
GOVERNANCE DEVELOPMENT PROGRAMME

CORPORATE GOVERNANCE

Governance Development Programme

- **Corporate Governance**

exploring techniques and good practice ideas for improving personal effectiveness

- **Strategic Leadership**

focusing on the nature of leadership as a non-executive; managing change; communication

- **Continual Improvement**

instilling an ongoing culture of continuous improvement; self assessment; succession planning; team building

Role of the Board Member

Ownership & Accountability

Session One

Role and Responsibilities

‘The Board shall have the duty of –

- 1. Managing and conducting their college;*
- 2. Ensuring their college provides ... Suitable and efficient further education to students’*

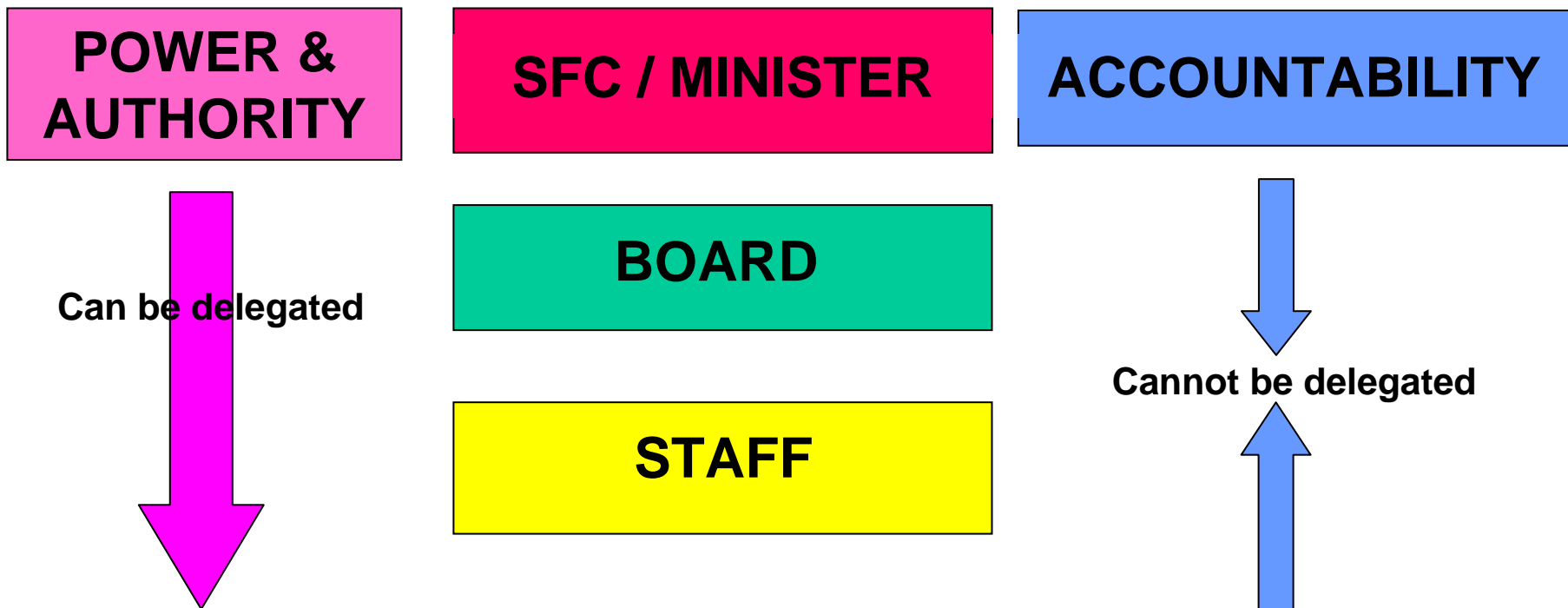
‘The Board may appoint on such terms and conditions as they may determine such employees as they see fit’

‘The Board may delegate the performance of any of their functions to their Chairman, to any Committee appointed by them or to any member of their staff’

