

By-Laws Leadership Evaluations
Governance Decisions
Roles Strategic Planning
Conflict of interest



Governance and Operations



Overview

- Why is Governance **Important** to an Organization?
- What is **Governance**?
- What are **Operations**?
- What are the **Differences**?
- What are Common Areas of **Conflict**?
- What are my **Next Steps**?

Sound Governance is *Essential*



- Performance and Results
- Effectiveness
- Reputation
- Financial Stability
- Satisfaction
 - Members
 - Staff/Volunteer



What is Governance?

The system by which organizations are directed and managed:

- **Directed:** vision, mission, values, strategic plan
- **Managed:** roles and responsibilities, financial controls, human resources, outcomes and results



What is Governance? ...continued

How an organization is run by the Board:

- **Board** strategically directs and leads an organization
- **Board** defines expectations, delegates authority and adheres to legal requirements
- **Board** realizes organizational goals *...while aligning to values and social norms*

What is Governance in Sport?



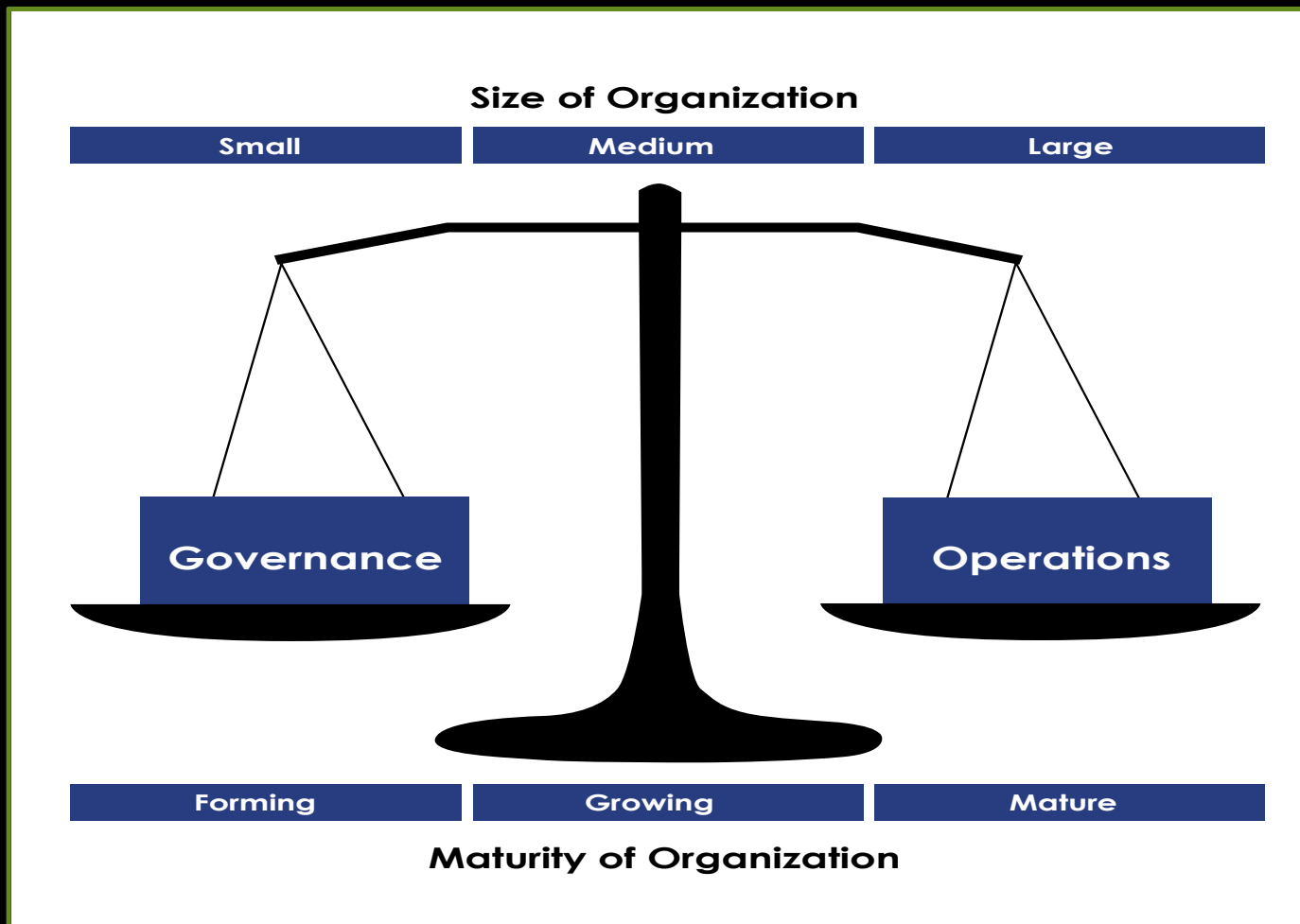
- Product is our people – athletes
- Melds passion and dedication of volunteers
- Board and Operations together form a focused governance team, operating with integrity and striving to enhance the performance and reputation of the sport, as well as the experiences of the participants.

Governance and Operations



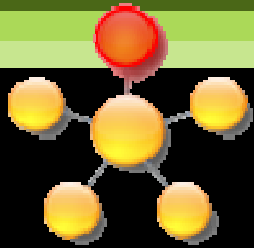
- Balance between responsibilities of Board and of Operations
- Raises questions as to who does what

Finding the Right Balance



Governance Principles





Commitment to Vision, Mission, Values and Guided by a Strategic Plan



Boards

- **create** the strategic plan (vision, mission, values, objectives, key performance indicators)

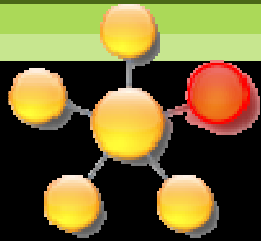
Operations

- **use** the vision, mission, values to **implement** the strategic plan



Finding the Balance

- Is it OK for staff to develop the first draft of the strategic plan?
- Should development of the vision, mission and values be part of the strategic planning process?
- How do you ensure that your strategic plan is strategic and not just operational?
- Whose role is it to interpret the meaning of the values and how they play out day to day?



