

REALBoard Advisor

R-RESULTS FOCUSED E - EXCELLENT A - ACCOUNTABLE & LINKED TO OWNERS L- LEGACY CREATING

Growing Your Governance Investment

Boards invest time and resources learning about how to govern well. Boards that have implemented Policy Governance® have taken time to learn about a comprehensive system that sets the stage for raising the bar of governance performance. However, many boards do not fully realize their investment, remaining at novice or beginner levels. In this newsletter we present several articles about how boards can grow their investment.

Building Capacity for Future Focus

by Richard Stringham

When researching for the book *Built to Last: Successful Habits of Visionary Companies*, which he co-wrote with Jerry Porras, Jim Collins was surprised to discover that companies with great results and longevity weren't the results of visionary leaders. Instead they were the result of leaders who developed visionary companies. "A visionary company is a company that can continue to do things that we would say are visionary activities -- almost regardless of who happens to be the CEO -- and that can transcend any single idea or product."

Although Collins and Porras focused on CEOs in their role as leaders in their organizations' operations, the concept applies equally, if not more so, to boards. Is the board composed of individuals whose visionary leadership will exit the organization when they do, or is it creating a legacy vehicle for improved visioning by future boards?

For boards using Policy Governance® the visionary component in the board's work



is to develop Ends policies. These statements describe a desired future which speaks to "the intended effects to be produced, the intended recipients of those effects, and the intended worth." Obviously Ends policies have substantial impact on the organization's operations and the resulting measures of success for the organization. Better Ends policies should result in a more effective organization.

How can the board create a future focused governance culture which enables a bright and diverse set of minds to determine better Ends policies?

Make More Space for Conversations about the Future

A long-held practice among boards has been to use annual retreats to establish strategic direction. While these are valuable uses of the board's time, a culture of future focus requires much more regular attention to thinking about the future. One of the strengths of using the Policy Governance model is that when the board has established its routines for necessary but perhaps mundane tasks (e.g., monitoring), it can free up time to be able to think about

the future. Here is the opportunity to include ongoing conversations about the future on the board's regular meeting agendas. The board should have a focal point (which may be a retreat) when it intends to complete its Ends review and revisions so that it may hand off the policies to the CEO in a timely manner. However, leading up to that point in time, the board should prepare itself with regular presentations, education, and conversations about the future.

Tap Into Futures Thinking Methodology

Just having time available on a regular basis is not enough. Boards often struggle when trying to identify what will help them think about the future: "How do we know what we don't know about the future?" Board members are challenged not only by their breadth and depth of knowledge, but also by their biases. George Orwell noted: "People can see the future only when it coincides with their own wishes, and the most grossly obvious facts can be ignored when they are unwelcome." In other words the board needs to stretch its thinking to consider futures which may be uncomfortable.

In that regard, boards may find it helpful to adapt futures thinking methodologies for Ends focused conversations. For example, the technique of Scenario Planning enables organizations to examine alternative futures. Using this technique planners identify polar opposites of uncertain futures with the intent of creating strategies that may address the dissimilar alternatives. This forces planners to grapple with likely and unlikely futures, some of which would not have been apparent without the use of this technique.

However, Ends policies are not strategic plans (although they do set strategic direc-

tion). Consequently the board using policy governance would not use Scenario Planning *per se*, but could use the same techniques to stretch its thinking and then apply its broader perspectives to Ends concepts. As an example, a school board that we recently worked with thought about alternative futures that students in their early years may face following graduation. Using the methodology of Scenario Planning, board members identified futures which were polar opposites of each other including some that seemed unlikely and, from the perspective of most of the board, undesirable.

But the school board is not tasked with changing the environment into which today's students will eventually graduate. In the words of Franklin D. Roosevelt: "We may not be able to prepare the future for our children, but we can at least prepare our children for the future." Based upon its new insights into the possible worlds that await future graduates, the board identified the knowledge, skills, and attitudes such graduates will need to be successful and translated those into Ends statements.

The use of tools such as Scenario Planning gives the board a framework in which it can gather and process information as it moves to the pivotal point of determining the new set of Ends policies. The content of the Futures focused agendas throughout the year can be designed accordingly.

Focus on the Future External to the Organization

A potential pitfall is that the board starts to focus on operational issues related to the future. It is easy for the board to fill up its agenda space with operational reports that speak to how the organization is achieving and, in the future, will achieve its Ends. But boards that spend their time focused on the operations of the organization do so at the expense of time to contemplate what may be on the horizon for those people the organization is to benefit.

In contrast, consider the preceding example in which the board's focus was on the future environment that students would graduate into and the skills, knowledge, and attitudes that students would need to be successful in those environments. The board did not focus on how new education processes might enable students to achieve those skills, knowledge, and attitudes.

Appreciate Uncertainties

In the words of Yogi Berra: "The future ain't what it used to be." Too often boards feel uncomfortable if put in a situation where they cannot make a decision. Grappling with unknown potential futures may be so uncomfortable that some would prefer not to grapple with them at all.