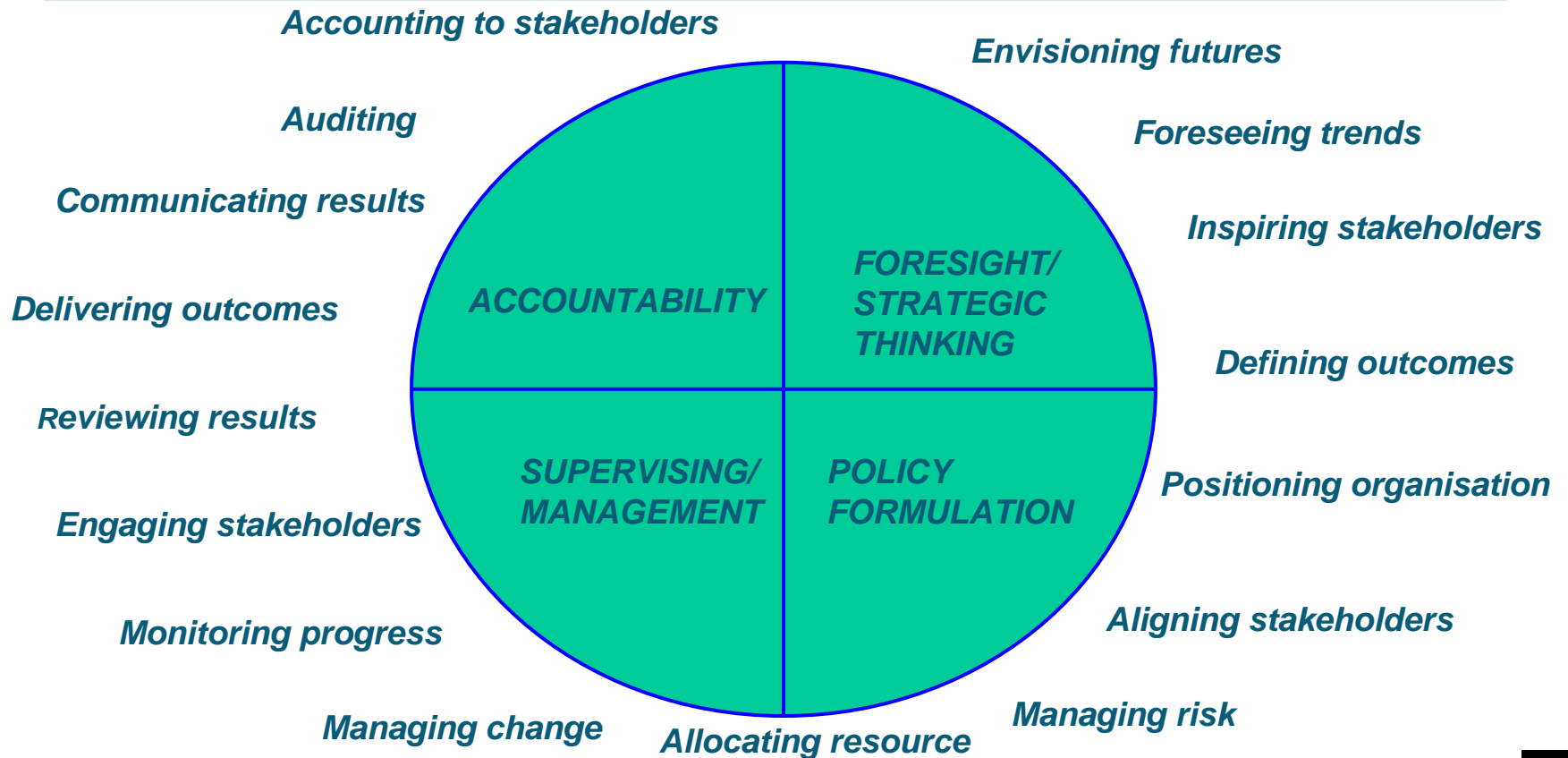
Source: Further and Higher Education (Scotland) Act 1992

Scotland’s Colleges is a trading name of the Scottish Further Education Unit (SFEU)

