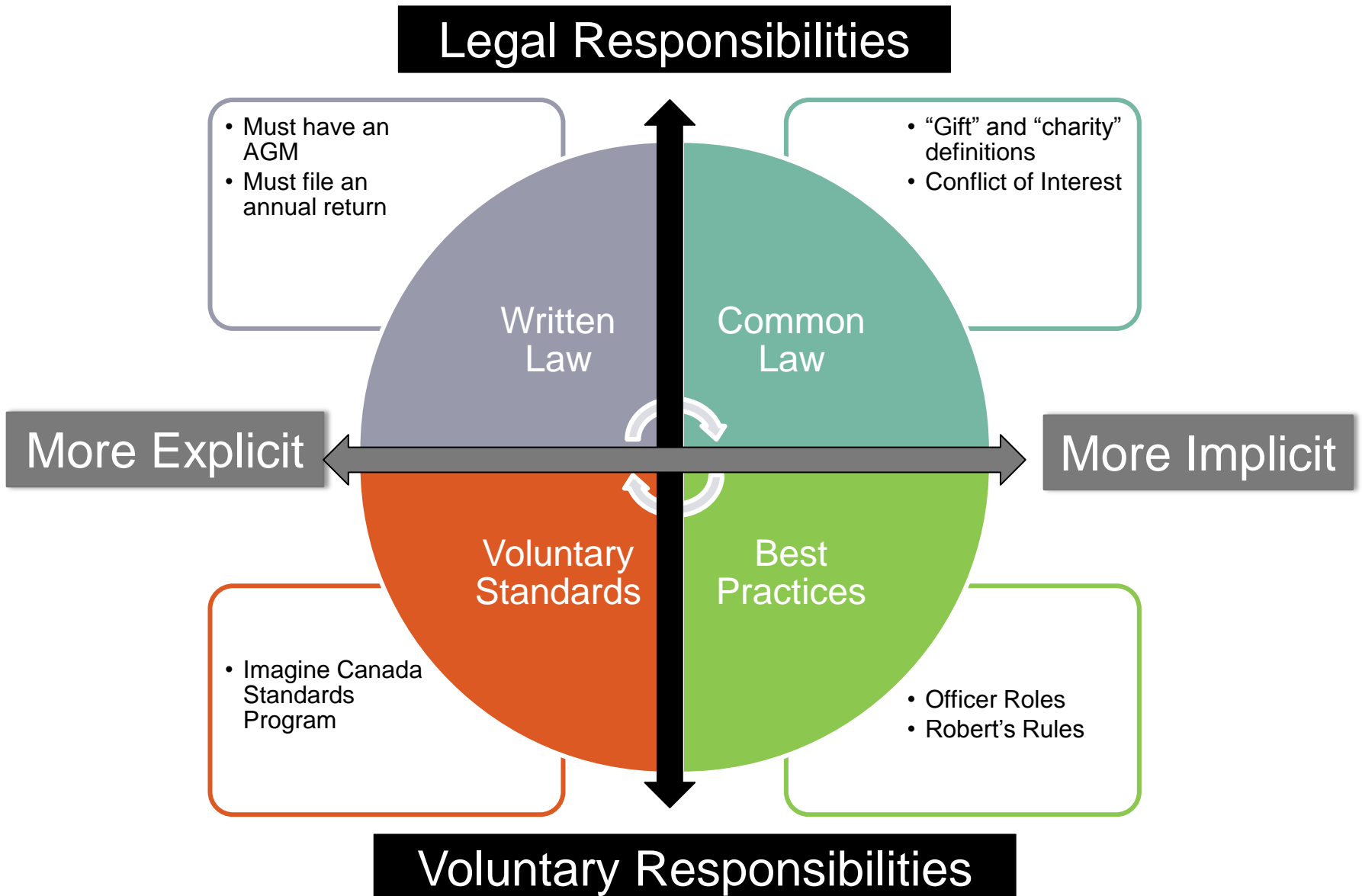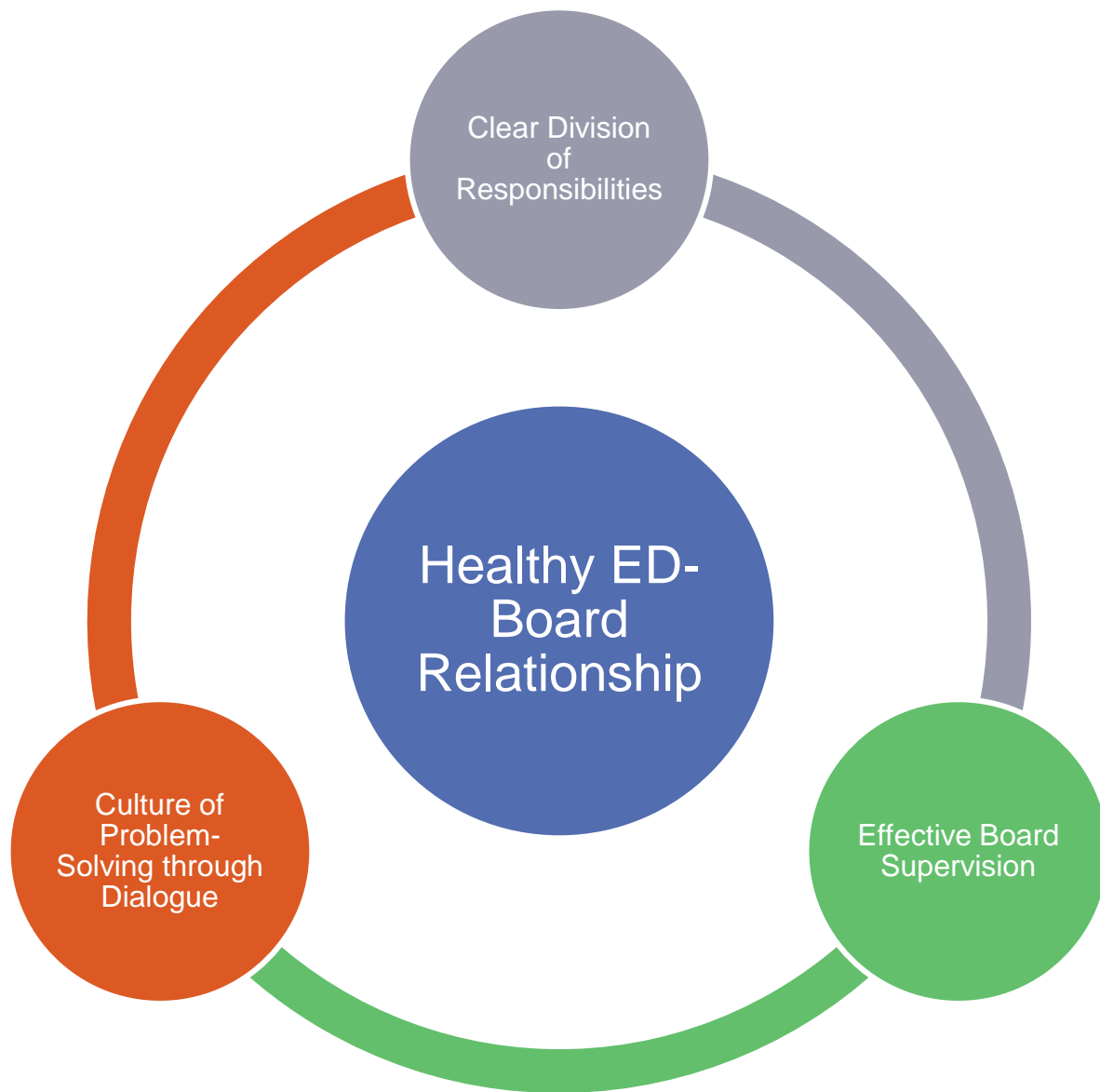# BOARDS WITH STAFF: ROLES AND RELATIONSHIPS