It helps if the board views these multiple conversations as a way of sharing perspectives and growing in its understanding of what the future might hold. Board members can also use these opportunities to exchange viewpoints on what should be, without feeling the need to immediately make those types of decisions. These types of conversations enable board members to grow in their collective knowledge and expand their perspectives. Thus, the wisdom of the board as a whole can be greater than the sum of the individual minds at the table.

Require a Multi-Generational Perspective

The Iroquois have a tradition of examining decisions to determine their impact upon the next seven generations. A practice that works well with such a philosophy is to assign one or two board members to be the voices of future generations.

Use Policy to Embed the Culture

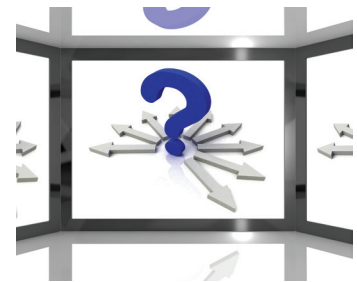
Exploring the future can seem daunting, especially if the view of many of the board members is that they need to be able to predict the future. Fortunately, as Abraham Lincoln put it: "The best way to predict your future is to create it." Indeed, that is precisely the intent of Ends policies: to articulate the future that the organization is to create. The wise board will invest in a culture which seeks to better understand future possibilities so that future boards will develop better Ends policies.

Since boards using Policy Governance state their expectations in policy, the process the board has chosen to explore and articulate the future should be embedded in a Governance Process policy.

Richard Stringham can be reached at richard@governancecoach.com

20 Questions with a Twist for Policy-Related Board Education

by Jannice Moore



In our consulting practice, we often encounter boards that have adopted the template policies found in John and Miriam Carver's books "as is" without fully understanding the policy content. As helpful as the templates are to get a board started on policy development, they may or may not be the right policies for your organization. Thoughtful board dialogue around policy content is crucial. I've found that governing boards can learn a lot from the game of 20 Questions. Here are the basic rules for 20 Questions, with a policy development twist. The categories are:

A. Establish the category (e.g., vegetable, animal, mineral): Into which category of policies does the issue that concerns us fall?

- Ends (what benefits our organization exists to produce, who the benefits are for, or what it is worth to produce them),
- Executive Limitations (the boundaries of prudence and ethics within which the CEO is authorized to make operational decisions),
- Governance Process (the way in which the board does its own work), or
- Board – Management Delegation (the way in which the board delegates to the CEO and monitors CEO performance)?

B. Build your questions from previous answers: What has the board already said in existing policies? What might need to be modified, added or deleted?

C. Don't get too specific – don't immediately ask 'is it a rabbit?' Ask 'is it a small animal?' Remember that policies come in sizes. Don't start with a small value. Begin with a broad value, and move to progressively smaller values, until a majority of board members would be ready to accept any reasonable interpretation of what you have said.

D. Take only educated guesses: I don't recommend guessing when it comes to policy writing, so I would amend this rule to say "Get sufficient relevant information and education for the board before writing the policy."

To get started, ask yourselves, "What are we worried about?" It is a good practice to periodically create a worry list. What are the things that board members are concerned could possibly happen that would cause them to be concerned? These worries could relate to any of the categories of policy, so start by referring to the first three rules above. If after looking at existing policies the board determines there is still a concern, then obtain the information needed to make a wise decision and amend policy accordingly.

In the sixteenth century, Sir Francis Bacon said, "A prudent question is one-half of wisdom." In her book, *Questions That Work*, Dorothy Strachan asserts that new knowledge results from the asking of questions. Admitting that we do not already have all the answers is the beginning of wisdom. It is dangerous to assume that because board members are accomplished professionals they do not need further education.

The rest of this article provides a starting list of questions to consider when looking at your board's education needs to ensure development of sound policy. Don't be overwhelmed by the number of questions. Focus on one or two question groups at a time; pick and choose to address your areas of worry. Ask even more questions as you gain experience – this is not an exhaustive list.

Legal and Fiduciary Issues

1. Did anything provided in the CEO's monitoring report make us wonder whether our policy is adequate to meet the board's fiduciary obligations? When assessing the Executive Limitations monitoring report,

did an obvious "gap" in the policy become apparent?

2. Do we know what legislation applies to our organization? If there is a legislated mandate for the organization, what are our legal obligations under that legislation? Are we aware of the implications of other legislation that applies to our organization, for which the board is accountable to ensure compliance? For example:

- employment standards
- entitlement to work in a jurisdiction
- health and safety
- employment insurance
- human rights
- accessibility
- privacy and confidentiality
- contracts
- taxation
- transparency
- public sector procurement (if relevant)

Understanding of the Organization

3. What are the values on which our organization was built? Do we understand how the organization "ticks"? What is its character, its culture, its capacity? Why was it created in the first place? Is that purpose still valid? The key role of the board is to determine why the organization exists – who is it there to benefit? What benefits should be provided? What are those benefits worth? Obtaining information from a variety of perspectives will help the board understand the organization of today in the context of its history. Seeing the organization in the continuum of past to future will help boards make appropriate decisions about purpose.

