

ORCHESTRATING GLOBAL SOLUTION NETWORKS

A Guide for
Organizational
Entrepreneurs

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While global solution networks (GSNs) are among the most promising ways to address global problems, they do not necessarily emerge spontaneously.

Often, organizational entrepreneurs must “orchestrate” the creation and development of GSNs, providing information to potential participants, catalyzing and encouraging cooperation, building linkages and providing diverse resources, as well as shaping GSN activities. Yet orchestration remains under-utilized: of 223 GSNs we surveyed, fewer than a quarter were products of orchestration.

This paper explains how institutional innovators have initiated, supported, and shaped network solutions to global problems, and offers a practical guide to orchestration for organizational entrepreneurs in government, non-profits, the private sector, international organizations and beyond.



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Idea in Brief

From poverty to finance, health to climate change, a host of global solution networks (GSNs) are emerging, allowing companies, cities, civil society groups, individuals and other actors to join in tackling global problems. Yet GSNs do not necessarily emerge spontaneously. Often, organizational entrepreneurs “orchestrate” their creation and development, from within the relevant networks and outside them. NGOs and business leaders as well as governments and intergovernmental organizations orchestrate to overcome barriers to collective action. They provide information to potential participants, catalyze and encourage cooperation, build linkages and contribute resources, as well as shaping the activities of GSNs.

Orchestration is a powerful tool for entrepreneurs seeking to effect beneficial change but lacking the authority to mandate it. Yet it remains under-utilized. Of 223 GSNs we surveyed, only 53—less than a quarter—were products of orchestration. And most of those involved just six “super-orchestrators”—the US and UK governments, the United Nations Environment Programme (UNEP), the World Bank and the World Wide Fund for Nature (WWF). The clear implication is that many more organizational entrepreneurs could benefit from employing the strategy of orchestration.

This paper introduces orchestration, surveys and illustrates how it has been used to establish, promote and shape GSNs, and offers guidance for organizational entrepreneurs on how to employ it. To be successful, an orchestrator organization must possess at least some of the following characteristics:

1. It must be seen as legitimate by those with whom it aims to work.
2. It must occupy a central position in its issue area.
3. It must possess moral, subjective or material resources that it can offer collaborating organizations.
4. It must nurture an organizational culture of innovation and collaboration.

Orchestrators must also be able to identify (or help create) intermediaries that pursue appropriate goals and possess the capabilities to bring about desired changes. When these conditions are met, orchestration offers numerous techniques for initiating, supporting and shaping GSNs.



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Orchestration: A Strategy for Organizational Entrepreneurs

The Global Solution Networks program highlights the emergence of transnational, multi-stakeholder, networked organizations to address global challenges, from poverty to climate change, human rights to corruption. These innovative, participatory arrangements (global solution networks, or GSNs) move beyond traditional state-based cooperation. Whether they focus on developing new knowledge and ideas, proposing policies, setting standards or advocating for change, GSNs are among the most promising ways to strengthen global governance and improve the human condition.

It is often said that networked institutions are “self-organizing.” It is true that networks are formed by participating stakeholders, rather than by official mandate. But this is only part of the story. The civil society organizations, business groups, city governments and other stakeholders that make up GSNs face serious information and collective action problems that can inhibit cooperation. Before they can organize into a cooperative network, actors must be persuaded of the network’s potential and informed about the participants and the process. They must also build mutual confidence, and find ways to overcome their natural incentives to operate independently and pursue their own favored solutions. And they must construct communications and organizational links that enable them to work together.

Organizational entrepreneurs are essential to this process. They take the lead in providing information, encouraging cooperation, building linkages, providing resources and resolving conflicts. In most cases, though, entrepreneurs cannot demand cooperation; they need to catalyze, encourage and support it. In short, they must “orchestrate” the actors that make up the network. As orchestrators, entrepreneurs work with and through intermediaries—including networks and their component actors—to better achieve their governance goals. Orchestration is the most workable and effective strategy for organizational entrepreneurs in the polycentric, voluntary world of GSNs.

A few prominent examples illustrate the possibilities of orchestration for GSNs.

The Global Reporting Initiative (GRI):¹

- Two US-based non-profit organizations, working with the United Nations Environment Programme (UNEP), convened stakeholders to form GRI; they also endorsed the organization and provided administrative support for its early activities.



- GRI is now an independent multi-stakeholder, network-based organization. Its governing and advisory bodies include representatives of business, civil society, investors, labor and other sectors, as well as experts in reporting.
- GRI is the source of the world's leading social and environmental reporting standard, used by over 1,800 companies worldwide.

The Extractive Industries Transparency Initiative (EITI):

- The British Department for International Development (DFID) convened NGOs, major oil companies and government representatives from North and South to address corruption in the extractive sector.
- EITI is now an independent multi-stakeholder organization.
- The EITI principles and associated criteria promote transparency in corporate payments and national revenues for mining, oil and other extractive projects. Over 40 countries now implement EITI standards.

The C40 Cities:

- Ken Livingstone, then mayor of London, convened representatives from 18 megacities to address greenhouse gas emissions at the local level. Named for the number of participants in its first year, the network continues to grow, with a current membership of 67 affiliated cities.
- C40 works closely with the William J. Clinton Foundation's Climate Initiative (CCI) to manage on-the-ground emissions mitigation projects in developing and developed countries.
- C40 and CCI also provide a platform for cities to share best practices and manage practical initiatives such as carbon finance capacity building.²

The Global Sustainable Electricity Partnership (GSEP):

- The chairmen of Electricité de France and Hydro-Québec invited their counterparts at other electric utilities in the G8 countries to meet in Canada to consider collaborating on global issues.
- The GSEP network is now organized as a nonprofit. Utilities from major emerging markets, such as China, South Africa, Brazil and Mexico, have joined in recent years.



