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Look out for our Fall Issue  
August 1, 2004

# Governing Excellence

*The Voice of the International Policy Governance Association*

## News Headlines

### CHICAGO HERE WE COME!

The IPGA's first international conference is just around the corner – are YOU booked in yet? (see page 2 for details)

### ARE YOU IPGA's NEXT CHIEF EXECUTIVE?

Our current chief executive, Howard Stier, who has so generously given his services to lead the inaugural phase of IPGA's existence is completing on his role by the end of June. (More on this in a future issue of *Governing Excellence*.)

This coincides with the success of 'The Future of Boards Conference' generating the funds needed for the board to create a paid position. Howard has helped to create a solid foundation and broad opportunity for the future. Does leading the way to grow the Association from here call to you? If so, the IPGA board would like to hear from you!

If you believe that you can successfully lead IPGA towards the accomplishment of its Ends (see FAQ at [www.policygovernanceassociation.org](http://www.policygovernanceassociation.org)), please submit your resumé together with a statement of how you see your contribution to IPGA's development, to IPGA Chair, Caroline Oliver, at:

[coliver@policygovernanceassociation.org](mailto:coliver@policygovernanceassociation.org)  
by the end of May. This will be a one-year contract for a half-time position attracting a salary of US \$20,000 per annum plus performance bonus.

### BOARD MEMBER ELECTIONS

An election process for four board member positions is currently underway among Full IPGA Members. The deadline for applications is May 17 and votes are due by June 4<sup>th</sup>. Any queries should be addressed to [lstier@policygovernanceassociation.org](mailto:lstier@policygovernanceassociation.org)

### BOARD LEADERSHIP AND [WWW.CARVERGOVERNANCE.COM](http://WWW.CARVERGOVERNANCE.COM) UNDER NEW MANAGEMENT!

The executive editorship of *Board Leadership* is now shared by Miriam Carver and John Carver, as John passes to her a greater role in serving as the authoritative "true north" for Policy Governance. Except for the first couple of Academies, Miriam has been a full 50% co-trainer with John of all Academy graduates. As part of the same process, the website [www.carvergovernance.com](http://www.carvergovernance.com) will be shared as well (though the graduates' forum has been shared for some time). The Carvers intend that this will increasingly be the central authoritative point for the model overseen by both John and Miriam, rather than simply being John's personal site.

## The Need for Skillful Governance

**"Overt corporate fraud remains uncommon, no matter what we may think, but inept boardroom practice is an epidemic."**

*From Business News, Boardroom INSIDER, an email product of Ralph Ward, August 7, 2003 [www.boardroominsider.com](http://www.boardroominsider.com)*

## From the General Editor – A Tribute to Judi



### A Tribute to Judi Osborne 1948 – 2004

IPGA member and very early Policy Governance pioneer, Judi Osborne, died on April 22, 2004. She had waged a long and magnificent campaign to overcome cancer and I was one of many people who were privileged to be part of her journey through regular email updates from her husband Jim.

Judi was an unfailing support for Policy Governance and IPGA. She was always voicing her willingness to support us in any way. She and her husband Jim did a lot of work to help us with the media campaign for the IPGA launch and John Carver tribute. Jim also wrote a wonderful review of the "Corporate Boards That Create Value" book for the

investment press with which he is very familiar.

Judi served for more than 30 years with local YWCA's in Alberta, Saskatchewan and Ontario, and as a senior executive of YWCA Canada. She was on the board of YWCA Calgary, for seven years and president 2001-2003. In 2003 she was appointed to the national board of directors. Judi also volunteered for the PrairieAction Foundation; the Governor's Council; the Calgary chapter of the Canadian Society of Association Executives, and the Alberta Women's Enterprise Network.

In 1992, Judi was awarded the Canada 125 Medal for her "significant contribution to compatriots, community and

to Canada". She received the Cleeta Herman Award in 1994, the highest honor YWCA Canada can bestow on a staff member. And in 2002, Judi was awarded the Queen Elizabeth Golden Jubilee Medal recognizing her life-long commitment to community service.

