



Board of Directors Roles and Responsibilities




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What is Governance?



Ensuring:

- **Deliver on its promise**
- **Fulfill its mandate in a responsible way**
- **Maintains fiscal viability and integrity**
- **Has the requisite capacity to achieve a sustained level of high performance and ongoing responsiveness to its environment**



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Purpose



A board members job is a balancing act between process and performance and the managing of multiple stakeholders

...provide direction to carry out objectives, ensure meets legal obligations and financial responsibility.

...achieves the appropriate results for stakeholders and avoids unacceptable actions and situations.

...act with a reasonable degree of prudence, diligent, in good faith, honest and loyalty and avoid conflict of interest



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Challenge



- **Manage Board members with less time, sometimes higher expectations about engagement**
- **Preoccupation with details driven by a fear of accountability issues**
- **Lack of vision and strategic discipline because of a greater comfort with 'doing'**



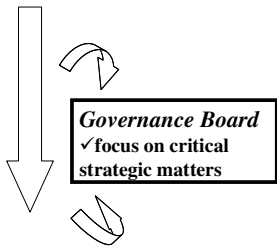
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Governance Models

Working Board
✓hands on

Traditional Board
✓strategy and implementation

Carver Board
✓work through ends and policies



Governance Board
✓focus on critical strategic matters



Exceptional Boards govern in constructive partnership with the CEO/ED, recognizing that the effectiveness of the Board and CEO/ED are interdependent



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Set Organizational Direction



- ✓ Establish, review and revise the purpose/mission
- ✓ Develop the values and ensure they are 'operationalized'
- ✓ Lead the strategic planning process, monitor, make revisions; set priorities
- ✓ Approve the annual plan
- ✓ Finalize and approve the annual budget

Manage Human Resources



- ✓ Hire, support and evaluate the CEO
- ✓ Approve human resource policies



Monitor and Improve Performance



- ✓ Ensure the proper mechanisms are in place to monitor performance; ensure it's used in decision-making; and monitor based on Board metrics
- ✓ Approve policies and procedures that improve efficiency and effectiveness and ensure compliance
- ✓ Monitor external trends, challenges and opportunities



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Ensure Financial Sustainability



- ✓ Ensure the resources are in place to make significant progress on mission and there is the capacity to deliver on expectations
- ✓ Ensure there is a realistic, compelling revenue development plan in place with clear metrics and linked to strategic directions
- ✓ Ensure that budgets are linked to the strategic priorities and are realistic
- ✓ Prepare financial projections that are realistic

Safeguard the Brand



- ✓ Develop, approve and champion the Code of Conduct; ensure it's enforced
- ✓ Identify, rate and develop/approve strategies to reduce and/or eliminate risk (e.g. policies, decision-making processes, procedures, insurance)
- ✓ Establish a system for tracking potential risk
- ✓ Approve a crisis management plan; update and communicate

Safeguard the Brand...



- ✓ Ensure compliance with the laws, regulations, legislation and bylaws that govern it
- ✓ Ensure assets are managed appropriately and consistently
- ✓ Monitor and approve the audited statements
- ✓ Ensure that proper financial records are maintained and monitored



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Reach out to Stakeholders



- ✓ Ensure the mechanisms are in place to understand the needs and priorities of key stakeholders
- ✓ Help to manage the expectations of stakeholders
- ✓ Ensure transparency and stakeholders are appropriately engaged
- ✓ Act as ambassadors and champions when appropriate, as spokespeople

Build Board Effectiveness



- ✓ Ensure that the governance structure and composition is the most effective
- ✓ Select, recruit and orient new Board members and ensure that they have the right skills, capacity and knowledge
- ✓ Clearly articulate the distinct role of Board/Staff Committees; oversee the work of Board committees
- ✓ Ensure the right Board supports are in place
- ✓ Regularly evaluate the Board as a whole and as individuals

Remember:



“Running an organization is easy when you don’t know how, but very difficult when you do.”

Price Pritchett



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