STUART CLARK, MBA

COMMUNITY DEVELOPMENT UNIT

ALBERTA CULTURE AND TOURISM

1

SOURCES OF RESPONSIBILITIES

Legal Responsibilities

- Must have an AGM
- Must file an annual return

- "Gift" and "charity" definitions
- Conflict of Interest

Written Law

Common Law

More Explicit

More Implicit

Voluntary Standards

Best Practices

- Imagine Canada Standards Program

- Officer Roles
- Robert's Rules

Voluntary Responsibilities

2

Clear Division of Responsibilities

Healthy ED-Board Relationship

Culture of Problem-Solving through Dialogue

Effective Board Supervision

CORE DISTINCTION

Governance   **Management**

GOVERNANCE AS LEADERSHIP

Clear Division of Responsibilities

Fiduciary

Governance Leadership

Strategic
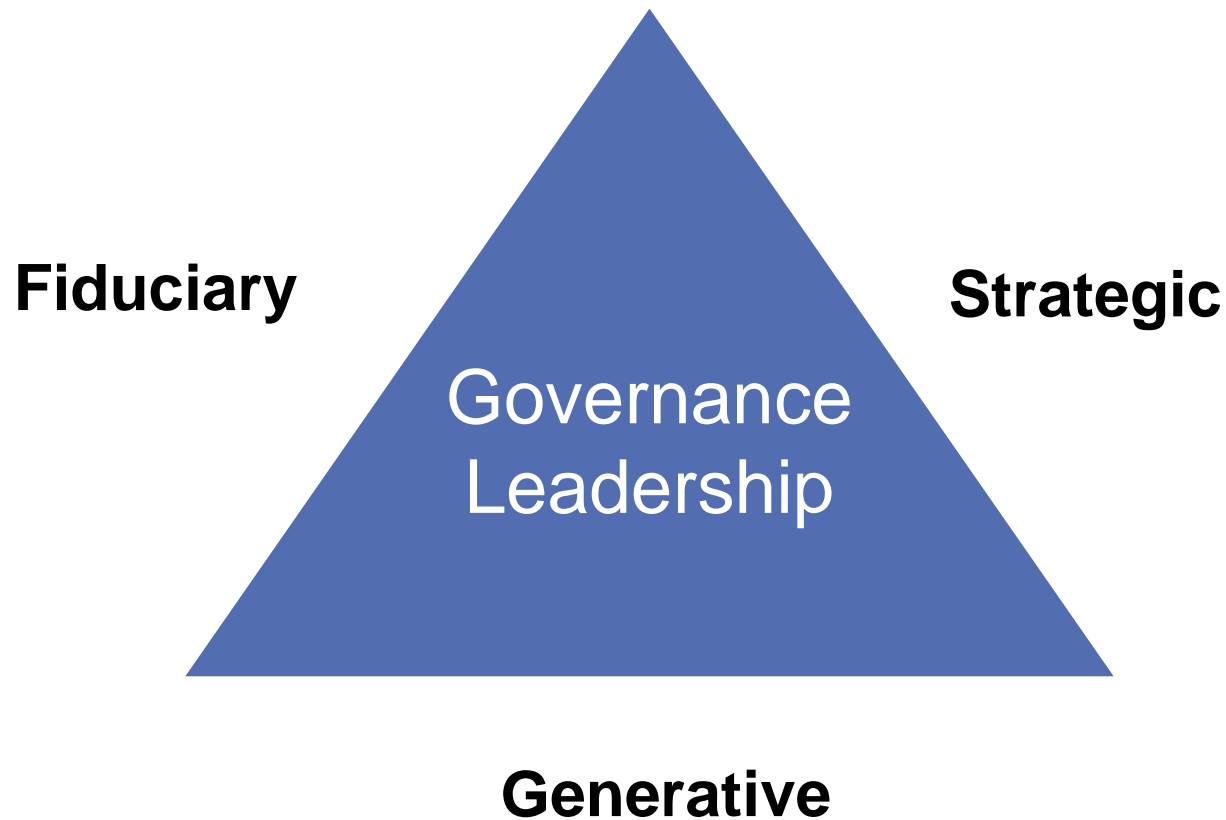
Generative

Based on work by Chait, Ryan and Taylor (2004)

