

Tools and Techniques for effectively working with your Board

**Creating a broader leadership team that is engaged,
proactive and focused on the right things**

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From the perspective of the CEO/ED

Board members are usually intelligent and experienced persons as individuals. Yet boards, as groups, are mediocre.

Carver's Policy Governance® Model in Nonprofit Organizations by John Carver and Miriam Carver



From the perspective of the CEO/ED

*Boards tend to be, in fact,
incompetent groups of
competent individuals.*

*Carver's Policy Governance® Model in Nonprofit Organizations by John Carver
and Miriam Carver*



What was on the tin

- Foundations of a productive relationship between the Board and CEO/leadership team
- Encouraging Board member engagement
- Leverage Board members' skill and expertise
- Board papers – structure - agendas - reports
- How to ensure Board meetings focus on matters of strategic importance (rather than operational and other matters)
- How to positively impact Centre and Board culture through the Board relationship
- Committees – do you need them – how should they work
- Other issues and problems?

What else will we cover



Foundations of a productive relationship

1. Understand the Relationship are you seeking

- what do you need to change / what have you inherited
 - I want to change in order to.....*
 - How will this change impact the people you are trying to help?
 - Your desired outcome should be based on client / Centre needs
-
- Build / reach out
 - What/where - lines are being crossed

Foundations of a productive relationship

2. Communication

- Chair – CEO

- What are their strengths*
 - Check ins -how and how often – send issues list ahead of time
 - What issues need to be raised to the Board
 - Sounding board
 - Understand issues the Board is concerned about and vice-versa
 - AICD – honest open trust shared values consistency of message

Foundations of a productive relationship

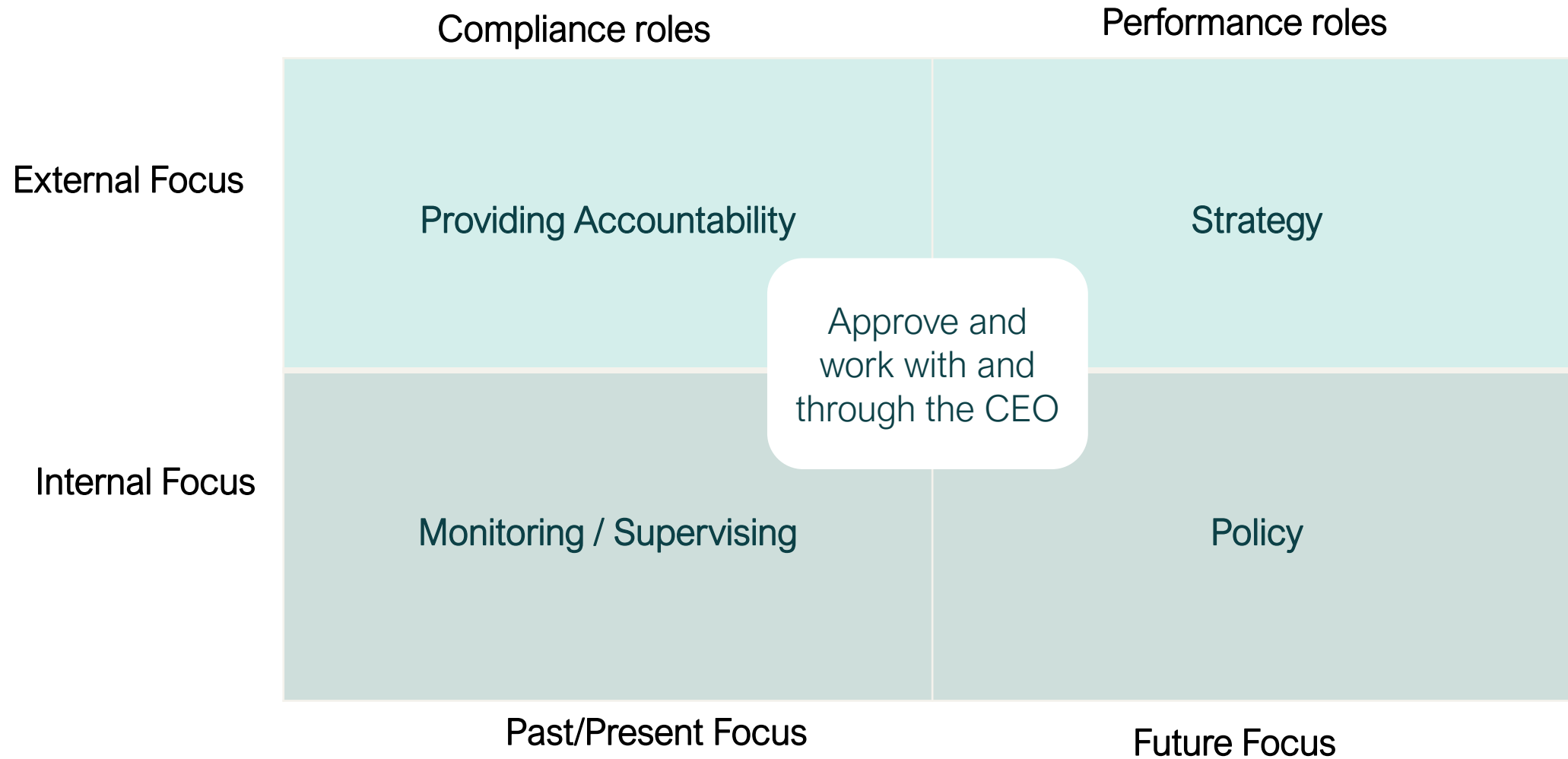
2. Communication

- CEO – leadership team - other Board members
 - set up parameters / expectations
- Broaden Board relationships with Executive/Mgt team*
 - understand capacity of organization
 - NB what makes you comfortable / process
- No surprises rule
- How do you share bad news* - how do you bring up issues - risk management