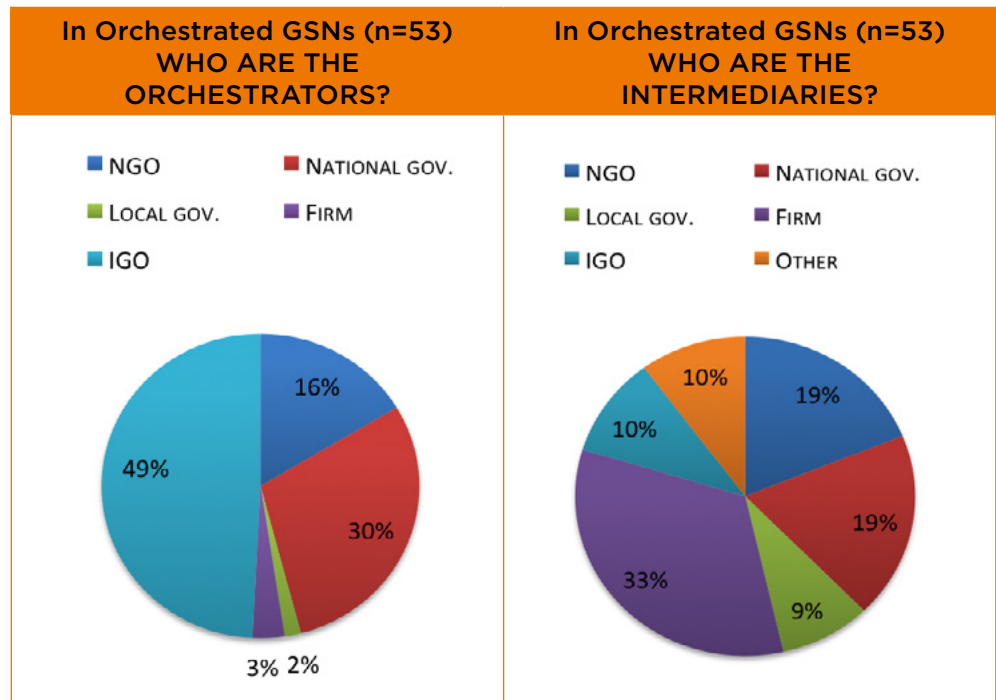
“ We found that 53 GSNs, or 23 percent, were, at least in part, the products of orchestration. ”

- Not simply an industry association, GSEP functions as a network of industry leaders focused on sustainability. It provides technology and capacity building for sustainable energy and manages renewable energy demonstration projects in developing countries.

Mapping Orchestration

How widespread is orchestration? Who engages in it, and for what purpose? To map this phenomenon, we collected information about a large number of GSNs identified in the academic literature and by the Global Solution Networks project, a total of 297. For 223 of these we were able to identify whether orchestration was at work. We found that 53 GSNs, or 23 percent, were, at least in part, the products of orchestration (Appendix 1 identifies the orchestrated GSNs). IGOs account for half of all orchestrators, while national governments account for nearly a third and NGOs another 16 percent. The intermediaries that make up GSNs, however, come most frequently from the private sector (one-third of orchestrated GSNs include firms), followed by national governments and NGOs.

Orchestrators and Intermediaries by Sector



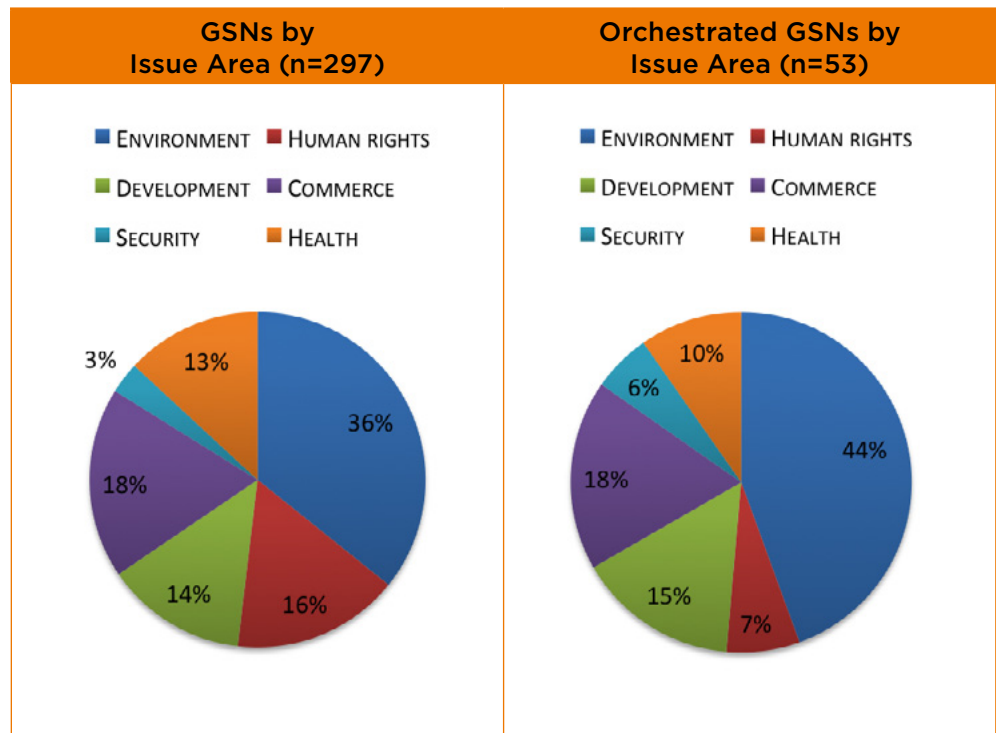
Even more striking, the number of unique organizations engaged in orchestration is surprisingly small. Two governments (the US and the UK), one NGO (WWF) and three IGOs (UNEP, the World Bank and the World



