



Policy Governance Primer

3/3/11

What is Policy Governance?

A set of concepts and principles that provides the framework for carrying out the tasks of an organization in an efficient, focused, and productive manner.

The model enables the board to lead the organization by:

- Focusing on the larger issues
- Delegating with clarity
- Controlling management's job without meddling
- Rigorously evaluating the accomplishments of the organization

Clarifies Board Of Directors' job as "directional" and staff's job as "operational."



Policy Governance Structure

The shared **values** of the board are established under 4 main categories:



Principles of Policy Governance

1. The trust in trusteeship

- Board members act as trustees in behalf of owners (taxpayers)
- Board must make certain the organization achieves what the members want it to achieve
- Rigorously evaluating the accomplishments of the organization

2. The board speaks with one voice or not at all

- Board decisions must be upheld by all

3. Board decisions should be policy decisions

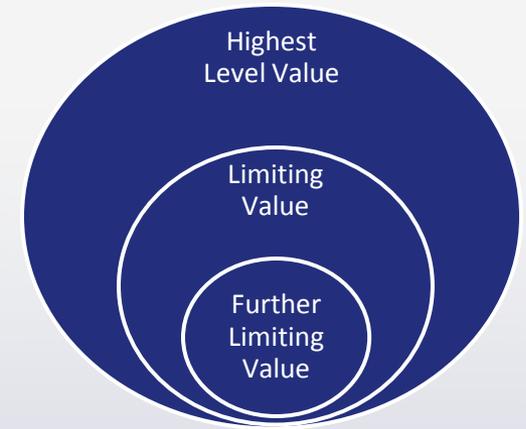
- All Board decisions are reduced to policies
- Future decision may create an amendment or addition to an existing policy



Principles of Policy Governance

4. *Boards should formulate policy by determining the broadest values before progressing to narrower ones*

- By “nesting” policies, Boards can delegate details to the degree they feel comfortable
- The Board can allow the CEO to interpret the broad policy, or the Board can be more specific in their policy-making



5. *The Board defines and delegates rather than react and ratify*

- The Board itself must define the “acceptable boundaries” the staff will operate within to achieve the Ends



Principles of Policy Governance

6. *Ends determination is the pivotal duty of governance*

- “Ends” or outcomes (goals) are made into Ends policies that state: what results, for whom and at what costs
- Majority of the Board time is spent doing future-oriented thinking, exploring options, consulting

“Ends” Example: Parents will have a peace of mind that their children are receiving the best education possible and are being treated with equal respect, kindness, and attention in a safe atmosphere.

7. *The Board can best control staff “means” by limiting, not prescribing*

- Rather than create a “to do” list the Ends created by the Board tell the CEO what should be achieved
- The CEO determines how best to get there within limits. Board sets the limits (Executive Limitations Policies)



Principles of Policy Governance

8. ***A Board must design its own products and processes***
 - Purpose of Board is not to oversee staff, but to define the future of the School and to ensure that the future is achieved

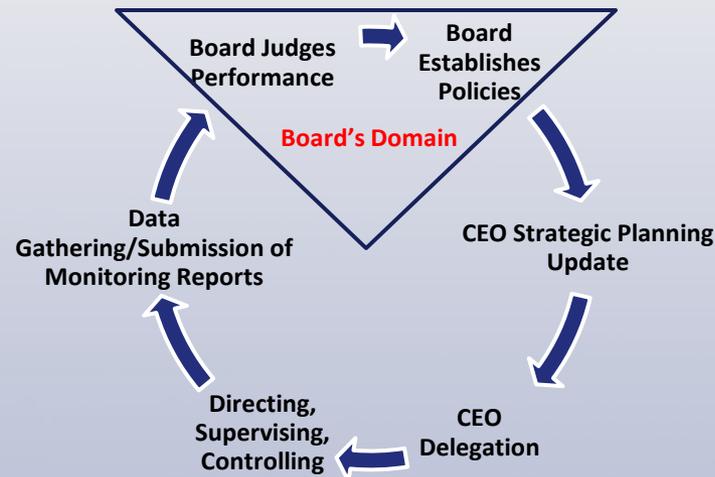
9. ***A Board must form an empowering and safe linkage with management***
 - Role clarity – Board clearly knows its role; staff clearly knows its role
 - The roles do not overlap, and both the Board and staff agree to adhere to these roles

10. ***CEO performance must be monitored rigorously but only against policy criteria***
 - Board will judge staff performance according to the Board's own rules, and the staff know those rules because they have been stated in policies



Policies are Monitored to Ensure Accountability

- Monitoring in Policy Governance means to compare actual conditions or achievements with authoritatively stated expectations (ends and executive limitations policies)
- Knowing what is going on in the present allows the Board to focus on the future
- Board determines methods and frequency
 - Internal report, direct inspection, external audit
- Monitoring organizational performance is continually occurring and simultaneously evaluates the CEO. Many boards find no need for a yearly CEO review.



Policy Governance

ADVANTAGES

- Board and staff roles are defined
- Board is more forward-looking
- No micro-management
- Board is proactive not reactive
- CEO better prepared at board meetings
- Allows for continual monitoring
- On-going discussion of Ends
- Provides for the documented values of the board
- Improved agendas and board meetings

RISKS

- Requires up-front time and board understanding of the model
- Requires discipline and a commitment to the principles
- Adhering to the process is an on-going activity



Thoughts?

