



THE CONSTITUTION: BACKGROUND INFORMATION

RNRSA
June 2024

Adapting the RNZRSA & Model Constitutions

The Constitution: Background Information document provides material for the consultation process on the content of both the RNZRSA Constitution and the Model Constitution for discussion in June and July 2024.

The RNZRSA Constitution is undergoing a review to determine whether or not it is fit-for-purpose for the future. As part of this review, how the components of the organisation fit and work together have been considered.

While the review process did consider the relationship between Individual RSAs and the national body, how those RSAs are structured and the way they operate was not part of the review process. The same applies to Affiliates members.

Feedback:

If you have feedback or suggestions, please email it to review@rsa.org.nz.

Constructive feedback is always welcome.

The more we get the better and more robust the outcome will be.

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Terminology & Usage

Where appropriate the terms and their usage are based on the RNZRSA Constitution v117.

RNZRSA	Te Ratonga Kahui Morehu a Tu o Aotearoa, Royal New Zealand Returned and Services' Association (RNZRSA). Within the context of this report RNZRSA refers to the federated structure of RSAs across Aotearoa New Zealand.
RSA	Returned and Services' Association (RSA). This term is commonly used in 2 contexts. <ol style="list-style-type: none"> 1. Sometimes referring to the RSA movement across the country. 2. Referring to "an" RSA, i.e., an individual RSA.
Association	Member Association of RNZRSA. An Association is a Returned and Services' Associations Incorporated in New Zealand or the Cook Islands and meets the requirements to be a full member of RNZRSA.
the Board	The National Board of Governance established pursuant to Clause 6 ("the Board") the members of whom shall be the officers of RNZRSA.
the Forum	The Presidents Forum including the National President established pursuant to Clause 7 ("the Forum").
National Office	The operational office and staff of RNZRSA, headed by the Chief Executive.
Veteran	RNZRSA defines the term veteran to encompass those who attest to serve in the New Zealand Defence Force. This report adheres to that definition.
CWG	The Constitution Working Group.
Clinics	Veteran Support Clinics are conducted throughout the country by RNZRSA Support Services Team supported by trained district and local support advisors. The purpose of the clinics is to determine the support veterans maybe eligible for and commence relevant Veteran Affairs documentation and any other support organisation documentation as required. They may seek assistance from the RSA if the need arises or guided in the direction of other agencies that they may be eligible for support – Whatu Ora, MSD, ACC .

Introduction

The RNZRSA Constitution is undergoing a review to determine whether or not it is fit-for-purpose for the future. As part of that review process, focus was placed on the wider picture and how that relates to the way forward for RNZRSA.

While the review process did consider the relationship between Individual RSAs and the national body, how those RSAs are structured and the way they operate, was not taken into account. RSAs are entities in their own right. The same applies to Affiliates members.

How RNZRSA responds to the information contained in this document will largely determine the success or failure of the organisation. That success or failure will influence the well-being and health of Aotearoa New Zealand veterans in coming decades.

The new Incorporated Societies Act requires all RSAs to reregister by **5 April 2026**. In order to reregister, the RNZRSA Constitution and the Model Constitution must include the legally required changes, any adjustments that come out of the review and consultation process, correct anomalies and tidy up areas that lack clarity.

The Incorporated Societies reregistration next steps are:

- 1. The draft Constitution and draft Model Constitution will be available in July for consultation.**
- 2. The new RNZRSA Constitution will be presented to National Council on the 16th and 17th of October this year.**
- 3. RSAs will then have 17 months (up until 5 April 2026) to reregister their own Constitution with the Incorporated Societies Registrar.**

The document summarises the background information 4 sections:

Section 1: Constitution Review Principles.

Section 2: Consultation Process.

Section 3: Challenges Facing Community Based Organisations.

Section 4: Why Adaptation is Important for RNZRSA.

Any feedback on this document will be welcomed. Please send it to: review@rsa.org.nz.

1. Constitution Review Principles

The Board of Directors of RNZRSA (**the Board**) has taken the view that, while the current organisational framework needs to be reset for a sustainable future, it is just as important to find new ways to bring local RSAs on that journey. This requires the Board and management to listen to feedback and incorporate it into the new constitution.

Further, this review process includes a recommendation that the principles of the Treaty of Waitangi¹ are considered in the writing of the new RNZRSA Constitution.

The current review process began at National Council 106 in 2022. Two key messages given to the Board and Forum at this 106th Council gathering by RSA representatives were:

- **Support for veterans and their whānau remains the core purpose of our organisation (the “Driver”).**
- **Change is necessary for the RSA movement to have a sustainable future (the “Challenge”).**

The Board and the Constitution Working Group (**the CWG**) are taking a “trust and values-based approach” to the review of our organisational framework, and to the review of the new Constitution, By-Laws, Model Constitution, Association Rules, and Trust Deeds.

- **Trust:** We trust that members of RSAs want to continue to support the core purpose of the organisation that is “support for veterans and their whānau”.
- **Values:** We value this organisation, one RSA at a time right through to the National Office.

