

HIGH PERFORMING BOARDS THROUGH POLICY GOVERNANCE

ALLIANCE FOR HEALTHIER COMMUNITIES - JUNE 2025

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Overall Goal: Is it time for a policy governance review? How do I know and what should I look for?

Topics:

- 1) 4 main roles of the Policy Governance Board
- 2) Introduction to Policy Governance, Four types of policies and board tools

Self Assessment Tool:

- Review as we go
- Talk with other directors
- Assess as a full board.

**WHY DID CENTRETOWN CHC
DECIDE TO DO A
GOVERNANCE REVIEW?**

FOUR ROLES OF A HIGH PERFORMING BOARD

WHAT ARE THE FOUR MAIN ROLES OF YOUR BOARD?
WHAT DO YOU SPEND YOUR BOARD TIME DISCUSSING?

HIGH PERFORMING BOARDS

All not-for-profit boards need a system of governance that outlines a structure with clear roles and a process that lays out how the Board will live this governance structure.

If not, Boards will have a random set of policies that are not aligned and are ad hoc and disconnected.

4 MAIN ROLES

ACCORDING TO CATHERINE RASO, GOVERNANCE GURU AND AUTHOR OF “THE ONTARGET BOARD MEMBER” .



#1 Represent the Moral Owners

Clear understanding of the board’s external ownership - the communities that you exist to be in service to.

- Proactive communication with that group, listening and acting on their behalf



#2 - Lead

Clear, well-informed and well-communicated articulation, in writing, of the “mission” of the organization

- Mission is your outcomes expected for certain people in our community” and the value of doing so



#3 - Evaluate the Operations

Clear delegation of operations to ED/CEO

- Rigorous evaluation of the CEO/operations in accomplishment of its executive limitations



#4 Exercise Sound Governance

Assurance that the Board is using a sound governance system

- Board policies that clarify roles and articulate board values, including board structure, committees, decision-making and self-evaluation

8 INDISPUTABLE BEHAVIOURS

CATHERINE RASO



1. Act on behalf of your moral owners

- Define your moral owners. Seek their views and values to use in decision making.

2. Know your job

- Know the business of the organization, your duties under law, & continually educate and orientate

3. Set Targets

- Set targets and priorities for the organization to accomplish and write it into board policy.

4. Identify Risks

- Identify risks and liability issues that the organization must manage and avoid.

5. Delegate

- Delegate the work of the operations clearly to one staff person, the CEO/ED

6. Assess

- Assess performance by rigorously monitoring to see if the organization has achieved the targets and avoided the risks, by fairly comparing performance to board-stated policies/expectations.

7. Practice

- Practice governance discipline, including orientation, meeting attendance, preparedness, participation, discussion, use of board policies, and the avoidance of conflicts of interest.

8. Report back

- Report back to the ownership on the progress toward “hitting the target.”

**Policy Governance informally known as the
Carver Model,
is a system for Organizational Governance.**

Policy Governance defines and guides appropriate relationships between an organization, its moral owners, its board of directors and their executive lead (ED/CEO)

There are 10 principles in policy governance.

SOURCE: [HTTPS://WWW.UUA.ORG/LEADERLAB/CARVER-GOVERNANCE](https://www.uua.org/leaderlab/carver-governance)


PRINCIPLES

1. **Main role of the Board is to maintain, engage, learn from the moral owners.**
 - This is why you exist. This is who you are in service to.
2. **Speak with One Voice:** To lead you must speak with one voice.
 - Caution #1: Role of Committees – Make sure they are focussed on Board work and not operational work
 - Caution #2: The Chair has no more power than what is delegated by decision through the Board.
 - Caution #3: The Chair is not the supervisor of the ED/CEO

3. Board Decisions are policy decisions.

- If it is not written it is not a direction or decision.
- The Board needs to own and its policies, understand them and monitor them.
- Four types of Policies; Ends, Board Staff Relations, Executive Limitations, Governance Process.

4. Board establishes broad policies – and then make more narrow policies to provide more direction,

- Ends and Executive Limitations are delegated to ED/CEO
 - Governance & Board Staff Relations are delegated to Chair.
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5. Board defines and delegates rather than reacts and ratifies.

- Board policies set out clear criteria for approval .This allows the Board and ED/CEO to know if the plan and report will be approvable
- Rigorous monitoring against clear criteria is critical
- Boards can not say a report is not acceptable if they have not clearly stated what is expected.

