

MUNICIPAL CAPACITY
DEVELOPMENT PROGRAM

Governance for a Board

Monday March 14, 2016



Agenda

- Introductions
- Benefits and challenges of regional cooperation
- What is governance
- Governance models
- Best practises in governance
- Create a vision, mission, value statements
- Responsibilities of a board
- Engaged boards
- Questions



Introductions

Please say your:

- ▶ name,
- ▶ municipality and role in the SLRWPU board
- ▶ what you hope to gain from this workshop



Benefits of regional cooperation

- More efficient and cost effective service delivery
- Cost savings
- More resources – human and financial
- More and better resources for planning
- Reduction of community rivalry and competition
- Innovation and new ideas
- More political influence
- Ability to influence government policy
- Better communications and support among communities



Challenges of regional cooperation

- Lack of financial resources
- Resistance to change and fear loss of community identity
- Fear of amalgamation
- Leadership
- Geography
- Fear of loss of staff in the community



What is governance

- ▶ The need for governance exists anytime a group of people come together to accomplish an end. Governance primarily covers three dimensions: authority, decision-making and accountability.
- ▶ Governance determines who has power, who makes decisions and how other players make their voice heard
- ▶ Ultimately, the application of good governance serves to realize organizational and societal goals.



5 principles of good governance

- Voice
 - Direction
 - Performance
 - Fairness
 - Accountability
- 



Benefits from effective governance

- Improved clarity
 - Greater visibility
 - Improved coordination
 - Increased effectiveness
- 



Barriers to effective governance

- ▶ a lack of understanding about corporate governance, its purpose, and the roles of individuals involved;
 - ▶ preoccupation with controls where the board spends too much time controlling details rather than guiding the overall strategic direction of the organization; and
 - ▶ unwillingness of boards to question management directives or ideas, particularly to gain a better understanding where needed.
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Governance models

- Operational
- Collective
- Management
- Traditional
- Policy governance
- Results – oriented board
- Advisory
- Representational
- Hybrid policy leadership



Best practises in governance

1. Recruit qualified board members
2. Define roles and responsibilities
3. Integrity and ethical behaviour
4. Evaluate performance
5. Risk management
6. Communication policies and processes



Red flags to watch for...

- ▶ A strong or dominant CEO “runs the show,” soliciting little or no input from others and not tolerating opposing views.
- ▶ Board members don't hold the CEO or management team accountable for actions or inactions.
- ▶ Board members are accustomed to receiving information packets at the beginning of a meeting rather than in advance.
- ▶ Meeting materials are sent in advance, but board members do little or no preparation.
- ▶ Packets provided to members don't contain pertinent information or are in a non user friendly format.
- ▶ Meetings are characterized by little or no discussion, or board members go out of their way to avoid conflict.
- ▶ Board members believe the institution exists for personal benefit.
- ▶ Board minutes are poorly kept and contain little information on matters discussed during the meetings or actions taken by the board.
- ▶ No assessment of the board, its committees, or individual directors is ever performed to determine effectiveness.

Activity: vision, mission, values

Vision **/vi-zhun/**

1. The ability to see.
2. The image or insight of how something could or should be the future.

Mission **/mi-shun/**

def: A task or purpose that needs to be carried out by a group of people or the people who are given the task.

Values **/va-lews/**

def: The common beliefs of a set of people such as an ethnic group or a business organization as to what is good and right.



Vision

Provides the SLRWPU with a future ideal to strive for. A big picture view of the future

- ❖ Looking forward in 10 years, what do you want to see with the SLRWPU?
- ❖ What are the changes you see?
- ❖ What are the positive influences the SLRWPU has brought to the community?
- ❖ What do you want the public to say about the SLRWPU board?



Mission

Provides a clear, concise description of the SLRWPU's overall purpose

- ❖ What are you doing as a board?
- ❖ How are you going to achieve your vision?
- ❖ Who benefits?



Values

Reflect the core ideology of a group. Value statements are meaningful and not simply words

- ❖ What values will guide your activities and intentions?
- ❖ How will you carry out your mission



Responsibilities of a board

- ▶ Determine and articulate the organization's mission, vision, and core values.
- ▶ Recruit and select the organization's management/CEO.
- ▶ Support and assess the performance of the organization's management/CEO.
- ▶ Ensure that the organization engages in planning for its future.
- ▶ Determine the set of programs/services that the organization will deliver to implement its strategies and accomplish its goals, and to monitor the performance of these programs/services to assess their value.
- ▶ Ensure that the organization has financial and other resources adequate to implement its plans.
- ▶ Ensure the effective management and use of the organization's financial and other resources.
- ▶ Ensure organizational integrity and accountability.
- ▶ Assess and develop the board's own effectiveness.

