

ISWA 2020-30: Strategy Proposal

Focus and Growth for the Next Decade

Executive Summary

The board of directors has a fundamental responsibility to propose the strategic direction of the Association. At this moment, the board considers that the Association requires a balanced strategy that:

- can implement the new business model concepts to improve the core functions of ISWA,
- cope with the new financial realities of the coming period with the end of the Vienna Grant, and
- maintain the level of activity that the members have become accustomed to expect.

In essence, ISWA needs to make choices and set priorities for the new business model as well as all other activities, and also needs to find a better balance in the Association's funding that should diversify the sources and secure more effective support of the core mission related work.

To reach the proposed Strategy, the board made a thorough review of the present and future context of ISWA, examined a number of different areas on which the Association could focus on to grow and deliver more value, and finally discussed a number of priorities that should be addressed in the short term:

To strengthen ISWA's ability to achieve its mission statements, the association should focus on:

- a. strengthening the National Membership,
- b. improving regional and de-centralised representation,
- c. developing a waste management network of municipalities
- d. pursuing and developing campaigns of global interest

Further, to support the association internal work, ISWA should engage in (funded) external cooperation projects, which would:

- a. help financially by providing a modest extra income,
- b. raise the profile of the organisation internationally,
- c. provide new knowledge and expertise to the organisation in strategic topics, d. create synergies between project and internal work.

Finally, to create a more sustainable activity fund, a more professional and systematic approach to fundraising and donations should be established, based on existing and perhaps new global campaigns:

- a. establish a permanent fundraising committee
- b. identify and seek out relationships with potential donors
- c. develop both general and thematic fundraising activities

0. Introduction

This document summarises the issues, options and arguments that were considered while creating a strategy for the association for the coming period.

It starts by setting the context, which is the situation that ISWA is currently in plus the expectations of the future. Given the context, there are several possible goals that have been formulated which are based on the mission. Given the goals, choices can be made and priorities set.

1. Context

As ISWA prepares to enter the next decade, it is natural to also look at how the world, the industry, and the context of the association is changing and how ISWA should adapt to those changes.

1.1 Vision

“ISWA’s vision is an Earth where no waste exists. Waste should be reused and reduced to a minimum, then collected, recycled and treated properly. Residual matter should be disposed of in a safely engineered way, ensuring a clean and healthy environment. All people on earth should have the right to enjoy an environment with clean air, water, seas and soils. To be able to achieve this, we need to work together.”

1.2 Mission

The stated mission of ISWA is to *“promote professional and sustainable waste management worldwide”*. This has been defined in the statutes to include activities such as promoting resource efficiency, supporting emerging and developing economies, advancing waste management through education and training, promoting appropriate and best available technologies and practices, and advancing professionalism through its programme on professional qualifications.

In the last decade, this diverse set of activities, aided by the generous Vienna Grant, has seen the association expand significantly and increase its administrative footprint to currently 9 permanent staff in the General Secretariat and a yearly budget of about 1.25M Euros.

1.3 Membership Expectations

A recent poll of the membership found that ISWA members are in general content with ISWA and its performance, though they do identify certain issues that they would like to see improved.

1. Improved/Increased regional programs – members would like to see more events and more activities happening closer to them.

2. Increased diversity – members would like to see more and different types of members, ISWA should attract a wider set of stakeholders in waste management.
3. External cooperation – members would like to see more external cooperation and joint programs with international organisations.

1.4 External Developments

The following developments of the sector, the world as a whole and the specific context of ISWA in its current setup have a major influence on the future of ISWA.

- *Network Value*
The revolution of digital communications has left the world a smaller place. It is now easier than ever to get in touch with people all over the world. Digital community platforms are also replacing some of the traditional networking businesses through faster and cheaper networking models. What role should ISWA play in providing a global network?
- *Regional Variance*
As much as ISWA struggles to bring more professional and sustainable waste management to the whole world, the state of development of the industry remains extremely varied according to regional and cultural contexts. As ISWA continues to grow into other regions, it must be able to adapt the way it implements its mission to suit the regional waste management context.
- *Circular Economy*
The concept of the Circular Economy is now, more than ever, changing the focus of waste management to resource management. Beyond just enabling recycling, the Circular Economy is disrupting the idea of waste and its role in the economy. Closed product loops require a new look into production, design, logistics, and intermediate processes that can be both an opportunity and a threat to the traditional waste management industry. It may be argued that the Circular Economy is not of the same relevance for all national economies, yet it will have a major impact on the global waste management sector. Even for this reason alone it must be a focus area for ISWA.
- *End of the Vienna Grant*
The city of Vienna has been extremely generous in the past. With a yearly contribution of over 300k, it represents about 25% of ISWA's budget. However, as the end of the grant nears, ISWA needs to make alternative arrangements in its business model to maintain a similar level of activity. This essentially means that ISWA needs to set priorities in its work and ambition for the next decade.