6. Ends determination is the pivotal role of Governance

- The Organization exists to make the world a better place.
- It is critical that the Board has a long-term view (10 years) on what difference you want to make and for who. It should be outcome focussed.
- This is broader and longer term than your strategic plan.
- Board should be a think tank for vision rather than a reviewer of staff reports.

7. Board Controls ED/CEO means by limiting rather than prescribing.

- **Board Means:** how the board organizes, structures and conducts itself to accomplish its roles (Governance Process Policies)
- **Staff Means:** ED/CEO manages the various actions needed to accomplish the ends/strategic plan or to safeguard the operations.
- The Board does not tell the staff how to do its job
- Board job is to set boundaries. To specify in writing what means would be unacceptable, unapproved or off limits
- A list of “don’t do that” is liberating for the ED/CEO. Because beyond the list – they are empowered to make all other decisions.

8. Board explicitly designs its own products and processes

- Board states what it expects of itself
 - Its code of conduct, that way it will plan, how it will link with its moral owners
 - Board creates committees to help get its job done – but not to help staff with theirs
 - Board delegates to chair any reasonable interpretation of its policies
- CEO/ED has parallel authority with respects to Ends and Executive Limitations
- The Chair and CEO/ED work closely together but the Chair does not supervise the CEO/ED

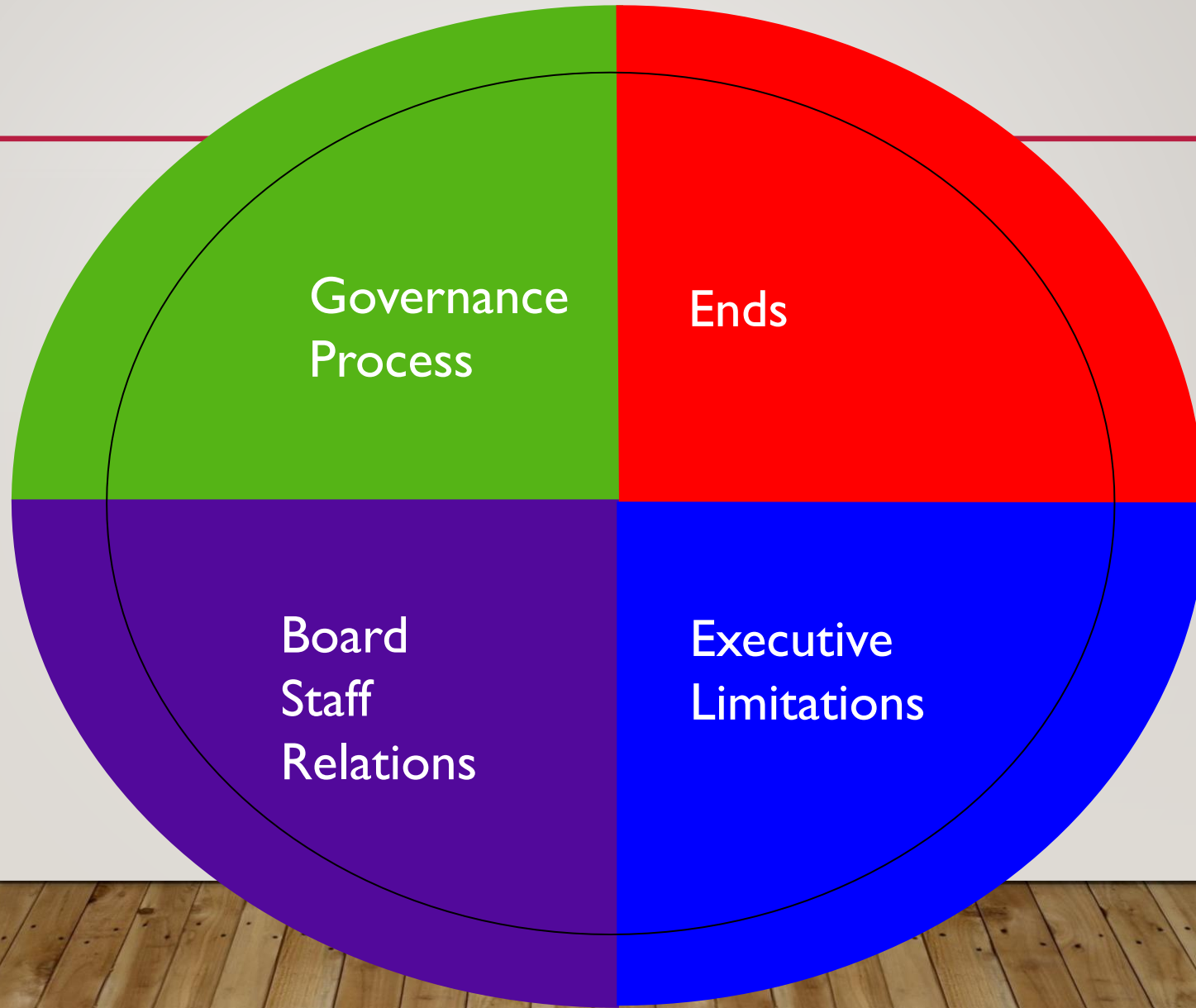
9. Board forges a linkage with management that is empowering and safe