Foundations of a productive relationship

3. Clear Roles and Responsibilities – set up duties and expectations

Role of the Board – Tricker model



Foundations of a productive relationship

3. Clear Roles and Responsibilities – set up duties and expectations

- Chair and CEO
- In Board meetings
- Recruitment, Induction and on-boarding
- Strategy – co-design – who leads and what inputs are given how
- Risk – set triggers / understand risk framework / risk reporting
- Org culture

The role of the board is to increase the likelihood that management will be successful, while making it possible to recognize whether or not it really is successful.

Foundations of a productive relationship

Clear Roles and Responsibilities – set up duties and expectations – AICD Govce Principles

Purpose vision strategy	Co-design of strategy / comms to stakeholders, understands resourcing, monitor progress
Roles and Responsibilities	Delegations, role statements, training, reporting
Composition and Effectiveness	Appointment, matrix, diversity, induction, review, dynamics
Risk Management	Scenario planning, controls, opnl resilience
Performance and Accountability	\$, targets , indicators
Stakeholders	Engagement plans, board matrix/voice in boardroom
Sustainability	Rel to size of orgn, impact reduction
Organisational Culture	Code of conduct, policies, rewards

Foundations of a productive relationship

- Which stakeholders are vital to the organisation's long-term success and what are their perspectives and interests?
- Does the organisation need a formal stakeholder governance framework?
- How do stakeholder perspectives inform board decision-making, management oversight and risk management?
- How clear are the board's and management's roles in stakeholder engagement?

NFP governance checklist:

- The board has identified the NFP's key external stakeholders and understands the diverse interests and expectations of these stakeholders
- The NFP uses accessible communication methods to engage with these stakeholders, including meetings, surveys, newsletters and social media.
- The board reflects on the perspectives of stakeholders when making decisions and engaging with management.
- The board regularly assesses the effectiveness of its stakeholder engagement practices and where things can be improved
- Directors have considered whether the board skills matrix and board appointment process should account for a specific stakeholder voice or lived experience.

Foundations of a productive relationship

Clear Roles and Responsibilities – set up duties and expectations

<https://www.aicd.com.au/corporate-governance-sectors/not-for-profit/studies/2024-not-for-profit-governance-principles.html>

<https://www.aicd.com.au/board-of-directors/duties/liabilities-of-directors/role-of-board.html>

<https://www.communitydirectors.com.au/help-sheets/overview-of-your-board-responsibilities>

<https://www.iod.com/resources/company-structure/what-is-the-role-of-the-board/>

Foundations of a productive relationship

Check

Are there Chair and Director role statements? Expectations on contributing?

Is there a CEO/ED position description – that is up to date?

How are Directors on-boarded?

Are the delegations up to date?

Is there a Board Charter? Code of Conduct?

Is there clarity about when an issue/matter goes to the Board

- for information
- for decision

Is there clarity about what the Board needs to sign off on (eg the budget / movement outside \$ limits / litigation / risk appetite statement / CEO review / debtors / supplier contracts

Induction checklist

- Mission, Vision and Values statements
- Annual Reports and Strategic Plan
- Corporate governance documents /constitution/ board charter
- **Committee TOR**
- Organisation chart
- **Director role statement**
(expectation that the Board will serve as a resource to the CEO)
- Other Director profiles and contacts
- Board and committee calendars
- **Most recent Board Skills matrix**
- Financial Reports / Previous 6 months' board materials and minutes
- A list of what are considered reasonable expenses (if paid)
- Relevant online links to better understand Centre/sector
- Scheduled dates for review and feedback meetings with the Chair

Foundations of a productive relationship

4. Strategic Alignment


- Strategic plan / strategic priorities
- Decision-making and reporting on strategic priorities*

5. Board meetings

- Board papers – in advance – well organised – highlight key points for discussion / decision
- Set out what you want from the Board in each meeting*
- Ask for feedback on information
- Meetings – “ends v means”


Foundations of a productive relationship: Board - CEO/leadership team

6. “Crisis Leadership” planning – speed in decn making / action / great communications
 - Scenario planning
 - Delegations
 - Building operational resilience

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**Board member
Engagement
(encouraging it!)**

Engaging the Board

- What are some issues we need to discuss?
 - Acknowledge the power of change – but that may have unintended consequences or may take some time
 - Seek to understand the behaviours that are sub-optimal
 - Define the behaviours that are sub-optimal
 - Ask for accountability
 - Share your why
 - Suggest reviews
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Engaging the Board - Board reviews