4. How well do we understand our organization's business? While the board's job is not to run the organization, it has accountability for everything that goes on. Do new board members receive sufficient orientation to understand the basics of how the organization provides value? What should be included in the orientation?

Future Focus

5. Will our organization be sustainable into the future? Do our policies – and their monitoring – ensure that our organization has appropriate assets in place and that they are well-stewarded? Consider human resources, including succession

planning; maintenance and replacement planning for physical assets such as buildings, equipment and technology; relationships with key stakeholders; financial stability, and environmental practices. What information do we need to ensure that our Executive Limitations policies provide appropriate boundaries related to these key issues?

6. Are our Ends sufficiently future-oriented to ensure our organization remains relevant? Have we taken time to explore possible alternative futures, and discuss whether what our organization provides will still be relevant in each of those possibilities? What is happening – and even more importantly, what is likely to happen in the future – in the world outside our organization? How might external events impact the purpose of our organization? What developments pose a risk that needs to be managed? What will be the key issues relevant to our organization in the future? What policy direction now will help the organization prepare for future success? Spend significant time on future-oriented education.

7. Has the board discussed the potential impact of emerging technologies and trends? This is particularly relevant when developing Ends policies.

Risk

8. Are we aware of the various types of risk that could face us? Governing risk management is an important board function. In addition to the obvious risk of financial mismanagement or fraud, have we taken time to learn about other types of risk?

- Ethical risks, such as insider trading for a corporation, whistle-blower provisions, code of conduct violations, or inappropriate treatment of staff.
- Compliance risk such as failure to remit payroll deductions, use of funds contrary to requirements of donors or funding agencies, violation of confidentiality legislation.
- The risk of losing funder support.
- Reputational risks related to loss of organizational credibility or goodwill.
- Program risk related to poor service delivery or misuse of resources.
- Strategic risk resulting from inappropriate initiatives or lack of sound planning.

Most of these risks relate to operational matters and can be addressed in Executive

Limitations policies, but some relate to the governing body itself and thus can be addressed in Governance Process policies.

9. What are the major business risks facing our organization? Ask your CEO to provide background information based on the experience of your specific industry.

10. How likely is it that each risk could happen to us? Again, ask your CEO to provide an assessment of the likelihood of major business risks for your organization. Ask on what assumptions that assessment has been made. Go beyond the CEO and research other sources such as industry journals and newsletters. Keep in mind that the unexpected can happen. As a board, discuss the likelihood that a particular risk will occur and then examine your policies in light of your conclusion.



11. How serious would it be if each risk occurred? Discuss the potential impact for the organization if a particular risk were to materialize. Some risks may be unlikely, but if they did occur could be very damaging. Does the board expect there to be a business continuity plan in case of a significant damaging event?

12. How much risk tolerance do we have? As a board, recognize that no organization can avoid risk entirely. Discuss how much risk and what types of risk the board is comfortable in assuming. Then write your policies accordingly.

13. Does the organization have a process in place to manage risk? It's not the board's job to develop the risk management system, but it is a governance job to ensure that adequate risk management is in place, including regular identification of risk, strategies to avoid it or mitigate the effects if it is not avoidable.

14. Do we as a board have a regular review cycle for policy content that includes discussion of current and future risk? Decide how frequently policies should be reviewed to ensure they remain current.

15. Do we have a good understanding of the organization's information assets, and sufficient policy to ensure safeguarding the integrity and reliability of those assets? Has the board's discussion in this area addressed confidentiality, and reputational risk associated with the internet and social media?

Information needed by the Board

16. Are we clear as a board about areas in which we need to make policy decisions, such as Executive Limitations, and areas we simply want to know about? For example, the board may wish to be kept aware of items such as litigation against the organization, formal complaints, breaches of the Code of Conduct and potential crises, but the board does not need to make decisions in those areas.

People

17. Does our policy address values related to how those the organization serves are to be treated? In addition to our Ends policies describing the benefits to be produced, have we identified boundaries related to our values about how they are treated? Have issues such as confidentiality, fairness, and opportunity for redress if there is a concern been addressed in policy?

18. Are we aware of all the elements of compensation in the organization, so as to ensure adequate policies related to treatment of staff and appropriate stewardship of organizational resources?

- Do our policies set appropriate limitations regarding all aspects of compensation, including wages, salaries, bonuses, commissions, benefits, leaves, pensions, and expense reimbursement?
- Is our compensation philosophy clear in the policies? Have those policies expressed our values related to benchmarking with similar organizations, internal equity, connection of rewards and performance and non-financial rewards such as development opportunities?
- Do we have adequate policy in place regarding how it compensates the CEO, and our compensation and expense reimbursement? Can the policy be explained and justified to owners and other stakeholders?
- If the organization has a pension plan, do we clearly understand the differences and implications of defined benefit plans compared to defined contribution plans?