Accountability

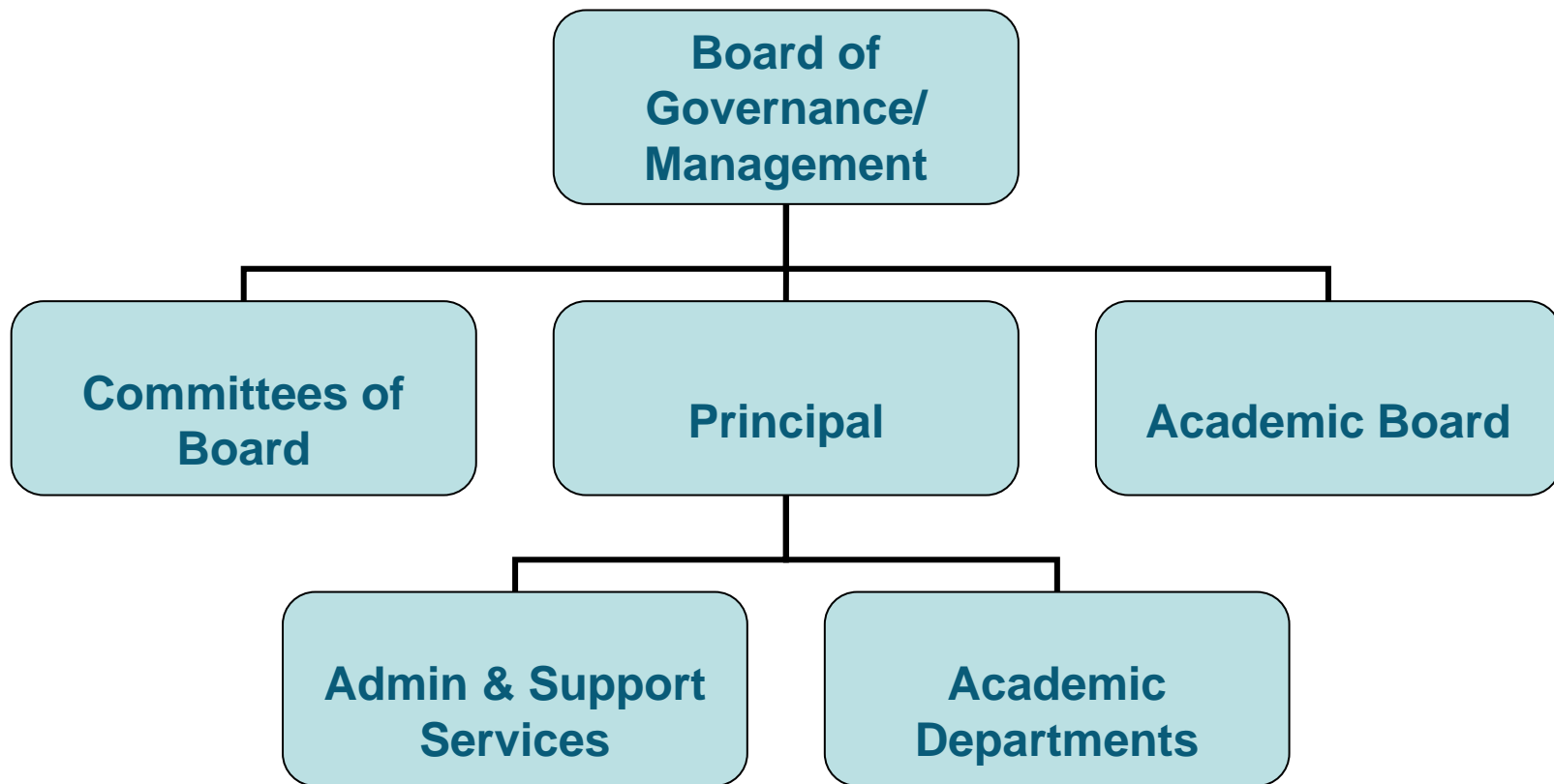


Corporate Governance Role



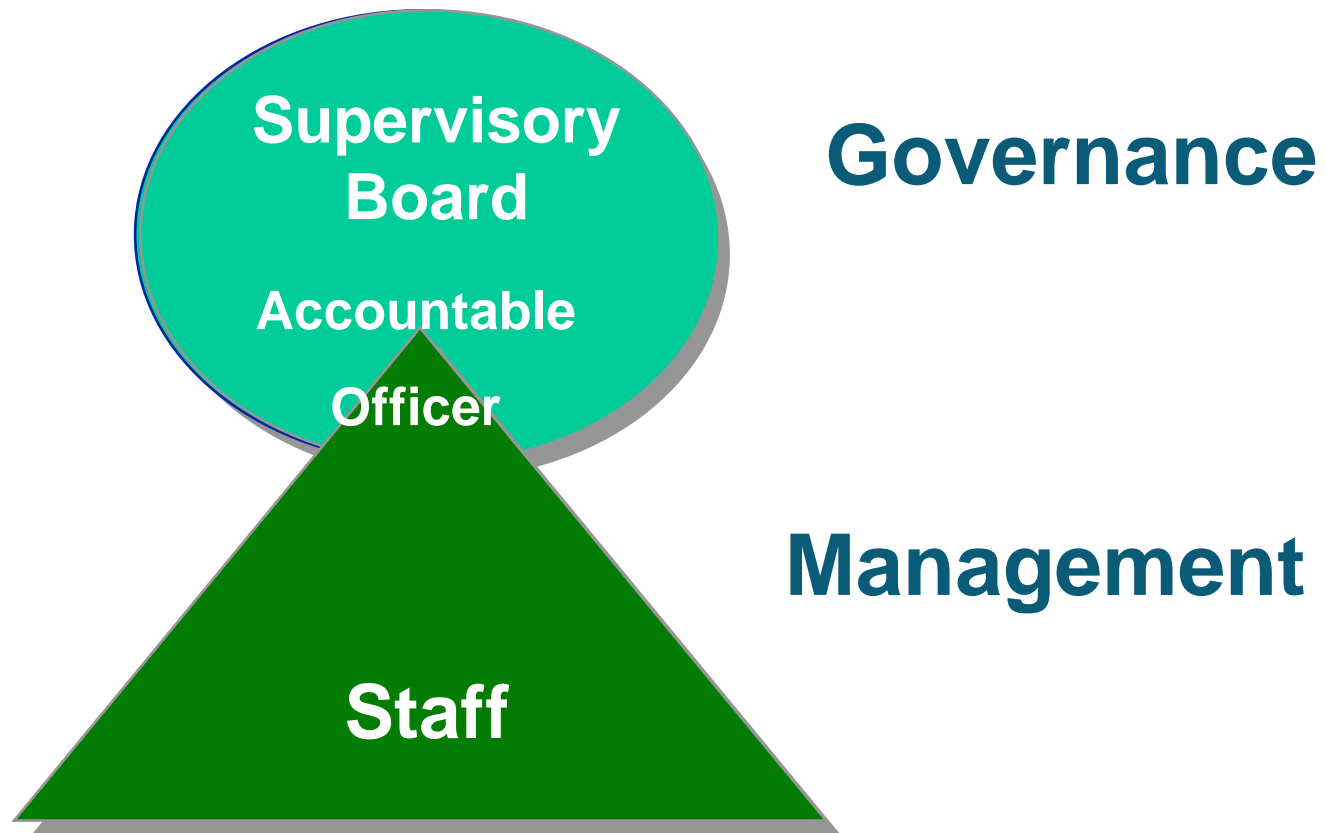
Scotland's Colleges is a trading name of the Scottish Further Education Unit (SFEU)

Formal Structure



Scotland's Colleges is a trading name of the Scottish Further Education Unit (SFEU)

The Board – College Sector



The Control Mechanisms

- 1992 and 2005 Acts
- Financial Memorandum
- Model Code of Conduct
- Standing Orders
- Charities legislation
- Statement of Recommended Accounting Practice
- Register of Interests