2. Focus Areas

Based on the ISWA mission, the research done for the new business model as well as the workshops and discussions on the topic, there are several focus areas that have been defined for the coming period. Broadly speaking there are three main branches of ISWA core activities:

- Membership Growth – as an association, ISWA must always look to maintain its members and where possible expand membership to serve its mission.
- Networking – the main value to ISWA's membership is the international network, ISWA should always be looking for ways to improve the value of the network.
- Dissemination – the main mission of ISWA is to promote knowledge on waste management, and ISWA should therefore also focus on better ways of doing that.

Growth (Membership) Networking Dissemination		
National Members	Municipalities	Campaigns
Diversity (Stakeholders)	Circular Economy	Training and Certification
Regional Growth	Universities	Events

2.1 Growth

The more members ISWA has, the higher the income, the better ISWA can address its mission. However, for a non-profit association like ISWA, growth has to be realised in a smart way that does not build up large and expensive organisational structures to maintain in the future. For ISWA to grow, the right growth opportunities must be identified.

- National Members*

National members represent the backbone of the association, and perhaps also the biggest challenge in recruiting new members. ISWA's model of maintaining national associations as members can be challenging since associations tend to be cash poor and exist on relatively fixed incomes. This means that the value proposition has to be very clear and fairly direct for associations to want to join.
- Regional Growth*

While ISWA is very well represented in Europe and North America, there are still only a handful of members in Asia, South America and Africa. While it is clear that these are the regions that could be targeted for growth, the question remains how. ISWA could focus efforts on one particular region, or provide the means for more regionally sensitive programs that would raise the ISWA profile and attract new members. How well placed is ISWA to grow in these regions? A general review of ISWA membership fees and business model for these regions is necessary to formulate a growth strategy for the coming decade.
- Diversity Growth – Stakeholders*

ISWA has many members representing the traditional waste management and recycling industries.

However, the topic of waste management seems to become broader day by day. ISWA needs to gain more representation or create other mechanisms to address the growing sense inter-dependency of industries, academics, policy makers and citizens.

2.2 Networking

The basic function of ISWA is to work as a global knowledge network. This must be at least maintained, otherwise there is a risk of losing ISWA's main value. To grow the networking value, new networking opportunities must also be developed.

- *Municipalities*
Waste management is intricately linked to municipalities and local government. Increasing ISWA's influence with this group significantly adds value to ISWA's network for members. As waste management decisions are most often taken at the municipal level, reaching out to this group of stakeholders will also increase ISWA's ability to achieve its mission.
- *Circular Economy Stakeholders*
The Circular Economy is disrupting the traditional waste management industry and forcing closer ties between production and waste management stakeholders. By improving ISWA's ties to Circular Economy stakeholders, it improves its value to members that want to focus on the Circular Economy. It is also important to note that this should include a wide set of stakeholders, particularly also in the production sector, as they are the key players influencing the products that the waste management sector deals with.
- *Universities*
To further increase ISWA's reputation and output, a deeper cooperation with universities is required that can provide more in-depth knowledge and analysis of current research issues. ISWA can engage more with universities, giving them a scientific platform to disseminate their work, and also allow them to leverage the ISWA global network for data collection and sharing.

2.3 Dissemination

ISWA's mission is to promote professional and sustainable waste management worldwide. This requires dissemination of knowledge, methods and experience.

- *Events*

One of the main dissemination tools for ISWA is events. However, events are expensive and even the members are finding it increasingly difficult to attend more international gatherings. This suggests that ISWA should try to foster more regionally focused events, that can concentrate on more regionally relevant issues but also cost less and require less time to travel to attend for local members. Some of this will also include some shift to more online and digital platforms for events and networking, but these cannot completely replace the physical meetings which according to the last member survey is one of the major values of the network and ISWA membership.

- *Training and Certification*

ISWA's International Waste Manager certification is relatively popular, but as usual only in the places where it is seen to give some career advantage. By linking it to events and trainings it can help encourage more active participation in the network, and perhaps also raise revenue. The more certifications there are, the more valuable they become in the marketplace.

- *Campaigns*

ISWA can help get traction for global issues by leveraging the knowledge and expertise of the network to

promote issues and solutions. While ISWA does not have the resources to fund global campaigns, it can use external funds to do so – donations tend to follow the hot topic trends, and ISWA needs to be involved in these to raise its profile internationally.

3. Priorities

From a business strategy perspective, the main issue to be dealt with here is the mismatch between the fixed income model membership fee model and the linear activity cost model. This means that the income from memberships, which is stable, cannot accommodate an unlimited increase in activity. To open up the organisation's potential, ISWA needs to move towards a linear activity-based income model – ie one where increased activity can lead to increased income.