19. Does our policy address values related to the management of human capital?

- Do Executive Limitations policies cover values that govern recruitment and retention of employees?
- Do they contain values related to diversity, accessibility, occupational health and safety, workplace bullying and harassment, processes for addressing complaints?
- Is there policy associated with potential loss of the CEO and succession planning?
- Does our policy address the entire spectrum of relationships that exist between the organization and individuals providing services? In addition to covering employees, has the board considered its values in relation to independent contractors and volunteers? Does the board know the legal differentiation among these categories and its implications?

Blind Spots

20. What don't we realize we don't know? You may add many more questions to those in the 19 above. There is one last question to consider, and it has no simple answer. Boards are not infallible. But they do have a responsibility to exercise foresight. A continual focus on looking ahead, trying to foresee what might be around the corner, based on the best information available, will go a long way to identifying the unknowns. Seek out and have dialogue with individuals from a variety of disciplines, with different perspectives than those common on your board. Read widely. Engage in futures thinking (see *Richard Stringham's article in this newsletter*.)

The list you've just read is long, but not exhaustive. Its length doesn't mean that you need to develop detailed policies about all of these areas. It does mean that you should consider the questions to ensure that your policies are customized to your organization, and address issues relevant to you. Policy Governance offers a succinct method for categorizing policies and sizing them so that a few words can powerfully address important values.

These questions provide a starting place for reflection on what further education your board needs in order to develop wise and sound policies. Plan to play a game of 20 Questions regularly at your board table.

Jannice Moore can be reached at jannice@governancecoach.com.

An Introduction to Policy Governance®

October 20, 2014 Niagara Falls, ON

9:00 A.M. – 4:00 P.M. Networking Breakfast 8:30 A.M.

The Marriott Niagara Falls Fallsview & Spa

With Jannice Moore, The Governance Coach™



Who Should Attend?

New board members or executives of a board using Policy Governance, to help you get “**up to speed**” with the **governance process** used by your board.

Board members or executives of an organization **not currently using Policy Governance**, who would like to know more about how it works.

Board members or executives of an organization using Policy Governance, who would like a “**refresher**” to better understand the model.

Staff members who provide **administrative support** to a board using Policy Governance.

At the conclusion of this one-day workshop ...

Participants will have a clear understanding of the principles of John Carver’s Policy Governance® model. This will include understanding:

- The major components of the job of **governing** and the **accountability** of the board
- The **four categories of policy** the board needs to develop (with experience in **sample policy development**)
 - **Ends** - what benefits are provided, for which people, at what cost or worth
 - **Executive Limitations** - prudence and ethics constraints within which the CEO must operate
 - **Governance process** - how the board itself functions – conduct, discipline, use of committees, and relationships
 - **Board-Management Delegation** - how the board passes on authority and assesses its use
- Why the **board’s primary focus** should be the organization’s long-term results and how to maintain that focus in practice
- How the board can clearly **delegate** to hold executive staff **accountable**
- The concept of **monitoring** the CEO’s compliance with policies
- The different types of **information** a board needs and being clear about expectations
- How to structure the board and its **committees** to govern most effectively
- How to structure **board agendas** so that the board controls its own agenda and uses it as a method of **governing proactively**.

Join us for an informative and educational seminar !

Contact the Marriott Niagara Falls Fallsview & Spa at 1.877.353.2557

for special accommodation rates: quote The Governance Coach

Register by September 15 for the Super-Early-Bird Rate: \$400

**Email: marian@governancecoach.com
or call: 403.720.6282**

Advanced Policy Governance

with Jannice Moore, The Governance Coach™

October 21, 2014 **Niagara Falls, ON**
9:00 A.M. - 4:00 P.M.

The Marriott Fallsview & Spa, Niagara Falls

Networking Breakfast at 8:30 A.M. Lunch provided.

Who Should Attend?

Board members, Board Chairs, CEO's and administrative staff who want an in-depth look at advanced application.

The Power of Monitoring

Monitoring provides a powerful mechanism for the board to control without micromanaging. This advanced session on monitoring will feature the opportunity to do "hands-on" work with monitoring reports.

Here's why you should attend if you write monitoring reports! *You will learn:*

- What should be included in a monitoring report for Ends
- What should be included in a monitoring report for Executive Limitations
- What should not be included in monitoring reports and why
- How to write a good interpretation
- What constitutes evidence in a monitoring report
- Tips on how to save time in writing monitoring reports

If you are a board member who assesses monitoring reports, *you will learn:*

- What to look for in an interpretation
- What to look for in evidence
- What should be included when engaging an external monitor
- When and how to appropriately do 'direct inspection'
- Tips on how to save time when assessing monitoring reports
- How to document the board's decisions about monitoring reports
- How monitoring reports and CEO evaluation connect

"This was a very easy learning environment with highly pertinent information at a level directly related to myself and my organization." - Board Chair



"I have been working with 'Carver' for several years, but now I actually feel like I understand the whole system!" - Past Participant

Future-Focused Agendas

If you are a board member, CEO, or administrative staff member who supports board function, *you will learn:*