¹ To come

2. Constitution Consultation Process

The Constitution: Background Information document spearheads a series of consultation initiatives. The Board and the CWG embraces the following values for establishing relationships and re-setting the RSA.

- **Hono** - Connect
- **Hihiri** - Inspire
- **Aroha** – Respect

The consultation process began with:

- A review of currently available reports and documentation.
- The formation of the CWG, whose work is ongoing.
- A Future Focused Culture Review: Defining Barriers & Looking to Solutions².
- National Council 106 in October 2022.
- Email consultation during 2022/2023.
- Warrant of Fitness Survey during 2023.
- Joint Board Forum Hui, in July 2023, August 2023 and February 2024.
- National Council 107. Pt 2 in February 2024.

Future planned consultation includes:

- Consultation meetings.
- An email address for feedback and questions: **review@rsa.org.nz**.
- Newsletters.
- Circulation of Draft Constitution for feedback.

2.1 Recent Reports & Consultation

2.1.1 A Future Focused Culture Review: Defining Barriers & Looking to Solutions

In November 2022, the Board of RNZRSA sought to assess the culture of the RSA with a view to ensuring the organisation was capable of adapting to become fit for purpose for the future.

Andrena Patterson LLB, MPP (Merit), an independent workplace investigator who works in the Government, Commercial, and Not-for-profit sectors was contracted to carry out the independent investigation.

Patterson noted:

- *“Concurrently, the Incorporated Societies Act 2022 requires a review of the RNZRSA Constitution to ensure it meets the new requirements of the new Act. This offers a timely opportunity to ensure that the organisations culture, structure, and supporting documentation is fit for purpose and supportive of RNZRSA’s strategic direction”.*
- Reportedly, workshops at National Council 2022 identified the need for RNZRSA to change in order to meet the increasing requirement for support for New Zealand’s veteran community.

² See Appendix 1 for the The Future Focused Culture Review: Defining Barriers and Looking to Solutions, Report Summary. Andrena Patterson of Independent Investigations 2023.

A review of the culture is therefore both timely and prudent.

The review looked to identify culture related matters, relationship issues, and structural issues³ and made recommendations about changes that would improve the culture and support our strategic focus on supporting veterans and their whānau.

The Board has adopted most of the recommendations made in the report. A summary of those recommendations and the actions taken to date by the Board is as follows.

- **Leadership Standards and Code of Conduct:**
Ensure that all members in leadership positions receive comprehensive briefings on RNZRSA's expected standards of behaviour and conduct, preferably by individuals of mana and high standing in the organisation.
Underway: New induction programmes are being developed.
- **Review Complaints Policy:**
As part of the current review of the complaints policy, include information on expected timeframes for resolving complaints and establish a system for ongoing reporting of progress.
Completed: Recognised prior to the publication of the report. Adopted at National Council 2022. This is to be included in the new Constitution.
- **Review Policies and Procedures Related to Expected Standards of Behaviour:**
The primary focus of a review should be on simplifying the messaging surrounding standards of conduct and improving the form of its delivery. These actions will resolve the common complaint that policies are too complex and wordy for members to understand.
Yet to be undertaken. The Code of Conduct is due for review in 2025.
- **Clarify Roles and Responsibilities:**
The roles and responsibilities of Forum, National Office, and Board should be clearly defined to ensure effective collaboration and co-operation within these three key areas of the RNZRSA.
Underway: The current review process addresses this recommendation.
- **Empower and Engage Women Members:**
Undertake further work on role and status of women in the organisation, considering the currently varied and conflicting views. One way to achieve this is by actively empowering and engaging women members and veterans to drive organisational change.
Underway: The Service Women's Group is in the appointment phase.
- **Enhancing and Promoting Māori Participation and Engagement:**
Similarly, continue to encourage members and local RSAs to take a pro-active approach to welcoming Māori membership and participation within the organisation, and to building stronger connections with local iwi and communities. Consideration needs to be given to governance representation and aligning to the principles of the treaty, so the organisation is connected to the large Māori veteran population.
Underway: This recommendation has been included in the review process.
- **Communication of Policy on Associations Operating Hospitality Venues:**
It may be worthwhile to consider whether the RNZRSA should promulgate a clear strategic direction regarding the status of Associations operating hospitality venues.

³ Structure is used in the broader sense of the term. Structure includes the actual structure of the organisation as well as the documentation and processes that support it.

Yet to be undertaken.

- **Enhancing Collaboration with Local Associations:**

It is important for RNZRSA to continue improving collaboration with local Associations, gaining their trust, and building confidence.

Underway and ongoing: National Conference 107, 24 February. Affiliates Feedback session April 2024. review@RSA.org.NZ set up for feedback. Forum meetings updated regularly. Direct communication with RSAs set up post 24 Feb 2024.

- **Establishing a Pathway for Local Club Compliance:**

It is recommended the RNZRSA develop a pathway, if feasible, to ensure that local Associations comply with the organisation's three pillars and maintain the integrity of what it represents.

Underway: The WOF (warrant of fitness) work carried out in 2023 was the first step in this process.

