



OFFICE OF THE  
**Auditor General**  
of British Columbia

**Board Self-Reported  
Practices:**  
*Information use by the boards  
of public sector organizations*

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## Our aim in reporting these identified practices

### Overview of the Board Use of Information Guidelines

To ensure fully-informed decisions, boards must meet six conditions:

- 1) know what information they need
- 2) have access to the information
- 3) have high-quality information
- 4) understand the information
- 5) use the information in decision making
- 6) evaluate the quality and quantity of the information they receive

The Appendix provides an overview of these six conditions.

This set of self-reported practices complements two companion documents issued by our Office in fall 2009: *Making the Right Decisions*: Information use by the boards of public sector organizations and *Guidelines*: Information use by the boards of public sector organizations. Together, they form a suite of products that can be used by organizations and their boards to better understand their use of information.

The Guidelines are tailored to the needs of the province's Crown agency boards and their members, and give guidance regarding the use of information provided to them to fulfill their functions. The *Making the Right Decisions* report used the Guidelines to develop a survey to gauge and report on the current use of information by boards of public sector organizations.

This document provides examples of board members' self-reported practices and areas for improvement in relation to the Guidelines. The views of board members as reported in this document are not necessarily shared by the Auditor General of British Columbia. Organizations and board members may be able to learn from these examples, and see how any information use strategies might be improved.

# Background

## Source of these identified practices

### Three categories of Crown agencies

- 1) Commercial Crown corporations are revenue generating and charge fees for goods and services delivered. (e.g., BC Hydro)
- 2) Service Delivery Agency Crown corporations are government – and/or self-funded and deliver goods and services based on government policy. (e.g., British Columbia Assessment Authority)
- 3) SUCH Sector Organizations. (e.g., school districts, universities, colleges, health organizations)

Crown Agencies Secretariat,  
British Columbia Crown Agency  
Registry, July 2008.

These self-reported practices and areas for improvement have been summarized from over 2,200 comments from 711 survey respondents. The survey included five open-ended questions about information use to encourage board members to share their unique knowledge and experience in their own words.

Individual board member comments are organized according to each criterion, which have been further categorized into sections where responses were similar in content. Some of the members' comments have been highlighted to capture the essence of their ideas and suggestions as they relate to the criteria.

Given the interrelated nature of information management, there are some similarities among the different sections. The board's evaluation of the quality and quantity of information is not discussed in this document, as there was no specific question that addressed this area.

## Criterion 1 – The board knows what information it requires



Five hundred and eighty-four board members responded to the question “Do you have examples of good practices that your board follows to promote an understanding of the roles and responsibilities of board members, or to enhance board members’ knowledge of their organization (e.g. orientation sessions)?”, identifying the following practices:

- regularly scheduled and open meetings
- well-designed agendas and efficiently-run meetings
- strong board chair leadership and direction
- effective information about roles and responsibilities
- mentoring relationships for board members
- informative and supportive organization staff
- information gathering from clients, the public and other jurisdictions
- ongoing monitoring and board evaluations
- regular reviews and updates of committee roles
- onsite visits
- strategic planning and annual retreats
- inclusive and comprehensive board orientation
- ongoing and effective board training
- access to comprehensive and relevant information
- relevant manual for board members
- ongoing reviews of policies and procedures

Respondents also identified the following areas for improvement:

- timeliness of orientation sessions
- clarity of information regarding roles and responsibilities
- bringing all relevant issues forward to the board

# Self-Reported Practices for Board Use of Information by Criterion

## 1.1 Self-reported good practices

### Regularly scheduled and open meetings

Boards have open, candid discussions and adequate time to discuss and debate information about decisions prior to making them.

Boards know when to have an in-camera meeting versus a public meeting when discussing roles and responsibilities.

*“After our closed meeting, we always allow for a fifteen-minute discussion so that trustees can ask questions about anything they are unsure of or want more information on. Trustees can ask about certain rumors they have heard and are then given the correct information.”*

— School board trustee

### Well-designed agendas and efficiently-run meetings

Meeting agendas are comprehensive, yet manageable. Boards set time aside before a meeting to review board issues, procedures, policies and roles.

Meetings are in person rather than by phone. Laptops are used instead of paper. Other identified practices include:

- having clear procedures for meetings;
- implementing a sound decision-making process; and
- developing agendas that have distinct segments (e.g. operations, finance, and human resources).

### Strong board chair leadership and direction

The board chair has a good understanding of the roles and responsibilities of board members, and organizes orientation sessions and other events to promote and develop knowledge of the organization.

*“Board chair leadership can greatly enhance board performance and keep directors engaged. The selection of the board chair is extremely important to having a well functioning board.”*

— College board member



# Self-Reported Practices for Board Use of Information by Criterion

## Effective information about roles and responsibilities

Roles and responsibilities are regularly discussed, in particular with respect to fiduciary duties, conflict of interest, and the code of conduct.

There are job descriptions for board members and staff, and clear roles and responsibilities are consistently reinforced. Board members participate fully in the committee structure, resulting in an overall improvement of knowledge of the organization.