- What to do if your board has put policies in place, and is saying "So what do we do now?"
- What to do if your board is feeling "stuck in the mechanics" of Policy Governance, rather than using the model as a tool to govern well
- What to do if your board has policies in place, and is now feeling complacent
- How to reap the real value of the Policy Governance model by moving to a whole new level of governance
- How to apply the principles of the model effectively to provide future-focused leadership for your organization
- Tools and tips for creating agendas that will help your board set the course for an organization that is healthy and viable not just today and tomorrow, but for the long term future
- How to support your board's agenda effectively by providing the right kinds of information
- What to do with information from the CEO
- How to effectively use the information you gather in ownership linkage

Contact the Marriott Fallsview & Spa, Niagara Falls at 1.877.353.2557
for special accommodation rates: quote *The Governance Coach*

Register by September 15 for the Super Early-Bird Rate: \$440

Registration includes a complimentary copy of our Tool Kit: Meaningful Monitoring

To register:

Email marian@governancecoach.com or call 403.720.6282

Will Your Board Make The Playoffs?

by Andrew Bergen

Imagine this – for the upcoming football season, the league has decided to change the rules. Teams will continue to play all 16 games – but the scores of the games aren't released or broadcast in any way. The only feedback teams receive is at the end of the season. Only at that time will teams know where they stand in relation to each other.

That will make it virtually impossible for teams to know what they need to do in order to finish high enough in the standings to make the playoffs. They will have no idea how others are performing and how to adjust their own play in order to compete appropriately.

What a frustrating way to play the game! The lack of feedback about progress toward the team goal would make all efforts seem aimless since the target isn't clear and performance results aren't given.

We all know how important feedback is for improvement of any process. This is an essential and integral part of learning. For example, the only way to write accurately is to get instant feedback from what our eyes perceive as we watch our hands move the pen. This allows our brains to send the appropriate instructions to the muscles in our hands to continue to make the writing legible and accurate. The performance feedback is necessary for any function or activity we do.

In the same way, ongoing and real time feedback is necessary for a board to improve its own function. The board is responsible to ensure the organization's performance through a rigorous cycle of monitoring the CEO's compliance with Ends and Executive Limitations policies. However, the board also must define what it expects from itself regarding its own behaviour and activities (Governance Process and Board – Management Delegation policies). Without an equally rigorous cycle of monitoring itself, it will be quite easy for a board to drift from acting in the way that enhances its function and returns good value for owners. "Due to the high leverage that governance exerts over all organizational activity and achievement, it is even more important for the board to keep itself on track." (Carver, *On Board Leadership*, p. 435) A clearly defined board self-evaluation plan

allows the board to receive continual feedback. As your board creates a self-evaluation plan, consider the following points:

- Commit to constant self-evaluation. Refer to your policies as the expected standard of board behavior. Often boards engage in only one review per year. This is largely ineffective in improving board performance, similar to receiving only the final standings in a football season. Improvement happens when self-evaluation is more immediate to the activity to allow for corrections in real time.
- Make evaluation a routine occurrence. For example, plan at least a few minutes in every board meeting for the board to compare its actual function to the commitments made in its policies. Evaluating frequently will strengthen the leadership provided by the board.
- Evaluate against previously stated expectations as found in Governance Process and Board- Management Delegation policies. Clarify specific behaviours in these policies to which the board will hold itself accountable. This ensures that you don't get caught in the trap of board members disagreeing about what is good from their own perspective.
- Commit to revising policies as needed. If your policies show an impracticality of measuring or comparing, then the words in the policy need to be updated.
- Ensure all board members own the process of evaluation – but assign leadership to the plan, to make sure it is carried out. When the board is off track, every member is responsible to intervene with the intent of improvement.
- Ask for the CEO's opinion on how well the board has complied with its own policies.
- Remember, the actual method of evaluation isn't as important as the clarity, the frequency, and how the results are used.

Self-evaluation is important for the process of learning and improvement. It provides regular, timely feedback necessary to get your board where you want to go.

To make best use of the self-evaluation



described above, create a Governance Action Plan for your improvement, based on your findings, and update it regularly. Here are a few tips:

- Base the Plan on helping the board achieve success as measured against your Governance Process and Board – Management Delegation policies.
- Don't confuse this with the CEO's strategic plan.
- Break down your Plan into smaller goals that can be measured.
- Assign timelines for achievement.
- Assign a board member – NOT the CEO – to make sure the Plan is executed.. This may be a task assigned to your board chair.
- And...evaluate your progress toward your goals regularly.

There is a wonderful exchange between Alice and the Cheshire Cat in chapter six of Lewis Carroll's classic *Alice in Wonderland*:

Alice: "Would you tell me, please, which way I ought to go from here?"
"That depends a good deal on where you want to get to," said the Cat.
"I don't much care where--" said Alice.
"Then it doesn't matter which way you go," said the Cat.
"...so long as I get SOMEWHERE," Alice added as an explanation.
"Oh, you're sure to do that," said the Cat, "if you only walk long enough."

Boards aren't just aiming "somewhere" and they DO care where they end up. Furthermore, they don't want to just arrive somewhere eventually as long as they walk far enough. That would be like playing a football season without feedback about how you're doing and hoping to make the playoffs at some time. With a clear picture of the end goal, a plan to arrive there and regular check-ins along the way, the board's effectiveness will be improved. An effective, self-evaluating board will provide the best value for the board's ownership.

