



OACAO

The Voice of Older Adult Centres
La voix des centres pour aînés

Governance and Board Leadership

November 19, 2019

“Fundamentals of Being a Director”

A Bit about tng

supporting leaders

- **Established in 1994**
 - Boutique, Ontario-based, proudly Canadian
 - Team of 5 Consultants Senior Advisors
 - Work across Canada
 - Ontario Vendor of Record
 - Management Consulting Services - Tender #7434
- **Governance, Leadership & Strategic Planning**
 - Specialize in supporting not-for-profits
 - Health, community services
 - Member-based professional and industry associations
 - Regulatory agencies
 - Charitable organizations
- **Here today:**
 - Joe McReynolds

Agenda

1. Welcome and agenda
2. Understanding your Roles
3. Good Governance
4. Duties as Director
5. Board Responsibilities
6. Board-Executive Relations
7. Board Meetings
8. Making the Most of your Experience



Understanding your Roles

- Some of you - Directors of a senior centre
- Some of you sit as member of an Advisory Committee to a centre operated by a municipality and for you, the responsibilities you have may vary with how your municipality operates
- Everyone has some responsibilities for decision-making and oversight
- Focus of this webinar will be on responsibilities related to decision-making and oversight (monitoring)

Good Governance



*Reaffirming Our Roles
in Leadership*



What is Governance?

- A framework of rules and practices by which the Board of Directors ensures **accountability, fairness and transparency** in the organization's responsibility to its **stakeholders** (members, funders, governments, etc.)
- Allows the Board to makes confident and timely **decisions** and **monitors** its outcomes and performance.