- **Loud and Proud Positive Actions and Communications:**

The RNZRSA may want to adopt an approach that always has an underpinning of positivity and hope in what it does, with a key goal of celebrating its members, volunteers, ideas, and successes. There has been good work by National Office on this matter, but it serves as a reminder to other areas of the organisation about the importance of demonstrating that its members are valued, appreciated, and supported.

Underway: There have been marked changes to the frequency and content of communications. Barriers to progress have been identified and changes are underway.

2.1.2 RSA2030

RSA2030 followed on from the independent investigation by Andrena Paterson.

RSA2030 was a series of nine presentations held around the country describing where the RSA movement was currently positioned while seeking feedback from grassroots RSAs. The process used for the development of RSA2030 was an iterative one. Feedback was sought after each presentation and included in the final version of RSA2030. Version 10 of RSA2030 was then circulated to all RSAs.

Presentations were:

- Generally, well received.
- Treated respectfully.
- Engagement was encouraging.
- Accepted as fairly defining the state of the RSA movement today.

The driving force behind RSA2030, is the fiercely held desire to maintain RSAs role in Remembrance, Support, and Advocacy for the benefit of those who have served in the New Zealand Defence Force and their whānau.

RSA2030 consulted on:

- The reasons adaptation is required.
- The level of change required to realign RNZRSA with its core purpose.
- The elements required to drive the organisation into the future.

Two key statements are relevant to the way forward:

- The current structure of RNZRSA and aspects of the way we work now are simply too fragmented and inconsistent to let us achieve the vision.
- It is timely for us to unify and review what we do and how we do it to best support the veteran community.

2.2 Review of the RNZRSA Constitution, Model Constitution, and Bylaws

The ongoing work by the CWG on updating the RNZRSA Constitution, the Model Constitution and the Bylaws has shown that the current documents don't accurately reflect the way the organisation is operating.

The new Incorporated Societies Act 2022 and subsequent Regulations (Sept 2023) set new legal parameters that require Constitutions to be updated. This provides a timely opportunity for RNZRSA to reflect on the way forward and to incorporate the adaptation into these critically important documents.

3. Challenges Facing Community Based Organisations

In his book, *After the War: The RSA in New Zealand*, published in 2016 on the 100-year anniversary of the RSA, author Stephen Clark issued a *challenge*... “*Without the RSA, who stands up for service personnel and their families in need?*”⁴.

It is incumbent on RNZRSA, including the 182 RSAs around the country, to meet this challenge.

The three overarching challenges faced by our organisation are:

- The need for adaptation to render the organisation fit for purpose going into the future.
- Ensuring RNZRSA is positioned to attract funding sufficient that it can afford to deliver its core strategy of Remembrance, Support, and Advocacy.
- Ensuring the reputation and relevance of RNZRSA are strong and supportive of our core purpose.

The challenges facing RNZRSA are not unique. The not-for-profit sector is under pressure from, reducing sources of funding through to declining numbers of people volunteering. Equally, multiple organisations with federated structures are reviewing and revising the way they operate.

3.1 The Not-for-Profit Sector

In 2021 the JBWere New Zealand Cause Report, identified the not-for-profit sector as being important to New Zealand. “*The activities of the for-purpose sector*⁵ [organisations driven by a core purpose] *are the fabric of our society...; it plays a vital role in building healthy communities. This sector provides critical services and support that contributes to socio-economic stability and mobility, and in turn supports a more inclusive Aotearoa New Zealand*”.⁶

- Increasing numbers of not-for-profits are competing for the charity dollar.
- As government services are scaled back, non-government organisations (NGOs) struggle to pick up the slack.

It is becoming increasingly problematic for RNZRSA to continue the way it is and at the same time have future-based aspirations.

The Cause Report also commented that in some larger charities, the value of land, and buildings, as a proportion of assets, have nearly doubled since 2017. This was “*putting into question if these assets are creating a burden of maintenance and are being optimised for achieving the organisations’ missions*”. RSAs across the country are facing these same challenges.

⁴ Stephen Clarke. (2016). *After the War: The RSA in New Zealand*. Chapter 6: Back to the Future, pg. 260.

⁵ The “for-purpose sector” is also known as the “not-for-profit” sector. This terminology reflects that Charities are driven by the purpose of their organisation.

⁶ JBWere. (September 2021) *New Zealand Cause Report*.

- Some RSAs have been disposing of assets in an effort to meet strained financial circumstances.
- Other RSAs are merging with other types of Clubs⁷ resulting in loss of assets and loss of RSA identity within communities.

The very purpose for which these assets were accumulated is often forgotten and therefore, in many cases, plays no part in the decision making around the disposal of assets. In short, any potential benefit for the veteran community, the very veterans these assets were meant to benefit in the first place, are forgotten. At the same time many of these situations are reported negatively in the media and this has resulted in harm to the reputation of the organisation.

3.2 Volunteering

Additional operational pressure is being put on not-for-profits, including those within the RSA movement, by the reducing numbers of volunteers. In particular, volunteers skilled in governance and management are not putting their hands up to join RSAs. Even finding people to collect on Poppy Day is a struggle for many.

