

Enhancing Board Effectiveness & Performance

Effective Boards are critical to ensuring successful organizational governance in today's rapidly shifting and complex world. The **Enhancing Board Effectiveness & Performance Program** helps Boards close the gap between their current performance and high performance by enhancing the three core elements of Board performance: clarity of role, purpose and focus; operational excellence; and supportive behaviours and relationships. The following provides more insight into how this program creates highly effective Boards:

1. Clarity of Purpose

Boards have a unique value and they exist to ensure the right strategic direction, that risks are identified and managed, and that they are supporting the right CEO. Boards need to confirm their unique role and purpose including what the Board is there to accomplish and what stakeholders are counting on from the Board. They also need to define the set of priority issues that the Board should be focusing on.



A Board's key areas of responsibility include:

- Setting the strategic direction of the organization including mission, vision, values & strategic goals.
- Monitoring risk and ensuring an effective risk management framework is in place
- Appointing the CEO and evaluating his/her performance.
- Monitoring the implementation of policy & strategy and evaluating organizational performance.
- Representing shareholders (definition includes owners, members (Associations) government (Crown Corporations) and other key stakeholders whose interests the Board is there to serve.
- Fulfilling fiduciary, fiscal and legal requirements.

During this phase of the program directors review and evaluate the Boards purpose, its risk identification and management framework and its process for reviewing organizational strategic direction as well as defining priority areas of focus for the next 6 to 12 months.

2. Operational Excellence

Once Board role, purpose and focus are confirmed the Board needs to turn its' attention to establishing a set of Board goals and deciding how it wants to operate. This includes clarifying the four basic agenda items for Board meetings as well as defining meeting operating principles and confirming how decisions will be made.

The four basic agenda items for Board meetings are:

- A. Receiving and sharing information on key issues, events, projects, etc.
- B. Providing input and advice to management and committees.
- C. Making decisions in defined areas of Board accountability.
- D. Confirming clear and aligned strategic direction for the organization.

During this phase the Board also assesses its' committee structures and ensures that the composition of the Board and committees have the appropriate mix of skills, knowledge and ability. During this phase of the directors evaluate current performance, structure and capability and define actions for improvement including a set of operating principles for Board meetings.

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2. Supportive Behaviours and Relationships

Being an effective Board member requires behavioural considerations that are often different than those typically employed in other roles. Board members need to define how they want work together, how they will interact with one another and what behaviours will contribute to Board performance, building trust and supporting authentic conversations. Effective and high performing Boards establish a climate of openness and trust where there are no repercussions for asking tough questions and where directors feel comfortable and safe being proactive and curious.

Many Boards have evolved from a traditional code of behaviour that was passed down from one generation of directors to the next. This traditional code represented how directors were supposed to behave – be total loyalty to the Chairman, support management at all times, get along well with Board colleagues by minimizing differences, participate constructively but don't ask too many or too difficult questions that might rock the boat. The results that this traditional code produced are no longer acceptable. The new concept of the job of a Board director incorporates a new more professional code of behaviour that emphasizes a much more active and insightful involvement in providing direction and overseeing the organization. During this phase of the program Board members develop clarity on what matters, a better insight into their relationships with other Board members, and define a set of guidelines for how they will govern their interactions.

The **Enhancing Board Effectiveness and Performance Program** engages Board members in a facilitated session that will inspire and challenge them, encourage effective discussion, and ensure defined outcomes are achieved. The program involves three phases:

Phase I: Data Collection, Diagnosis and Board Session Design

Following initial discussions with Board Chair and CEO, Board effectiveness and performance is assessed. Each Board Member completes a ***Board Effectiveness & Performance Survey*** and they are interviewed about current Board operations, key issues impacting Board success and the priority issues the Board needs to address. Board documentation and agenda are reviewed and Board meetings are observed and evaluated. The findings are summarized and reviewed with the Board during the session.

Phase II: Board Session Preparation and Facilitation

This phase involves Board member participation in a facilitated 1½ to 2-day session. The session focuses on creating clarity of Board purpose and focus, building Board meeting operational excellence and establishing behaviours that optimize Board performance. The Board agrees and endorses statements and actions for enhancing Board effectiveness and performance related to the three core elements. During this phase Directors identify and commence work on addressing priority aspects of their responsibilities that need to be addressed including ensuring clarity of the organizations mandate, vision and strategic direction, CEO performance, etc.

Phase III: Follow-Up Session

This phase involves a one-day follow up session 3 to 4 months following the initial session to review progress and maintain momentum of the changes agreed to.

About Rob Cooke, Session Designer and Facilitator

Rob Cooke is a leadership advisor, strategist and coach. With over 30 years of experience he has developed a deep awareness of how organizations operate and he clearly understands the unique relationship between organizational executives and Boards. Rob has been a Board Director, Board Chair and Board Vice-Chair. Rob is recognized as an exceptional facilitator who utilizes a coaching approach and methodology to achieve commitment and buy-in to change.