I believe my very last conversation with Judi was around some advice she was seeking to help YWCA Canada with a Policy Governance implementation issue. We can all be very proud to be associated with something that commanded the support of such a wonderful human being. Our best tribute to her can only be to continue ever more determinedly towards IPGA's goals.



### Get Ready for the Future! IPGA's Inaugural International Conference

Have you booked into the workshops you want to attend in Chicago?

If not, you had better hurry. There are 30 to choose from but it is first-come, first-served, and you don't want to miss out.

For the latest developments and details on the conference, and to register online, please visit the IPGA website and click on the *Future of Boards* button.

visit: [www.policygovernanceassociation.org](http://www.policygovernanceassociation.org)

Susan Mogensen  
Conference Coordinator  
[conference@policygovernanceassociation.org](mailto:conference@policygovernanceassociation.org)



## BUILDING A DIRECTORY

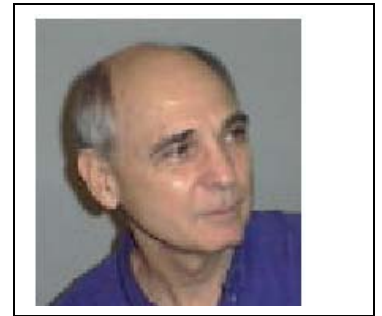
The need for a directory of organizations using Policy Governance is becoming more and more obvious. People considering Policy Governance want to know: “Who else is doing it?”. People already underway want to know: “With whom can we share and compare experiences?”.

Tom Gregory is planning to develop such a directory and a related instrument with which someone could evaluate to what extent an organization is actually using Policy Governance.

Some of the issues being considered:

- 1) What is the best method and form for a directory to indicate how close an organization is to full Policy Governance?
- 2) What is the best method to determine an organization's degree of congruency with Policy Governance?
- 3) What do you think about Tom's approach of having a board or its Chair answer a series of questions about their organization? They could be given a resulting percentage number indicating the extent to which their organization is using Policy Governance and see where the organization is not using the system.
- 4) Regarding “congruence” as used above, is congruence like pregnancy? In pregnancy, the state exists or does not, but not partially, not in percentages. Can an organization be partially Policy Governance congruent? Should a word other than congruence be used, or is congruence OK as used here? Is Policy Governance congruence better than faithfulness? Degree of purity? Contamination level? Model consistent index? Model adherence index? True North?

Tom invites you to share your ideas with him by June 9 at [twg40@yahoo.com](mailto:twg40@yahoo.com). He also will be inviting you to look at draft versions of the instrument and to have input into it. Then he will be asking you to identify organizations for the directory. Tom envisions the evaluation instrument being on paper and also online.



***IPGA Member  
Tom Gregory is  
inviting you to  
participate in an  
important new  
project***

## THE BEST OF POLICY GOVERNANCE

Suzanne Lacelle, Chair of Hawkesbury and District General Hospital, answers some questions about her board's experience.

The year 1997 was when Hawkesbury and District General Hospital decided to invest time and money in a new way of governing, Policy Governance. The board knew it needed something different but didn't know what until the CEO presented a method of governance that kept the board out of the kitchen and the administration in line, what else could we as a board want?

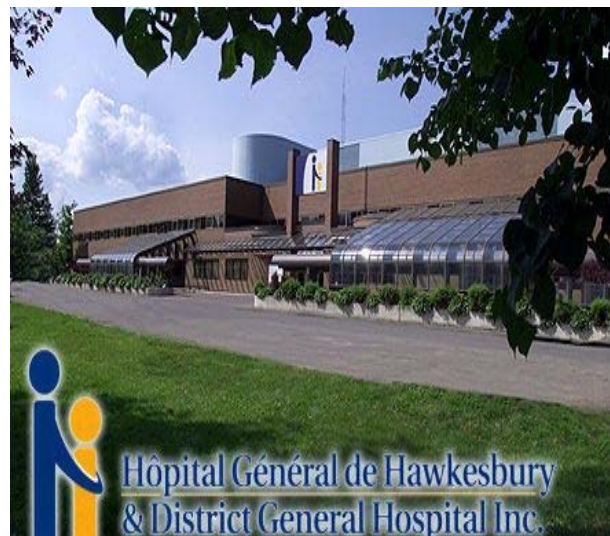
The board was very interested in this new model and what made a major difference for the implementation was that all directors and CEO made a joint decision to proceed and this was the basis that ensured its success.

