

# An Evaluation Framework to Support Board Governance

Presentation by Jasmin Earle Consulting  
OACAO Annual Conference  
October 19th 2009



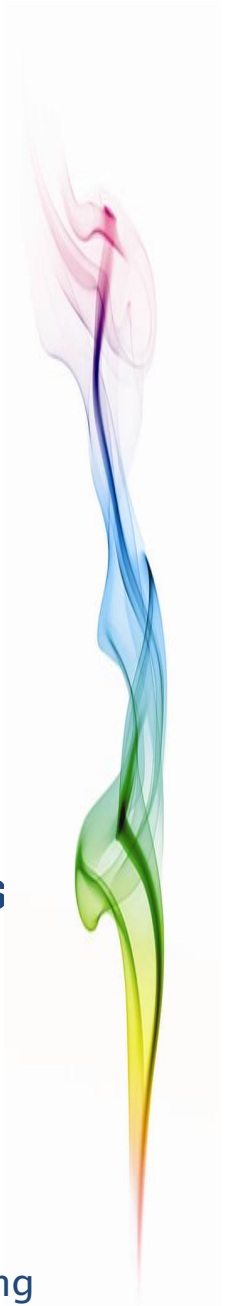
# Agenda

- **Purpose of this workshop**
- **Introductions**
- **What Does the Evidence Tell Us about Board Governance**
- **Gathering Our Own Evidence - Simple Evaluation Framework**
- **Indicators of Effective Board Governance**
- **Self Assessment Tool to Measure Board Performance**
- **Knowledge Sharing and Questions**



# Purpose of this Workshop

- **To review some evidence on board governance and sector trends and challenges**
- **To discuss effective practices in board governance and present indicators that all organizations can use to measure their own board performance**
- **To share a simple evaluation process that all boards can implement**
- **To share a simple self assessment tool that can help to focus the board's attention on areas for development**



# Key Challenges in Non-Profit Board Governance:

- Shifts from operational to policy governance boards
- Recruiting qualified board members due to:
  - Time demands
  - Concerns about liability
- Need for specific skills (finance, legal, communications, strategic planning)
- Board-staff relations – clarity of roles
- Orientation and training opportunities for board members
- Changes to the Corporations Act, Income Tax Act
- New legislative demands

•NATIONAL STUDY OF BOARD GOVERNANCE PRACTICES IN  
•THE NON-PROFIT AND VOLUNTARY SECTOR IN CANADA, 2006:  
•Grace Bugg,Sue Dallhoff,Strategic Leverage Partners Inc.



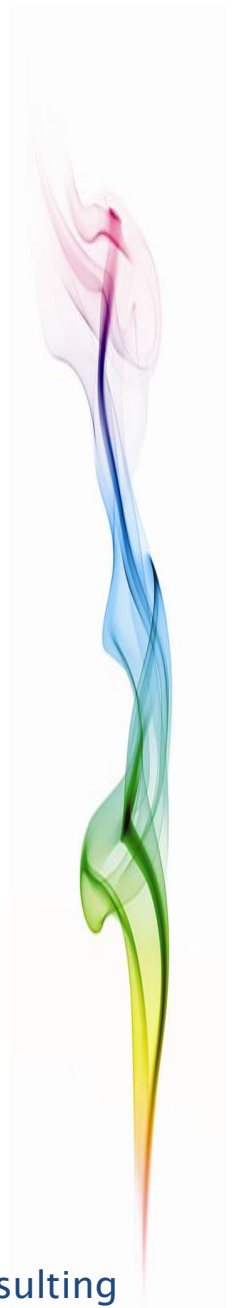
# Key Trends & Challenges Facing the Sector

- **Changing demographics:**
- **More service demand**
- **More variety of services requested**
  - **Population diversity**
  - **Graying volunteer base**
- **Shift in the funding environment:**
  - **Operating funding to program/project funding**
- **More funders to deal with**
  - **Increased accountability**
- **New information demands from funders**
  