GOVERNANCE AS LEADERSHIP

Summary of Board Behaviour in these forms of Leadership

	Fiduciary	Strategic	Generative
Key Question	"What's wrong?"	"What's the plan?"	"What's the question?"
Board Focus	Define problems Review performance	Solve problems Shape strategy	Frame problems Engage in sense-making
Board Process	Parliamentary procedure	Logical and empirical discussion	More informal and creative
Problems are to Be	Spotted	Solved	Framed
Decision Making	Resolution	Reaching consensus	Framing the question
Board Sees Their Role As	Oversight & authority	Strategist	Fresh perspective
Performance Metrics	Facts, figures, finances, reports	Strategic Indicators, competitive analysis	Signs of learning and discerning

Adapted from: Governance as Leadership: Reframing the Work of Nonprofit Boards. Chait, Ryan & Taylor.

HOW DO BOARDS GOVERN?

Clear Division of Responsibilities

Framework Governance	Self Governance	Operational Governance	Advocacy Governance
Set broadest policy area such as mission, vision, strategic direction	Set policy that defines how and when the Board gets it's work done such as Bylaws, processes for making decisions, etc)	Set policy that directs organization's programs and/or services (Strategies to achieve goals, monitor programs, allocate resources)	Builds community awareness and support for organization's beliefs, vision, mission and long-term direction
Monitor framework and ensure it meets community needs	Policy for recruitment, training and evaluating Board members Defines Board structure, roles, responsibilities and functions	Set policy that govern how the organization's personnel is managed (Defines role, pay and benefits, relationship, authority of ED; staff and volunteer policy, relations)	Establish the organization's one response/position in relation to matters that affect its relationship to the community and society
Establish process for evaluating organization's progress	Policy for planning and conducting the AGM	Set policy that direct how the organization's finances are managed (Monitor budget, secure funds, audit)	Represent the organization to government, funding agencies and the broader community

Board Development Program, Alberta Culture and Tourism
http://culture.alberta.ca/community/programs-and-services/board-development/

MANAGEMENT DEFINED

Clear Division of Responsibilities

The function that coordinates the efforts of people to accomplish the goals and objectives using available resources efficiently and effectively

Six basic functions:

Planning: Deciding what needs to happen in the future and generating plans for action(deciding in advance).	**Organizing**: Making sure the human and nonhuman resources are put into place	**Coordinating**: Creating a structure through which an organization's goals can be accomplished.	**Commanding**: Determining what must be done in a situation and getting people to do it.	**Controlling**: Checking progress against plans.

Stroh, L. K., Northcraft, G. B., & Neale, M. A. (2002). Organizational behavior: A management challenge. Mahwah, NJ: Lawrence Erlbaum.

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SEVEN GUIDING QUESTIONS

Clear Division
of
Responsibilities

Is it big?

Is it about the future?

Is it core to the mission?

Is a high-level policy decision needed to resolve a situation?

Is a red flag flying?

Is a watchdog watching?

Does the CEO want and need the board's support?