The understanding of the model was very minimal when the decision to proceed was made, but what was interesting was that the possible results were very well known, understood and desired.

Board members sustained this commitment by their hands on involvement; by writing the policies, attending training session, investing in a well stocked library, training new potential members, creating on-going training sessions and through common group control of staying focused and in line with the model, which by all means is not an easy task.

The biggest challenge the board has encountered over the years is that of keeping the discussion at policy level, it's so easy for some members to want the kitchen discussions. Another big challenge was developing the Ends, the distinction between the Ends and the means has always been a challenge for our board.

At the CEO and management level the



challenge was in elaborating the interpretations and data that would meet the board's ends.

The board has discovered by implementing this model that they now know what their real job is and what their constant work is; linking with its ownership and foreseeing the organization's results. The board keeps a vigilant eye on operations by our monitoring reports without actually being or participating in the daily operations.

Looking back at our beginning and reflecting on where the board is now, the changes that we would make would be to emphasize more on training and understanding of the distinction between Ends and means in the early stage of implementation.

The message we as a board would like to say to others looking at investing in this model is; Go for it! The benefits outweigh far more the long hours of intense work and full commitment that this model requires constantly.

Our board's future definitely lies in continuing with this model and we hope to create interest and understanding among other boards in our community in adopting the Policy Governance model, because in the end the ownership is the one to greatly benefit from this and our purpose is to serve them well.

**HOT TIP!!****POLICY REVIEWS**

**by Jan Adelman,  
Director of Staff Development  
Lakeshore Technical College**

Here's a Hot Tip from the Lakeshore Technical College (LTC) Board of Trustees.

Boards using Policy Governance as their governance model are expected to say what they mean and mean what they say. LTC board members agree that to ensure they are saying what they mean, they must first remember what they said! And to do that, the board faithfully reviews two board policies at each monthly meeting and regularly evaluates itself on board processes.

The LTC Board, using Policy Governance since 1996, reviews each of its policies annually. The board accomplishes a number of leadership objectives when combining board self-evaluation activities and regular policy review:

- ◆ Maintain board policies and revise as needed
- ◆ Validate governance processes
- ◆ Ensure that board members remain familiar with policy content
- ◆ Familiarize new board members with policy intent as well as content

Benefits of regular review and self-evaluation include:

1. The board's commitment to excellence and its direction for the college are communicated through up-to-date policies
2. Board members remain familiar with what they said and why they said it
3. New board members become familiar with policy language through monthly discussions
4. College staff gain deeper understanding of the governing board's leadership as they reflect on board discussions
5. College staff are more knowledgeable about Policy Governance concepts

Lakeshore Technical College, one of 16 colleges in the Wisconsin Technical College System, is located on the eastern shores of Lake Michigan midway between Milwaukee and Green Bay. LTC offers more than 50 programs awarding two-year associate degrees, one- and two-year technical diplomas, and short-term technical certificates. The college offers distance learning opportunities and is the major provider of customized training and technical assistance to the area's business and industry community. The LTC web site is located at [www.gotoltc.com](http://www.gotoltc.com).



## Learning from Practice! By Bill Charney



*Bill Charney shares an exciting strength of Policy Governance that came to light in the development of the newest resource, and first "workbook" for PG boards – The Board Member's Playbook...*

Bill Charney, a Denver-based governance consultant, works with a wide variety of governing boards throughout the United States. He is co-author, with Miriam Carver, of *The Board Member's Playbook: Using Policy Governance to Solve Problems, Make Decisions and Build a Stronger Board*, published by Jossey-Bass earlier in 2004.

When Miriam Carver first introduced the "board rehearsal" concept in 2001, she proffered that boards would benefit from using "teamwork" concepts recognized as contributing to team effectiveness in other environments. Chief among these was the notion that if teams have roles and authority clearly defined, "rehearsing" their skills in performing these roles leads to better performance.