Andrew can be reached at
andrew@governancecoach.com.

Polishing the Stones

by Rose Mercier

One of my favorite books on the subject of leadership is by Max DePree. *Leadership Jazz* is double-spaced and uses large font. It is easy to read but it contains profound ideas. Many of the book's "sound bites" have stayed with me since I first read it more than twenty years ago.



DePree is a strong advocate of servant-leadership, a concept which is familiar to Policy Governance® practitioners. His advice to leaders is equally applicable to boards of directors. "Preparation for leadership", he says, "is a clear debt to followers and the organization." "There are no shortcuts"; polishing one's leadership requires the "tumbling of experience" and the "grit of discipline". These are wise words indeed for boards which are implementing Policy Governance.

Once a board has developed its policies, is engaged in ownership linkage, and is receiving and assessing monitoring reports, it needs to turn its attention to polishing these 'stones' of Policy Governance. A board needs a plan for deepening its understanding and sharpening the skills it needs to excel in these three governance jobs. For Policy Governance boards, this means identifying or creating opportunities for learning more about:

- Developing policies, e.g., the subtleties of recognizing policy levels, the wisdom to recognize where policies can be scaled to fit the organization, and the skill to use policies in unique or crisis situations.
- Ownership linkage, e.g., facilitating group forums, constructing surveys, segmenting large populations, engaging in dialogue, using secondary data sources, etc.
- Monitoring, e.g., recognizing the common pitfalls in reasonable interpretations and verifiable evidence.

As importantly, boards need to deepen their understanding of the principles of Policy Governance and their application in different circumstances. Board members must understand Policy Governance well enough to teach it to their successors. This means understanding what Policy Governance is, how it works and why it works. So, how does a board go about polishing its governance performance? Fortunately, there are a wide variety of ways.

There are newsletters, such as this one, which address different aspects of Policy Governance. There are almost twenty years of *Board Leadership* newsletters (published by Wiley Jossey-Bass Pfeiffer) authored and/or edited by John and Miriam Carver that cover an amazing range of topics. Why not select one article and allocate 15-20 minutes at your board meeting to talk about how you might apply one or more of the ideas in the article?

You could schedule a review of the *Carver Guides* over several meetings, selecting one booklet or one part of the booklet to be the focus of a short discussion.

The International Policy Governance Association has been increasing its focus on the needs of practitioners. The web site (www.policygovernanceassociation.org) provides links to past presentations from its annual conference, identifies various working groups and updates on events. Why not take the IPGA 360 test and see how well you do? Choose the questions you answered incorrectly and assign someone to bring back a short presentation.

You can also complete the Policy Governance Application Check-up on The Governance Coach web site (www.governancecoach.com and click on the Policy Governance tab). This allows you to select answers to a series of questions. You will receive written feedback that identifies your stage of mastery over different areas of Policy Governance. Your board can discuss the feedback suggestions, choose an area to work on and plan how to improve your selected area.

Plan on attending the annual IPGA Conference (2014 in Minneapolis, 2015 in Vancouver and 2016 in Toronto). Put the conference into your board's investment in governance budget. Some boards send

their new members to attend the "Policy Governance Fundamentals" workshops for an in-depth orientation. Other boards have different members attend different workshops. The conference is also a good opportunity to meet and learn from other boards.

Attend introductory and advanced workshops provided by The Governance Coach (details in other sections of this newsletter).

Join the Policy Governance Practitioners LinkedIn group. It can be educational simply to read the exchanges about topics that are relevant to your board. However, remember this is an open forum so not everyone is equally expert. If you visit the group frequently, you'll soon recognize the more knowledgeable members to whom to pay attention.

The PGIQ jeopardy-style game available through The Governance Coach can be a useful and fun board education tool. It can be used as a team competition or simply as a brief reminder about various Policy Governance topics.



Entering into a coaching relationship can help your board deepen its understanding of Policy Governance and build confidence in your practices. Having an Academy trained person available to your board on a continuing basis can provide just-in-time training, assist with policy development or provide reminders about the "why" behind different practices.

If you want to learn about Policy Governance in depth directly from the Carvers, you can attend the Policy Governance® AcademySM.

In whatever way your board chooses to deepen its understanding of how to govern excellently, it will be paying its dues to the organization's owners, who have the right to expect its leaders to continue to develop their expertise in governing on their behalf.

Rose Mercier can be reached at rose@governancecoach.com.

Congratulations!

The team at The Governance Coach™ would like to extend their congratulations to the board of **Lake of the Woods District Hospital** in Kenora, ON for winning the Ontario Hospital Association's Inaugural Award in Leading Governance Excellence.

The OHA Governance Centre of Excellence recognized the Lake of the Woods District Hospital's Board of Directors for outstanding achievement in Health Care Governance at the OHA Health Achieve Conference in November 2013.