A pre-election session—outlining the roles and responsibilities of board members for those considering running in an election or putting their name forward to be nominated for a board position—is held to assist in the understanding of the roles and responsibilities of board members.

*“We have a Committee of the Whole meeting to discuss our roles and responsibilities.”*

— School board trustee

## Mentoring relationships for board members

Board members attend orientation sessions and are assigned a mentor—an experienced board member who provides guidance and answers any questions the new board member may have about information and other issues related to the board.

*“They give you a mentor from the board, so I can ask or discuss some questions with my mentor.”*

— College board member

# Self-Reported Practices for Board Use of Information by Criterion

## Informative and supportive organization staff

The organization's staff contribute to the knowledge of board members in a number of ways, such as:

- senior staff present to the board on a regular basis (sometimes every meeting) and participate in board orientations;
- regular interactions between operational staff and board members outside of normal board meetings;
- board members meet the organization's staff at an introductory evening;
- board members receive email notifications of any press release prior to publication;
- staff provide information to board members regarding the organization's website;
- staff provide a media monitoring service to board members; and
- board members regularly review and discuss staff roles.

*"At every board meeting, we have updates from staff on the operations of the organization."*

— Health board member

## Information gathering from clients, the public and other jurisdictions

To improve overall knowledge, the board gathers information in a variety of ways:

- develops and maintains constant and consistent interface with clients and the community at large;
- hosts monthly public meetings to get information and feedback;
- rotates meeting locations to improve the overall knowledge of board members about their clients; and
- attends workshops where guest speakers and educators from other jurisdictions are invited to learn about shared or good practices.

*"Each board meeting has a presentation and handouts from a sector within the university to help the board understand front-line needs by having firsthand information. This also gives the board an opportunity to meet with the faculty and students presenting."*

— University board member

# Self-Reported Practices for Board Use of Information by Criterion

## Ongoing monitoring and board evaluations

The roles and responsibilities of the board and its members are regularly reviewed to assess efficiency and effectiveness. A feedback form is developed and distributed to board members after each meeting.

To improve performance, board members conduct self-evaluations, 360-degree reviews, or assessments of other members. The CEO is monitored regularly through written reports to assist members in understanding the role of the CEO. The Human Resources' Governance Committee regularly reviews the effectiveness of their orientation sessions.

*“A simple practice that I think is a good one is at each meeting, we appoint a meeting evaluator who reports back to us on the following things: Were we dealing with correct issues? Did we focus on ends not means? Did everyone participate? Were issues and questions handled with respect? Did we utilize our time effectively?”*

— College board member

## Regular reviews and updates of committee roles

Committees within the board structure are reviewed and updated on an annual basis, and there is an ongoing assessment of the mandates, terms of reference, and structure. Every board member sits on an active committee and then reports to the board as a whole.

*“In addition to three standing committees of governance, finance and human resources, we have four working committees that mirror and advise staff on the issues of the day. These working committees both assist staff and more importantly, provide a greater opportunity to engage all board members who bring a wide variety of industry skills to the board.”*

— Service delivery Crown board member

# Self-Reported Practices for Board Use of Information by Criterion

## Onsite visits

Board members make onsite visits to build knowledge and improve their understanding of the day-to-day operations of the organization. Orientation sessions include onsite visits to the organization.

Activities such as job shadowing help board members further their understanding of the various roles in an organization.

*“We have implemented a ‘day in the life’ program, which sends each director to a department for a day to see firsthand how patients are treated. The director then tells their story at the next board meeting.”*

— Health board member

## Strategic planning and annual retreats

Information is shared about the planning process on a regular basis to improve knowledge. Annual retreats are used effectively as a way for board members to learn about planning.

The mission statement, values and goals are included with each agenda package to ensure that the organization’s key responsibilities and critical issues are always kept in front of the board.

Information about previous challenges and successes are discussed so that board members can learn what does and does not work.

*“The board has planning sessions at least once a month to update information and review previous actions taken. We have an occasional retreat to review mission and vision statements and make adjustments to programs and practices.”*

— School board trustee

# Self-Reported Practices for Board Use of Information by Criterion

## Inclusive and comprehensive board orientation

Orientation sessions are available to newly elected or appointed board members, and to existing members as a 'refresher'. Organizations improve knowledge from within and seek out areas of improvement by handing out surveys after an orientation or training session.

*“Orientation of board members begins after swearing in and continues throughout the first year with workshops focused on the background information and policy required for each standing committee of the board.”*

— School board trustee

Appointed members have an initial meeting with the board chair and president to ask questions regarding the organization and the role of the directors and staff.

*“The opportunity to sit through an open or closed board meeting prior to official start date was helpful. The learning curve started immediately.”*

— School board trustee

## Ongoing and effective board training

Formal training sessions are used as an effective way to ensure that board members are equipped with the necessary knowledge and tools to perform their duties. Training sessions are tailored as necessary towards a specific need or group of individuals.

