing the food industry and supporting a sustainable food system. The process of developing this strategy will be inclusive and participatory. The Executive Director will be responsible for ensuring that this strategy is properly documented and implemented.

b. Setting the stage for 2013 and 2014

By the end of 2012 Fairfood International will perform an evaluation of the activities of its four strategic pillars which will inform the operationalisation of the strategy for the years 2013 and 2014. This evaluation will critically analyse how our four strategic pillars interact in practice towards achieving the organisation's mission. The lessons learnt in 2012 will help recalibrate and synchronise the activities of the strategic pillars for the years 2013 and 2014. This exercise will also highlight any areas that deserve special attention. The Directors, leading each of the strategic pillars, will work closely on this. The results of the evaluation will be discussed during the last quarterly Board of Directors meeting of 2012.

c. International Supervisory Board

In December last year, two female members were appointed into the Supervisory Board bringing the total number to five. By the end of 2012 there will also be two new members in the Supervisory Board to replace two of the members that already served two terms each. The Supervisory Board will commence recruitment by June 2012 on a rolling basis. Emphasis will be placed on ensuring that the Board is a multi-cultural and gender balanced team. The Chair of the Supervisory Board and the Executive Director will work very closely on this.

d. Building Fairfood International Advisory Board

During 2012, Fairfood International will continue with the development of an Advisory Board consisting of an international network of prominent experts representing different nationalities and professional backgrounds. This Board is tasked with advising the Executive Board on strategic matters and expanding the professional network of the organisation. By the end of 2012, Fairfood will have appointed at least ten Advisory Board members. Emphasis will be placed on ensuring that this Board is a multi-cultural and gender balanced team. The Executive Director will work closely on this.

e. Corporate Responsibility Policy and Reporting

Fairfood International believes that all organisations, irrespective of size, budget or purpose have a responsibility towards addressing their economic, social and environmental impacts. This includes developing a good policy, reporting on relevant aspects and the implementation of mitigating actions. By the end of the third quarter of 2012, Fairfood will publish its corporate responsibility policy and will also disclose the process of its reporting. Amongst others, the essential aspects of this policy will include: Labour and Working Conditions, Anti-corruption and Ethical Fundraising, Stakeholder Engagement and Whistle-blowing, Access to Resources, Gender and Diversity, Environmental Footprint. To ensure an integrative system, these policy issues will be further elaborated in the existing policies, procedures and work instructions. The Directors of Operations and Research will work on this policy and its reporting, on behalf of the Board of Directors.

f. Rebranding Fairfood International

Following a decade of development especially towards a revitalised strategy and approach, Fairfood International has entered a new phase which often conflicts with its current brand identity. In order to establish an alignment and to increase our brand awareness among our target audiences and stakeholders, in 2012, Management will commence a rebranding process that will involve, amongst others, a complete visual rebranding of Fairfood's essential corporate identity elements. The Director of Communications will work on this on behalf of the Board of Directors.

g. Introduction of Balanced Scorecards (BSC) per Department

In November 2011, Fairfood International had an external audit of its quality management system according to ISO 9001. One of the areas for improvement as proposed by the external auditor was to initiate cascading BSCs indicating Key

Performance Indicators (KPI) per department / per process in order to monitor the performance of these processes and to be able to demonstrate and justify revealing trends connected to the overall mission. Following this advice, in 2012, Fairfood will introduce BSCs per department. During the first quarter of the year, these BSCs will be finalised and will be in use. At each Quarterly Board of Directors meeting, these BSCs will be monitored. The Executive Director and Directors of each department will work very closely on this. The Directors are responsible for effective implementation of the BSC.

h. Measuring Impact

Starting in July 2012, Fairfood will analyse tools that can be used to understand how results captured in the Balanced Scorecards can eventually lead to broader impacts on our objectives. During the third quarter, led by the Director of Research, Fairfood will define its 'change path' and framework for understanding, monitoring and assessing direct and indirect impacts. The Research Department will also investigate and identify different tools and methodologies that are available for outcome and impact measurements and to identify the ones suitable for Fairfood. This will be followed by testing and refining various tools to ensure that the set up is acceptable for the entire organisation to use. By January 2013 there will be a system in place to measure impact, by clearly showing how the organisation's results/outputs from all activities directly feeds into the different stages of change identified in the change path.

i. Alignment of quality indicators with overall Fairfood strategy

Following an ISO certification requirement, until 2011, Fairfood used quality indicators to monitor the quality of the organisation's work. However, due to measurement limitations, the quality indicators do not always portray the actual work quality. The measurement of the value of these indicators does not result in a valid conclusion on the quality of our work. Therefore, Fairfood will go through a process of redefining these indicators in 2012. This will ensure that the indicators are better aligned to the organisation's core strategic functions and are in line with the impact measurements yet to be defined under point 'h' above. Redefining the indicators will also guarantee that information collected on the performance of Fairfood can be used to draw more valid conclusions on the quality of Fairfood's work. The Director of Operations will work on this on behalf of the Board of Directors.

j. New Performance Management Structure

In November 2011, the result of Fairfood's bi-annual Employee Satisfaction Survey was released. One of the areas of improvement outlined in the report includes: more focus on employee development issues.