Bader, Barry S, *Distinguishing Governance From Management,* Great Boards, Vol III, No. 3,
http://www.greatboards.org/newsletter/reprints/Great-Boards-fall-2008-reprint-distinguishing-governance-and-management.pdf

BOARD ROLE VS MANAGEMENT ROLE

Clear Division of Responsibilities

Board's Role	Management's Role
Select, evaluate, and support the ED	• Run the organization in line with board direction. • Keep the board educated and informed • Seek the board's counsel
Approve high-level organizational goals and policies	• Recommend goals and policies, supported by background information
Make major decisions	• Frame decisions in the context of the mission and strategic vision, and bring the board well-documented recommendations
Oversee management and organizational performance	• Bring the board timely information in concise, contextual, or comparative formats • Communicate with candor and transparency • Be responsive to requests for additional information
Act as external advocates and diplomats in public policy, fundraising and stakeholder/ community relations	• Keep the board informed, bring recommendations, and mobilize directors to leverage their external; connections to support the organization.

Bader, Barry S, *Distinguishing Governance From Management,* Great Boards, Vol III, No. 3, http://www.greatboards.org/newsletter/reprints/Great-Boards-fall-2008-reprint-distinguishing-governance-and-management.pdf

BOARD ROLE VS MANAGEMENT ROLE

Clear Division of Responsibilities

ED – Management and Implementation	Board - Governance
The executive director is an individual who works within the limits of policy set by the board.	The board is a corporate entity, and acts only as a group.
The executive director is temporary. Even if the executive director is with the organization for a long time, s/he is there at the will of the board.	The board is ongoing. Although board members come and go, the board as an entity remains stable.
The executive director is usually a professional who has expertise in the organization's programs and services.	The board is usually made up of lay people, many of whom are not experts in the organization's programs and services.
The executive director has limited authority and responsibility, as assigned by the board.	The board has the ultimate responsibility for the organization, and is the final authority on all matters.