Health Organization), make up the bulk of GSN orchestrators. At least one of these 6 actors was involved in 42 of the 53 orchestrated initiatives we identify. Yet these are clearly not the only organizations with the capacity to orchestrate (see below). Additional IGOs, NGOs, governments and other organizational entrepreneurs should consider orchestration as a strategy.

We find orchestration across a wide range of global issues, but it is more prevalent in some spheres than others. It is most common in the environmental realm: orchestrated environmental GSNs constitute 44% of the observed cases, although environmental networks make up only about a third of the GSNs we studied. Human rights GSNs, in contrast, are less common, both as a percent of all observed cases and as a percent of orchestrated GSNs.

GSNs by Issue Area



Understanding Orchestration

We can now develop a fuller understanding of orchestration. In its scholarly definition, orchestration is an indirect mode of governance in which a lead organization (the orchestrator) enlists intermediary actors and organizations (the intermediaries) to influence the behavior of other actors (the targets) in line with the orchestrator’s goals. In some cases the targets are largely



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passive; in other cases targets (or certain of them) may take a more active role in governance, participating directly in the intermediary organization. The orchestrator pursues this indirect strategy rather than (or in addition to) attempting to influence the targets directly, often because it lacks access to the targets or authority over them.

The Orchestration Process

Before GRI was created, for example, UNEP (a co-orchestrator) had for several years interacted directly with business firms (the targets), encouraging them to publish corporate sustainability reports and working



to develop standards to make those reports informative and comparable. After making only limited progress in this way, UNEP decided it needed a different approach. It joined with two NGOs, CERES and the Tellus Institute (co-orchestrators) to catalyze formation of a new multi-stakeholder network, organized as GRI (the intermediary). GRI developed a social and environmental reporting standard, which it promotes to businesses and other organizations (the targets) and regularly updates with stakeholder and expert input. UNEP also supported GRI, providing administrative assistance in its early years and publicly endorsing it, increasing its visibility and legitimacy.

As this example shows, orchestration relies on voluntary collaboration among organizations that share similar goals—most importantly between orchestrator and intermediaries; frequently among intermediaries and co-orchestrators; and sometimes between targets (or leaders among them) and intermediaries. All these forms of collaboration are very much in the spirit of networked governance. Orchestration is valuable whenever an organization (like UNEP in this example) seeks to bring about social change but lacks the authority to require it, and lacks essential capabilities such as expertise or direct access to targets.

Once created or enlisted, intermediaries interact with targets in many ways.

- Target actors can play key roles in shaping the goals and activities of the intermediary, as they do in EITI. It is important, however, that targets not dominate the intermediary, lest it be unable to perform its independent governance functions.
- Some intermediaries, such as the Investor Network on Climate Risk (INCR), also orchestrated by CERES,



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engage in advocacy, lobbying, campaigning or other forms of persuasion, and provide platforms for sharing information and experiences among targets.

- Other intermediaries, including GRI and EITI, seek to “regulate” targets by adopting voluntary standards, encouraging their adoption, monitoring their implementation and pressing for compliance.
- In other cases, intermediaries provide benefits to targets, such as expertise or material resources, as C40 Cities and GSEP do. Another important example is the Global Outbreak Alert and Response Network (GOARN), a network that includes technical organizations and laboratories, humanitarian NGOs, the Red Cross and United Nations bodies, orchestrated by the World Health Organization (WHO). GOARN helps participating organizations share information and coordinate on-the-ground responses to serious disease outbreaks.
- Some intermediaries obtain information from and about targets, helping the orchestrator achieve its goals. For example, WHO supported the Global Public Health Intelligence Network to obtain real-time electronic information on disease outbreaks; the Convention on International Trade in Endangered Species relies on the NGO network TRAFFIC to monitor species trade.

Orchestration is beneficial whenever intermediaries, including GSNs, can carry out these activities more effectively than the orchestrator itself.

Orchestration and Global Solution Networks

As these examples make clear, GSNs are frequently enlisted or established as intermediaries for strategies of orchestration. The orchestrator is an organizational entrepreneur, and may be an NGO, an IGO or some other organization. The orchestrator catalyzes, mobilizes, supports, and/or enables a networked set of actors (the GSN) as an intermediary, so that the GSN can take action on some global problem in line with the orchestrator’s overall goals. Orchestrator and intermediary are mutually supportive: the orchestrator can achieve its goals more effectively by working through the GSN; the GSN—its goals aligned with those of the orchestrator—can operate more legitimately and effectively with the support of the orchestrator. Together, they can achieve governance outcomes that neither could achieve alone.