Board members have a budget for attending workshops or conferences to improve knowledge.

Each board meeting (except for unusually lengthy ones) includes a training session. Training and knowledge experts are available during lunch on the days when the board meets.

*“There are board education sessions at almost every board meeting to enhance our understanding of different aspects of the business.”*

— Commercial Crown board member

# Self-Reported Practices for Board Use of Information by Criterion

## Access to comprehensive and relevant information

Board members have information on the organization's policies, bylaws and procedures. Information about each of the departments helps members have a comprehensive understanding of the entire organization.

Board members have access to information such as:

- a governance good practices manual;
- conflict of interest guidelines;
- risk management information;
- legal information about relevant issues;
- parliamentary procedures;
- strategic planning;
- financial and capital issues;
- human resource issues; and
- ethical decision-making practices.

*“The British Columbia School Trustees’ Association provides online courses; the subjects of which are the business of the board. This method means that school districts do not have to provide travel or accommodations in order for members to receive this information/orientation.”*

— School board trustee

## Relevant manual for board members

Organizations have a manual or guidebook that outlines all of the information necessary for each board member to have a sound understanding of the organization's governing environment. The manual contains topics relevant to the organization and is written in a clear concise, and understandable manner.

*“The process used to develop the manual included the use of an outside consultant who met with each board member, met with the board numerous times and then, after drafting a new manual, met with the board for half a day to walk through the manual to ensure that everything in it met the mandate of the board and each member understood it.”*

— Commercial Crown board member

# Self-Reported Practices for Board Use of Information by Criterion

## Ongoing review of policies and procedures

Board members receive ongoing training and information about procedures and policies. Policies and procedures are discussed at annual board retreats. Staff inform board members about policy when a new issue arises and have policy and procedure information available on the website.

*“Every month, the chair assigns one member to go through one of our policies and bring back a statement on it, so that every member will know the policies and procedures they are supposed to follow.”*

— College board member

## 1.2 Areas identified by board members for improvement

### Timeliness of orientation sessions

The orientation session for new members needs to occur soon after a board member joins the board. In some cases, board members have had their orientation session one year after they joined. There should also be ongoing courses for those members who feel they need a 'refresher'.

### Clarity of information regarding roles and responsibilities

Concern was expressed about a lack of understanding of the roles and responsibilities at the individual and board levels. In some cases, there has not been enough discussion about how the board wants to operate, leading to confusion and conflict.

*“Our biggest problem is getting trustees to understand due process and act within their full mandated role, to do more questioning when due process isn't being followed by administration.”*

— School board trustee

# Self-Reported Practices for Board Use of Information by Criterion

## Bringing all relevant issues forward to the board

Board responsibilities are laid out in the Board Charter. All issues which fall under the Charter should be brought to the board for decisions; however, this is not currently the practice for all boards.

*“Unfortunately many issues are not brought forward.”*

— School board trustee



# Self-Reported Practices for Board Use of Information by Criterion

## Criterion 2 – Board members have access to the information they require to fulfill their requirements



For this criterion, the question was reversed to focus on information that board members need but are not receiving; specifically, it was designed to find out what information may be meaningful and useful to improve a board's performance.

Board members were asked: "Please indicate what type of information (e.g. planning and forecasting, performance monitoring, risk analysis) is lacking that inhibits the board from effectively carrying out its duties." Only 21 members responded to this question, possibly indicating that most members are receiving the information they require. Those who did respond identified the following areas for improvement:

- quality, quantity and relevancy of information provided to board members
- board members receiving the same information
- identification of information needs
- timeliness of information
- correctness of information

### 2.1 Areas identified by board members for improvement

#### Quality, quantity and relevancy of information provided to board members

Information provided by staff to board members should represent the range of information available on the issues. Members have indicated that they only get enough information to make decisions in favour of what administration recommends.

*"Information related to our board is skewed with respect to administrative bias."*

— School board trustee

## Self-Reported Practices for Board Use of Information by Criterion

Some board members indicate that they have repeatedly unsuccessfully requested specific information.

*“Information provided usually is only the information which supports the recommendation of staff.”*

— School board trustee

The rationale for recommendations must be complete, and free from administrative bias.

*“Generally one option is provided where in many cases there may be alternatives that we should consider.”*

— School board trustee

### Board members receiving the same information

Elected and appointed board members should receive the same information to allow them to fully understand and debate options on an equal playing field.

*“Elected officials appear to be excluded from the planning process whenever possible.”*

— School board trustee

### Identification of information needs

Board members do not always receive the information they need for board meetings. Board members indicate that they need more information to understand the 'big picture'.

*“Recently, inadequate financial information was provided. But we discussed this and it was addressed to my satisfaction.”*

— University board member

# Self-Reported Practices for Board Use of Information by Criterion

## Timeliness of information

At times, information is provided to board members too late for consideration when making decisions. The information should be available to members in a timely fashion, allowing them to make evidence-based decisions. Information that is presented too late for members to review is the same as information not received, which leads to uninformed decision making.