By the first quarter of 2012, Management will have developed a new Performance Management System that focuses less on individual performance bonus packages and more on investing in enhancing the performance of all the employees in terms of improving skills, competencies and knowledge. A few efforts to this end include:

- 1. Training Sessions:** Reasonable budgets will be allocated to each department for job-related training sessions for some or its entire staff. Directors of each department will ensure that the budgets are used efficiently and effectively. Other general training needs for employees will be compiled and organised by the Human Resources team on a rolling basis.
- 2. Management Trainee Program (MTP):** In January 2012, the Board of Directors will approve another group of five to seven Managers who will follow the yearlong MTP programme. On behalf of the Board of Directors, the Director of Operations is responsible for the effective implementation of the MTP.
- 3. Mentorship:** Some employees may also have need of external mentors for aspects of their jobs. Such needs will be supported by Management and implemented at the discretion of the responsible Supervisors.
- 4. Coaching sessions:** During the year, professional coaching sessions will be arranged for some employees who may be in need of them. Such sessions will be arranged either by the responsible Supervisor or Human Resources Manager, depending on the nature of the coaching need.

k. Clear Management Cycle

Fairfood International intends to conform to stakeholder requirements in a timely manner and to ensure the continuous improvement of all strategic internal processes. To this end, during the first quarter of 2012, the Board of Directors will finalise a clear management cycle that will include tentative deadlines and activities of strategic internal processes such as: Budget 2012, Annual Report 2011, Annual Accounts 2011, Impact Alliance BSCs Q4 2011 and Q1 – Q3 2012, Monthly Closing and Reporting 2012, Department BSCs 2012 Q1 – Q4 Monitoring, Employee Performance Evaluations Q1 – Q4, Plan and Focus 2013 + Management Letter 2013. The Director of Operations will prepare this on behalf of the Board of Directors and will work closely with all relevant parties (internal and external)

l. Effective Internal Communication Strategy (and Policy)

While the organisation is focused on transforming the food industry and ensuring a sustainable food industry, Fairfood International's Board of Directors will ensure that due attention is also paid to internal communication. This is because a sound internal communication strategy is vital to ensuring a cohesive organisation focused on achieving its goals and objectives, as well as serving as a building block of an organisation's culture. By the end of the second quarter, an internal communication strategy and policy will be put in place. The Board of Directors believe that an effective implementation of this will bring about the following:

- Enhanced cooperation between departments and projects especially in terms of sharing resources and information, resulting in less duplication of work and a stronger impact for the organisation as a whole.
- Reduction in misunderstandings arising from conflicting ideas about what is important to the organisation.
- Clarity of roles and responsibilities for important communication aspects will be further enhanced.
- Better communication and relations between employees at Fairfood International Head Office and Regional Offices.

The Directors of Communications and Operations will work on this strategy, on behalf of the Board of Directors. The implementation of this strategy (and policy) will be monitored during each Quarterly Board of Directors meetings.

m. Improving Work Processes

In the next few years, Fairfood International will be working on improving (where necessary) its work processes. For 2012, the essential aspects of this will be:

- The technical re-tooling of our central database - Filelinx;
- Developing clear process maps and work flow charts;
- Updating relevant policies and procedures;
- Good preparation for ISO 9001 re-certification.;

The Director of Operations will work on this on behalf of the Board of Directors.

2. Deliverables per Strategic Pillar

The deliverables of each of Fairfood's strategic pillars are used to meet the requirements and objectives of our donors and ultimately, in realising Fairfood's mission. The four pillars are managed centrally by the Executive Director to ensure that all activities are well synchronised and effective.

Pillar 1. Solid contextual knowledge of food companies and the Industry.

In 2012, the following deliverables are expected:

Quantity	Deliverables
50	Assessment Reports of Companies' CSR Policies
10	In depth Research of Companies' CSR Policies
75	Organisation Checks
30	Fact sheets on standard sustainability solutions
5	Fact sheets on solution tools and implementation
45	Profiles of implementation partners
30	Fact sheets on customised sustainability solutions
10	Power Analysis Reports on major actors in the food industry
1	Collaborative research focused on food industry dynamics
10	Fact sheets on food and beverage commodity production chains
15	Briefing papers on sustainability issues in the supply chain
2	Collaborative research focused on Issues and/or Commodities
1	Information exchange session on organisation checks and ethical screenings
3	Master classes held on advocacy, sustainability and power analysis
2	Support sessions on Oxfam's Food Justice Index
1	Analysis of Fairfood International's impact

On behalf of Management, the Director of Research ensures that these deliverables are met according to specification and quality.

Pillar 2. Direct, Proactive and Effective engagement with food and beverage companies.