EXECUTIVE DIRECTOR AREAS OF RESPONSIBILITY

Clear Division of Responsibilities

Policy Management

Strategic Planning

Visioning

Leadership

Program Management

Personnel Management

Financial Management

Risk Analysis

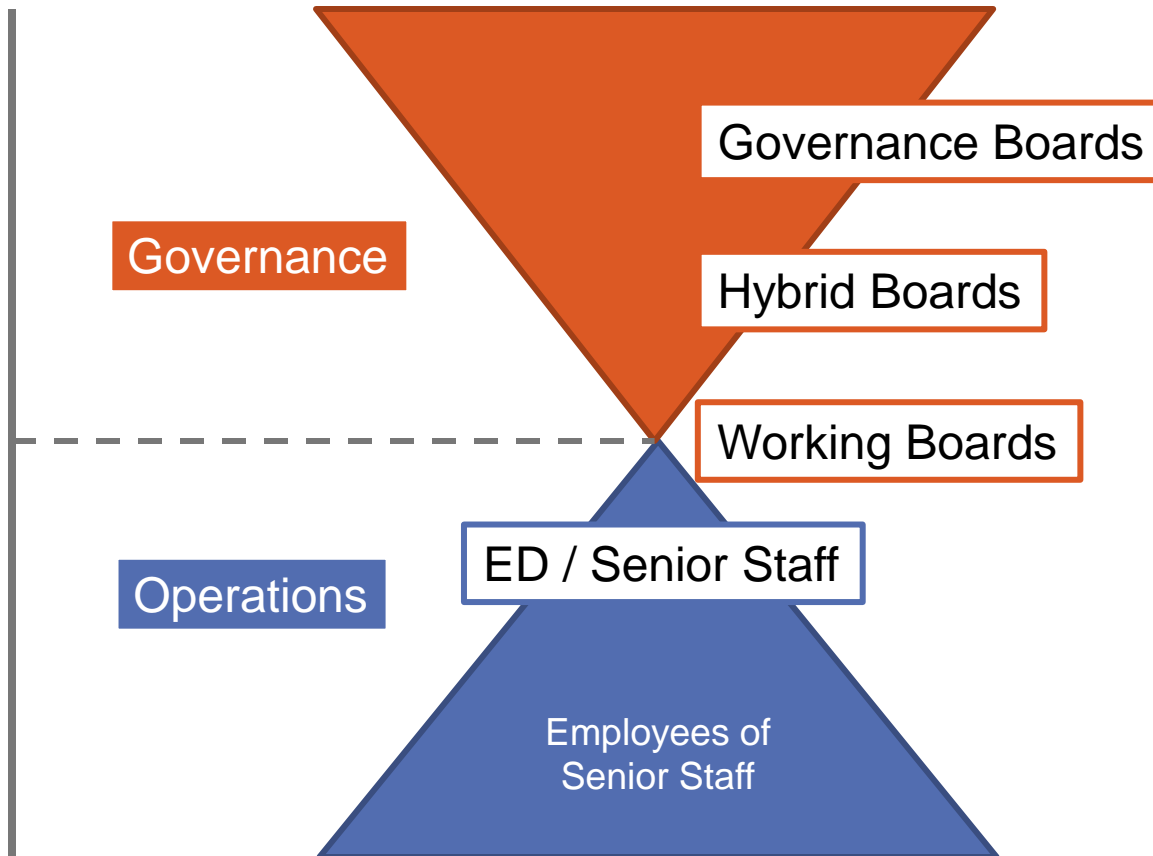Advocacy Management

Executive Director's Performance Appraisal Process

BOARD AS EMPLOYER

Effective Board Supervision

Recruitment, Hiring and Orientation

Performance Management and Staff Developemnt

Succession

Policies & Other Documentation

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ORGANIZATION/ STAFFING STRUCTURE

Effective Board Supervision

Governance

Governance Boards

Hybrid Boards

Working Boards

Operations

ED / Senior Staff

Employees of Senior Staff

RECRUITMENT PROCESS

Effective Board Supervision

| Is your House in Order? | → | Review the ED's Mandate | → | Assign Responsibility for the Hiring Process |

| Identify Emerging Strategic Challenges | → | Set Time Lines for the Process | → | Conduct Pre-Interview Activities |

| Advertise the Position | → | Select Candidates for Interviews | → | Interview Candidates |

| Make the Offer | → | Welcome your New ED |

The Muttart Foundation and The Government of Alberta, *Hiring and Performance Appraisal of the Executive Director, A Self-Guided Workbook* http://www.muttart.org/sites/default/files/downloads/publications/hiring_performance.pdf

RESOURCE FOR HIRING

Excellent Tool Kit Resource on HR Standards: "Employment Standards Tool Kit for Employers"

- http://work.alberta.ca/documents/Employment-Standards-Toolkit.pdf

Alberta Standards, 1-2 Page "Fact Sheets"

- http://work.alberta.ca/employment-standards/999.html

ED PERFORMANCE APPRAISAL - BENEFITS

Effective Board Supervision

A better understanding of the work of the executive director and the organization

Clarity on the progress of the organization towards its mission

More effective responses to changes in funding, community needs, and strategic direction