TASK	RESPONSIBILITY	
	Board	Management
<ul style="list-style-type: none"> • Providing leadership and direction in developing a strategic plan • Developing and implementing or operationalizing a strategic plan • Assessing and approving the strategic planning process 	<p>✓</p> <p>✓</p>	<p>✓</p>
<ul style="list-style-type: none"> • Establishing the vision, mission, and core values; • Demonstrating integrity and ethical leadership in support of the board responsibilities with respect to development and periodical review of its mission and objectives 	<p>✓</p>	<p>✓</p>
<ul style="list-style-type: none"> • Ensuring that key financial objectives and indicators are developed for approval by the board and monitoring performance against these objectives • Ensuring financial performance and appropriate systems and structures are in place for the effective management of the board 	<p>✓</p>	<p>✓</p>
<ul style="list-style-type: none"> • Preparing operating plans • Preparing budgets • Approving budgets 	<p>✓</p>	<p>✓</p> <p>✓</p>



Fully engaged boards

Some characteristics of fully engaged boards include:

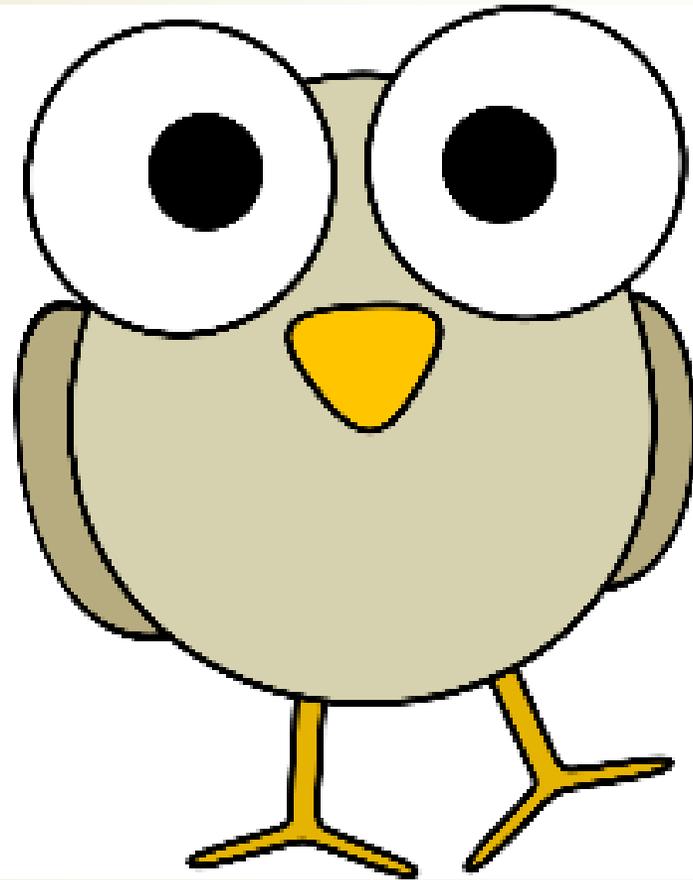
- Clear and detailed policies that provide governance guidance
- Board members understand financial statements and participate in committees
- Effective board briefings
- Board and staff evaluations
- Risk management policies
- Strategic plan to achieve a clear vision/mission
- Lively debate
- All members participate
- Balanced budget



How to keep a board engaged

- ▶ Keep the focus on the organization's mission
- ▶ Continuously monitor the organization's strategic plan, including the goals set by the strategic plan
- ▶ Review the needs of the board continuously
- ▶ Create a clear committee structure
- ▶ Plan for the future
- ▶ Communicate

Questions



Contact

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Sources

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Guide to Corporate Governance – Saskatchewan Ministry of Health

Best practises in non-profit board governance in Canada: <http://www.afpnet.org/Audiences/MemberNewsDetail.cfm?ItemNumber=3603>



Sources

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Ten best practises in board governance:

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Nonprofit governance and the work of the board:

<http://bloch.umkc.edu/mwcnl/resources/documents/overview-nonprofit-governance.pdf>

Best practices to keeping your board of directors engaged:

<http://www.massnonprofitnet.org/blog/best-practices-to-keeping-your-board-of-directors-engaged/>