Clarity of Roles and Responsibilities

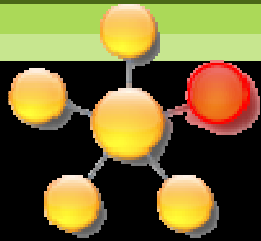


Boards

- **define** the roles and responsibilities and decision making of:
 - Board
 - Committees
 - senior management

Operations

- **implement** the roles and responsibilities as defined by the Board
- **define** roles and responsibilities and authority of :
 - Committees
 - individuals reporting to senior management



Clarity of Roles and Responsibilities



Boards

- **develop** and **approve** policies

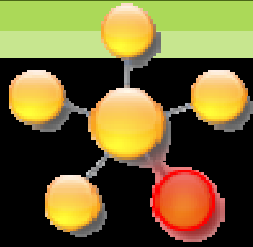
Operations

- **draft** and **recommend** policies for Board approval
- **implement** policies and develop procedures

Finding the Balance



- Should the CEO report to the President/Board Chair or the Board as a whole?
- When staff and Board are involved in a Committee who has accountability for outcomes of the Committee? Who has accountability for directing the Committee?
- Can the intranet or internet be used to assist in the clarification of roles and responsibilities?



Effective Financial Control



Boards

- **establish** finance policy
- **approve** and **monitor** the budget
- **direct** necessary corrective action
- **align** financial plan to strategic plan
- **ensure** compliance with legislative obligations

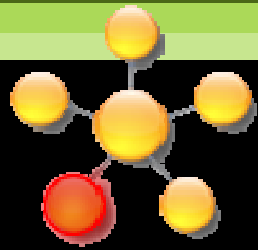
Operations

- **establish** financial procedures and controls; **implement** accounting system
- **create** the budget
- **monitor** financial status on a frequent basis and **direct** necessary corrective action
- **comply** with legislation

Finding the Balance



- Should every Board member have an understanding of how to read financial statements?
- What financial decisions can the CEO make independent of the Board?
- Does a periodic financial review fulfill accountability requirements?
- Should financial reports be available to all staff, volunteers and members?



Focused on Human Resources

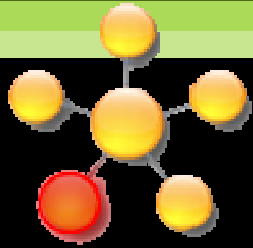


Boards

- **recruit** Board members, senior leader and Board Committee volunteers
- **appoint** Board Committees

Operations

- **recruit** operational senior management team, staff and program volunteers
- **appoint** Operational Committees



Focused on Human Resources



Boards

- **orient, develop, plan** for succession
- **evaluate, reward and recognize** Board members, Board Committee volunteers and senior management

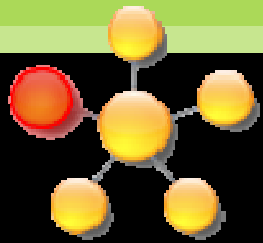
Operations

- **orient, develop, plan** for succession
- **evaluate, reward and recognize** staff and Program volunteers

Finding the Balance



- Is there an optimal term of office for a Director?
- Should the Board be able to approve the hiring of the Head Coach?
- When is it appropriate for the Board to be involved in establishing detail around the human resources policies, such as pay grids, benefits, etc.?
- How large does an organization need to be before it needs to do Board orientation, development, succession planning?



Transparent and Accountable for Outcomes and Results



Boards

- **establish** desired outcomes, goals, and measures to support strategic plan
- **monitor** progress
- **model** transparent and accountable decision-making and communications

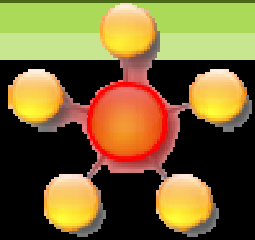
Operations

- **develop** process measures to guide attainment of results
- **prepare** and **report** data and information on results
- **engage** members and stakeholders in program delivery to attain results
- **ensure** transparent and accountable decision-making and communications

Finding the Balance



- Who is accountable for poor results when a program does not achieve the desired outcomes as set by the Board?
- Whose responsibility is it to consult with members and give them a voice in decisions, other than via annual elections of officers?
- What can staff do to influence a Board that is not modeling transparent and accountable behaviours?
- When can program volunteers be held accountable for outcomes?



High Standards of Ethical Behaviour



Boards

- **own, model** and **live** all values
- **steward** the organization and its culture

Operations

- **exemplify** and **reinforce**
- **provide** operational leadership and **develop** the desired culture

Finding the Balance



- Can staff take action if the Board or a Board member is in a conflict of interest?
- Should there be a different code of conduct for Board members as opposed to senior staff?
- Whose responsibility is it to imprint a culture of integrity and fair play?



What are our Next Steps?

- **Assess** your organization's Governance; this may involve external assistance/expertise
- **Identify** opportunities to improve Governance
- **Establish** priorities, determine ownership:
 - If at the Board level – Board owns
 - If at the Operational level – CEO owns
 - If shared responsibility, CEO and Board work together, but ownership is with the Board
- **Determine** if you have the capability/resources to address?
 - If yes, clarify, develop approaches, implement
 - If not, seek appropriate Governance expertise/assistance.



Thank you

www.sirc.ca/governance

info@sirc.ca

www.sirc.ca/governance