GOVERNANCE OVERVIEW

ALTA
Alberta Library
Trustees' Association

November 9, 2023

STRATEGIC
STEPS
INC

1


TOPICS FOR THIS SESSION

- Governance Defined
- Role Clarity
- Relationship to management
- Planning Strategically
- Governance Role in Finance
- Governance Tools

2

2

ABOUT ME

Ian McCormack, CMC

- Strategic Steps operates in the space between elected and appointed officials
- Called in to assist with topics associated with good governance
  - Orientations
  - Strategic Planning
  - Governance, Organizational and Code of Conduct Reviews
- Author and speaker
  - *Governance Voice* column in *Municipal Voice*
  - *Who's Driving the Grader*, 2020
  - *The DNA of Great Leaders*, 2022
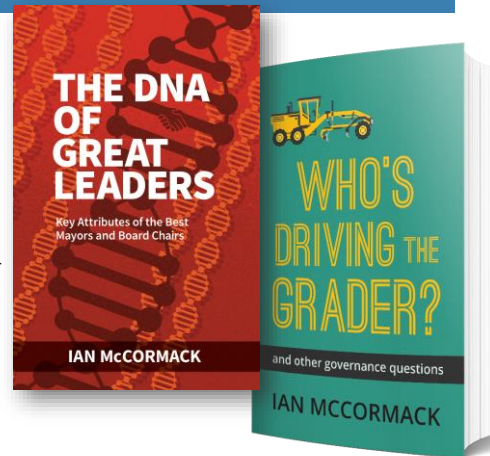
3

www.strategicsteps.ca

3

EXPECTATIONS

- What would you like to accomplish by the end of our time together?

4

4

GOVERNANCE REVIEWED

5

KNOWING TRUSTEES' EXPERIENCE

- What types of boards (if any) have you worked on?
  - Board member role
  - Staff support role

6

6

LEADERSHIP
Governance vs. Working

- Focus of the Board is on governance responsibilities rather than on operational matters.
- Focus of the Board is on results (outputs and outcomes)

Aspect	Working	Governance
Primary Focus	Doing: events, fundraising, managing	Guiding: vision, mission, policy
Leadership	Staff led	Board led
Planning	Staff provides strategic direction, board often does much of the work	Board provides strategic direction. Staff provide operational effort
Recruitment	Board actively involved in recruitments	Board is responsible for one employee

7

7

WHY DO MEMBERS SERVE?

Continuum of
Service for Trustees

Public Service ← → Self-Service
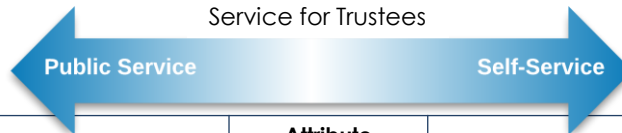
	Attribute	
The expertise is in the room	Motivation	I know best. Others should listen.
What is best for the broader community.	Vision	My way or the highway
Subjugated to public good	Role of Ego	Primary driver
Key to accomplishment	Teamwork	Zero-sum
Listen broadly	Consultation	No need to consult
Shared, Based on collective expertise	Results	Delivered because of strong will and focus

