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RTO 12 (Explorers' Edge)

Governance Workshop

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Today's Agenda

- Review of the role and responsibilities of the Board versus the role and responsibilities of the ED
- Role of the Board Chair
- Legal obligations of Board members
- What Board members need to know

BREAK


- Board committees & accountability
- Trends in Board size
- Role of the Executive Committee
- Trends in Board/Chair recruitment & competencies

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ROLE CONFUSION

The Board's job is to **lead**, not **do**.

Governing by instinct or assumption continues to deliver poor results.



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Helpful Way to Think About Governance

It's really all about effective delegation and accountability.



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STEP ONE

Let's **W.R.A.P.** our heads around the role of the Board.

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W = the What
Monitor internal & external trends

Establish a compelling vision (determine "where" the organization will look like in the future)

Establish and prioritize strategies to achieve that vision



Where are we going?
What needs to be done so we get there?
What is most important (prioritize)?

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R = Rules
Rules are Policies that set out:
Role, responsibilities and authorities of Board, Officers, Staff, Committees, individual Board members
Executive limitations on the ED (e.g. staff treatment, budgeting, investments, financial reporting)



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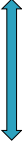
A = Accountability
Monitor compliance with Board policy
Monitor ED's pursuit of strategic goals

Members/stakeholders approve by-laws and elect Board members to serve as trustee of their interest

Board hires a ED and delegates authority by establishing policy (the rules) and goals (strategic plan)

ED complies with policy and pursues goals (operational plan)

Staff get direction from the ED



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P = Performance
Monitor and evaluate the performance of the ED
Monitor and evaluate the performance of the Board
Monitor and evaluate the performance of individual Board members
Focus on Board effectiveness, orientation and training needs, succession and competency



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AGREEMENT ON THE "WHAT"

The ED uses the Board's strategic plan to establish an annual operational or business plan.


The Board and the ED reach agreement on the annual business or operational plan and budget.



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SUCCESS!

It is impossible for the ED to demonstrate to the Board how great s/he is if there is no agreement with the Board on what success will look like!



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The Board Job vs. The ED's Job	
Board Job	ED's Job
<ul style="list-style-type: none">• Determine the vision and strategies• Establish high level rules (governing policy)• Monitor progress and compliance• Board performance	<ul style="list-style-type: none">• Establish and pursue operational plan and budget based on Board priorities• Comply with the rules• Report to the Board <p>IMPORTANT: BOARD HAS ONLY ONE EMPLOYEE!</p>

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QUESTIONS??????

W – determine the “**w**hat”
R – determine the “**r**ules” (policy)
A – hold everyone “**a**ccountable”
P – monitor “**p**erformance”

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ROLE OF THE BOARD CHAIR

The job of the Chair is to manage the Board, not the organization.




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Legal Obligations of Board Members

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FIDUCIARY DUTY

Putting the interest of the organization (all members) before any personal interest or that of another individual or group.



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MEET YOUR FIDUCIARY OBLIGATION BY CONNECTING WITH MEMBERS

Your point of view is nowhere near as important as the points of view of your entire membership.

Connect with them in person (at events), through surveys, feedback, and tracking their use of products and services.



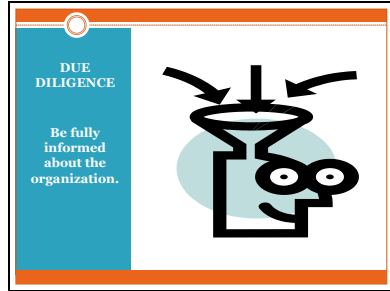
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DUTY OF CARE

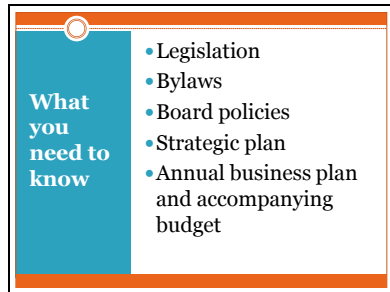
Act as would a reasonably prudent person in a similar situation.



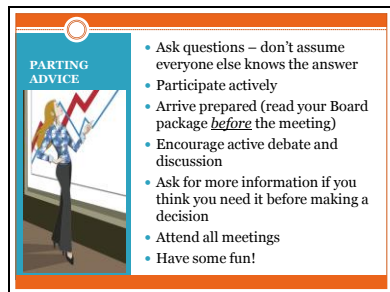
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