The awards are designed to acknowledge hospital / health care boards that demonstrate best practices in governance and are presented in two categories:

1. A small, rural and northern health care board in Ontario
2. Any other health care board in Ontario

Selection criteria included relevance, leadership, engagement, innovation, outcomes and applicability.

Lake of the Woods District Hospital has been using the Policy Governance model since 1999.

Check out our You Tube Channel !

The Governance Coach™
presents our new
videos !

Click on the Links below:

***Practical Application of
Policy Governance®***

<http://tinyurl.com/m8knbgg>

Monitoring

<http://tinyurl.com/kn75023>

Evaluating the CEO

<http://tinyurl.com/mf96rcp>

Our Consultants



Richard Stringham
Senior Associate



Jannice Moore
President



Rose Mercier
Associate



Andrew Bergen
Associate

**The Governance Coach is
pleased to introduce our
newest consultants !**

Joe Inskeep, Associate

Joe Inskeep brings 25 years of experience in leading profit and non-profit organizations. He has an MBA from Boston University and was personally trained by John and Mirium Carver at the Policy Governance® AcademySM. Joe is currently the Chair of Structure and Governance committee of Shambala International after serving 8 years with the board. He is on numerous other boards, including the International Policy Governance Association and coaches boards in both Canada and the US.



Dee Incoronato, Associate



Personally trained by John and Mirium Carver at the Policy Governance® AcademySM, Dee Incoronato, PsyD (Organization Development), is Chief Strategy Officer for Intermountain, a non-profit in Montana. She served on the Board of Directors for over 10 years including a 2-year term as Board President. She is skilled in coaching, assessing, training & facilitating organizational change, strategic intent & continuous learning. She serves on the Board of Directors for the Montana Non-profit Association. She has served as a Montana School Board Trustee for two terms.

...in your area!

As of publication date, a member of the Governance Coach team will be in the following areas:

June 3 **Moose Jaw, SK**

June 4 **Regina, SK**

June 11-13 **Ottawa, ON**

June 18-22 **Minneapolis, MN**

June 23-26 **Nemaska, QC**

August 14 **Toronto, ON**

September 4-5 **Ann Arbor, MI**

September 6-10 **Cape Cod, MA**

September 18 **Edmonton, AB**

September 19-20 **White Rock, BC**

September 23-26 **Mistissini, QC**

September 29-30 Calgary, AB

Board Chair Forum!

October 7 **Edmonton, AB**

October 17-18 **Fort McMurray, AB**

October 20-23 Niagara Falls, ON

Open Workshops!

November 13-15 **Toronto, ON**

November 20-21 **Dallas, TX**

November 24-28 **Toronto, ON**

December 9-12 **Mistissini, QC**

Share the cost of expenses!

If your organization would like a custom Policy Governance workshop, or to meet with a member of the Governance Coach team while they are in your area, please contact:

Marian Hamilton
Office Manager

Tel: 403.720.6282

Email:

marian@governancecoach.com

Board Chair Forum on Policy Governance®

September 29-30, 2014 9:00 A.M. – 4:00 P.M.
International Hotel, Calgary, AB

This forum is an opportunity for the **“Chief Governance Officer” – Board Chair**, as well as the **Vice-Chair** and those being prepared for board leadership positions – to learn practical methods of providing leadership to your board, and **network** with the Chairs of other boards using Policy Governance®. The first day and morning of the second day will be led by **Jannice Moore**, The Governance Coach.™



You will discover:

- Practical tips and strategies for developing **effective ownership linkage**
- How to lead your board in planning effective **enrichment strategy**
- Ways to lead the development of **future-focused** agendas
- What you should expect from your CEO in a **monitoring report**
- How to lead the board in effectively **assessing monitoring reports**
- Appropriate ways to use an **audit committee** and other committees
- How to conduct the annual **CEO evaluation**
- Strategies for **board self-evaluation** to enhance your **accountability**
- Practical ideas for ensuring your **policies** adequately **address risk**
- How to use your **policies** to help you solve problems
- Answers to your specific questions



Special Session on Rules of Order

Pat Knoll, Q.C. law professor and registered parliamentarian in both Canada and the U.S. will provide an interactive overview of various rules of order for business meetings, including Robert's Rules. The session includes a review of all major procedural tools for efficient decision-making.

“There is a pro-active means to achieve change at the board level... this has been very energizing!” - Past Participant

***“The concept of board-evaluation was new and excellent.”
- Past Participant***



***Contact the International Hotel at 1.800.661.8627
for special accommodation rates: quote The Governance Coach***

Register by September 1 for the Super-Early-Bird Rate: \$1,120
Attendance is limited. Register early to assure your space.
Email: marian@governancecoach.com
Or Call 403.720.6282



Policy Governance® and Administration

Behind the Scenes of a Successful Board

October 22-23, 2014

9:00 A.M. - 4:00 P.M.

Marriott Niagara Falls Fallsview & Spa
Niagara Falls, ON

Networking Breakfast at 8:30 A.M. Lunch provided.

Who Should Attend?

Executive Assistants, Board Secretaries, Board Assistants and other Administrative Staff who wish to successfully support and enhance their board's activities.