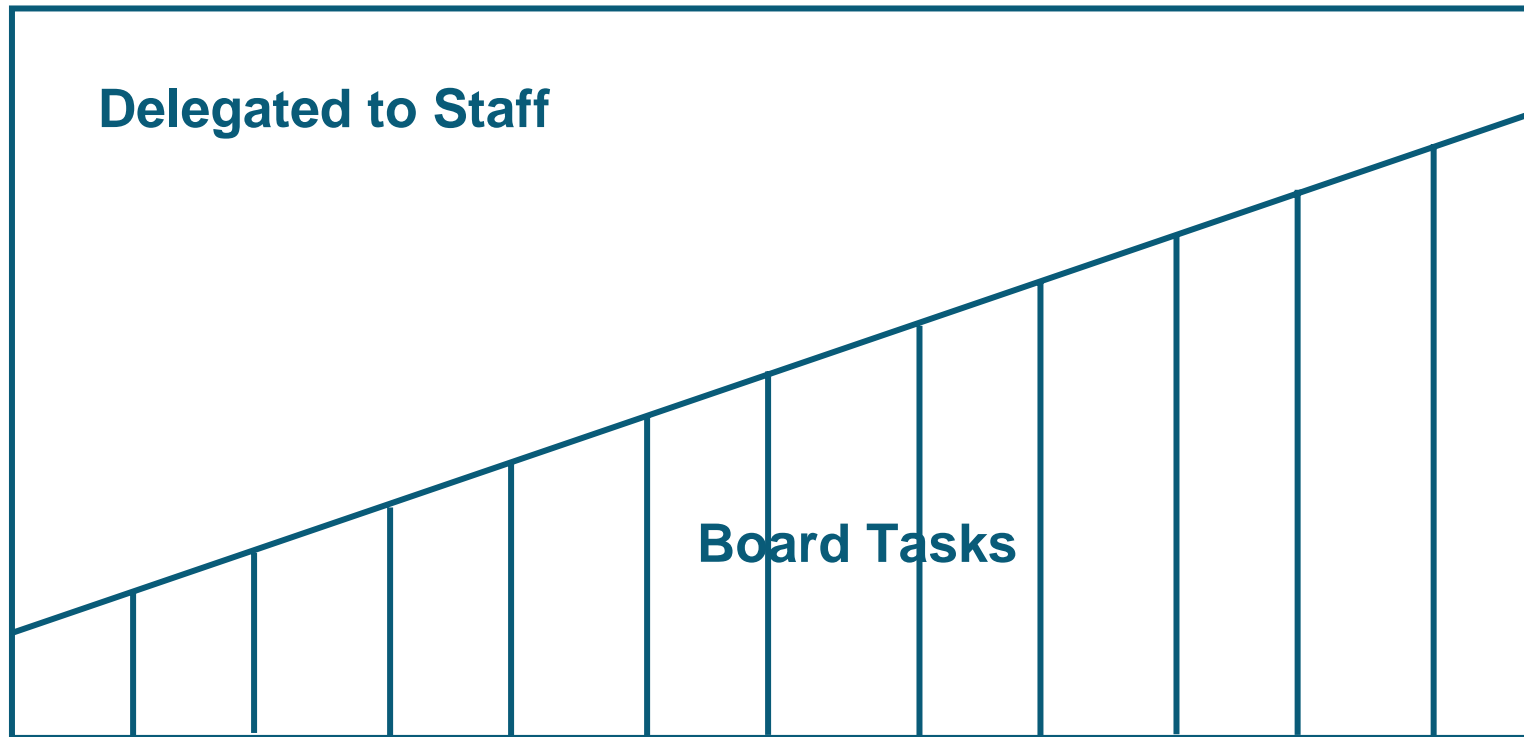
ALL NECESSARY BUT NOT SUFFICIENT

Delegation and Partnership

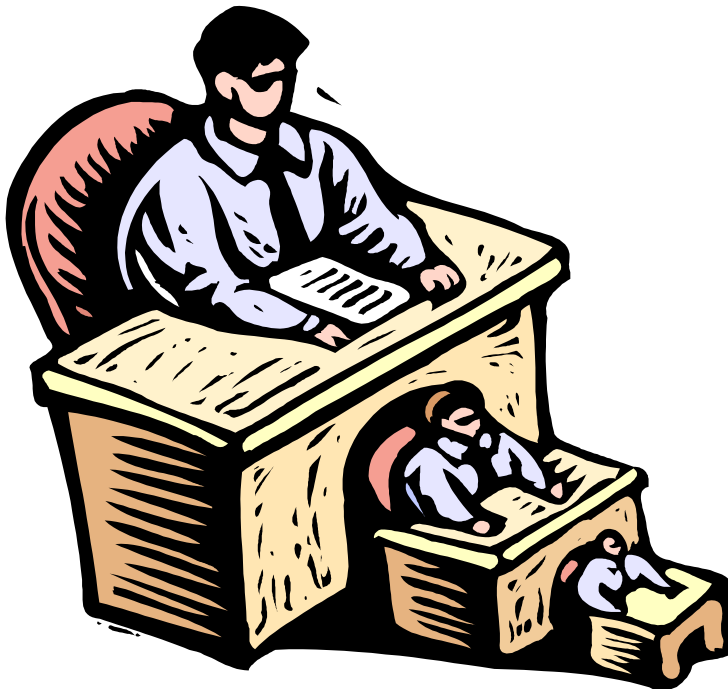
Dealing with the Dilemmas

Session Two

The Dilemma of Accountability



Delegation v Abdication



- Use of Committees
 - Audit
 - Remuneration
- Issues reserved for Board
- Strategic Control?