Volunteering across New Zealand is on a downward trajectory. The changing trends of retirement, work life balance, and geographic demographics are reducing the pool of volunteers, while at the same time the demand for volunteer hours is increasing.

As the leading organisation for veterans in the not-for-profit sector, RNZRSA has a unique perspective. We get to see the big picture and how these trends effect the veteran community.

What we know is:

- It's getting tougher every day.
- The need for veteran support is growing and becoming more urgent.
- The requirements to meet compliance, health and safety, and professional operating standards are becoming increasingly expensive and challenging.
- The goodwill and well-being of staff and volunteers is being stretched to its limits.
- The boundaries between work and volunteer duties are becoming blurred.

3.3 The Challenges of a Federated Structure

When the federated organisation was conceptualized back in 1916 the RSA consisted of local separate entities that came together as a federated structure based on military districts.

When federated structures were put into place, communication was significantly slower and had far less reach than it does today. Gone are the days when a letter took weeks or months to reach its destination and toll calls were prohibitively expensive. Direct and immediate communication is the norm today.

The key question for RNZRSA is: How can we realign the current framework to support the veteran community more effectively?

⁷ For example, Workingmens Clubs, Cosmopolitan Clubs, and Bowling Clubs.

RNZRSA's federated structure is having four major impacts:

1. **A requirement for high levels of nationally based support.** The dual, Board/Forum structure, formed in an effort to link the operational and representational aspects of the RSA movement, has become unwieldy and expensive. *The workshops at National Conference 107 (24 Feb) explored this 2024 issue. See National Council 107: Feedback, for further detail.*
2. **Internal competition.** This is an indirect and hard-to-measure cost that often plays out in the media. Associations compete for importance often at the expense of the veteran community and to the detriment of public perception. In the case of RNZRSA we have seen situations where:
 - i. Individuals and Associations compete to take credit for shared services.
 - ii. Dis-enfranchised RSAs often with competing purposes go to the media in an effort to coerce the national body into acting in ways that suits their needs.
 - iii. Regional entities become ensnared in power struggles as they assert their independence from the national entity to the detriment of delivering our core purpose.
3. **Ineffective adherence to core purpose.** Under the weight of the Federated and Incorporated Society structures, consideration of core purpose is often lost. Such a structure risks delegation of decision making to the lowest level, at the same time the organisation is requiring increased standards of professionalism. The tension points have at times become inhibitive. At the same time the veteran community does not see local RSAs as providers of services relevant to either their recreational or support needs.
4. **Loss of relevance and reputation.** The federated model arose in a different era. Today it is a structure that creates barriers to modern day communications and service delivery. Our fragmented organisation structure lacks clarity of purpose and is not attractive to the more current veteran cohorts.

The current model is generating dysfunction within the organisation which in turn contributes to the loss of relevance. This dysfunction is unattractive to government funders, corporate sponsors, and the donating public alike. Without this funding we cannot fulfil our core purpose effectively. There can be no question that we need to adapt and transform the current federation structure to reflect new ways of operating and especially to deliver support services to the veteran community.

4. Why Adaptation is Important for RNZRSA

4.1 Summary of Previous Change Initiatives

Recognition that in the past the RSA has needed to evolve to stay current and function effectively is not new. The membership has grappled with the notion of an appropriate governance structure for years. While some initiatives have delivered aspects of change in most cases that change has been modified by negotiation with recalcitrant districts motivated by their own agendas, rather than a proactive drive to focus on our core purpose. Some of the previous initiatives were:

- In August 2003, RNZRSA issued Terms of Reference for a Review of the Royal New Zealand Returned Services' Association. Members of the Review Team were Lieutenant General (Rtd), D. S. McIver CMG, OBE, and Colonel (Rtd) D. W. S. Moloney, OBE. The ensuing report was known as the M&M Report. Some aspects of the M&M report were adopted over ensuing years however, recommendations about improved governance were ignored.
- The Executive Management Committee (EMC), which was to sit alongside (but in effect was subordinate to) the National Executive Committee (NEC), was formed. Members were selected on the basis of skills and business experience. But fear of possible territorial violations over the boundary between the EMC and the NEC hampered effective governance.
- Two financially disastrous years 2012 and 2013 followed.
- At National Council in 2013 President Don McIver proposed that an independent task force should be formed to examine the entire governance problem. Air Vice Marshal (Rtd), Robin Klitscher CBE, DFC, AFC was appointed to lead it.
- At National Council 2014 "The ITF Report" was accepted without amendment by a better than 80% majority. This report became the basis for the Forum/Board arrangement that exists today.

While this structural change did not achieve all that was hoped for it did achieve a refocused organisation at the national level. Core purpose was championed by the then National President Barry (BJ) Clark and this then became the dominant operational mandate for the Board and National Office.

Wisely, the ITF Report contained a recommendation for an ongoing review of governance. The current review process responds to that recommendation.