“ *...orchestration is one of the major ways in which GSNs emerge and prosper.* ”

Orchestrated GSNs take a variety of forms, tailored to the specific circumstances they face and the activities in which they engage. In some cases, the actors that make up the GSN may be loosely linked in a network structure; for example, the Roll Back Malaria partnership (RBM), orchestrated by WHO, includes more than 500 partners, among them international organizations, donor governments, NGOs, foundations, business groups and researchers. Digital technologies enable many of their communications. In other cases, the partners may establish a formal organization, such as GRI. While we cannot yet draw firm conclusions as to the reasons for these variations, it seems likely that looser structures are satisfactory (and less costly) for relatively modest activities such as information sharing and coordination (as with RBM), while higher and more costly levels of organization are necessary for more demanding joint activities, such as adopting and implementing standards (GRI) or carrying out sophisticated projects (CCI).

In many of our examples, the orchestrator is an influential organization outside the GSN, or outside the group from which its members are drawn. For example, UNEP, an IGO, was outside the network of civil society groups and businesses that formed GRI; the NGO CERES was outside the network of investment managers that formed INCR. External orchestration may be necessary when potential intermediary actors cannot overcome collective action problems on their own; in addition, an external orchestrator may have special influence or persuasive ability.

In other cases, though, the orchestrator acts within its peer group. It is able to convene and coordinate peer organizations, participate in the resulting GSN, and provide it with support, coordination and guidance. For example, Mayor Livingstone orchestrated creation of C40 Cities by convening other mayors (just as the mayor of Kyoto convened the World Mayors' Conference on Climate Change after the Kyoto Protocol entered into force). The chairs of two electric utilities orchestrated creation of the GSEP network of utilities.

To be sure, not all GSNs arise via orchestration, and not all orchestration creates or involves GSNs. However, our research suggests that orchestration is one of the major ways in which GSNs emerge and prosper.

Both conceptually and in practice, then, orchestration of GSNs—from inside or outside the relevant network—is a feasible and effective strategy. States, government agencies, local governments, IGOs, NGOs, business groups and other organizational entrepreneurs can employ the strategy of orchestration to tackle global issues where traditional forms of governance are gridlocked or ineffective.



“ Because orchestration is a way of governing without legal authority or coercive power, it is crucial for orchestrators to be seen as legitimate by the intermediaries and targets they wish to organize and influence. ”

Enabling Conditions and Obstacles

What factors lead orchestrators to succeed or fail? A common set of enabling conditions can be observed across most successful examples. First, the orchestrator must possess one or more of four characteristics: legitimacy, focality, material or subjective resources of value to intermediaries, and an organizational culture that supports engaging with sub-state³ and non-state actors. An orchestrator need not possess every one of these characteristics to be successful: for example, some organizations are able to orchestrate with limited focality or with only modest resources. However, orchestration is unlikely to succeed where the orchestrator lacks legitimacy within the relevant community, and where it has no resources at all to offer intermediaries. And orchestration of GSNs is unlikely to succeed, almost by definition, where the orchestrator is unwilling or unable to interact with sub-state and non-state actors. In general, orchestrators possessing more of these characteristics are more likely to succeed, though the relative importance of each attribute will vary across contexts.

Second, the orchestrator must operate in a favorable context, with intermediaries that are willing and able to contribute to the solution. While orchestrators and intermediaries need not share all goals and priorities, they must have sufficient commonality of interest to work together. Intermediaries must also possess capabilities that are complementary to those of the orchestrator, so that together they can provide effective governance. In addition, some targets may be more responsive to orchestrated governance than others; powerful targets that adamantly resist the relatively soft techniques of orchestration may defeat this and other modes of governance.

When these conditions apply, organizations can gain substantial benefit from orchestrating. When they do not apply, or when other barriers are present, orchestration may not be a viable strategy.

Characteristics of Successful Orchestrators

Legitimacy

Because orchestration is a way of governing without legal authority or coercive power, it is crucial for orchestrators to be seen as legitimate by the intermediaries and targets they wish to organize and influence. Legitimacy is especially important when an orchestrator seeks to steer the activities of GSNs or other intermediaries. For present purposes, we can understand legitimacy as the belief amongst intermediaries and targets that an orchestrating organization is appropriate to direct policy on a given issue.



Legitimacy can derive from multiple sources. Here we outline three of the most important. First, legitimacy may stem from the moral authority of the orchestrator. Multilateral IGOs often derive such legitimacy from their membership and procedures. UN agencies, for example, possess near-universal state membership and are widely seen as neutral, public-spirited organizations. Civil society groups may obtain moral authority from consistent adherence to admirable principles like respect for human rights or the natural environment. However, all actors do not necessarily perceive an institution's moral authority in the same way. Would-be orchestrators must be legitimate in the eyes of the intermediaries and targets whose behavior they would shape.

Second, legitimacy may derive from the expertise of the orchestrator. Individuals and organizations are often willing to be guided by organizations they believe to have the best information or greatest technical proficiency on an issue. For example, the World Bank's Oil, Gas and Mining Unit was able to convince oil companies to reduce gas flaring via the Global Gas Flaring Reduction Initiative because it could provide technical expertise that helped the companies commercialize the natural gas released by oil drilling instead of flaring it into the atmosphere.

Third, legitimacy may be based on the orchestrator's track record of success. If an organization can demonstrate that it has performed consistently well in addressing an issue, others with similar goals are more likely to view it as a proper authority to guide their own actions. The WHO, for example, has a proven record of successful health interventions, which gives it credibility with the governmental, NGO and business partners it convened to form RBM.