- Board and CEO/ED are a leadership team
- Clear differentiation in their roles and responsibilities enable them to excel, mutually support each other and influence each other towards even greater integrity of leadership
- Board has the right to expect performance, honesty, straight forwardness from its CEO/ED
- CEO/ED rightfully expects the Board to be clear about the rules and play by them, to fulfil its own job and to speak with one voice.

I 0. Performance Monitoring is Rigorous but only against written policy criteria

- Monitoring of ED/CEO is only conducted against criteria stated in Ends, strategic plan and limitation policies.
- The ED/CEO monitoring reports will need to include the interpretation of the policy, and data sufficient to demonstrate achievement of the criteria.

BOARD GOVERNANCE POLICIES – 4 TYPES



ENDS

- The Board defines which needs are to be met, for whom, and at what cost (\$, resources, time, reputation).
- Written with a long-term perspective, these mission related policies embody the Board's vision and the organization's reason for being.
- They are reflected in the Mission, Vision, Values, Moral Owners definition and the Strategic Plan

ENDS

Any issue is an Ends issue if it directly describes what good, for whom or at what costs. If not – it is not an Ends issue – no matter how important.

Ends language is never about what the organization will be doing. **It's always about what will be different for those it is in service to.**

Distinguishing ends from means enables the Board to free itself from trivia, to delegate clearly and powerfully and to turn its attention to bigger issues.

REFLECTION: DOES THE BOARD LOOK AT ISSUES FROM AN ENDS PERSPECTIVE? DOES IT TAKE A LONG TERM VIEW OF WHAT WILL BE DIFFERENT AS A RESULTS OF YOUR WORK?

GOVERNANCE PROCESS POLICIES

The Board states what it expects of itself, its code of conduct, the way it will plan and control its agenda, and the nature of its linkage with the ownership. And the Board treats its own governance policies as iron-clad commitments.

The Board may create committees to help get its own job done, but not to help staff with theirs.

The Board delegates to its chair the right to make any reasonable interpretation of its governance process policies and Board staff linkage policy.



GOVERNANCE PROCESS POLICIES:

The Board determines its philosophy, its accountability and the specifics of its own job.

Except for what belongs in bylaws, these policies contain how the Board will govern itself.

REFLECTION: HOW WELL DO YOU KNOW YOUR GOVERNANCE POLICIES?



GOOD GOVERNANCE: GOVERNANCE PROCESS



BOARD STAFF RELATIONS

- Board and CEO/ED constitute a leadership team.
- Clear differentiation in their roles and responsibilities enable them to fulfill and excel, mutually support each other, and influence each other towards ever greater integrity and capability of leadership.
- The Board has the right to expect performance, honesty and straight forwardness from its chief executive.
- Board may be understanding on performance but never budge on integrity.
- In turn, the CEO/ED rightfully expects the Board to be clear about the rules and play by them, to fulfil its own job and to speak with one voice.

BOARD STAFF RELATIONS

- The Board clarifies the manner in which it delegates authority and how it evaluates performance relative to ENDS and EXECUTIVE LIMITATIONS
- **REFLECTION: DO YOU HAVE A PERFORMANCE EVALUATION THAT TIES TO THE EXECUTIVE LIMITATIONS AND ENDS MONITORING REPORTS?**

EVALUATE: RELATION WITH YOUR ED

<input type="checkbox"/>	Global Board-Executive Director Linkage	<input type="text"/>
<input type="checkbox"/>	Delegation to the CEO/ED	<input type="text"/>
<input type="checkbox"/>	Unity of Control	<input type="text"/>
<input type="checkbox"/>	Accountability of the CEO/ED	<input type="text"/>
<input type="checkbox"/>	Monitoring Executive Performance	<input type="text"/>

EXECUTIVE LIMITATIONS

- Monitoring is rigorous but only against written policy criteria that is clearly stated in ends and limitations policies.
- When a Board adopts this discipline, it will drive them to ensuring the policies reflect what is needed.
- The Board will require Limitations and Ends reports to include the chief executive interpretation of existing criteria and receive relevant monitoring data without having to digest enormous amounts of unnecessary information.