The strategy for the coming period will have to make balanced choices to ensure that the association can grow in a sustainable way. The focus areas and goals will have to be balanced with associated workload to bridge, either temporarily or permanently, the looming gap in the budget. This means that the strategy should contain 3 items, one of which is the core, membership funded activities of ISWA as defined previously. The other two items are based on external funding, which will be necessary to maintain the present level of activity as well as give ISWA the opportunity to grow its activities in the future.

To do this, the proposal is to follow a three-pronged strategy that combines a mission critical focus as described in the previous section, with two externally sourced activity streams that can help support the mission critical work.

3.1 Priorities – Focus on core business

Regardless of the success of other activities to increase income – the reality of the context in which ISWA finds itself is that whatever happens, by the end of 2019 ISWA will have to drastically cut its expenses to adapt to a budget without a Vienna grant. This means that choices will have to be made, and priorities set, to focus on the most strategically relevant goals. This will not just be a matter of finances, but also resources. At the moment, with 9 staff in the GS, the current activity level cannot be sustained for much longer as all staff are already overtaxed. Based on the chosen priorities, further choices will have to be made to reduce costs, at least temporarily, in non-core or non-essential activities.

From the 9 focus areas for the next decade, and considering the unpredictable availability of resources, it makes sense to stagger them in a way that they

- a. take advantage of existing momentum,
- b. create synergies between them, and
- c. are timed appropriately to changing context of the association

To start off with, it might make sense to focus on:

1. National Members, strengthening them through training programs and pursuing opportunities to recruit more of them,
2. Regional Growth – experiment with expansion the regional ISWA footprint through improved

presence in local contexts, working with NM focus to increase membership

3. Municipalities, leveraging the momentum of the Initiative of Municipalities and Mayors to create a growing network of decision makers and a channel to influence them,
4. Campaigns, at least those that help ISWA improve its global profile and attract external funding such as Marine Litter, Close Dumpsites.

In a second stage, using also the re-location to provide a new platform to launch new activities, ISWA could focus on:

5. Circular Economy – tie in with the new hosts' focus, leverage their enthusiasm and contacts to create new opportunities for ISWA and its members to get more involved in this,
6. Diverse Stakeholders – leverage the focus on Circular Economy to provide a value proposition that attracts a more diverse set of stakeholders to become members,
7. Universities – develop a deeper relation with knowledge centres, creating a network to create deeper and more state-of-the-art scientific content,
8. Events – improve the delivery of local ISWA experiences that would help to both attract new members and improve the ISWA profile in a local context, leveraging regional focus results
9. Training and Certification – improve and build on existing certification structure with training in specific topics leveraging the university network for both content and expertise in delivery

3.2 Fundraising – Professional Approach

The second stream is based on seeking external funding, mostly donations based either ISWA's work or mission. Regardless of the focus and strategy to be followed, it seems clear that currently the only way ISWA can continue to fund its own STC projects is to seek external funds. Also, to match the ambition of growing the project grants and funds available to the STC, fundraising needs to be taken more seriously, perhaps with a more business development attitude towards the projects and campaigns being undertaken. This means that ISWA might need to focus on activities that attract donors and create some central coordination point that can manage the fundraising efforts.

3.3 External Projects – Balanced Risk and Rewards

The first stream is based on externally funded projects and cooperation. When managed properly, this is an activity that is self-funding, and can produce modest margins to support other work. But mostly it allows ISWA to grow its activities in a budget neutral way, increases the international profile, brings in new knowledge and experience into the organisation, and provides an opportunity to leverage economies of scale in combining events and other dissemination work. However, even if they are self-supporting in principle, they do come with a certain risk and this has to be managed properly. Also, if the amount of work requires new hires, then there needs to be a plan to keep a healthy number of projects in the pipeline to support the long-term retention of the staff. In the current situation ISWA has 2 EU projects ongoing until 2021, and one starting in 2018 until 2021. It is still to be evaluated to what extent these projects will require ISWA to add more workforce at the GS.

4. Conclusion

In conclusion, the proposed strategy is one of finding a balance. ISWA's core function of promoting sustainable and professional waste management should always remain the priority. However, this work is only feasible if the Association has the appropriate funds to support it, and also the position in the international stage to have an influence. For this reason, the proposed strategy consists of activities in three areas, where the activities for External Projects and Professional Fundraising work to support the Core Activities and Mission work.

An important aspect of the fundraising and external project work, is that they are not just a means to increase the funds available for internal projects and activities, but are also part of a more diversified and sustainable approach to the Association's financing. External projects tend to have a long lead time, but also a long duration – which gives ISWA a stable and predictable source of income, as well as all the extra advantages of being more active at an international level. The focus on fundraising, will not just provide financial means, but will also help to tie ISWA into the public debate and current global priorities, making the work of the Association more relevant and influential.

In summary, the strategy proposes:

To strengthen ISWA's ability to achieve its mission statements, the association should focus on a.

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- j. identify and seek out relationships with potential donors
- k. develop both general and thematic fundraising activities