- **NATIONAL STUDY OF BOARD GOVERNANCE PRACTICES IN THE NON-PROFIT AND VOLUNTARY SECTOR IN CANADA, 2006:**



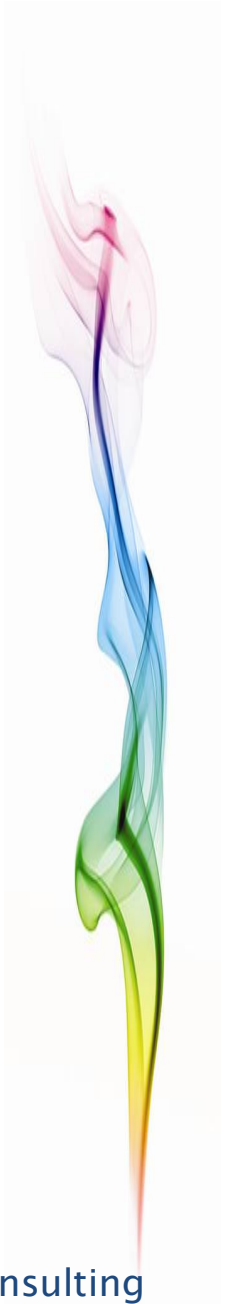
# Key Trends & Challenges Facing the Sector

- **More partnership, networks, and collaborations:**
  - Insufficient evidence that it improves services
  - Often a condition of funding
- **More charities and fewer people to lead:**
- **Public profile and marketing**
- **How to differentiate in the marketplace**
- **How to link with potential leaders**
- **Lack of resources: Funds, Skilled volunteers**
- **Aging capital assets**
- **Staff talent**
- **NATIONAL STUDY OF BOARD GOVERNANCE PRACTICES IN THE NON-PROFIT AND VOLUNTARY SECTOR IN CANADA, 2006:**



# Key Trends in Board Governance:

- Increased focus on governance
- Increased demand for and reduced supply of qualified directors
- Rising expectations and requirements for director
- Increased demand for efficiency and effectiveness
- More emphasis on both process and culture and the balancing of the two
- Increased demand for transparency & accountability
- Increased emphasis on performance measurement
- Increased attention being paid to risk management
- NATIONAL STUDY OF BOARD GOVERNANCE PRACTICES IN  
THE NON-PROFIT AND VOLUNTARY SECTOR IN CANADA, 2006:



# Gathering Our Own Evidence – A Simple Evaluation Framework

**Begin with an open discussion on excellence in board governance, what does it look like? There is literature to guide you!**

- **Do an assessment to tell you where you are on the continuum of good to great governance**
- **Determine your priority areas for development**
- **Design your learning plan**
- **Establish what success will look like**
- **Develop some mechanisms for measuring your progress**





# Gathering Our Own Evidence – A Simple Evaluation Framework

- **Collect your evidence and analyze it at 6 month mark**
- **Refine your learning plan if required**
- **Develop some mechanisms for measuring your progress**
- **At 1 year mark your progress and celebrate your success**
- **Repeat the cycle with a new or refined learning plan**



# Indicators of Effective Board Governance

- **The Board is accessible and responsive to clients, the community at large, funders and staff.**
- **Operates with responsibility, integrity, transparency and respects and upholds diversity and inclusiveness**
- **Regularly monitors and ensures compliance with applicable laws, bylaws and policies.**
- **Ensures that its policies and procedures fit the current and emergent needs of the organization.**
- **Protects its reputation and values public trust.**
- **Engages stakeholders in planning and evaluation.**



# Indicators of Effective Board Governance

- **Educates itself about its roles and responsibilities.**
- **Regularly assesses board & committee, executive director and organizational performance.**
- **Ensures resources for the delivery of quality services.**
- **Ensures a safe and healthy environment for staff and clients.**
- **Ensures current risk & crisis management and emergency plans are in place and regularly updated**
- **Has succession plans in place for board and staff leaders**
- **Maintains positive relationships with its funders and donors**



# Self Assessment Tool : Areas that the Board should assess:

- Board expectations and board performance
- Attendance and level of engagement
- Leadership succession planning
- Sustainability planning
- How meetings are managed
- Information needs of the Board
- Understanding of legal, fiduciary and regulatory duties, conflict of interest
- Understanding of by-laws and how to apply them
- Understanding of director's liability