- Board reviews – many options

Foundations of a productive relationship

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Engaging the Board - Board reviews

- Board reviews – many options
- What are the top 3 opportunities / risks / strategic priorities should Board be focusing on

- Peer to peer

Shares relevant information of strategic value and contributes well to board and committee meetings

Respectfully questions other directors and information presented by management when appropriate

Shows understanding of the purpose and strategic initiatives of the organisation

Handles disagreements or conflicts in the board room appropriately

Respects and values the skills, experienced and views of fellow board members

Is well prepared for meetings

- Of strategic plan and initiatives
- Of the CEO
- Of organisational culture

Engaging the Board

- Manage tension
 - If there is no solution – can you agree actions eg what information is needed
 - Committees
- Education
 - About the Centre/clients/history/feedback (negative)
 - Professional development
 - Director duties - fear factor
- Updates – between Board meetings (maybe)
- Better Board papers – and then ask for explicit feedback on the papers
- Board composition – shake it up – done strategically - matrix
- How are they listening and how are you talking?

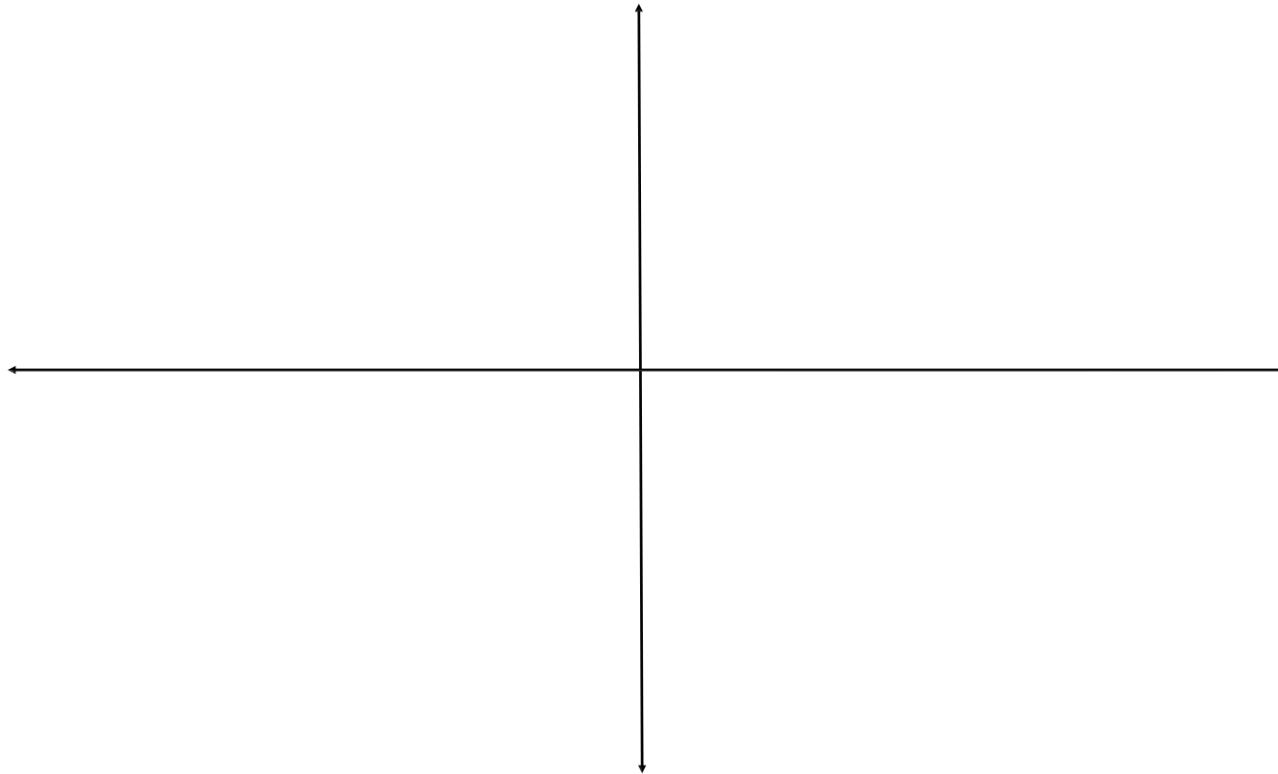
Styles of engagement and communications

Transmission behaviour –
High – Expressive

Reception – Low –
Focussed

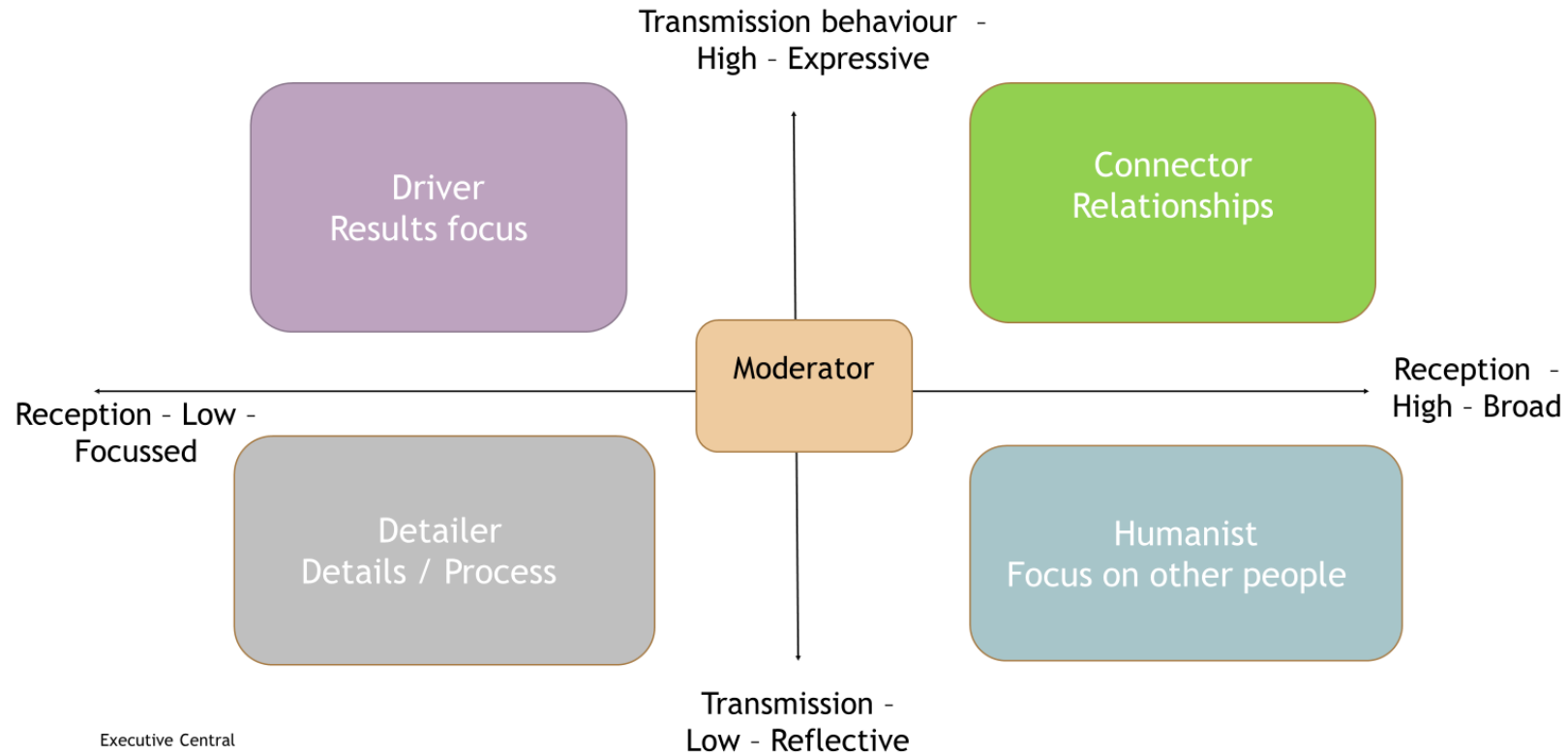
Reception – High –
Broad

Transmission – Low –
Reflective



Styles of engagement

Understanding individual operating styles



Dominance

- Direct
- Results-oriented
- Firm
- Strong-willed
- Forceful

Influence

- Outgoing
- Enthusiastic
- Optimistic
- High-spirited
- Lively

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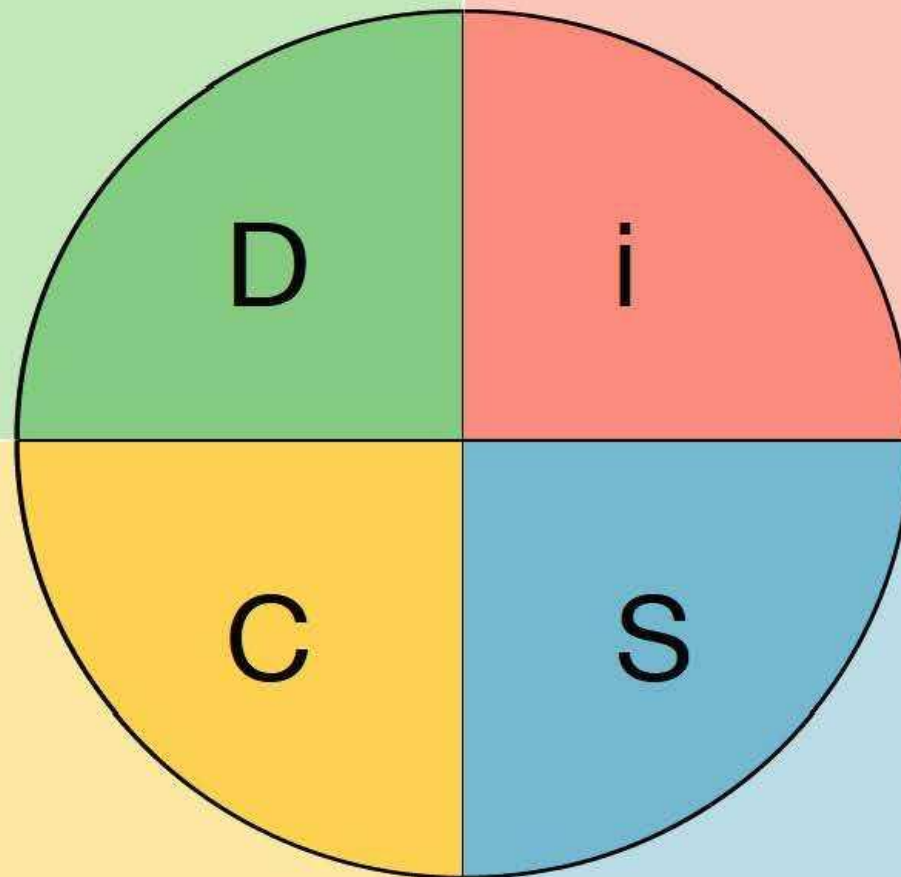
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Conscientiousness