4.2 The Current Position

The RNZRSA has two overarching drivers. They are:

- Ensuring the core purpose of support for veterans and their whānau remains the central focus for RNZRSA, as it was when the organisation was established in 1916.
- Ensuring this organisation stays fit-for-purpose into the future to deliver the promise bound within our core purpose.

Slowly but surely, RNZRSA is gaining recognition that the work we do is as important today as it was in 1916.

- Successive Poppy campaigns have begun the process of bringing the younger cohorts of veterans to the attention of the wider New Zealand audience.
- Veterans Affairs has admitted they are swamped by demand for their services. Veterans are turning to RNZSA Support Services for assistance.
- There is now an increasing awareness that Veteran Support Act, 2014 is failing post 1974 veterans. RNZRSA is calling for a review of the Act on behalf of younger veterans.
- There are increasing numbers of veterans – their population is NOT declining.
- Instead of reporting on dysfunction within the RSA movement, the media is now reporting that RNZRSA is looking to the future.

While our core purpose is undoubtedly a worthy cause...RNZRSA is not in good health.

- Aotearoa NZ recognises that RNZRSA is struggling to retain its reputation.
- The veteran community values our support but no longer sees RSAs as relevant.
- Dysfunction is playing out in the media and has done so now for a number of years.
- Aotearoa NZ does not recognise the level of adaptation the RSA needs to make to become sustainable for the future.

The need for adaptation is compelling. If we bury our heads in the sand and compromise solutions we may well be failing the very veterans we are committed to supporting.

4.3 The Veteran Community

The veteran community is a diverse group. While military service may connect them, it does not define them. The support provided by RNZRSA is individualised and wide ranging. Everything from well-being, hardship, homelessness, and mental health through to transition and employment assistance. The 'little known fact' is that there are ever increasing numbers of veterans requiring our support.

- In 2020 there were over 140,000 veterans in Aotearoa New Zealand.
- Since 1990, 62,000 have joined the veteran ranks.
- In September 2024, it will be 25 years since NZDF deployed 5,665 service people into Timor Leste.
- It is 24 years since NZDF deployed service people into Afghanistan for New Zealand's longest commitment to a war or conflict.

RNZRSA battles daily for recognition for the younger cohorts (post-Vietnam) of veterans. The NZ public are largely unaware of the service they have done both within our shores and on deployments they have undertaken.

4.4 Demands for RNZRSA Support Services

It is long been recognised that civilian organisations are failing to meet the support needs of the veteran community. In 2018, the Paterson Review⁸, confirmed that veterans themselves consider civilian agencies do not meet their needs once they transition from the military to everyday life.

⁸ Paterson, R. (March 2018) Warrant of Fitness: An independent review of the Veterans Support Act 2014.

In 2023, Te Arataki mō te Hauora Ngākau mō ngā Mōrehu a Tū me ō rātou Whānau, The Veteran, Family and Whānau Mental Health and Wellbeing Policy (Te Arataki) was released by Veterans Affairs. The development of this policy framework brought together “*main stream organisations, veteran advocacy groups, health practitioners, and veterans themselves*”⁹ to focus on what is needed by, Aotearoa New Zealand’s veteran population and what works for them.

Te Arataki has gone some way to confirming the scope of work RNZRSA is facing if it is truly going to make a difference to the lives of veterans and their whānau.

In July 2023, the Hon Meka Whaitiri, then Minister for Veterans, launched Te Arataki. This policy document identified the need for a “*one-stop shop*”, not a “*minefield of agencies*”, for the veteran community which will require professional service development to implement. This one-stop shop will need to spearhead an “integrated cross-agency response that minimises the negative impacts of the current multi-agency approach and promotes protective factors to help veterans thrive.”¹⁰ Support for the veteran community is the primary reason for the existence of the RSA movement.

- **RNZRSA provides a largely veteran to veteran service**, in the communities they live, to navigate veterans to the support they need.
- **RNZRSA largely relies on volunteers** to deliver this service, but the demand and levels of expertise needed, requires paid staff.

There can be no doubt there is considerable demand for the work RNZRSA does to meet our generations old commitment to Remembrance, Support and Advocacy. At the same time, it is widely recognised that Veteran Affairs (VA) is also struggling to meet the demand placed on it by the veteran community¹¹.

RNZRSA Support Services:

- Oversee some 250 volunteers.
- Run clinics.
- Provide training.
- Advocate for veterans requiring additional support.
- Seeks funding for hardship.
- Acts as a conduit to specialised services where necessary.

The Ministry of Social Development (MSD) funded employment programme for transitioning veterans resulted in a demand that exceeded all expectations and, despite the fact records show clear financial benefits to government coffers, the funding has been cancelled.

- RNZRSA has proven over time that we can deliver support services.
- The issue faced on a day-to-day basis is the lack of resources needed to meet the increasing demand.

⁹ Te Arataki. 2023. Pg 7.

¹⁰ Te Arataki. 2023. Pg 11.

¹¹ NZ Herald 23 March 2024, Editorial: The treatment of our military veterans is a disgrace and must be urgently addressed.

RNZRSA's point of difference is that we have experience, knowledge, and accessibility into the veteran community.