Staff should meet board members' requests for information and an understanding should be developed between the board members and management around information availability and needs. This communication strategy should be agreed to by both parties.

*"We do not get the information in a timely fashion to make decisions."*

— School board trustee

## Correctness of information

Although information is being given to board members, sometimes the information, analysis or forecasting is incorrect. Methods should be developed to improve accuracy and reliability of information distributed to board members since incorrect information can lead to incorrect decisions.

# Self-Reported Practices for Board Use of Information by Criterion

## Criterion 3 – Board members have access to high-quality information



Four hundred and ten board members responded to the question “Do you have any examples of good practices that your board used to ensure the information it relies on is of high-quality (e.g. data verification)?”, identifying the following practices:

- inclusive, clear and open board discussions
- broad range of experience and expertise on the board
- external and internal experts accessed as needed
- consistent and constant information-sharing
- knowledge of similar organizations and their good practices
- use of historic information in decision making
- information explains options and trade-offs
- information is corroborated in various ways
- information controls that improve accuracy
- information risk management
- use of public consultation to improve quality of information
- board chairs take responsibility for information presented to board members

The respondents also identified the following areas for improvement:

- receiving credible information from a variety of sources
- options presented to board members are strategic, effective and efficient
- use of information technology

### 3.1 Self-reported good practices

#### Inclusive, clear and open board discussion

The board is willing to methodically discuss all issues, as appropriate, to ensure that each member understands each issue. Some materials are reviewed for clarity in committee before they proceed to the board.

*“We do not make any decisions unless everyone feels comfortable and knowledgeable about the topic.”*

– School board trustee

# Self-Reported Practices for Board Use of Information by Criterion

## Broad range of experience and expertise on the board

Board members' backgrounds are identified to ensure the right mix or best fit of education and experience in addressing issues and selecting people to sit on committees. This information is also used to reveal any shortcomings in the board that may need to be addressed through training or hiring.

## External and internal experts accessed as needed

When needed to provide additional information, internal and external experts are invited to attend and present at board meetings, allowing discussions to be fully informed as required.

*“Context is often provided by the senior administrative staff. At subcommittee meetings and general board meetings, additional staff is present to provide background and instructional information on topics requiring consideration or decision making.”*

– University board member

## Consistent and constant information-sharing

To ensure that board members make high-quality decisions, all board members are presented with the same information for meetings. This is coordinated by someone such as the corporate secretary or the board chair.

## Knowledge of similar organizations and their good practices

To develop a better decision-making process, organizations access high-quality research. This may include using benchmarks to identify the organization's performance levels.

Boards can access benchmarks from:

- the relevant ministry;
- other local and provincial boards;
- other school districts, colleges, universities;
- other local, provincial or national governments;
- professional associations; and
- academic literature.

# Self-Reported Practices for Board Use of Information by Criterion

## Use of historic information in decision making

When making decisions, boards use historic information (such as previous plans and budgets) to provide a context for decisions. Boards compare proposed budgets with previous expenditures to develop an accurate understanding of expectations and needs at that time.

*“When figures are presented to support a particular decision, the historic data... is also presented to put the current information in context.”*

— University board member

## Information explains options and trade-offs

Strategic information that identifies options and potential consequences for proposed decisions is presented to board members. A business case analysis is developed and used by board members to select and understand options for major projects.

*“Recently we made the decision to move a program in the school district. In this case, the information provided was thorough and gave us options with dollars attached. This was an exemplary report in my view.”*

— School board trustee

## Information is corroborated in various ways

Boards have focus groups with partners, or are 'out and about' in the jurisdiction to verify or improve the quality of the information received. Board members attend adjudication sessions where the information is presented and assessed by peers. Information requirements are revised periodically at board meetings and then discussed with management.

*“The board has regular tailgate sessions where any issues with respect to reports or information are raised and resolved by the chair.”*

— Health board member

# Self-Reported Practices for Board Use of Information by Criterion

## Information controls that improve accuracy

Boards have controls in place to test the accuracy of the information presented. These practices include:

- vetting data through at least two sources;
- putting redundancy control systems in place for data verification;
- cross-referencing key information;
- sourcing information from a data warehouse that uses rigorous verification routines on input and reporting; and
- getting information from standard (highly tested) public reports.

Boards use their principles and practices of auditing to ensure that the data received is correct.

*“Several board committees now have dashboards which indicate progress on various initiatives.”*

— Health board member

## Information risk management

The risks related to information gathering and dissemination are managed to provide a greater depth of understanding of projects and responsibilities, including project options and outcomes. Risk management is included in good business case development (used by many organizations in preparing options and plans.)

## Use of public consultation to improve quality of information

Boards consult with and request information from the public to improve their overall confidence in the information they receive. Information transparency with stakeholders provides two services: quality assurance and stakeholder input. The quality of the data is questioned if a problem is present, and stakeholders review information, understand it, and comment on outcomes to meet their specific requirements.