REFLECTION: DOES THE BOARD MONITOR ITS ED/CEO AGAINST CLEAR POLICY CRITERIA?

EVALUATE THROUGH EXECUTIVE LIMITATION POLICIES

Global Executive Constraint

Treatment of Client

Treatment of Staff

Compensation and Benefits

Financial Condition and Activities

Financial Planning and Budgeting

Asset Protection – includes Compliance with Legislation

Communication and Support to the Board

Emergency Executive Director Succession

Anti-Discrimination, Anti-Racism, Anti-Harassment

Quality/ Quality Improvement

A large, rectangular whiteboard with a black frame is mounted on a dark grey wall. The whiteboard has a thin black border and a white center. The word "REFLECTION" is written in a bold, dark grey, sans-serif font, centered on the whiteboard. Below the whiteboard, a wooden floor with light brown planks is visible.

REFLECTION

EVALUATING YOUR CEO/ED

RELATIONSHIP BETWEEN BOARD AND CEO/ED

- The relationship between the Board and the CEO/ED is the most important relationship in any organization.
- To be successful, the organization needs a strong CEO/ED, a strong Board and a strong effective relationship between the two.

FRAMEWORK FOR CEO/ED PERFORMANCE APPRAISAL

- Ends and Executive Limitations contain the **full sum of the Board's guidance to the CEO/ED.**
- There are **NO separate criteria** for evaluation of the CEO/ EDs performance.
- Everything the Board wants, it articulates, clearly in one voice through Board policy.
- Every Board policy is monitored to ensure compliance.

While policy governance is designed as a Board tool to improve effectiveness, efficiency and leadership, CEO/ED appreciate the clarity that it gives to them.

With policy governance, the CEO/ED will always know the criteria they will be evaluated on and they will know the limits to their authority.

MONITORING IS BASED UPON RESULTS – NOT ACTIVITIES.

- The CEO/ED makes sure the organization achieves what the Board says it should (ends) and while doing so avoids situations and activities which the Board feels should not occur (executive limitations).
- The CEO/ED is responsible for the outcomes of all organizational activities, not only the specific activities that the CEO/ED carries out.
- These outcomes are reported to the Board through scheduled executive limitation monitoring reports.



RIGOROUS ASSESSMENT OF PERFORMANCE

- The Board engages in a rigorous assessment of performance but with Policy Governance, the Board does not need a separate system or instrument for CEO/ED evaluation.
- **Monitoring of the Ends and Executive Limitations policies = assessment of the CEO/EDs performance.**
- It is ongoing throughout the year. The Board does not wait until the end of the year to assess, judge, or react.
- The Board monitors its policies according to the schedule and format that it determined at the time it wrote the policies.
- The Board takes appropriate action at the time of monitoring each policy.

RIGOROUS ASSESSMENT OF THE CEO/ED

- THEREFORE, under policy governance, **there is no separate ED performance evaluation system.**
- By regularly monitoring its' policies, the Board will evaluate each aspect of the CEO/EDs performance which is important enough to be guided by policy.
- The words in each policy are the criteria that the CEO/EDs performance results are compared with – nothing more, nothing less.
- **REFLECTION: DOES YOU BOARD HAVE A FORMALIZED PA PROCESS THAT IS DESIGNED IN ADVANCE AND THAT TIES MONITORING OF EXECUTIVE LIMITATIONS & END ACHIEVEMENT TO PERFORMANCE?**

OTHER BOARD TOOLS:



Board Calendar

Annual Governance
Policy Review
Education Plan
Moral Owners Plan
Evaluation of Board
Monitoring of Strategic
Plan



Evaluation of the Board

Process and tools



Evaluation of the CEO/ED

Process and tools



Nomination Process & Board Orientation

Composition of the
Board
Criteria for the Board
Selection process
Call for Nominations

SUMMARY:

REPRESENT: Moral owners plan

LEAD: Mission, Vision, Values, Strategic Plan

EVALUATE: Executive Director relations and limitations
policies with monitoring schedule

SOUND GOVERNANCE: Governance Process polices

OUTCOME: A coherent governance structure with
supporting policies and tools for a high performing Board.

SO WHAT DOES THIS MEAN
FOR YOUR BOARD.....

NEXT STEPS

1. Review your self assessment with other Directors at this conference.
2. Have a discussion with your entire board to determine if it is time for a refresh..

THANK YOU
MERCI
MIIGWETCH

FOR MORE INFORMATION
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