- Analytical
- Reserved
- Precise
- Private
- Systematic

Steadiness

- Even-tempered
- Accommodating
- Patient
- Humble
- Tactful



Engaging a disengaged/divided/other Board

Lencioni's Five
Dysfunctions
of a Team



Engaging the board

- Remuneration

<https://www.communitydirectors.com.au/help-sheets/10-questions-paymentpolicy>

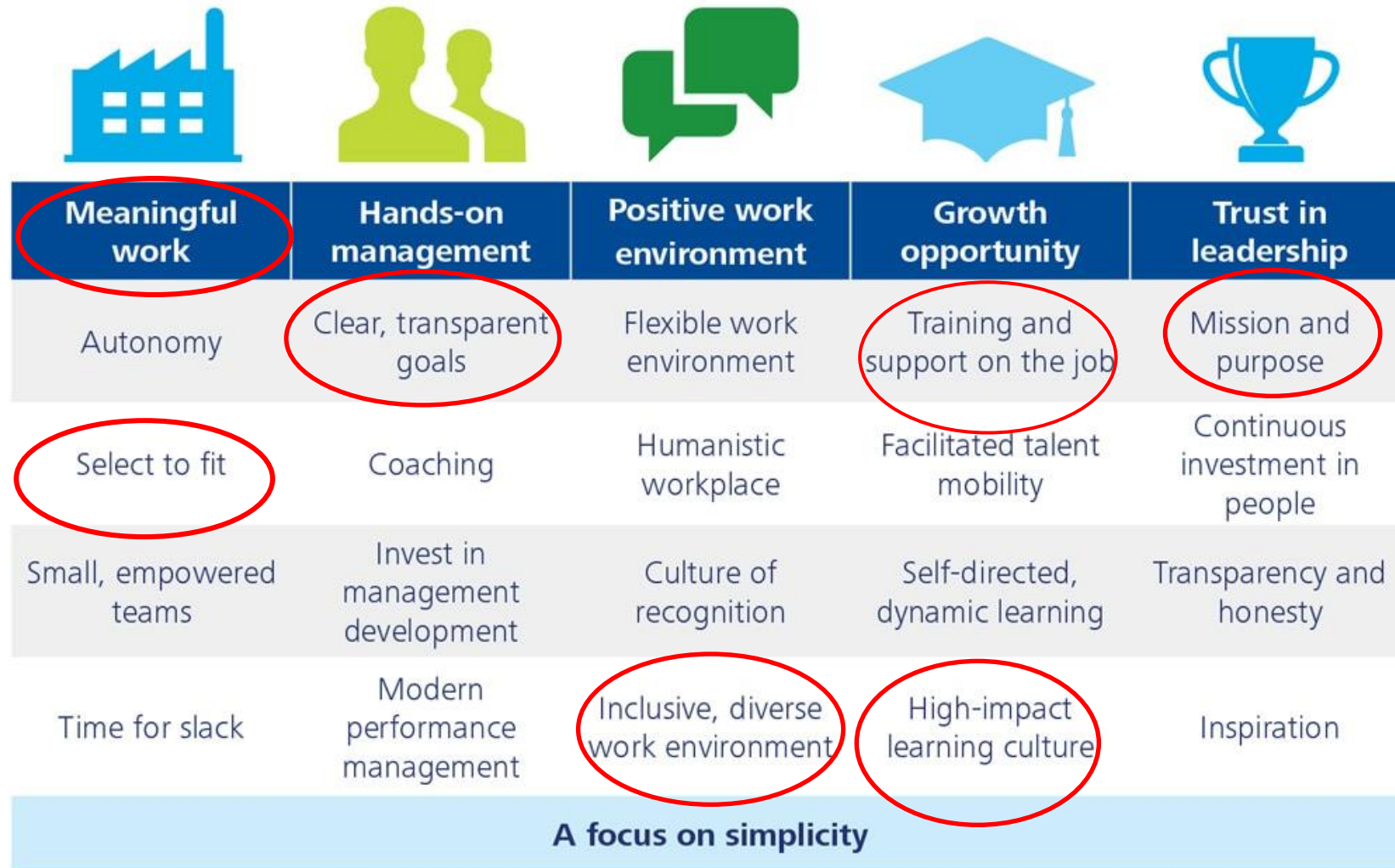
<https://www.acnc.gov.au/tools/guides/remunerating-responsible-people>