*“We have a long range planning committee, which includes local municipal politicians giving information. Policy meetings are open to the public and employees. All points of view are heard and discussed before decisions are made.”*

— School board trustee

# Self-Reported Practices for Board Use of Information by Criterion

## Board chairs take responsibility for information presented to board members

The board chair ensures that the information presented at board meetings is accurate and relevant. Board chairs are available to board members at any time to answer questions or seek answers from other sources.

## 3.2 Areas identified by board members for improvement

### Receiving credible information from a variety of sources

Board members indicated that seeking information from outside sources is not always welcomed. Relevant and credible information external to the organization could be vetted centrally and shared among board members to improve overall decision making. Information must not be withheld if it is pertinent or necessary. The board should place a high priority on receiving high-quality information and obtaining independent verification.

*“Asking questions and seeking information from other sources is discouraged on the basis that it demonstrates a lack of trust in district staff and a lack of commitment to work together as a team.”*

— School board trustee

### Options presented to board members are strategic, effective and efficient

All pertinent and relevant options, within resources, should be presented to boards to make effective decisions. In determining the number of options to be presented for board members, there should be a balance between the board’s needs and the cost of the development of the information to present for discussion. One way to improve this process is to involve the board earlier in the planning phase and allow members to have input into the options presented.

*“Unfortunately, [good practices to ensure high-quality information] rarely happen, as most information is simply presented as a fait accompli.”*

— University board member



# Self-Reported Practices for Board Use of Information by Criterion

## Use of information technology

Working with outdated technology is a constant issue for all organizations and can cripple the decision-making process for boards. Organizations can struggle with incompatible legacy systems that require massive amounts of manual data entry and comparative analyses of reports to ensure accuracy.

Aging technical infrastructure and systems that do not provide the board with effective management information data should be replaced.

# Self-Reported Practices for Board Use of Information by Criterion

## Criterion 4 – Board members understand the information they receive



Four hundred and fifty-one board members responded to the question “Do you have examples of good practices that your board follows to ensure board members understand the information they receive (e.g. explanatory notes)?”, identifying the following practices:

- clear and concise information
- board meeting procedures and action items are understood
- appropriate training
- effective decision-making frameworks
- board members have information about risk management
- internal and external perspectives are understood
- sufficient time for discussion
- board chair is effective at managing discussion
- using the strategic plan and policy as a foundation
- board committees assist the board as a whole
- general information and tools are provided to board members
- staff and other experts are available to provide information

Respondents also identified the following areas for improvement:

- presentations of board options
- full understanding of information and issues
- principle-based decision making

### 4.1 Self-reported good practices

#### Clear and concise information

Board documents and reports are written in a manner that is easy to understand and follow. Board packages are comprehensive and well organized.

Useful background information includes:

- market surveys
- client surveys
- staff surveys
- historical analysis
- business cases
- best practices

# Self-Reported Practices for Board Use of Information by Criterion

## Board meeting procedures and action items are understood

Board members are aware of their roles and responsibilities on both the board and board committees. Prior to and during board meetings, staff present background and factual information and provide clarification on any issues as requested by board members.

To improve efficiency, boards may print documents on different colours of paper to identify what is and what is not for public consumption. Agenda covers include both a recommendation for action and a suggested resolution for consideration by the board.

*“The board always knows if an item is for information or for a decision. When a decision is required, the information required to make a knowledgeable decision is provided in writing and verbally.”*

— Service delivery Crown board member

## Appropriate training

Education sessions for board members on new areas of focus or regulatory matters are offered on a regular basis. Board members receive training on risk management to better understand the risks involving the decisions they make.

*“A mentor is available to each board member to assist the understanding of the information.”*

— Commercial Crown board member

## Effective decision-making frameworks

Decision-making processes are in place to allow for full discussion on an issue before it is decided upon, and information is circulated before a meeting. Each decision is accompanied by a briefing note which provides information on the context of the issue being discussed, any relevant historical or background information, the pros and cons of the issue, risks and the recommendations (if required).

A decision-making matrix regarding who has authority on an issue is developed before decisions are made. *Robert’s Rules of Order* is used as an effective tool to help board members understand how decisions are made.

## Self-Reported Practices for Board Use of Information by Criterion

To better understand issues and to evaluate potential problems, issues and bottlenecks that could arise, board members use the following tools:

- Gantt charts
- trends analyses
- comparative analyses
- business cases
- scenario planning
- SWOT (Strengths, Weaknesses, Opportunities, Threats) frameworks
- long-term forecasting

*“Decision matrices are provided in advance where multi-trade off analysis is indicated, and senior staff are careful to provide directors with detailed scenarios in the course of making decisions.”*

— Service delivery Crown board member

### Board members have information about risk management

Formal and informal discussion about risk takes place in the organization and among board members. Board discussion of pros and cons around issues that present risk to clients is encouraged prior to making decisions.

All key decisions and approval requests are presented with itemized risk assessments, options and consequences. Staff provide information on the risk of action and inaction. A risk manager who oversees the risk involved in all important decisions assists the board when making decisions.