To be the pre-eminent veteran support organisation is a worthy goal, and one our forebears of the first RNZRSA Executive in 1916 would no doubt support. Delivery of core government services as a contracted entity would enable the RSA to do this and produce better services for veterans. Attracting funding is both a driver and a challenge upon which the future of RNZRSA is dependant. However, the foundations of this organisation are sound, but the structure that sits on top of those foundations is not.

An adaptation of RNZRSA is therefore timely and required.

4.5 Declining Membership

Widening the scope of membership has been a survival strategy for the RSA for years. In the 1920s the membership was expanded from Returned to include Service persons. In the 70s and 80s membership was opened to the wider public. Nowadays RSA membership is available to all-comers and this strategy has run its course. Simply put this is a closed option and despite these earlier initiatives' membership continues to decline. Acknowledging this reality is a challenge the RSA must face.

The table below shows the severity of the declining membership. Notably the greatest rate of decline is in veteran membership. Membership numbers of returned and service constitutes less than 22% of the total membership of the RSAs. The message is clear, on the whole RSAs are failing to attract the younger cohorts of veterans.

At the same time a new group of veteran-focused organisations like Soldiers, Sailors, and Aviators of New Zealand (SSAANZ), Veterans of Combined Forces Surfing Association (VCFSA) and No Duff, etc., are increasing in numbers. **If we are to remain relevant we must first accept that declining membership is an issue to be faced.**

Membership Data

Year	Returned	Service	Members	Total
2008	22,627	28,198	64,573	115,398
2017	9,070	19,534	68,761	97,365
2022	6,113	13,288	58,081	77,482

- Membership is dropping at an ever increasing rate.
- The total membership has dropped 33% over 14 years.
- Returned and Services membership has declined by 62%.
- Despite NZDF generating 62,000 new veterans since 1990.



The re-set needed will require RNZRSA to provide pathways for more recent veteran cohorts to belong to the movement. The Online RSA is seen as a possible option.

4.6 Failure of the Capitation Funding Model

The not-for-profit sector is facing challenging times. Events like COVID and the recent weather events in the North are draining the charity dollar pot. At the same time New Zealanders are facing increasing costs of living, people are working longer, and retirement is being viewed differently... all this is resulting in a depleting volunteer resource pool.

Funding and finding suitable volunteers are major issues for RNZRSA as they are for all RSAs.

The capitation income stream has been declining for years. That decline is now putting us under financial pressure. This impacts us in the following ways:

- **Capitation ceased to support the organisation structure last year.**¹²
- The organisation is carrying a structure that is unwieldy, costly, and limiting the support we can give to veterans.
- Hospitality based businesses all over the country are under pressure.
- Hospitality based RSAs account for over 70% of capitation.

For capitation to work it would need to be raised to four or five times the amount it is now.

- How many RSAs can afford that?
- How many of the individual members of RSAs can afford that?

A 2023 review of 53 hospitality based RSAs was instigated by an awareness that the NZ Hospitality sector was coming under increasing pressure. Furthermore, when the hospitality based RSAs fail they often fail publicly. The outcome for the RSA movement is that hospitality and indeed failing hospitality based RSAs are becoming the dominant public image of the organisation. Those inside the organisation know that this isn't the case. RSAs are many and varied, some are virtual, some are veteran centres, others are fellowship based.

The review was timely. The hospitality based RSAs provide over 70% of capitation. Capitation has fast become a failing funding model for the organisation. This matter is further compounded by declining membership all the while the veteran population is growing and the demand for support services is increasing. At the same time, some hospo-based RSAs are beginning to demand capitation exemption for their non-service members, putting further pressure on the RNZRSA's capitation-related income.

RNZRSA is facing tough financial times. For the first time in its history capitation is not meeting the financial needs of the organisation. The need to attract funding has become a major challenge for the organisation.

4.7 Loss of Assets

In many cases mergers have resulted in the loss of RSA assets. This equates to loss of potential benefit for veterans. Property acquired generations ago in support of the veteran cause has, in a number of cases, been sold up to support failing hospitality businesses. In other cases, assets have been merged with hospitality-based Clubs often resulting in the loss of RSA identity.

In some cases, it is encouraging to note that assets have been repurposed to focus on supporting veterans. Assisting RSAs to pivot to new ways of operating is part of our wider transformation programme.

¹² The short-term Ministry of Social development funding supported the current year. That funding is no longer available.

RSAs that acknowledge our core purpose are valued members of the RSA movement. The proposed adaptations recognise these RSAs and seek new and better ways to connect them to RNZRSA.

4.8 A Constitution that is at Odds with Current Ways of Working

The RNZRSA Constitution (version 117) is:

- Difficult to read.
- Not clear in its intentions.
- The core purpose is blurred by wide statements.
- The details of the structure and operation of the organisation are blurred and not aligned with the intent of the Constitution.

The associated Bylaws are in some places at odds with the Constitution, and often complex and difficult to understand. These need to be adapted to current ways of organising and operating a charitable not-for-profit organisation.

At the same time the Model Constitution (for Associations) and Association Rules are overdue for an update.