Focality

Focality helps determine an organization's convening power and influence. Focal institutions can reach out to the full range of relevant actors with a reasonable expectation that they will respond. Focality also allows an orchestrator to bring together organizations that might otherwise find it difficult to work together, such as companies and NGOs. While such groups may come together on their own (NGOs and businesses have jointly created many private partnerships), a focal orchestrator can attract more diverse actors, creating broader, stronger governance institutions.

Two interrelated characteristics determine an institution's focality. First, focal institutions are the hubs that actors look to and converge around in a particular issue area, or within a certain network. Some realms of global governance have a relatively clear "anchor" institution that plays the central role in policy-making. For example, the World Trade Organization and ICANN currently have high focality within the domains of international trade and Internet governance, respectively. Other fields, such as environmental protection and financial regulation, are more fragmented with multiple organizations overlapping and even competing for influence. And anchor institutions can lose focality as other influential organizations enter their domains. In the field of global health, the activities of the World Bank and Gates Foundation, among others, have undercut the focality of WHO.



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Second, focal actors have strong connections with the many other organizations working in an issue area. In network analysis, “centrality” measures the relative importance of an organization based on the number of its connections with other organizations, its “distance” from other organizations, and the distribution of organizations around it. In practical terms, an organization’s centrality can be measured in terms of the number of interactions or working relationships between its staff and those of other organizations in the field, the number of people who read its publications or attend its events, and similar tangible indicia.

Importantly, our examples show that a truly dominant position may not be essential to successful orchestration. In appropriate circumstances, actors such as CERES, Electricité de France and the mayor of London may possess sufficient centrality, legitimacy and other attributes to convene and steer significant GSNs.

Resources

Because orchestrators lack coercive power, they must enlist, encourage and guide intermediaries using softer methods. As we discuss below, providing positive incentives is a central technique of orchestration. Thus, orchestrators need to possess financial, technical, administrative or subjective resources that they can offer to potential intermediaries as support.

Money is an obvious way to motivate action, and governments and IGOs often contract with private actors for services. Such relationships are distinct from orchestration, however, as they follow a more traditional principal-agent model. Many orchestrators (IGOs, NGOs) lack financial resources, and most face constraints in transferring them to others. As a result, financial support is a minor factor in most cases of orchestration.

Technical support is more common. By offering information and advice that show actors new ways to achieve their goals and enhance their capacity to do so, orchestrators can induce actors to take on desired governance functions. The Global Gas Flaring Initiative again provides a useful example. The World Bank’s Oil, Gas and Mining Unit had access to state-of-the-art knowledge on methods to capture and commercialize natural gas by-products. By sharing its technical expertise with oil companies, the World Bank was able to draw them into commitments to phase out gas flaring.

Orchestrators often provide administrative support during the startup phase of a GSN or other intermediary. For example, UNEP did this in the early years of GRI. It also helped persuade the Dutch government to host GRI’s organizational secretariat. Some orchestrators host the staff of intermediaries they support.

Finally, legitimate, focal orchestrators frequently provide non-material resources to collaborating actors and organizations. Particularly important is reputational support. New GSNs and other intermediary organizations must rapidly gain recognition and legitimacy in relevant communities if they are to



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be effective. Endorsement and similar modes of support help launch startup organizations in strong positions. The UN, for example, endorsed GRI by hosting its launch event at the General Assembly.

Organizational Culture

An equally intangible but important trait for orchestrators is an organizational culture geared toward collaborative, indirect governance. Organizations that work in a closed manner are unlikely to see how other organizations can help them achieve their goals, or how they might motivate those organizations to collaborate. Successful orchestrators, in contrast, habitually interact with actual and potential partners outside the organization.

Additionally, bureaucratic organizations that perform well-defined functions through longstanding procedures and processes are less likely to orchestrate—and to do so effectively—than organizations that seek innovative strategies to confront existing and emerging problems. Often, it is organizations that lack the capacities to address problems in traditional bureaucratic ways (for example, those without sufficient legal authority or financial resources) that turn to innovative methods such as orchestration and do what is necessary to make them work.

Finally, public organizations such as government agencies and IGOs must be willing and able to engage with sub-state and non-state actors. Often this will require specific organizational policies, as well as appropriate staffing and training. In some intergovernmental bodies, however, member states resist such engagement. For example, a number of developing countries have resisted efforts to recognize bottom-up initiatives in the UN climate negotiations. Similarly, in the International Labor Organization, where workers and employers enjoy a privileged position, those “social partners” have resisted ILO engagement with other NGOs and private groups. Such barriers must be overcome if orchestration is to be successful.

A Conducive Context: Willing and Able Intermediaries

If orchestration is governance through intermediaries, suitable intermediaries must be available for orchestration to succeed. First, and straightforwardly, GSNs and other intermediaries must have the capabilities to address the issue at hand. For example, multi-stakeholder groups such as EITI are well-suited to adopting consensus standards (though they often lack capacity to monitor implementation); city networks such as C40 have the administrative capacity to improve their own operations and to influence others through demonstration projects; and on-the-ground operational GSNs such as the Global Outbreak Alert and Response Network are able to coordinate information sharing and provision of benefits.



Second, orchestrators typically seek intermediaries whose capacities are complementary to their own. For example, UNEP, along with the UN Global Compact, orchestrated formation of the Principles for Responsible Investment (PRI), a network of socially responsible and conventional investors that urges investment institutions to incorporate social and environmental considerations into their investment decisions. UNEP is legitimate, focal and expert, but it lacks effective access to business targets as well as influence over them. PRI has both qualities in abundance, but benefits from UNEP's support and endorsement. Here, as in many other cases, where suitable intermediaries do not exist, the orchestrator may act to create them.