Effective Delegation

Questions to Ask

- What is the task being delegated?
- What outcome is expected?
- Who is it being delegated to?
- What guidance is required?
- How and when will progress be reviewed?

The Board Secretary

- Appointed by and accountable to the Board
- Independent from management
- Guardian of corporate governance
- Board CPD

Working In Partnership

Boards decide -

- WHAT needs changed
- WHAT views matter
- WHAT future outcomes will look like
- WHAT is successful/failing

Staff work out -

- HOW to make change happen
- HOW to gather opinions
- HOW to achieve required outcomes
- HOW to measure progress

Both benefit from advice from the other

How Do I Add Value?

Maximising my Effectiveness

Session Three

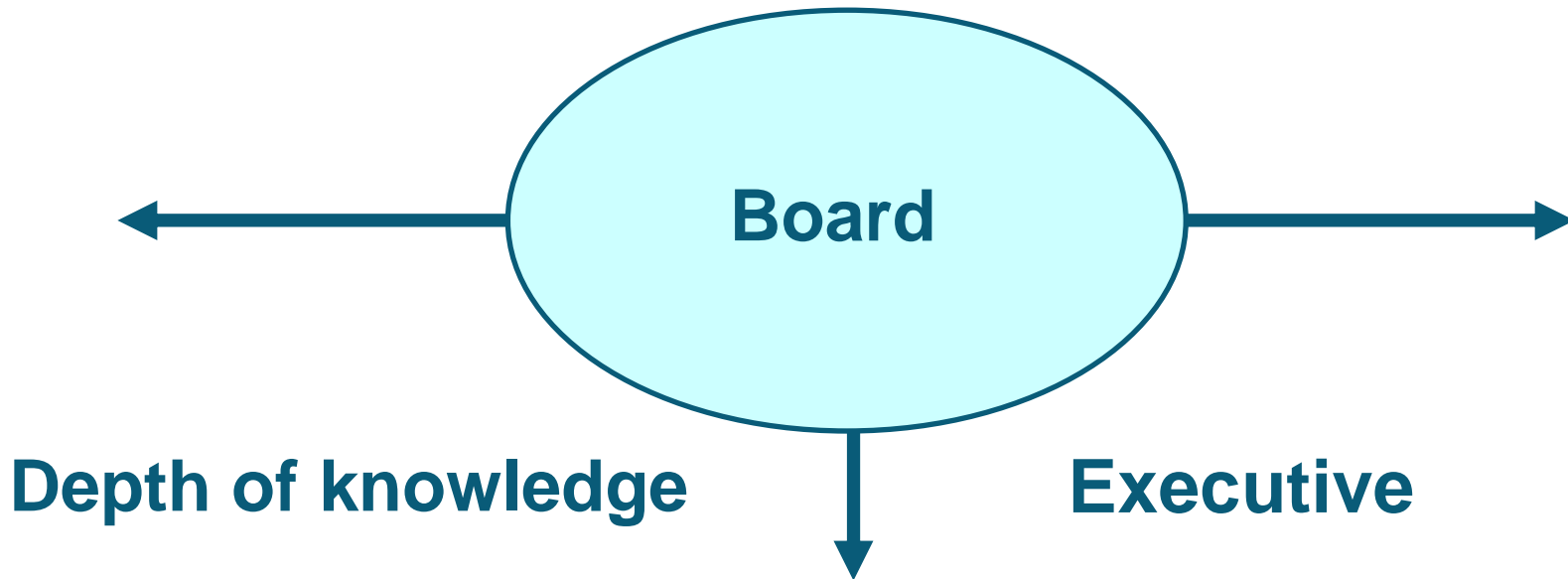


'I suppose you know you're doing that all wrong.'

Adding Value

NXD

Breadth of view, experience and 'know-who'



Board Dilemmas

- Entrepreneurial vs. prudent control
- ‘Helicopter’ viewpoint vs. day-to-day management
- Short term issues vs. long-term trends
- Local issues vs. global issues
- Commercial need vs. responsibilities to other stakeholders

Providing Focus

WHERE ARE WE?



WHERE DO WE
WANT TO BE?

HOW DO WE GET THERE?