# Self Assessment Tool : Areas that the Board should assess:

- Strategic planning and Board Work plans
- Monitoring and Evaluation of Plans
- Organizational and E.D performance
- Board, E.D. & staff relations
- Board and staff role clarity
- Policy making and Legislative requirements
- Board recruitment, orientation, development
- Board skills gaps
- Board member understanding of key information reports, eg financial statements, auditor's report



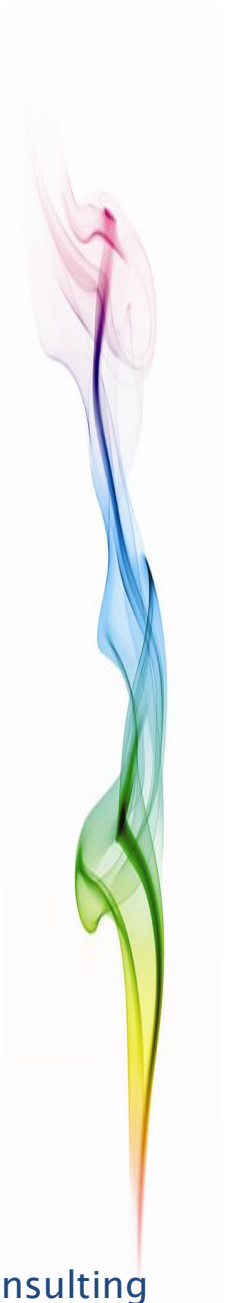
# Practices that Support Improved Board Performance

- Annual retreat is a blend of setting goals for the organization and setting goals to improve governance
- Goals for the organization are realized by staff with Board support and oversight
- Governance goals are realized by the Board with support from the ED.
- Governance goals drive the Board's Learning Plan and Work Plan
- The Board's Work Plan reflects the annual goals set
- The Work Plan drives the creation of meeting agendas
- The Work Plan and Learning Plan are regularly monitored, refined and resourced appropriately
- There is an annual evaluation of the Work Plan
- Meeting agendas reflect the core functions of the board
- Meetings are a blend of strategic discussions and routine oversight and decision making
- Meetings are evaluated and continuously refined to improve group dynamics, background information to inform decisions, levels of participation, quality of discussions



# Practices that Support Improved Board Performance

- **There is a Board structure that describes scope of authority and relationships between committees and the Board**
- **Board members sit on Standing Committees, eg Audit, Executive, Nominations, Policy, Evaluation, Board Development.**
- **Standing Committees reflect the functional needs of the Board in its core areas of responsibility**
- **Standing Committees reflect the functional needs of the Board in its governance and policy making role**
- **There is an infrastructure to support Board recruitment, orientation, development, retention and succession**
- **Board expectations for attendance, quorum at meetings, participation in training events are enforced**
- **Conflict of interest is declared at the start of every meeting**
- **A Risk Management Strategy is in place and all incidents are debriefed to support strategy refinement**