The re-write will result in a straight-forward Constitution that reflects the findings of the review process and adds clarity to the structure and operation of RNZRSA.

Appendix

Andrena Patterson (2023). A Future Focused Culture Review: Defining Barriers & Looking to Solutions. The Summary Report October 2023.

1. BACKGROUND

In November 2022, the Board of Royal New Zealand Returned and Services Association Inc, Te Ratonga Kahui Morehu a Tu o Aotearoa (RNZRSA)¹³ sought to assess the culture of the organisation with a view to ensuring the organisation is capable of adapting to become fit for purpose for the future.

Concurrently, the Incorporated Societies Act 2022 requires a review of the RNZRSA Constitution to ensure it meets the new requirements of the new Act. This offers a timely opportunity to ensure that the organisations culture, structure, and supporting documentation is fit for purpose and supportive of RNZRSAs strategic direction. s

Reportedly, workshops at National Council 2022 identified the need for RNZRSA to change in order to meet the increasing requirement for support for New Zealand’s veteran community.

A review of the culture is therefore both timely and prudent. This report to the Board of RNZRSA sets out my review of the organisation’s culture.

The review looks to identify culture related issues, poor relationships, and structural issues¹⁴ and to make recommendations about changes that would improve the culture and support the strategic focus on support for Veterans and their whānau .

The culture of an organisations culture sets a framework for shared understandings which consequently influence how the organisation adapts to changing environments.

2. ORGANISATIONAL CULTURE

Culture can determine the success of an organisation. Where culture is ignored, and leadership fails to address issues as they occur, making the changes required to adapt the organisation to meet current operational demands becomes increasingly difficult¹⁵. The good news is that healthy cultures provide a platform for a successful organisation.

In order to be successful, organisations like RNZRSA need an adaptive culture. An adaptive culture allows the Board, Forum, Management, and Members (both Associations and individuals) to focus on initiatives within the organisation that allow it to keep pace with changes required to stay relevant for Veterans and to build sustainability for the future.

It is reasonable to expect the wider RSA culture has developed over many years and has been influenced by both the culture of the New Zealand (NZ) military and that of the wider NZ society¹⁶. Over time and because RNZRSAs culture has been influenced by those who have transitioned out of the military it has the potential to be conservative, masculine, and resistant to change¹⁷. This description of culture is reminiscent of NZ Defence culture of the past.

¹³ Also referred to as “the organisation”. RNZRSA refers to the wider organisation.

¹⁴ Structure is used in the broader sense of the term. Structure includes the actual structure of the organisation as well as the documentation and processes that support it.

¹⁵ Assessing Organizational Culture; Forbes, 2019.

¹⁶ NZ Army Culture, M Werder 2019.

¹⁷ The Importance of Understanding Military Culture, L Hall; Social Work in Health Care 2011.

The question remains: *Is the culture of RNZRSA reflective of the standards expected of Not-for-Profits (NFP) and Non-Government Organisations (NGO) in 2023?*

It was reported that a workshop held on the second day of National Council 2022 recognised the need for the organisation to adapt and change. At the same time, it was identified that there are long term pockets of toxicity within the RSA movement.

It should also be noted that many RSAs function efficiently and support Veterans. However, it was also reported that a significant number provide services¹⁸ to the communities in which they are located. Concern was expressed that in these cases the culture is morphing and that this increasingly wider community focus is risking dilution of purpose and intent of the RSA movement. In short, the culture and purpose of the organisation maybe out of alignment.

3. EXECUTIVE SUMMARY

I was impressed with the participants’ commitment to RNZRSA and the organisational philosophy. They came across as dedicated, loyal, and committed to the organisation. Despite having different views on organisational culture, all participants maintained a respectful and polite demeanour during interviews.

Twenty-three interviews were carried out and interviewees contributed fairly and fully.

It was reported that a workshop held on the second day of National Council 2022 recognised the need for the organisation to adapt and change. Therefore, it is timely for RNZRSA to look forward and to put differences aside to achieve the organisations stated Mission, support for Veterans and their whānau.

Esprit de corps among members mostly remains low, and the leadership of the organisation needs to come together, collaborate, and act positively to restore confidence and uplift morale.

The prevailing sentiment indicates that the leadership levels of the organisation need to focus much more on working positively together to ensure the organisation has a sustainable future.

The Board of RNZRSA asked me to consider obstacles and solutions to the development of a healthy organisational culture.

4. FINDINGS

The findings fall into the 8 themes listed below. I have also included other points of interest. My findings are:

Behaviour:	
<ul style="list-style-type: none"> • Lack of awareness of Policy documents. • Lack of understanding of currently acceptable standards of behaviour. • Overly complex language used in the Constitution. • Pockets of toxicity. • Disrespectful behaviours. 	<ul style="list-style-type: none"> • People leaving because of poor behaviours. • Lack of understanding of personal accountability for poor behaviour. • Behaviours that could be considered serious misconduct. • Blame shifted to the challenger and sometimes described as provocative.
Complaints Procedures:	
<ul style="list-style-type: none"> • Strongly criticised. • Lengthy. • Pre-determination and bias evident. 	<ul style="list-style-type: none"> • Lack of effective complaints management. • Lack of transparency. • Below currently acceptable standards.
Organisation Structure:	
<ul style="list-style-type: none"> • Role confusion. • Blurred responsibilities. • “Three headed”. • Disaffection with the Forum. • Infighting and a climate of suspicion. 	<ul style="list-style-type: none"> • Some Forum members were critical of National Office. • Most support the National Office. • Recognition of high work demands. • Lack of funding seen as a critical resourcing issue.