Constructive Challenge

'The essence of good decision-making is asking the right questions.'

Churchman (1968)

Constructive Challenge

- Agree success measures at the beginning
- Ask '*what are we trying to achieve*' not '*what are we doing*'
- Insist on being adequately informed in sufficient time
- Ask for more facts
- Find out for yourself

Providing Reality Checks

'In the private sector, if you turn your back on reality, it makes friends with your competitor and you go out of business'

'What is reality in the public sector?

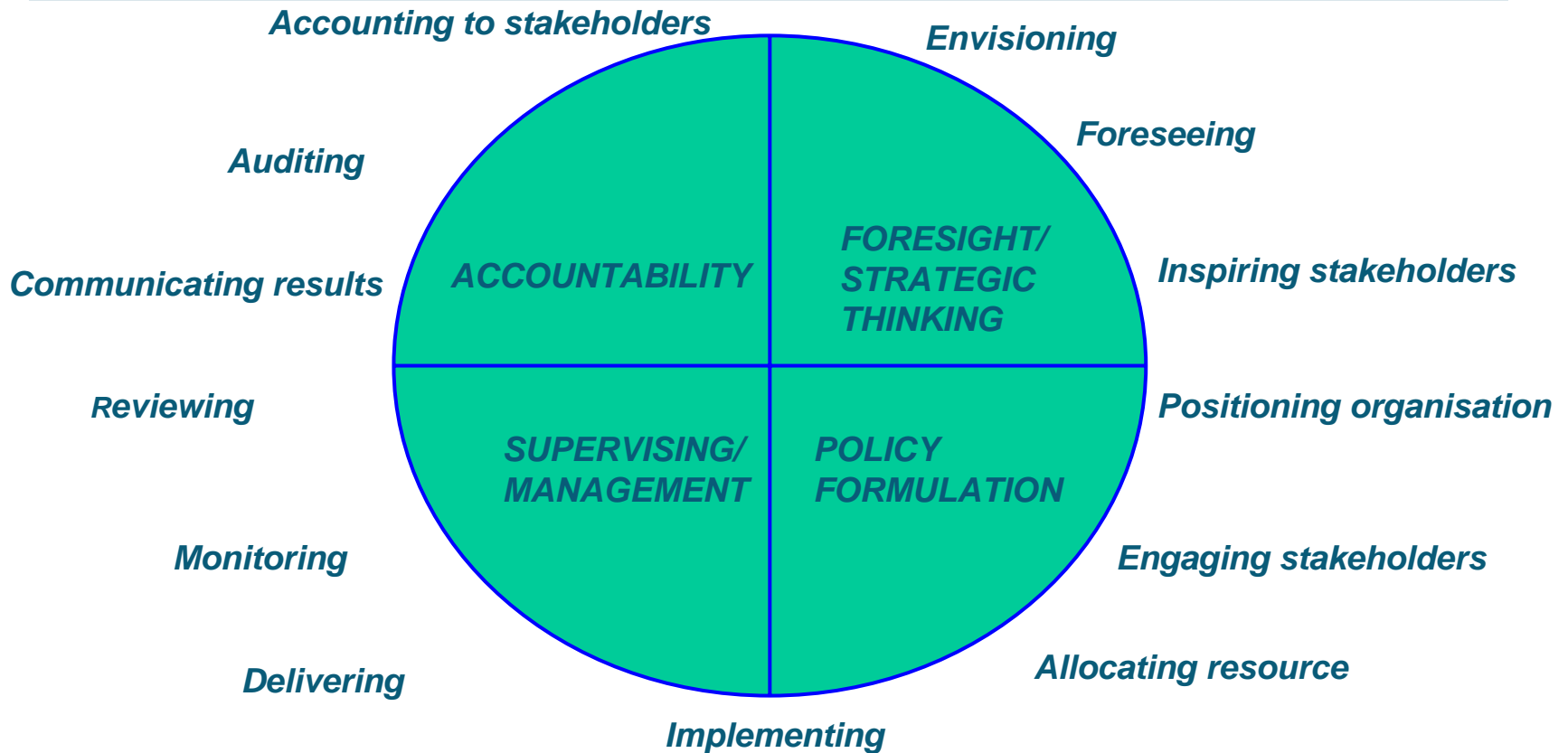
What is success....and what is failure?'