In cases where the orchestrator is part of the network, in contrast, all members have similar capabilities. For example, the mayor of Kyoto did not seek complementary capacities in forming the World Mayors' Council, nor did Electricité de France in convening GSEP. Here orchestrators focus on building the scale and extending the reach of a GSN, rather than adding missing capabilities.

Third, intermediaries' goals must be aligned with those of the orchestrator. Because an orchestrator cannot "control" intermediaries, it must seek out organizations that will independently act in line with the orchestrator's aims. That said, perfect harmony of goals is not essential. So long as there is sufficient commonality of interests between orchestrator and intermediaries—even with some differences as to priorities and tactics—orchestration remains worthwhile. It is unlikely that any multi-stakeholder organization (like GRI or EITI), or indeed any multi-member organization (like C40 or GSEP), will have exactly the same priorities as its orchestrator.

Techniques for Orchestration

Orchestrators can activate the governance abilities of sub-state, non-state and multi-stakeholder intermediaries in three basic ways: initiating, supporting and shaping. Some orchestrators will engage in all of these techniques over the course of a project; others will apply only one or two of them. Initiating is by far the most common strategy, followed by supporting and then shaping.



“ Organizations that attempt to orchestrate without key attributes are likely to fail. ”

When Does Orchestration Fail?

Organizations that attempt to orchestrate without key attributes are likely to fail. In 2009 the UK's Department for Energy and Climate Change (DECC) became concerned about the proliferation of carbon offsetting programs, which purported to allow consumers or businesses to compensate for their carbon emissions by purchasing an equivalent amount of carbon mitigation in the form of afforestation, energy efficiency, clean technology deployment and the like. While some of these programs offered real benefits, others were less scrupulous, so DECC decided to create a standard to distinguish good offsets from bad. To do so, it created an intermediary organization, the Carbon Offset Quality Assurance Scheme (QAS), which reviewed different programs and awarded a seal of quality to those that met its standards.

The UK government was no stranger to this strategy, having orchestrated a number of successful climate GSNs, including the Carbon Disclosure Project and the Renewable Energy and Energy Efficiency Partnership. It possessed an amenable organizational culture and ample material resources. But just two years after its launch, in 2011, the QAS was forced to close, having failed to shift carbon-offsetting programs toward its standards. Three missteps led to this failure.

First, DECC adopted controversial standards on what constituted a “quality” offset program without having the normative legitimacy to do so. For example, QAS standards allowed only “compliance” level standards, excluding some dominant private standards like the Voluntary Carbon Standard. Similarly, DECC refused to incorporate sustainable development and other “side benefits” into its carbon offset standards, as a number of existing schemes had done. The effect was to exclude a large number of projects undertaken by offset providers, many of whom believed that their standards, not those of QAS, led to higher quality offsets.

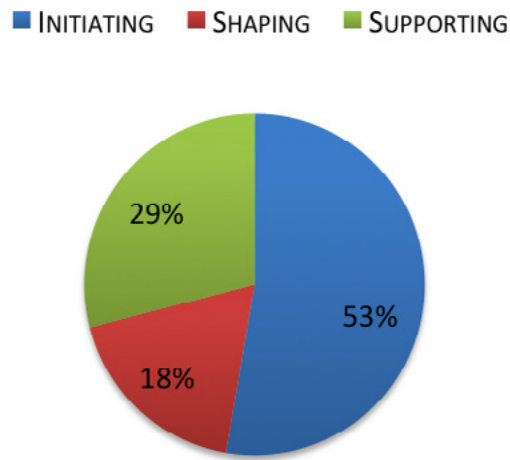
Second, DECC did not bring sufficient technical resources to bear. QAS's knowledge of the carbon markets was widely questioned by market participants. Without sufficient expertise on offer, QAS had little ability to influence its targets.

Third, and related, in spite of its central governmental position, DECC lacked focality. Industry bodies like the international Carbon Reduction and Offset Alliance and the Carbon Markets and Investors Association argued that the government had failed to keep up with positive developments in the sophistication and quality of self-regulation in the voluntary carbon market. These bodies had come to be seen as the global leaders in offsetting issues, and functioned as competing sources of expertise and legitimacy, undermining the formal focality of DECC.

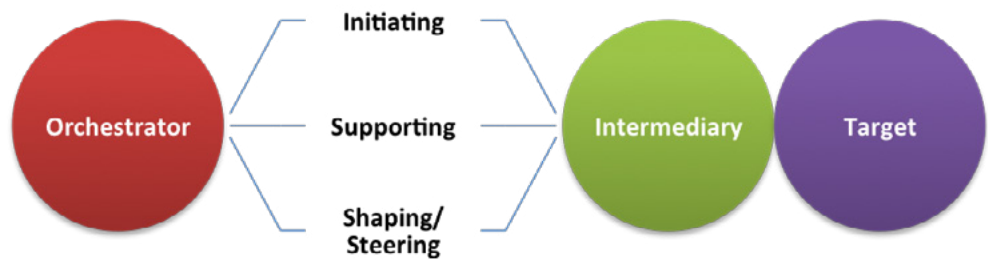


“Initiating is by far the most common strategy, followed by supporting and then shaping.”