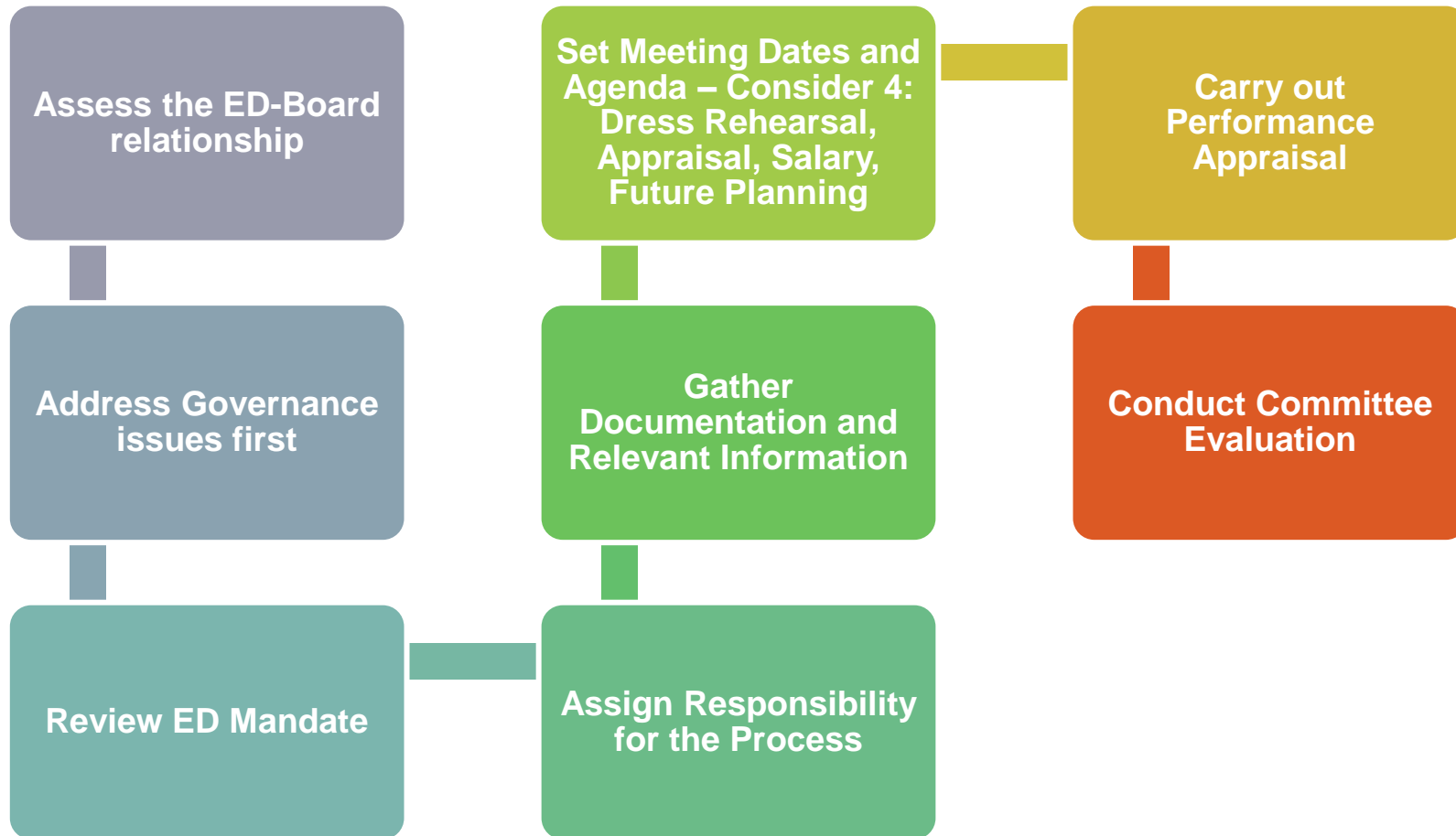Better communication between the board and the executive director

Identification of opportunities, challenges, and areas of concern that can be addressed before problems arise

Agreement on specific priorities and goals for each appraisal period

Improved performance of the ED

ED PERFORMANCE APPRAISAL - STEPS

Effective Board Supervision

Assess the ED-Board relationship

Address Governance issues first

Review ED Mandate

Set Meeting Dates and Agenda – Consider 4: Dress Rehearsal, Appraisal, Salary, Future Planning

Gather Documentation and Relevant Information

Assign Responsibility for the Process

Carry out Performance Appraisal

Conduct Committee Evaluation

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The Muttart Foundation and The Government of Alberta, *Hiring and Performance Appraisal of the Executive Director, A Self-Guided Workbook* http://www.muttart.org/sites/default/files/downloads/publications/hiring_performance.pdf

ORIENTATION & TRAINING

Effective Board Supervision

Aspects of ED Orientation to Consider

"The Team" (culture, dynamics…mentoring op's)

Facility assets

Inventory
Use of space/equipment practices
Asset management plans/monitoring systems

Safety protocols (Occupational Health & Safety)