In 2012, the following deliverables are expected:

Quantity	Deliverables
1500	New Food and beverage companies contacted and added to Fairfood database (Making a total of 4,000 food and beverage companies)
450	New Food and beverage companies approached through active engagement (Making a total of 750 food and beverage companies)
45	New policy and practice changes by food and beverage companies approached through active encouragement (Making a total of 75 policy and practice changes)
1	Food and beverage companies' feedback Survey

On behalf of Management, the Director of Corporate Engagement ensures that these deliverables are met according to specification and quality.

Pillar 3. Constructive and effective campaigning

In 2012, the following deliverables are expected:

Quantity	Deliverables
2	Campaigns
4	Strategic Features
30	Pieces that showcase the work of Fairfood International, its sustainability agenda and its partners
100,000	Supporters on Facebook
1	Activation of online and offline supporters strategy
100	Products published (e.g. blogs, articles, videos etc.)
8	Sustainability issues / themes addressed
25	Profiles of Fairfood International's work in external media sources

On behalf of Management, the Director of Communications ensures that these deliverables are met according to specification and quality.

Pillar 4. Meaningful partnerships and capacity development

In 2012, the following deliverables are expected:

Quantity	Deliverables	Responsible Director(s)
-	Support Managers in establishing partnerships	Director of Business Development
-	Ensure geographically diverse partnerships	Director of Business Development
-	Support Managers in engaging in Capacity development activities with partners	Director of Business Development
5	Implement capacity development pilots	Director of Business Development
12	Establish and maintain relationships with partners	Director of Research
31	Establish and maintain relationships with partners	Director of Corporate Engagement
1	Partners / Financiers Satisfaction Survey	Director of Business Development

3. Special Projects

In 2012, we will continue to work on a number of projects that further allow us to build on our core activities and focus on specific challenges to sustainability in a given region or sector. Two special projects are already confirmed for 2012 and the expected deliverables are as follows:

I. CNV: Developing the research and advocacy capacities of labour unions in the Global South

Quantity	Deliverables	Responsible Director(s)
2	In-country kick-off visits for new labour union partners	Director Research Director Business Development
2	Sector Mappings Overviews	
2	Training sessions for new labour union partners	
6	Research Assignments conducted by labour union partners	
2	Intensive Training Sessions with Partners	
2	In depth solutions and advocacy researches	
Per quarter	Knowledge sharing with labour union partners	

II. Land of Promise: Protecting the nature and people of the Philippine Island of Mindanao by advocating sustainable production and trade to the pineapple industry

Quantity	Deliverables	Responsible Director(s)
3	In-depth research on sustainability issues pertaining to pineapple production in Mindanao	Director Business Development Director Research Director Corporate Engagement Director Communications
1	Research report on standard sustainability solutions	
3	Research reports on local sustainability good practices	
5	Assessment reports of company CSR Policies	
-	Establish and maintain contact with international organisations relevant to the research activities.	
Several	Companies approached through active engagement	
Several	Policy and practice changes from companies sourcing pineapple from Mindanao and having an impact on the sustainability issues relevant to pineapple production in Mindanao	
-	Establish and maintain contact with international organisations relevant to the corporate engagement and campaign activities.	
1	Dedicated Website	
1	Photo exhibition	
6	Articles about the sustainability issues identified	
Several	Press releases.	
Several	Campaigns	
1	Social media competition	
1200	Land of Promise-specific tweets.	
8	Video blogs	

4. Clear Fundraising Strategy

This year, in addition to institutional fundraising (i.e. from Governments, NGOs and Trust Funds), we will also focus on diversifying our funding sources and consequently increase funding from other sources. New fundraising activities expected during this year include: Online donation from the general public, donation from major philanthropists and fundraising from organised events.

In 2012, the following deliverables are expected:

Quantity	Deliverables	Responsible
60	Identify 60 Major Donors	Director of Business Development
-	Support implementation of Individual Donor Fundraising (FR)	Director of Business Development
5	Ensure a 25-30 per cent success rate on FR applications	Director of Business Development
-	Support Account Managers in identifying potential donors	Director of Business Development
-	Support Account Managers on visits to potential donors	Director of Business Development
€20,000	Online Donations	Director of Communications
€50,000	10th Anniversary Event	Director of Communications
€10,000	Sports Event	Director of Communications
8	Submitted fundraising applications	Director of Research
14	Submitted fundraising applications	Director of Corporate Engagement

The Director of Business Development will coordinate the implementation of the fundraising strategy, on behalf of the Board of Directors.

Afterword

In 2012 Fairfood engages on an ambitious path of improvements across all the main processes that contribute in a direct or a supportive way to the achievement of the organisation's mission. By following this path, Fairfood International consolidates its position as a professional organisation that brings about a significant change in the food industry. The road ahead will require optimism, thorough reasoning and innovation: the very values that define Fairfood International.

Join us!

We can only realise our vision with the help and support of volunteers, conscious consumers, partner organisations, donors, businesses and other allies.

If you support our mission and want to know more about how you can help, please visit us online at www.fairfood.org/donate, on Facebook at www.facebook.com/Fairfood or on Twitter at twitter.com/Fairfood.

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