Risks are discussed regularly and also at the annual long-term planning meeting with staff, senior management and the board. A comprehensive risk management protocol is in place.

*“The board and the board committees, at each meeting, are presented with a risk register. This is a document that shows the significant risks the organization is facing and mitigation action that the management is taking.”*

— Health board member

# Self-Reported Practices for Board Use of Information by Criterion

## Internal and external perspectives are understood

Questions and different viewpoints are encouraged and considered. Board members and staff have extensive networks and when making decisions, have the benefit of collaboration with others who have dealt with similar issues.

Board members are chosen from a variety of backgrounds to enhance overall understanding of issues. The board includes members who have sat on the board for several terms, providing an excellent source of corporate knowledge and history.

*“When there is an important decision to be made, for example the distribution of monies at budget time, the college holds college-wide forums where staff, faculty, administration, board members and students are encouraged to attend and participate in the discussion. This enables board members to get a very clear understanding of where people stand on the various issues.”*

— College board member

## Sufficient time for discussion

Time is allotted at board and board committee meetings for full discussion of the information provided, as well as the opportunity for clarification. Materials are supplied well in advance of meetings, and issues are tabled if additional time or information is needed. A progressive consensus model (where debate is encouraged until board members are prepared to vote) may be used.

*“Material is put on an intranet at least a week in advance with the agenda for the next meeting including decision or information material. There is plenty of time to read and understand or request more information if required.”*

— School board trustee

# Self-Reported Practices for Board Use of Information by Criterion

## Board chair is effective at managing discussion

The board chair is fair, knowledgeable, welcoming and approachable. Debate is well managed by the board chair and discussion is encouraged in an open and patient manner. The board chair understands each member's knowledge of the issues and readiness for decision making.

*"Board chair has an open discussion and assures everyone is heard."*

— College board member

## Using the strategic plan and policy as a foundation

To understand the overall issues, boards refer to the organization's strategic plan and policies when making decisions. Terms of reference are embedded in the plan to guide decision making.

*"We have adopted a set of budget preparation and implementation principles that reflect the strategic plan, the operating principles and risks of the organization."*

— College board member

## Board committees assist the board as a whole

Sub-committees work on information gathering and the analysis process before board meetings. This information is then brought to the full board for discussion and decision making. Committees are structured such that the board is briefed by colleagues 'in the know', such as a governance chair explaining governance decisions.

Movement between committees takes place so that there is cross-information among board members. Long-term participation on the board assists in the retention of knowledge and understanding of issues.

Working and advisory committees mirror the structure of the organization so that directors can advise staff on the issues of the day.

# Self-Reported Practices for Board Use of Information by Criterion

*“At the board meeting, the committee members are well prepared to explain any questions the members might have in relation to any issue. If necessary, the issue is followed up.”*

— Health board member

## General information and tools are provided to board members

A board journal with notes on the agenda is kept to help board members keep organized and up-to-date on issues.

Most board meetings include a tour of a facility to increase the level of knowledge and understanding of the organization.

*“The board finance committee chair has written a manual on the fund accounting issues ... that assists nonfinancial professionals to understand the nature of the financials and structure.”*

— Health board member

## Staff and other experts are available to provide information

Staff are available to answer questions and address issues prior to, during, and after board meetings. A summary of staff recommendations and the logic behind the proposed decisions are used. Staff are highly qualified and capable of earning a high level of trust with the board. Outside agencies and professionals are used when appropriate, including access to legal advice.

## 4.2 Areas identified by board members for improvement

### Presentation of board options

Presentation of options must be the norm for board decisions.

# Self-Reported Practices for Board Use of Information by Criterion

## Full understanding of information and issues

In using the information, all members must be presented with the tools required to understand the information. Obstacles to this include:

- limited training for board members;
- financial decisions being made when not all board members are well versed or knowledgeable;
- board members speaking to the public or media without being well prepared or without discussing an issue at the board table first; and
- insufficient understanding of performance metrics and reporting against these metrics.

*“The information provided to the board by management is frequently presented neutrally permitting the decision to be that of the board. This has both positive and negative repercussions. Positively the board owns the decision. However, in a highly politicized environment of stakeholder participation this neutrality can ignore the need to explicitly state legal and financial risks of a specific course of action in a possibly misguided attempt not to be confrontational in relation to stakeholder groups.”*

— School board trustee

## Principle-based decision making

In some cases, decisions are based more on support of individuals rather than support of principles or adherence to a strategic plan or other longer-term planning documents.

*“This survey seems to imply that all boards should follow good practices. I feel that in very few instances do good practices become the norm.”*

— School board trustee



# Self-Reported Practices for Board Use of Information by Criterion

## Criterion 5 – Board members use the information they receive



Three hundred and four board members responded to the question “Do you have examples of good practices that your board follows to assist board members with the use of information (e.g. decision-making framework)?”, identifying the following practices:

- fair, timely and inclusive decision-making processes
- experts provide assistance as needed
- timely and concise reporting format
- consider risk when using information
- presentation of options and explanation of pros and cons
- using the strategic plan as the foundation
- following policies and procedures
- forecasting
- knowledgeable board members and chair

Respondents also identified the following areas for improvement:

- receiving full information
- following decision-making contexts

### 5.1 Self-reported good practices

#### Fair, timely and inclusive decision-making processes

Time is allotted in board meetings for adequate discussion on each issue, including question and answer sessions, to ensure full discussion prior to a decision. The discussion is open and frank, and questions and different viewpoints are encouraged.