Distribution of Orchestration Strategies Across GSNs



Techniques of Orchestration



Initiating

The first step for any orchestrator is to enlist appropriate intermediaries. Ideally, the orchestrator can identify existing organizations with aligned goals and the necessary capabilities. The orchestrator then enlists those organizations to collaborate through persuasion and by offering support.

Often, however, appropriate intermediaries do not exist. In these situations, the orchestrator may play a catalytic role in creating new ones. Lacking formal authority and control, the orchestrator uses the “convening power” that its focality and legitimacy provide to bring together the actors it hopes will participate, to encourage them to collaborate in an organized way, and to guide their interactions. The orchestrator frequently conceptualizes the overall project and even provides its core design. For example, the International Finance Corporation (IFC), a unit of the World Bank, convened major banks and guided them to adopt the Equator Principles, which apply social and environmental safeguards parallel to those of the IFC in private



project lending; IFC and Equator meet regularly to keep their standards aligned. Many of the examples discussed above reflect a similar process.

Supporting

Once appropriate intermediaries have been identified or created, the orchestrator strengthens their governance impact by providing support. As discussed above, an orchestrator may provide material support, such as financial contributions, administrative assistance or hosting of staff; these strengthen intermediaries' operational capacities. An orchestrator may also supply subjective support such as technical expertise, access to information, access to other influential actors, a clear agenda, and political or legal endorsement. These enhance intermediaries' visibility, legitimacy and reputation, and also strengthen their capacities.

Shaping

An orchestrator may seek to shape or steer the goals, structures and activities of its intermediaries to keep them in line with its own goals and priorities. Shaping and steering are especially significant for governmental orchestrators like UNEP and DFID, which must ensure that publicly-adopted mandates and norms are observed. They can also be used to promote goals such as the inclusion of developing country actors or other key stakeholders, or the adoption of more democratic or efficient internal procedures.

The attributes of the orchestrator and its relationships with intermediaries, especially the forms and levels of support it offers, may give it a modest degree of leverage to shape individual intermediaries and steer their activities. Several shaping techniques are available. As part of catalyzing new intermediaries, orchestrators can choose whom to include in an initiative, and whom not to invite; for example, only certain organizations were asked to participate in framing EITI. Orchestrators can also provide information and guide deliberations on organizational form, standards and activities, as the IFC did with deliberations on the Equator Principles.

If appropriate intermediaries exist (or once they are formed), orchestrators can steer them by providing support. Orchestrators create positive incentives by directing support to desired actions or making support conditional on those actions; they provide negative incentives by implicitly or explicitly threatening to terminate support if an intermediary strays from its commitments. For example, the World Bank provided technical assistance to oil companies only for gas conversion projects.

Orchestrators can also single out certain organizations for support and endorsement. This approach strengthens the selected organizations *vis-à-vis* less representative, effective or ambitious competitors in the same issue



“ *In a world of rising global challenges, orchestration represents a powerful strategy for organizational entrepreneurs to unlock innovative governance solutions.* ”

space. For example, the UN and the 2002 World Summit on Sustainable Development gave such broad support to GRI that they established its reporting protocols as the *de facto* global standard. Ideally, especially when decisions are based on explicit criteria, the possibility of receiving a valuable endorsement or other support will set off a “race to the top,” with organizations competing for recognition.

Finally, orchestration is used to shape complexes of institutions. For example, while numerous cities, investment firms and electric utilities have adopted environmental programs, orchestrators still saw it as worthwhile to structure and coordinate their activities through C40, INCR and GSEP, respectively. Broad multi-stakeholder partnerships such as RBM have similar goals. Here the most important tools of steering include agenda setting, information sharing, guidance and coordination, although the positive and negative incentives of support are also relevant.

An area ripe for shaping of this kind is the world of voluntary transnational governance initiatives. In many issue areas, multiple transnational organizations compete with each other. For example, multiple product certification schemes address sustainable forest management, worker rights and other issues; multiple schemes also compete to certify carbon offset projects. Such fragmentation is often sub-optimal, because it confuses consumers (who are unable to distinguish between competing schemes), burdens producers, and consumes excessive organizational resources. By strategically supporting better-governed and more effective schemes, orchestrators could significantly enhance transnational governance. Similarly, sustainable development governance has in recent years focused on encouraging voluntary partnerships and commitments from non-state actors and organizations. Hundreds of these initiatives have been created. Orchestration is sorely needed to encourage good internal governance and effective programs, coordinate dispersed actions and increase accountability.

Implications for Network Leaders

In a world of rising global challenges, orchestration represents a powerful strategy for organizational entrepreneurs to unlock innovative governance solutions. While some GSNs emerge organically from the bottom up, this paper demonstrates that many have been brought to life in more intentional fashion by orchestrators that catalyze their formation, shape their memberships and organizations, support their programs and steer their activities. While a handful of “super-orchestrators” have been especially active, a wide range of organizations have orchestrated successfully, including both “new” transnational actors, such as NGOs and city officials, and “traditional” international actors, such as states and IGOs.



To succeed, an orchestrator must possess a set of key characteristics—legitimacy, focality, material and intellectual resources, and an organizational culture disposed to collaboration and experimentation. These qualities can be developed, but they can also be undermined by missteps and competition. In addition, there must be a sufficient number of willing and able intermediaries: organizations that share a broad commonality of interest with the orchestrator and possess essential, complementary capacities to address the problem. If such intermediaries do not exist, an orchestrator may be able to catalyze their formation, but collective action problems and the costs of active cooperation can block this process.