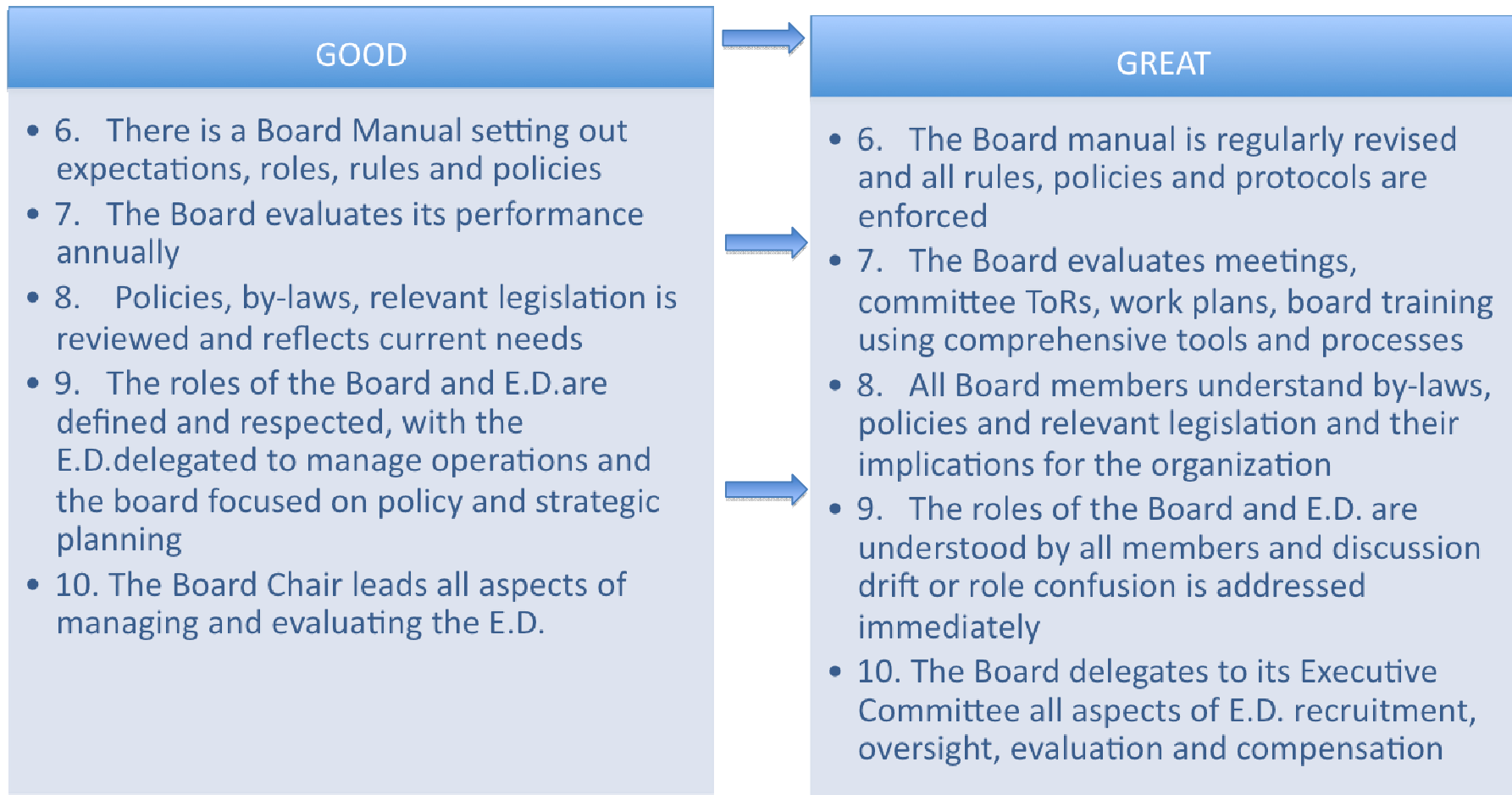


# Board Self-Assessment Tool



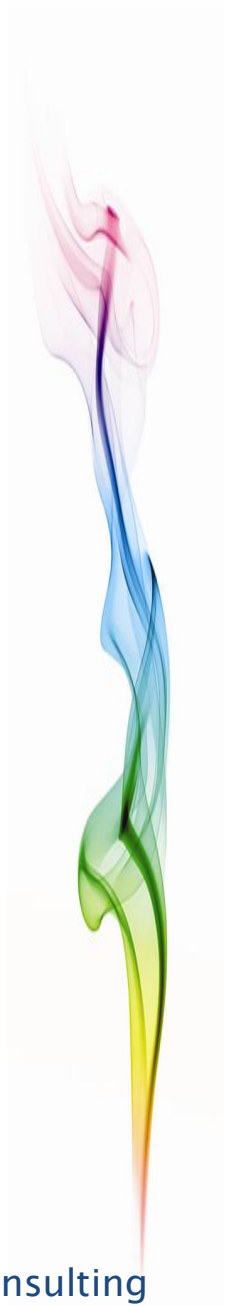


# Board Self-Assessment Tool



# Knowledge Sharing & Questions

- Please feel free to share any successes from your organization
- Any questions or comments



**Thank You  
&  
for any further inquiries please feel free to  
contact me at  
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