Our purpose in writing the *Playbook* was to demonstrate the pure practicality of Policy Governance. Practitioners of the model have consistently experienced the enticement of good theory. But seeing good theory applied in practice is what generates great excitement and confidence in the board room.

Miriam and I had both seen "the light go on" for many of our clients when we led them through "rehearsals" in workshops. They gained greater confidence in not just their ability to work as groups, but especially that their policy manuals do have the breadth and strength needed for total systematic accountability.

To demonstrate the concept in a "workbook," we knew it was important to give boards and board members a tool to guide them through their own, self-facilitated rehearsals and learning exercises. We strove to develop a "Scenario Worksheet" that would guide boards and board members through a simple series of questions to help make decisions based on their own board policies. Using an array of "board scenarios" generously submitted by colleagues and clients, we went through many iterations of the worksheet. The final product is a set of four questions, the answers to which

can help a board resolve *virtually any* governance issue.

While the creation of the *Playbook* reinforced so much of the basis for our enthusiasm and advocacy for Policy Governance, it was increased awareness of a particular nuance that, we believe, can help simplify clients' understanding of how to use their policies.

When addressing an issue, the starting point and first question in the "Rehearsal Worksheet" is "What has the board already said in its relevant policies." Naturally, it's crucial for the Board to consider the relevance of its stated values in *all four* of the policy categories, before it is able to consider further action.

### *The Key Learning...*

The nuance of the model that became evident to Miriam and I, not previously so explicit, is that the *answer* to how a board should proceed in addressing virtually any issue, whether relating to staff actions, those of board members, or of the board as a whole, always lies in the Governance Process and Board-Management Delegation Policies.

As these are commonly referred to as the "board means" categories, it's sensible that they would describe how the board is to act in any given situation.

By emphasizing the power of these policies, as the basis on which boards should make all further decisions regarding any organizational circumstance (be it governance or expectations regarding operations), board members are better able to recognize the power of their PG-based policy manuals as an effective and comprehensive board-team "playbook."

## FROM THE CEO

**PRE-CONFERENCE MUSINGS**

Sitting here in my sun filled office, engaging in one my favorite pastimes – musing, I am reflecting on IPGA’s first major conference, the Future of Boards, in Chicago on June 10-12 - less than one month away. I am looking back at all the planning and work that has gone into the conference and note that, fittingly in these early days of spring, the fruits of our labor are starting to show. Conference attendance is growing strongly as new areas are explored, opened up and cultivated, allowing rays of warming sunlight to shine into them, spreading hope for a future of being owner-accountable. Growth that is feeding the workshops that were judiciously planted in the ground over the winter, and like the trees of spring are flowering, leafing out and creating a welcoming canopy of educational cover for all who attend this spring event!!

I recall all the conversations that I, Susan Mogensen, our conference coordinator and others had when Susan first brought the idea of this conference to my attention. We all agreed that to be successful the conference must strongly appeal to users of Policy Governance®. We

asked ourselves, who are these users; where are they and how do we reach them? We then wondered, if they do come what will be needed so that they leave satisfied? Will we be able to create sufficient workshops that are appealing to new as well long-time users? IPGA had never done this before and we had no history to guide us. What if nobody came? The risks were significant, especially for an association so young. Yet having the conference was what there was to do.

Now, watching the seeds of success begin to sprout, I am excited by the future that IPGA has planted and anxiously looking at the years ahead, anticipating the conference’s impact on the future of owner-accountable effective governance. I am also excited for Susan, who, a year ago, sowed the seed for the conference. She not only sowed it but created a relationship with IPGA that would nurture its development and growth.

However, as I watch the seeds sprout, I am also aware of how much still needs to be done to have them grow into the solid foundations for the future. Conference attendance is



*Howard Stier*

growing, and we want it (and need it) to grow faster and higher. We have much to do to assure workshop quality and the satisfaction of every person attending the conference. We have been challenged, are continually being challenged and are looking forward to the challenges that come with accommodating more people than we anticipated.