Models of employee engagement – can we use them

- What do people do to engage their staff and build an engaged workplace

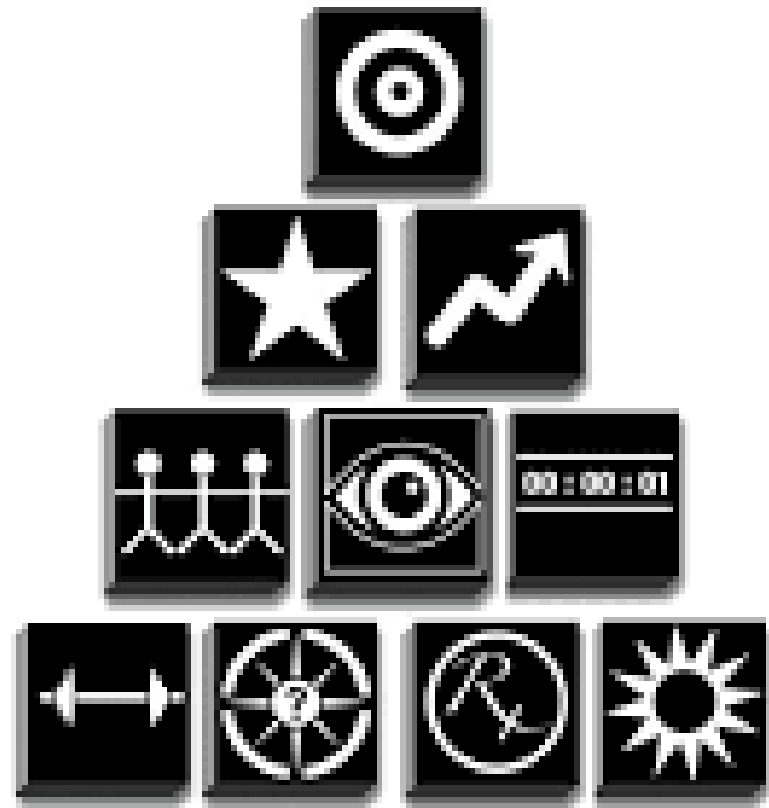
Figure 1. The simply irresistible organization®

What we have learned: Five elements drive engagement



The Deloitte Employee Engagement Model

Zinger models of employee engagement



Results

Goals – progress
(performance)

relationships – recognition – moments
(unifying)

Use strengths – meaning – well being – energy
(base – necy)

The Pyramid of Employee Engagement Actions for Managers

Using the models of employee engagement

1. Matrix – skills / experience / lived experience / qualities
(select to fit (D) /use strengths (Z))
2. Clarity of purpose - decision making - (mission and purpose (D) / meaning (Z))
3. Boardroom dynamics (inclusive work (D) / moments (Z) / relationships (Z))
4. Learning - Sector / Centre / Professional development (Learning culture (D))
5. Strategic goals - Impact – why – (Goals (Z))
6. Measurement and Reporting (Progress (Z))

Board skills matrix

- Culture, engagement, and style of the board – can be changed
- Through the lens of strategic outcomes (strategic plan)
 - Key opportunities / risks / outcomes desired
 - Skills/experience needed to achieve strategic goals
 - Skills/experience needed to support organisation in delivery
 - Lived experience
- Appropriate mix of skills / experience / backgrounds/ lived experience / qualities
- Diversity of thought, experience and skills
- Aid decision-making and enhances board effectiveness


Board skills matrix

Process:

- Identify skills and experiences needed on the board
 - What skills / experience /knowledge / capabilities / background / relationships /attributes / voices are needed to achieve strategic priorities
- Ask board members to self assess
- Peer review ?
- Identify gaps – recruit / prof development / buy in

Board skills matrix – information

- Board term – on/expires/how many terms/replacement timing
- Board skills they bring – broad (legal / social work / comms / lived exp)
- Plot in matrix: skills experience qualities
- Self-rating 0 – 4 → collective rating
- Under- represented skills / experiences/personal attributes or lived experiences
- Professional development opps

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**Leveraging Board
members' skills and
experience**

Human motivators

Why are each of your Board members on the Board?



Human motivators

Why are each of your Board members on the Board:

- External benefit
- Self-image or perception based
- Personal values / personal meaning
- Intrinsic enjoyment
- Purpose

What makes a role enjoyable?

- Mastery, Autonomy, Purpose (Psychologist Daniel Pink)

Link the action you desire to the motivation

Leveraging a Board's skills and experiences

- Chair
- Specific direct requests!*

“The real value of a board is to help the CEO meet the organisation's objectives.”