Administration protocols

Records/information management

Governance/operational infrastructure

Adapted from "Hiring and Supervising Senior Staff Positions" Workshop, April 23, 2015, presented by Paul Meunier, Federation of Calgary Communities

ORIENTATION AND TRAINING

Effective Board Supervision

Key Employee Policies

Employment Classification

Hours of Work and Overtime

Statutory and General Holidays

Sick Days and Other Paid Days

Vacation

Termination

Unpaid Leave

Performance Reviews

Staff Development

Benefits Administration

Employee Conduct and Confidentiality

Discipline

Hiring of Staff

Adapted from "Hiring and Supervising Senior Staff Positions" Workshop, April 23, 2015, presented by Paul Meunier, Federation of Calgary Communities

IMAGINE CANADA STANDARDS

Policies & Other Documentation

The organization has written HR management policies that comply, at minimum, with employment, health and safety and other applicable legislation.	HR management policies are accessible to all employees.	HR management policies are reviewed at least every two years and revised, if necessary. Over 50 FTE, $10 Mil: HR management policies are reviewed annually and revised, if necessary.	Over 5 FTE: The organization has a compensation structure that fairly evaluates and compensates the value of each position.	Over 5 FTE: All employees have written job descriptions.

Recruitment, Orientation & Training

Employees are recruited and selected through an objective, consistent process that complies, at minimum, with human rights legislation.	All individuals external to the organization who are offered a position are given a letter of employment that outlines the terms of employment.	All employees who are new to the organization or their position are provided with appropriate orientation and training.

IMAGINE CANADA STANDARDS

Performance Management & Staff Development

All employees have a work plan or performance objectives that identify their tasks/activities and the expected result.	The performance of each employee is assessed at least annually.	Over 5 FTE, The development needs of all full-time employees are reviewed at least annually and plans are established to address any gaps. Over 50FTE, Staff with responsibility for managing others are provided with opportunities to develop their supervisory skills	Over 5 FTE, Critical positions in the organization are identified and succession plans are established to address any potential gaps.	Over 5 FTE, The organization has a formal process to manage workplace conflicts.

DIALOGUE

"It's when we let our guard down and allow our differences and doubts to surface and interact that something authentic and original can begin to emerge, tentatively, in the spaces between us. And I've found that it's often in these fleeting and complicated moments that the heart and mind can come into synchrony, pointing to altogether novel educational possibilities. The key is to remain alert to those moments and to move with them when they arise.

We know that the most effective process for discovering these layers of meaning is through interactive and iterative dialogues and that if we undertake them sincerely and openly—and patiently—we can sometimes find our way to something entirely new. We assume that individual voices speak and act for the system as a whole, and we listen carefully or a variety of voices and the competing values they represent. "

– Diana Chapman Walsh

DAVID BOHM ON DIALOGUE

"Dialogue" comes from the Greek word dialogos . Logos means 'the word', or in our case we would think of 'the meaning of the word'. And dia means through'—it doesn't mean 'two'.... The picture or image that this derivation suggests is of a stream of meaning flowing among and through and between us. This will make possible a flow of meaning in the whole group, out of which may emerge some new understanding. It's something new, which may not have been in the starting point at all. It's something creative. And this shared meaning is the 'glue' or 'cement' that holds people and societies together.

The object of a dialogue is not to analyze things, or to win an argument, or to exchange opinions. Rather, it is to suspend your opinions and to look at the opinions—to listen to everybody's opinions, to suspend them, and to see what all that means.... We can just simply share the appreciation of the meanings, and out of this whole thing, truth emerges unannounced—not that we have chosen it.

Everything can move between us. Each person is participating, is partaking of the whole meaning of the group and also taking part in it. We can call that a true dialogue.

Dialogue is the collective way of opening up judgments and assumptions.

?

What is one idea on how you can cultivate a culture for dialogue in your organization?

How might this impact key relationships in your organizations?