High Performing Boards

Good Practice Ideas

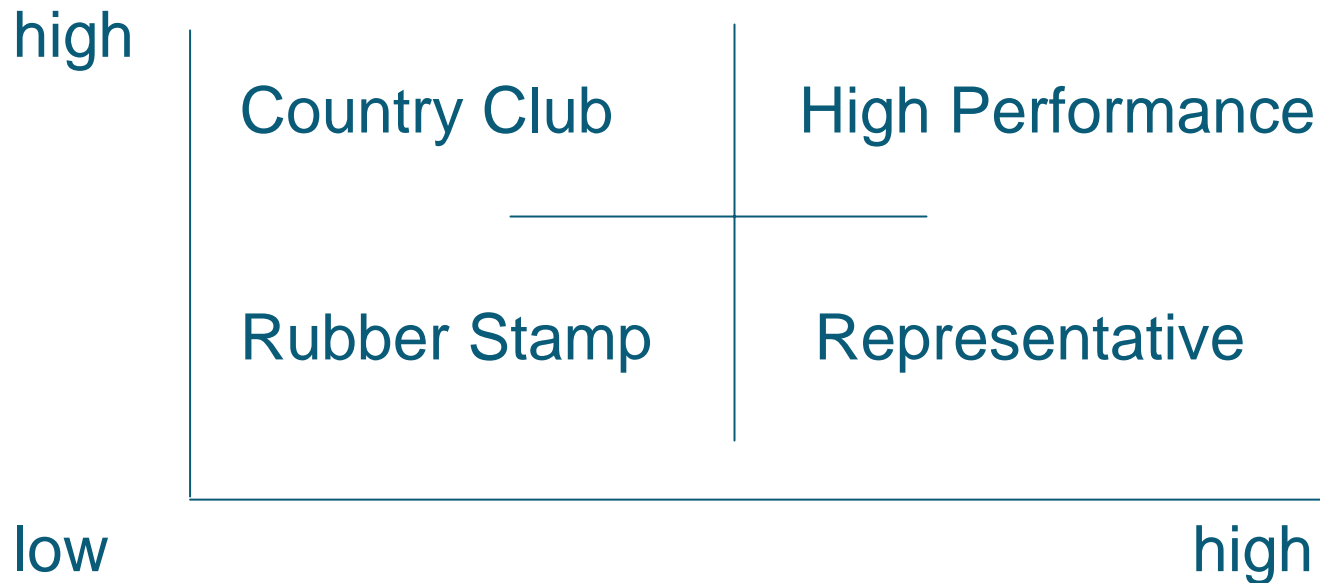
Session Four

Corporate Governance Model



Board Styles

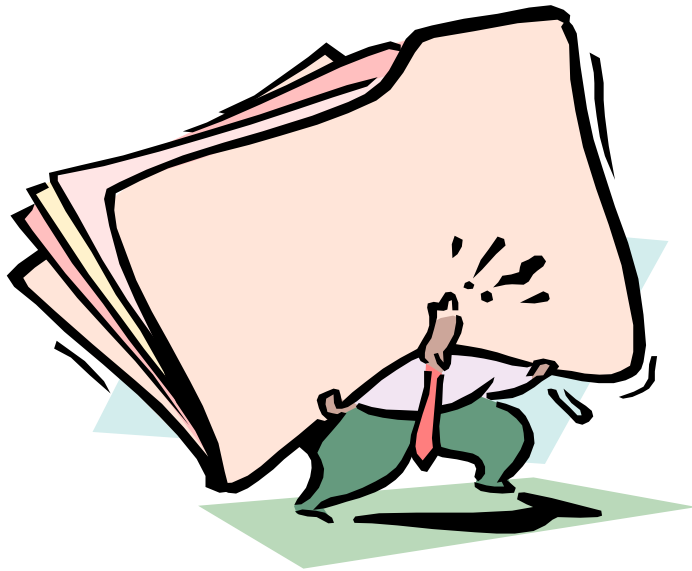
Concern for board relationships



Bob Tricker 1996

Concern for board tasks

Board Business



- Who sets your agenda?
- Do Board members lead on any items?

Information Audit

Decision Information

Needed to make decisions

Monitoring Information

Needed to measure performance against agreed criteria

Incidental Information

Everything else 'nice to know'

Board Time Habits

Urgent	3	1
Not urgent	4	2
	Not important	Important

Thank You!