While orchestration is not appropriate for every actor, problem or context, we believe it is undersupplied. To be sure, research identifies successful cases of orchestration in a variety of fields, from environment to financial regulation to human rights. Nonetheless, too few organizations work in this way—even though they possess many of the requisite attributes and operate in facilitative contexts, with growing numbers of highly capable non-state actors available to serve as intermediaries. As a result, most GSNs have been formed bottom-up, without the catalyzing effects, support and steering that orchestrators can provide.

Organizational culture is likely a key factor in the undersupply of orchestration. For example, even within UNEP, one of the most active orchestrators, the Division of Technology, Industry and Economics and the entrepreneurial team at the UNEP Finance Initiative have led most of the initiatives. Fortunately, organizational culture is something that policymakers and leaders can control—if not always easily or quickly. By following the guidelines outlined here, organizations aspiring to promote social change through entrepreneurship can determine if orchestration makes sense for them, and can apply the strategies that have worked elsewhere.



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Appendix: Orchestrated GSNs

GSN	Orchestrator	Initiate	Shape	Support
Access to Energy Initiative	WBCSD	✓		
Asian Environmental Compliance and Enforcement Network	Asian Development Bank	✓		✓
Africa Progress Panel	United Kingdom	✓		
Asia-Pacific Partnership on Clean Development and Climate	United States	✓		
Better Cotton Initiative	WWF	✓		
BioCarbon Fund	World Bank	✓		✓
C40 Cities	Mayor of London (initiator) + World Bank (supporter)			✓
Carbon Disclosure Project (CDP)	United Kingdom	✓		
Clean Air Initiative	USAID, World Bank, Asian Development Bank	✓		
Climate Action Reserve	California	✓		
Climate and Clean Air Coalition	UNEP, United States	✓	✓	✓
Climate Champions	United Kingdom	✓		
Climate Neutral Network	UNEP	✓	✓	
Community Development Carbon Fund	World Bank	✓		✓
Connected Urban Development	Cisco, The Climate Group	✓		✓
Eco-Index	REDD Forest Alliance	✓		
Eco-Partnerships	United States, China	✓		
En.lighten	UNEP, World Bank	✓		
Equator Principles	World Bank	✓		
Ethical Fashion Initiative	UN, WTO	✓		✓
European Fair Trade Association	European Union			✓
Extractive Industries Transparency Initiative	United Kingdom	✓		✓
Fair Labor Association	United States	✓		
Forest Carbon Partnership Facility	World Bank	✓		
Forest Disclosure Initiative	United Kingdom	?	?	?
Forest Stewardship Council	WWF	✓		
Global Alliance for Clean Cookstoves	United Nations	✓	✓	✓
Global Alliance for Vaccines and Immunization	Gates Foundation	✓		
Global Forum on Transparency and Exchange of Information	OECD		✓	



GSN	Orchestrator	Initiate	Shape	Support
Global Methane Initiative (formerly the Methane to Markets Partnership)	Various governments	✓		
Global Partnership for Sustainable Tourism	UNEP	✓		✓
Global Polio Eradication Initiative	WHO, Rotary International, Center for Disease Control, UNICEF	✓		✓
Global Reporting Initiative	UNE, CERES	✓		
Global Sustainable Electricity Partnership (formerly the E8)	Electricité de France, Hydro-Québec	✓		
International Finance Facility for Immunization	United Kingdom	✓	✓	✓
International Hospitals and Health Services Network	World Health Organization	✓	✓	✓
International Network for Environmental Compliance and Enforcement (INECE)	US and Dutch environmental agencies	✓	✓	✓
Marine Stewardship Council	WWF	✓		
Mountain Partnership	UNEP	✓	✓	✓
Partnering Against Corruption Initiative	World Economic Forum	✓		✓
PEPS - Promoting an Energy-Efficient Public Sector	United States, Mexico	✓		✓
Principles for Responsible Investment Initiative	United Nations	✓	✓	✓
Project Proteus	UNEP	✓	✓	✓
Prototype Carbon Fund	World Bank	✓	✓	✓
Revenue Watch Institute	Open Society Institute	✓		
Roundtable on Sustainable Palm Oil	WWF	✓	✓	✓
Sanitation and Water for All	United Kingdom	✓	✓	✓
SEED - Supporting Entrepreneurs for Sustainable Development	German Ministry for the Environment; UNEP	✓	✓	✓
The CEO Water Mandate	United Nations	✓	✓	✓
Voluntary Principles on Security and Human Rights	United Kingdom and United States	✓	✓	
Water and Nature Initiative	International Union for the Conservation of Nature	✓	✓	✓
World Alliance of Cities Against Poverty	UNDP	✓		✓
World Commission of Dams	World Bank; IUCN	✓		



Endnotes

- 1 See Rawn Shah, “Global Standards Networks,” 2014, p. 7 for a discussion of the Global Reporting Initiative. <http://gsnetworks.org/wp-content/uploads/Global-Standards-Networks.pdf>
- 2 A three-year Carbon Finance Capacity Building (CFCB) program was established by C40 and the World Bank Institute in February 2009 in Basel, Switzerland to reduce greenhouse gas (GHG) emissions in megacities of the South and to provide the know-how and tools that help cities develop sustainably, using carbon finance.
- 3 Sub-state actors are semi-autonomous territorial entities that are legally dependent upon, or associated with, independent sovereign states. They include provinces, states and other sub-national components of existing federal states.



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