¹⁸ For example: Hospitality venues, community hubs, etc.

<ul style="list-style-type: none"> The Board is supported (except where complaints management is concerned). 	
Inclusivity and Diversity: <ul style="list-style-type: none"> Lack of women in leadership positions. Women’s Section seen by some as the voice of women. The organisation is “western centric”. 	<ul style="list-style-type: none"> Many support the inclusion of Te Reo, Māori concepts, and customs. Other cultural groups are not acknowledged.
Organisational Values: <ul style="list-style-type: none"> The 3 pillars are widely recognised. The values of courage, commitment, compassion, and comradeship were not well recognised. 	Adherence to Core Purpose: <ul style="list-style-type: none"> Strong recognition of the core purpose. Concern expressed that Associate members were detracting from the core purpose. Some said Associate members were often family.
Associations and Attitudes: <ul style="list-style-type: none"> Hospitality based Associations are contentious. Some Associations are important to local communities. Some are poorly managed. 	Other Points Raised by Interviewees: <ul style="list-style-type: none"> Membership lacks clarity. Volunteers are coming under pressure. Volunteer base is declining. Some Associations are no longer “bricks and mortar”. Communication could be better.

5. MY OBSERVATIONS

So, what has changed about culture? From the information before me, it appears the RNZRSA is undergoing a transitional phase. Where:

- Older participants from previous generations, who have served may not, be as technologically adept, or understand the significance to the RSA in reflecting current cultural norms. However, they remain frustrated and concerned that the ideals of the RNZRSA may decline as the organisation seeks new ways of encouraging participation and membership.
- Similarly, women from the same generation, who may align with more traditional gender stereotypes, find value in the comradeship and security that organisational membership provides. The Women’s Section is viewed as some as the voice of women within the organisation. While some are accepting of this view others find it to be outdated.
- This viewpoint contrasts with younger members who do not fully appreciate or understand the roles older women play, often dismissing their efforts as the “tea, scones, and sandwiches brigade” . They view these traditional activities as outdated and not reflective of the current role and responsibilities of women who serve in the armed forces.

6. RECOMMENDATIONS

The ToR require me to identify what is needed to improve relationships and foster a more positive workplace culture. The RNZRSA may want to consider the following recommendations:

- Leadership Standards and Code of Conduct:**
Ensure that all members in leadership positions receive comprehensive briefings on RNZRSA’s expected standards of behaviour and conduct, preferably by individuals of mana and high standing in the organisation.
- Review Complaints Policy:**
As part of the current review of the complaints policy, include information on expected timeframes for resolving complaints and establish a system for ongoing reporting of progress.
- Review Policies and Procedures Related to Expected Standards of Behaviour:**
The primary focus of a review should be on simplifying the messaging surrounding standards of conduct and improving the form of its delivery. These actions will resolve the common complaint that policies are too complex and wordy for members to understand.

- ***Clarify Roles and Responsibilities:***
The roles and responsibilities of Forum, National Office, and Board should be clearly defined to ensure effective collaboration and co-operation within these three key areas of the RNZRSA.
- ***Empower and Engage Women Members:***
Undertake further work on role and status of women in the organisation, considering the currently varied and conflicting views. One way to achieve this is by actively empowering and engaging women members and veterans to drive organisational change.
- ***Enhancing and Promoting Māori Participation and Engagement:***
Similarly, continue to encourage members and local RSAs to take a pro-active approach to welcoming Māori membership and participation within the organisation, and to building stronger connections with local iwi and communities. Consideration needs to be given to governance representation and aligning to the principles of the treaty, so the organisation is connected to the large Māori veteran population.
- ***Communication of Policy on Associations Operating Hospitality Venues:***
It may be worthwhile to consider whether the RNZRSA should promulgate a clear strategic direction regarding the status of Associations operating hospitality venues.
- ***Enhancing Collaboration with Local Associations:***
It is important for RNZRSA to continue improving collaboration with local Associations, gaining their trust, and building confidence.
- ***Establishing a Pathway for Local Club Compliance:***
It is recommended the RNZRSA develop a pathway, if feasible, to ensure that local Associations comply with the organisation's three pillars and maintain the integrity of what it represents.
- ***Loud and Proud Positive Actions and Communications:***
The RNZRSA may want to adopt an approach that always has an underpinning of positivity and hope in what it does, with a key goal of celebrating its members, volunteers, ideas, and successes. There has been good work by National Office on this matter, but it serves as a reminder to other areas of the organisation about the importance of demonstrating that its members are valued, appreciated, and supported.