Discover the relevance of specific Policy Governance principles for your supporting role! Your backstage role in Policy Governance smoothes the way for a board to govern effectively, rather than focus on the details of the processes.

Boards with administrative support staff who themselves have a solid understanding of Policy Governance®, and who proactively handle the logistical details of policy housekeeping, governance-friendly board materials, and agenda detail are much more effective in using the model. This two-day workshop will teach you how to:

- *Master the details of policy housekeeping*
- *Support the board's linkage with owners*
- *Simplify processes for monitoring the CEO*
- *Help the board stay out of the kitchen*
- *Support the board's agenda planning process more effectively*
- *Support the board's development and self-evaluation*
- *Create a governance information system to support the board's work*

***Loved all the teaching tools and
the variety of interaction and
lecture. There was so much good
content, I will have to come back!"***

-Participant

Participants receive a reference manual that includes practical tools for agenda planning, managing board documents, supporting the board in monitoring, self-evaluation and more !



A beautiful view of Niagara Falls from the conference center

Contact the Marriott Fallsview at 1-877.353.2557
for special accommodation rates:
quote The Governance Coach

Here's what a past participant had to say about this workshop:
"I think I finally get Policy Governance®!"

Register by September 15
for the Super-Early Bird Rate: \$800

Email: marian@governancecoach.com
Or Call: 403.720.6282

POLICY GOVERNANCE RESOURCES

RealBoard™ Tool Kits

Our best-selling RealBoard Tool Kits take an in-depth look at the practical application of Policy Governance®.



Meaningful Monitoring

Tool Kit Volume 1: 2nd Edition \$29.99

Monitoring is critical to the board's ability to be accountable to owners. How does a board attend to this important task without spending undue time doing so?

Board Self Evaluation

Tool Kit Volume 2: 2nd Edition \$34.99

Address real-life questions about board self-evaluation using practical tips, samples and a variety of tools.

Connect! A Guide to Ownership Linkage

Tool Kit Volume 3 \$34.99

Ownership linkage is critical to the board's key accountability in determining what the organization is to produce on behalf of the owners. Learn how to develop a perpetual ownership linkage plan.

Future-Focused Agendas

Tool Kit Volume 4

Providing clear direction about organizational purpose is key to good governance. This book will provide you with details, tips and tools to make your board meetings "future-focused" in a way that will keep your organization relevant in a rapidly changing environment.

Multiple-Copy Discounts!

Purchase 8 or more of any Tool Kit and receive a substantial discount per copy as well as a complimentary CD of the tools!

Meaningful Monitoring: 8 at \$19.99 each

Board Self Evaluation, Connect! A Guide to Ownership Linkage, and Future-Focused Agendas: 8 at \$24.99 each

Complimentary Resources

How does your board measure up? Visit our website at www.governancecoach.com, click on Policy Governance® and fill out our comprehensive analysis forms. Receive a brief customized response from our Associates.

Board Practices Profile™

A quick check up of your current board practices regardless of what governance process you are using.

Policy Governance Application Check-Up™



If you are using Policy Governance®, this Check-up will help you to assess your board's progress from novice to mastery on the Policy Governance journey. The Check-up questions are related to eight areas that are important to master in order to apply Policy Governance principles to their full advantage.

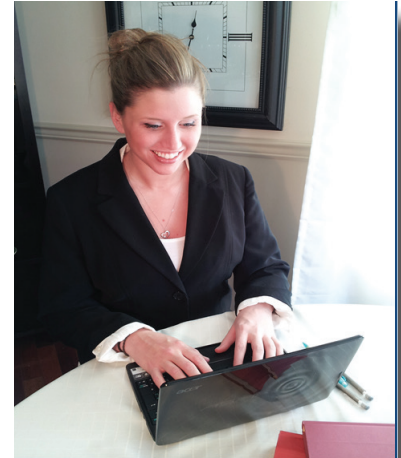
PGIQ™

PGIQ™ is a fun, engaging jeopardy-style game to test your understanding of Policy Governance®. You can play for a few minutes at each board meeting to refresh your knowledge of policy development, monitoring, board self-evaluation, connecting with owners and more. Available on CD. **\$95**

The Governance Coach is online!



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REALBoard™ Online Learning Modules

Online, interactive learning modules... an instant Policy Governance® introduction for new or prospective board members. Web-accessible in 15-20 minute segments, conveniently available in real time...

Visit our website at www.governancecoach.com for a free trial of module one... Boards and Owners!

The Best Fit Board Member Matrix



Now on our E-Store at www.governancecoach.com
A simple method to help you select the best board member based on your customized criteria **\$35**



The Best Fit Board Builder

The Best-Fit Board Builder provides a "question bank" for each of the characteristics in the Best-Fit Board Matrix. You can select from these questions to design an interview guide for board member candidates and references. **\$99**



The Governance Coach™

Jannice Moore & Associates Ltd.
Calgary, Alberta T2Z 2P5

Phone 403.720.6282 Fax 403.720.8746

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www.governancecoach.com

Editor: **Marian Hamilton**