

“A Critical Exploration of Policy Governance in UK Voluntary Organisations”

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Outline:

- Overview and key concepts of Policy Governance
- Why / How I did my research
- Main findings
- Books and resources
- Questions

Overview and Key Concepts of the Policy Governance Model

- John and Miriam Carver (US)
- “A conceptually coherent operating system or theory of the board’s role, position, practice, and relationships ... it refers to the universal, generic principles and concepts of the board’s job...” (Carver 2006:376)

- Purpose of governance

“Reduced to a minimum, the purpose of governance is to ensure, usually on behalf of others, that an organisation achieves what it should achieve while avoiding those behaviours and situations that should be avoided.”
(Carver 2006:xxvii – xxviii)

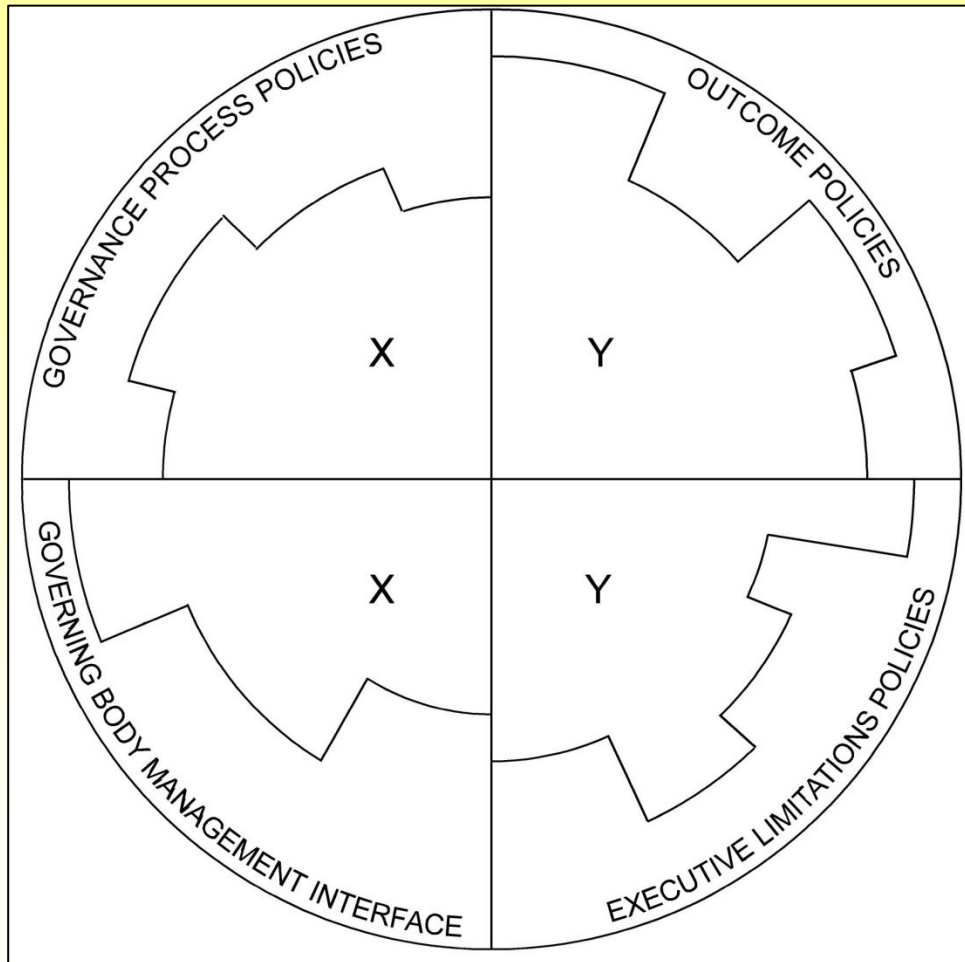
NB For Carver Governance is about
“ensuring” not “doing”.

- “Moral owners” – those whom the board represents and for whom it acts in trust.

“... the importance of the owners-to-board link is so great that the proper job of the board is best described as ownership one step down rather than management one step up.” (Carver 2006:6)

- Board as “servant leaders” on behalf of the owners
- Board “leadership” is about ensuring that organisation is carrying out wishes of moral owners (while complying with legal and regulatory requirements)
- “Ends” vs “Means”
- Board develops 4 sets of policies

The Policy Circle



Outcomes (Ends) = “What good shall we accomplish, for whom, at what cost?”

Executive Limitations = constraints within which CEO is required to deliver those results ensuring what they do is both ethical and prudent (expressed in negative language)

Board-Management Delegation = how the governing body interacts with the organisation through the CEO (delegation only via CEO, reporting against Ends and EL Policies)

Governance Process = how the governing body fulfils its roles and responsibilities

- Carver describes Policy Governance as “a unique system which is intended to be used as a system”
- Also claims that the model is “generic, capable of whatever tailoring is necessary to fit any type of organisation” and that it “redefines excellence in governance”

Research design

- Most research has attempted to link board and organisational “effectiveness”.
- “Effectiveness” is “an elusive and contentious concept” – little agreement as to how it should be defined or measured, or by whom!
- Correlation vs causation

- Explore experiences of board chairs and CEOs in UK voluntary sector who had experience of implementing and operating the model
- 9 interviews:
 - 2 board chairs and 4 CEOs of Global Connections organisations
 - The CEO of another charity
 - Governance consultant introducing PG to Arts organisations
 - Member of the UKPGA

Main Findings

- **Policy Governance in UK**

- Not widely known or used
- UK Policy Governance Association only formed in 06
- Few UK based Policy Governance consultants
- Self-taught or learning from own networks
- Policy Governance Academy, London April 09

- **Perceived strengths**

- Potential to bring clarity to governance / management distinction
- Coherent system
- Writing Ends statements is a positive process (fits with Charity Commission requirements)
- Identifying moral owners can be complex, but process can be positive
- Many liked Executive Limitations approach

- **Perceived limitations**

- Position / role of CEO
- Relationship between board and CEO as one of 'supporting' as well as 'ensuring'
- Limits of rationality
- Is the Ends / Means distinction too rigid?

- **Practical challenges**

- Materials / tools
- Time needed to develop policies
- Need for sample policy sets for sub-sectors?
- How can boards make the transition to a new way of thinking and operating?
- Sustainability in view of board turnover?
- Compatibility with UK regulatory framework
- Need for a community of practice?

Books and Resources

- Carver, J. *Boards that Make a Difference* (3rd ed 2006 Jossey-Bass, San Francisco)
- Oliver, C. *Getting Started with Policy Governance* (2009 Jossey-Bass, San Francisco)
- www.carvergovernance.com
- 'Carver's Policy Governance Model in NonProfit Organisations' - useful summary article (www.carvergovernance.com/pg-np.htm)
- www.ukpga.typepad.com