“Expectations for what it means to be a director is incredibly important. If the expectation that the Board will serve as a resource must be made clear during the new director onboarding process”

- Committee structure

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Board Papers

Board papers – agenda example

1. Meeting Opening

- Acknowledgment of Country
- Apologies
- Conflicts of Interest
- Previous Minutes
 - Confirmation
 - Matters Arising/Action List

2. Carried over matter / special item / issue to deal with / crisis

3. CEO report

4. Finance Report

5. Committee Reports

6. Any other business

7. Meeting close

Board papers – better

- Add purpose/mission/values
- In camera session
- Section: Matter for Decision / Matters for Discussion
- For each item - note the expected outcome of the discussion:
 - For decision / for discussion / for noting (acknowledge that an item has been before the board) / for information (may be background)
- Allocation of time to each agenda item
- Annual calendar item (strategic / review of policies (governance not operational)
- End of meeting evaluation

Agenda – based on AICD

Our Vision: A world with no mediocre boards

Our Mission: To increase the effectiveness and impact of people doing great things

1. In-camera session	10 - 15 mins
2. Meeting Opening 2.1 Apologies 2.2 Conflict of Interest Disclosures 2.3 Previous Minutes 2.3.1 Confirmation 2.3.2 Matters Arising/Action List	5 - 20 mins
3. Matters for Decision 3.1 Major strategy decisions (board paper and recommendations) 3.2 Routine (discussed only if requested by a director)	40 minutes

<p>4. Matters for Discussion</p> <p>4.1 CEO's Report</p> <p>4.1.1 Current Significant Issues – funding renewal / stakeholder</p> <p>4.1.2 Update on Strategic Plan Implementation</p> <p>4.1.3 Matters for Approval</p> <p>4.1.4 Key Performance Indicators (standard not for discussion unless an issue)</p> <p>4.1.5 Risk and Compliance Update (Red Risks / WHS/ etc)</p> <p>4.1.6 Other updates</p> <p>4.1.6 Matters for Noting</p> <p>4.2 Finance Report</p> <p>4.3 Discussions concerning upcoming strategic decisions</p> <p>4.4 Committee Minutes</p> <p>4.4.1 Finance Audit Risk</p> <p>4.4.2 Special Project</p> <p>4.5 Other matters for discussion</p> <p>4.6 Presentation / board calendar item</p>	<p>30 mins</p>
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Agenda

5. Matters for Noting [discussed only on exception basis] 5.1 Major Correspondence 5.2 Updated board calendar / future event to be discussed in the future 5.3 Other matters for noting	5mins
Meeting Finalisation 5.1 Review actions to be taken 5.3 Meeting evaluation 5.4 Next meeting 5.5 Meeting close	10 minutes