So, as I end my spring musings, my request of members is to challenge us further. Keep sharing the conference and inviting others to attend. Be there yourself and be the pillar that supports a new or long time user in having the conference fulfill his or her wildest expectations. Thank you all, and I am looking forward to seeing you in Chicago.

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See us at:

**www.**

**policygovernance  
association.org**

## GIVE IT AWAY!

Feel free to give your fellow board members or clients a copy of this newsletter. You will be helping to spread the word and encouraging more new membership growth.

Remember there are membership categories for all supporters.

## PG ON THE WEB, IN THE PRESS, AND IN PRINT

Since the last newsletter  
**Books:**

**Governance for Health System Trustees** by Jannice Moore published by CHA, 917 York, Ottawa ON K1N 9J6 ph. 613 241 8005, fx 613 241 5055. [custserv@cha.ca](mailto:custserv@cha.ca) CAD\$49.95 ISBN 1-896151-11-6

**Articles:**

**Good Governance, Canadian Style: Principles Rule!** by Susan Mogensen, Corporate Training Magazine January. [www.ctmonthly.com](http://www.ctmonthly.com)

**Desirable Board Member Attributes Under Policy Governance** by Dick Biery, The Canadian Association, AXI, November [www.axi.ca](http://www.axi.ca)

**Ownership** published in Credit Union Management by Caroline Oliver and Lynn Walker, Sept.

**Testing the Implementation, Board Performance, and Organizational Effectiveness of the Policy Governance Model in Nonprofit Boards of Directors** by Nobbie P.D.; Brudney J.L. Nonprofit and Voluntary Sector Quarterly, December 2003, vol. 32, iss. 4, pp. 571-595(25) SAGE Publications

**Demystifying Policy Governance** by Linda Stier, Cooperative Grocer #108, September - October 2003 <http://cooperativegrocer.coop>

**Corporate Governance Beyond Patchwork Reform** by John Carver and Caroline Oliver, Chartered Financial Analyst, ICFAI, Feb issue. [www.icfai.org](http://www.icfai.org)

**New Rules: Governance and the CIO's role** Quotes from Caroline Oliver in IT Business, May [www.itbusiness.ca](http://www.itbusiness.ca)

**Who Owns You?** by Caroline Oliver, Nonprofit Boards and Governance Review Charity Channel, March 25 [www.charitychannel.com](http://www.charitychannel.com)

**On the Web:**

IPGA Chair Caroline Oliver was recently invited to participate in on-line discussions with Australian postgraduate students. As part of the Queensland University of Technology's nonprofit studies program, Caroline joined students in a discussion under the heading 'Carver or Drucker - Can they

both be right?' Students were interested in questions such as how a Policy Governance board differs from a traditional board, board members' conflicts of interest, and especially the issue of the practicability of PG in small organisations. Caroline was joined in the discussions by Alan Hough, a local Academy Graduate and now research student, and local consultant and author David Fishel.

**Speeches:**

Jan Moore: May 12. **A Model Process For Accountable Corporate Governance** 746th Wilton Park Conference in co-operation with the Foreign and Commonwealth Office and HM Treasury, West Sussex, UK

Caroline Oliver: April 5, **Trends in Governance: Impacts on Contracting Practices**, IACCM, Phoenix

John and Miriam Carver: April 15, **Carver Congress in Garderen**, Netherlands

Caroline Oliver: April 22. **Modelling Good Governance** A Workshop for NHS Chairs, King's Fund, London, UK  
April 23. **Boards That Make A Difference** A Workshop for NHS Non-Executive Directors, King's Fund, London, UK  
April 27. **Policy Governance A** Workshop for NHS Executive Directors, Portland Place, London, UK

## About The Association

The International Policy Governance Association was launched in June 2001. It is committed to 'Owner-Accountable Effective Governance' and is a 501c3 not-for-profit corporation.

## PUT YOUR OAR IN!!

Submissions for Governance Excellence are welcome and should be emailed to [coliver@policygovernanceassociation.org](mailto:coliver@policygovernanceassociation.org)

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