Some boards develop an ethical framework for decision making and use it for major decisions.

Honest and real consultation with all partner groups is a valued and integral part of all decisions.

*“There is a decision-making template in place that is used for all appropriate decisions of major importance. This concept of following good policy decision-making practices is also laid out in our policy manual.”*

– Service delivery Crown board member

## Self-Reported Practices for Board Use of Information by Criterion

A roundtable discussion is used before a decision is made to ensure that everyone's views are heard and discussed. *Robert's Rules of Order* is used to assist boards when making decisions. Gantt charts can assist a board to evaluate potential problems, issues and bottlenecks that arise. Some boards print confidential material on different-colour paper so that trustees are aware of what is for public consumption and what is not.

*“Working sessions are used to explore new decision-making models. For example, the Appreciative Inquiry model was used to write stretch goals for the next five years.”*

— School board trustee

### Experts provide assistance as needed

Boards hire specialized experts as needed to assist board members with the use of information. Experts are brought from across the organization to provide additional information. Boards bring in outside legal advice as required to assist members in using other information. Board members are able to consult with management and third parties as required.

Staff are qualified to answer board members' questions. Staff provide a summary of recommendations and the reasoning behind them.

*“We utilize a mentor who looks at our information and decisions and guides us on our weaknesses and keeps us in line with our process.”*

— College board member

# Self-Reported Practices for Board Use of Information by Criterion

## Timely and concise reporting format

Accurate and timely reports are provided to board members. To improve information use, board members interact by electronic means that allow for efficient and direct contact with each other and administrative officials. A simple and effective (but often difficult) practice is to provide a concise report to the board.

*“We received a binder a week in advance.”*

— School board trustee

## Consider risk when using information

Risk management is a key consideration when the board uses information and makes decisions. Risks are regularly discussed and also addressed at the annual long-term planning meeting with staff, senior management and the board. An annual assessment of all risks facing the organization provides a framework for individual actions.

A risk register shows the significant risks the organization is facing and mitigating action management is taking. The risk register is presented to the audit committee and the board, and significant decisions are made in relation to the identified risks.

Staff members present information on risks of action and inaction concerning decisions and issues. All key decision and approval requests are presented with itemized risk assessments, alternative options, and consequences. Proper risk management practices will identify the risk to the organization, prioritize the risks, list the seriousness and likelihood of the issue, and provide a mitigation strategy with resource implication. Risk management practices provide board members with a complete set of information that can be used to understand issues and options.

*“We have endorsed enterprise risk development as a priority to the board and management to discuss the risk priorities together. The enterprise risk will be discussed at the annual strategic session and we will consider moving from the audit committee to a new enterprise risk committee.”*

— Commercial Crown board member

# Self-Reported Practices for Board Use of Information by Criterion

## Presentation of options and explanation of pros and cons

To improve the use of information by board members, boards identify the advantages and disadvantages of options as a standard practice. Alternatives and risks are presented and discussed and issues are tabled if additional time or information is needed. Each option is accompanied by an evaluation of the costs, risks and benefits. This facilitates discussion and debate, which in turn allows everyone to participate in decision making. Staff draft a motion and provide pros and cons but the discussion is left to the trustees. When an issue requires more information or evaluation, staff are available at the meeting.

## Using the strategic plan as the foundation

The strategic plan's goals and objectives are used to inform and direct decisions. The board adopts a set of budget preparation and implementation principles that reflect the strategic plan, operating principles and organizational risks. A quarterly performance review, driven by critical measures, also includes some forward-looking data.

*“We have a strategic plan that includes goals and organizational imperatives. We often look at in conjunction with decision making.”*

— College board member

## Policies and procedures are followed

Board members have access to a current policy and procedure manual. The board refers to the manual when using information. Information-handling guidelines are in place.

# Self-Reported Practices for Board Use of Information by Criterion

## Forecasting

Forecasts and historical information are used to assist the board with decision making. Board members have access to numerous tools to assist them with their use of information.

Tools to assist boards with forecasting include:

- scenarios – the board is presented with scenarios of specific decisions taken;
- statistics – the board uses long-term forecasting statistics to make decisions;
- good practices – the board identifies good practices in other jurisdictions; and
- business cases – the board develops business cases when appropriate.

*“...all decisions are supported by a business case with options in it which are qualified. We have a discussion around this which facilitates good decision making. We walk through the pros and cons of all decisions and get to a place of consensus.”*  
– Service delivery Crown board member

## Knowledgeable board members and chair

The board has a good mix of experience. Experience on the board grants inexperienced members easy access to an understanding of the information. Board retreats assist members to learn to interpret information and ask proper questions. A fair and knowledgeable chair encourages discussion and debate in an open and patient manner.