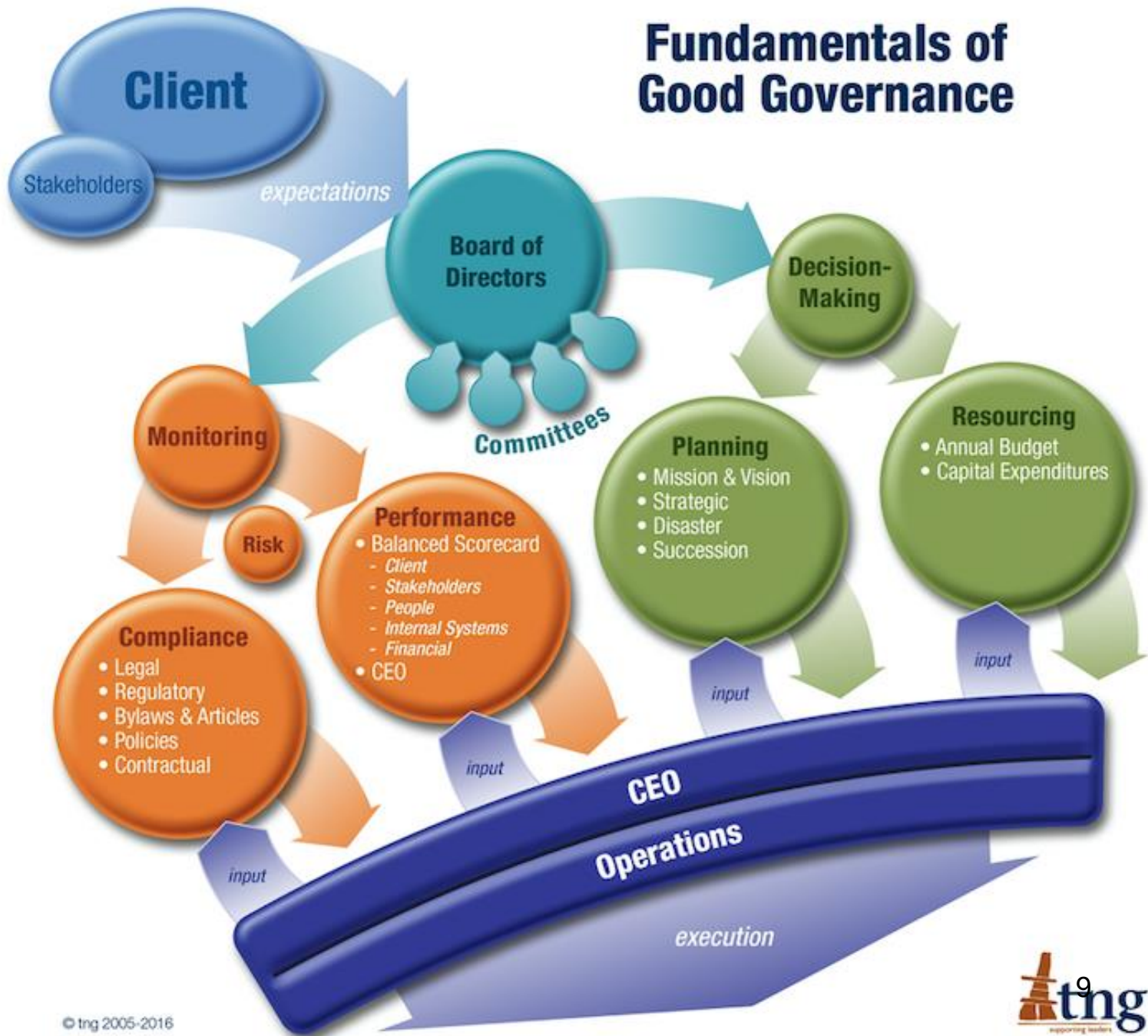
Strategic Leadership Requires

- A robust and reliable governance **SYSTEM** for:
 - Making confident and timely **DECISIONS**
 - Establishing clear mission, vision, values
 - Setting priorities and making trade-offs
 - Supporting Executive & operational performance
 - Aligning Board work/goals
 - **MONITORING** organizational outcomes
 - Ensuring compliance
 - Measuring performance
 - Identifying and mitigating risk
 - Identifying and seizing opportunity
- Clear roles and delegation of responsibility.

Key Dimensions of Governance



Fundamentals of Good Governance





Advisory Committees

- May have delegated areas for decision-making – setting budgets for capital or specific operating items
- May be responsible for monitoring aspects of policy compliance, certain risks, budgets, programs performance
- Whether a Director or member of Advisory Committee – you have entered into a contract to act honestly, fairly and in the best interest of the centre

Hi-Functioning Boards

- a) **Role clarity & confidence**
 - Voting members, Directors, Chair, Executive
- b) **Director duties & expectations**
 - Legal, fiduciary duties, conflicts, confidentiality, respectful conduct, behaviour standards
- c) **Bylaws & policies**
 - Relevant, clear, thorough, consistent, accessible
- d) **Delegation of authority**
 - Clear, documented, agreed, respected
- e) **Meeting protocols**
 - Clear, documented, facilitated, respected
- f) **Accountability & Evaluation**
 - Documented, signed, transparent
- g) **Succession & sustainability**
 - Planned, rigorous



Duties as a Director

- All Directors have a fiduciary duty – to act in the best interest of the organization.
- Three basic duties:
 - **Duty of Care**
 - Act prudently, honestly and with the best interest – exercising reasonable care
 - **Duty of Loyalty**
 - Interest first; avoid conflict of interest and declare; respect confidentiality; solidarity
 - **Duty of Obedience**
 - act within governing documents and laws

Liability

- When a law is broken, contract broken, or a person is harmed either intentionally or unintentionally
- Behaviour matters
 - Ensure you use due diligence
 - Have respectful conduct of others
- Protection:
 - Contractual indemnifications
 - Directors and Officers' insurance

Board's Responsibilities

- The quality and capacity of the Board's people, structure, processes and the resultant culture = success
- Always trying to improve
- Clear delegation to ED and Committees
- Board authority is authority of group – only occurs within official meetings
- Directors must be well informed and prepared to participate actively.