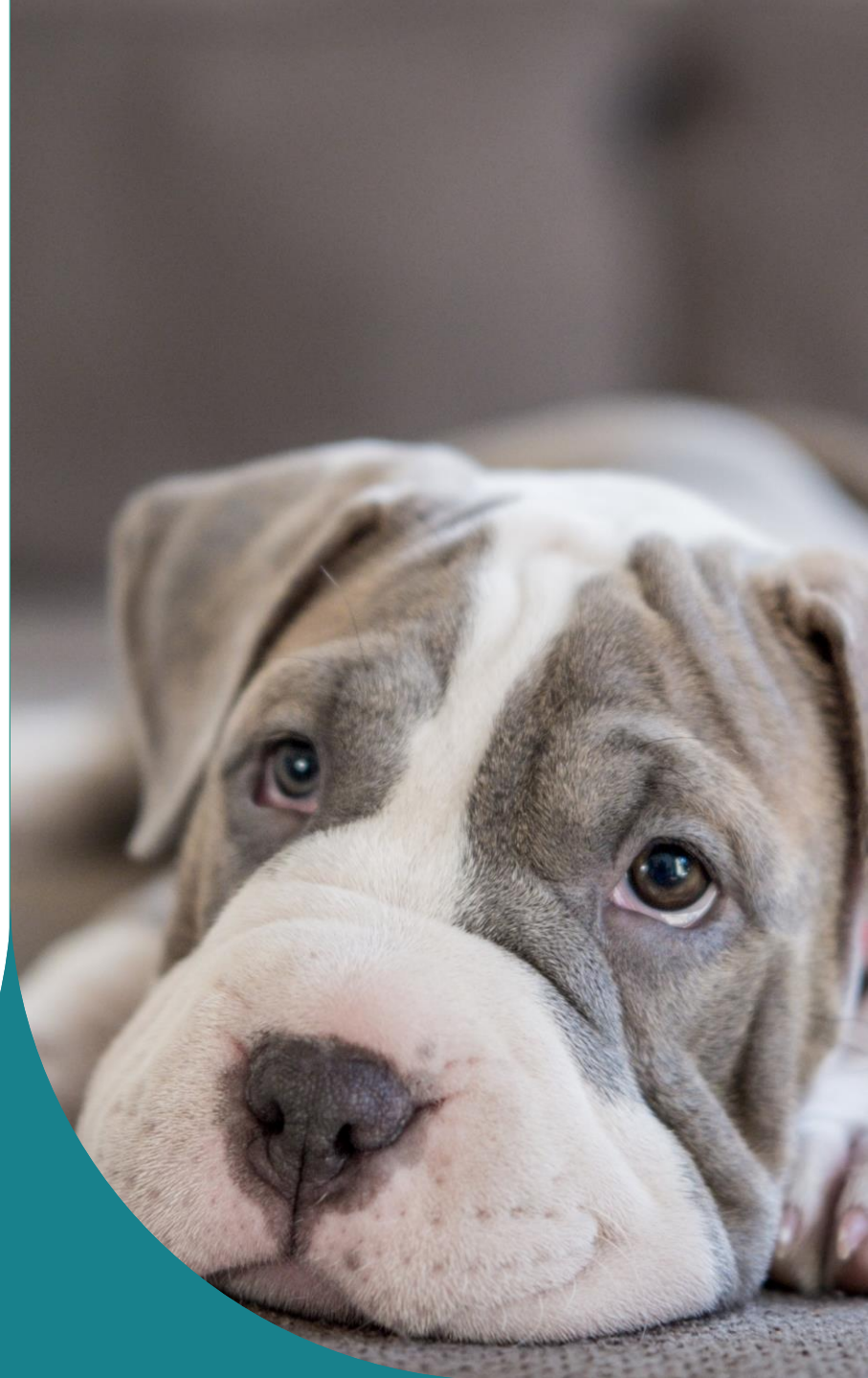
Board reports – CEO Report headings


- Current Significant Issues – funding renewal / stakeholder
- Issues which require board to consider Board's necessary risk/strategy/resource deployment discussions
- Update on Strategic Plan Implementation (changes / assumptions not valid / externals)
- Matters for Approval
- Key Performance Indicators (standard not for discussion unless an issue)
- Risk and Compliance Update – Red Risks / New risks / WHS/ etc
- Other updates
- Matters for Noting

End of meeting evaluation

Simple questions

- Participation – everyone?
- Preparedness
- Reports – how could they be improved
- Decisions – did we have sufficient information – does everyone accept the decision
- Actions – action items
- Conflicts



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**Meeting focus –
strategic v operational**

How to ensure board meetings focus on matters of strategic importance (note operational / other)

- Agendas
 - Matters for decisions / discussions
 - Items of strategic relevance / importance (with time allocated and good pre reading)
 - Periodic evaluation of strategic plan/ initiatives / setting and discussing KPIs
- Reports are taken as read
- Review operational reporting
 - Balance – strategic relevance of reporting
 - Use/create committees for more operational issues
 - Review operational issues only when have strategic importance
- Ask for feedback / insights / views on matters before the board in board papers/by way of the chair
- Code/trigger words
- Evaluation at end of meeting

How to ensure board meetings focus on matters of strategic importance (note operational / other)

- Committees – should be where the operational issues are addressed
- Training on role of board
- Ask good strategic questions
 - What are the top 3 opportunities / risks / should be the Board's strategic priorities
- Focus on strategic plan and KPIs in reporting
- Ask the Board to self assess where in the Tricker quadrants it is focusing its time
- Ensure reports are arranged to focus on issues of strategic importance first

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**Impacting Board and
Centre culture through
the Board relationship**

Board and Centre culture

- Not the role of the CEO to manage Board culture
- Board is responsible for organisational culture
- You can influence Board culture
 - Chair – CEO relationship
 - Establish the foundations of productive and positive relationships with the Board
 - Reporting
 - Engagement
 - Clarity on roles
- How does Board culture impact Centre culture

AICD NFP Checklist in new Govce principles

- The board and CEO set a 'tone from the top' for the organisational culture that they expect to see at the NFP.
- The NFP has a succinct and clear **code of conduct** that is **shared** and **understood** by employees, volunteers, and third party providers
- The board has documented **policies** that cover conflicts of interest, related party transactions and whistleblowers and takes action to improve if necessary.
- The board understands the NFP's legal and compliance obligations and the organisational culture promotes **compliance**.
- The board takes steps to **recognise** and **reward** employees and volunteers, including low cost options such as thank-you notes.

How to positively impact Centre culture through the Board relationship

- The board **defines and models a desired culture** that aligns to the purpose and strategy – Code of Conduct, values – with examples of how they are lived and desired behaviour, accountability.
- The board oversees a **strategy** to develop and maintain the desired culture – reward, recognition, innovation, initiative, training, on-boarding staff.
- The board oversees mechanisms to **monitor** and **evaluate organisational culture** – PULSE survey, established lines of communications, engagement with broader range of staff, CEO reviews
- The organisation's **values** are clear, periodically reviewed and communicated to stakeholders.

How does a board engender a culture to deal with a crisis

- Making it safe for people to do the right thing
- Monitoring culture and incentives
- Ensuring board reporting/committees/ processes/ communications give a line of sight
- Not simply having a crisis plan in place-but practising it.





Committees:

Do you need them?

How should they work?

Committees

- Audit/Risk/Finance
- Short term / project based
- Reduce burden on CEO
- Do the work - - or assign where there is disagreement on how work should be done.
- Leverage skills – specific focus
- Mitigation of risk
- Employee and Board leadership / engagement opportunities
- Terms of reference

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