*“[We] use seasoned board members as mentors and we depend on the chair to walk newer board members through our system”*

– School board trustee

# Self-Reported Practices for Board Use of Information by Criterion

## 5.2 Areas identified by board members for improvement

### Receiving full information

For board members to use the information, it must be complete. This requires that all board members have all of the information prior to making decision of a high financial impact. As well, the staff of the organization must provide correct documentation and any other pertinent information to board members to support evidence-based decision making. There is also a need to improve performance metrics, and reporting against these metrics.

### Following decision-making contexts

Board members must ensure that any decision-making context and frameworks in place are followed.

# Appendix







# Appendix: Summary of the Guidelines for Board Use of Information

## [1] The board knows what information it requires







- 1.1 Board members understand their responsibilities.
  - 1.1.1 All board members should receive orientation.
  - 1.1.2 Board charters and guidelines exist and are updated to reflect good corporate governance.
  - 1.1.3 Board members are aware of board policies and procedures.
  - 1.1.4 Board members have comprehensive job descriptions made available to them.
- 1.2 Board members understand their organization (internal focus).
  - 1.2.1 Board members are knowledgeable about the policy objectives their organization was created to address.
  - 1.2.2 Board members are aware of the human, monetary and physical capital available to achieve the organization's objectives.
- 1.3 Board members understand their organization's operating environment and clients (external focus).
  - 1.3.1 Boards have an awareness of client needs and expectations.
  - 1.3.2 Boards have a working knowledge of the organization's operating environment.

## [2] Board members have access to the information they require to fulfill their requirements



- 2.1 Board members have access to all of the information they require.
  - 2.1.1 The required information exists.
  - 2.1.2 There are no technological barriers that prevent access to information.
  - 2.1.3 The board is proactive in meeting its information needs.
  - 2.1.4 Board members request information from both management and external sources.
  - 2.1.5 The board documents meeting minutes related to key discussions and decisions for reference purposes.
  - 2.1.6 Information provided to board members is timely and current.
  - 2.1.7 The board receives reports that link financial and non-financial data.
  - 2.1.8 The board is on guard for interference with the information flow, and when appropriate, has access to management other than top executive.
  - 2.1.9 Board chairs are responsible for ensuring board members are sufficiently informed to contribute to board deliberations and decisions.
  - 2.1.10 The board and management develop an information strategy to ensure that information flows sufficiently in both directions.
- 2.2 The board gathers information in a cost-effective manner.
  - 2.2.1 The information needs of the board are balanced with management's limited resources.
  - 2.2.2 The board maximizes efficiencies when gathering information.

## Appendix: Summary of the Guidelines for Board Use of Information

<p><b>[3] Board members have access to high-quality information</b></p> 	<p>3.1 Information is tailored to their needs.</p> <p>3.1.1 Information is clearly and concisely presented.</p> <p>3.1.2 Board members are comfortable voicing concerns when not fully informed.</p> <p>3.2 Information received by board members is complete.</p> <p>3.2.1 Information compares performance with plans.</p> <p>3.2.2 Information has a historic context.</p> <p>3.2.3 Information is forward looking.</p> <p>3.2.4 Information explains options and trade-offs.</p> <p>3.3 The information presented to the board is substantially correct.</p> <p>3.3.1 Information can be validated through an audit or other means.</p> <p>3.3.2 The board has confidence in the information it receives.</p>
<p><b>[4] Board members understand the information they receive</b></p> 	<p>4.1 The board has the ability to understand the information.</p> <p>4.1.1 Board members have the right skills, experience and educational background to understand the information provided to them.</p> <p>4.1.2 Training and development opportunities exist for board members.</p> <p>4.1.3 Board members have sufficient time to scrutinize the information presented to them.</p> <p>4.2 Information presented to boards is clearly explained.</p> <p>4.2.1 Information contains suitable explanatory narrative when appropriate.</p> <p>4.2.2 The information is logically presented.</p> <p>4.2.3 Board members receive assistance with the interpretation of information when appropriate.</p>
<p><b>[5] Board members use the information they receive</b></p> 	<p>5.1 Board members have adequate time to discuss and debate information pertaining to decisions prior to making them.</p> <p>5.2 The board uses sound decision-making processes, such as a decision-making framework.</p> <p>5.3 Appropriate information is used to make decisions.</p> <p>5.3.1 Board debates are guided by appropriate and sufficient information.</p> <p>5.3.2 Sufficient and appropriate alternative courses of action are presented to the board.</p> <p>5.3.3 Information presented to the board highlights the nature and extent of the risks to which the organization is exposed.</p>
<p><b>[6] Board members evaluate the quality and quantity of the information they receive</b></p> 	<p>6.1 The entire board and its committees devote time towards scrutinizing the quantity, quality and timeliness of the information they receive from management and other sources.</p>