Responsibility for Monitoring

- **Compliance**
 - Regular assurance that laws, regulations, bylaws, rules, governing policies/practices
- **Risks**
 - all risks are identified and managed
- **Performance**
 - Indicators that show progress /achievement
 - Strategic priorities
 - Financial forecasts
 - Executive performance objectives
 - Governance plans



Responsibility for Decision-Making

- **Planning**
 - Set Strategic Directions –Vision, Mission, Priorities
 - Oversight on Operational Plan
- **Resources**
 - Long-term financial strategy
 - Annual budget
 - Capital expenditures
 - Reserves



Having a Strategic Direction

- Importance that everyone can say why the organization exists (vision), what it does (mission), what values guide it and what are its priorities.
- It takes time but with right support – not that hard and really makes a organization successful
- Next slide – good process



Balanced Scorecard Framework

- Considers all aspects of the organization in a “balanced” manner
 1. Older Adults (as our key clients)
 2. Stakeholders (e.g. government, community partners)
 3. People (HR: Staff, Board, Volunteers)
 4. Internal systems (IS, IT, Processes, etc.)
 5. Financial
- Assists in establishing, monitoring and measuring strategic and operational priorities, plans, activities and outcomes





Committees

- The “workhorses of the Board”
 - Clear, purposeful and documented delegation from the Board
 - Role to investigate and collect information and make recommendations to the Board
 - Common Committees
 - Governance
 - Finance or Audit or Finance and Audit
 - Nominating/Director Development
 - Quality/Safety
 - Executive (more and more eliminated)



Board–Executive Relationship

- The Senior Executive is the only employee of the Board
- All Directors of the Board are responsible for recruitment and performance
- Clear role and responsibilities
- Delegation; respect; partner
- Performance Review



Preparing for Board Meetings

- Know bylaws and governance policies
- Know your role and accountabilities
- Know code of conduct & expected behavior
- Know strategic plan, priorities, expected outcomes and current performance
- Know Agenda and materials before meeting
- Prepare with your questions and perspective on agenda items



Effective Board Meetings

- Board package well ahead of time
- Agenda
 - Organization compliance
 - Performance against plan
 - Adjusting priorities if required
 - Decisions re risks and resources
 - Hearing the Executive
 - Enhancing capacity of Directors
 - Discuss current strategic issues
 - Building constructive relations amongst



Staying Out of the “Weeds”

- Focus on strategic and stay out of weeds
- Questions that help:
 - Is it a big issue?
 - Is it about the future?
 - It is really about our mission?
 - Do we need a decision on high-level policy?
 - Is there a risk to the organization?
 - Does the Executive want and need support?



Dialogue & Art of Thinking Together

Fundamentals

- Open and receptive
- Listen deeply
- All possibilities
- Avoid blame or judgement
- No assumptions
- Nothing personal

Practice

- Form your perspective
- Share your perspective
- Listen
- Get curious
- Pay Attention
- Try to find common perspective

Board Meeting Evaluation

- Clear and focused agenda with materials?
- Did Directors appear prepared?
- What Chair effective?
- Was conduct respectful?
- Was diverse perspective invited and shown?
- Did everyone have opportunity to participate / make a contribution?
- Was action taken on items appropriately?
- Did you feel you make a contribution?
- One thing that would make the meeting better?



Making the Most of your Experience

- Be Prepared
- Be Attentive
- Participate Appropriately
- Say it in the meeting
- Avoid Micro-Management
- Build Mutual Respect
- Maintain Integrity
- Make well-informed Decisions
- Support Board Process and Decisions
- Respect Confidentiality

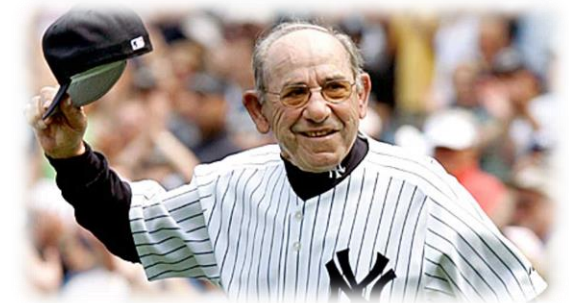


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*If you don't know where you
are going, you will wind up
somewhere else.*

Yogi Berra
1925-2015