8

8

QUESTION FOR TODAY

What first attracted you to be on a library board?
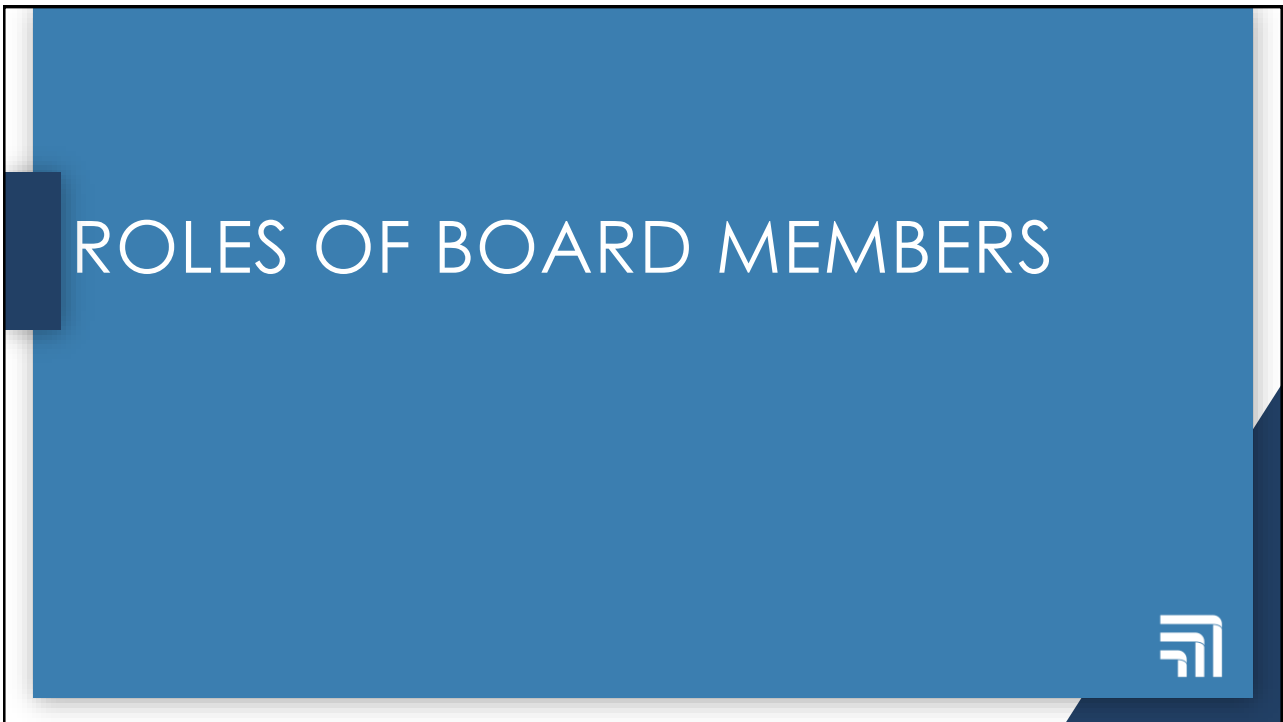
9

ROLES OF BOARD MEMBERS

10

ROLE CLARITY
Can You Do What You Want to Do?

- Is it your issue?
  - You can't change federal or provincial legislation
  - Have you identified the issue, or just a symptom?

- The one issue trustee, or "I don't like that book"
  - Issue gets resolved in six months; then what?

- Building a team
  - Chair has the same voting power as anyone else
  - Know each other as people, community members

- Respecting roles
  - Staff are acting within their own statutory (law, bylaw, policy) framework

11

11

THE FOUR BUCKETS
What Boards get to deal with

- Maintain the accountability of the administration
- Develop and evaluate the policies and programs of the library
- Deal with anything specifically required by statute

Carry-forward work (i.e. that new building)

Work from other orders of government (i.e. cannabis legalization)

Crisis management (i.e. disasters)

Trustees' ideas & Plan of Service (the stuff you really wanted to do)
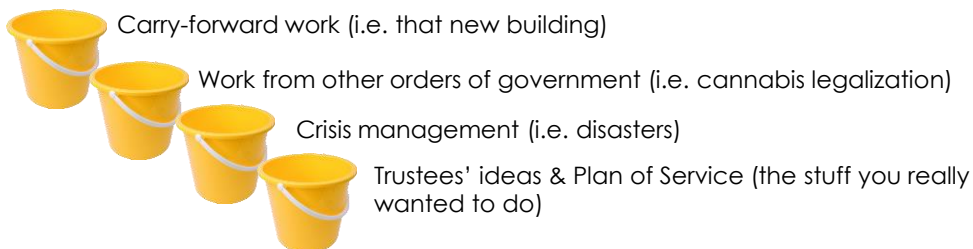
www.strategicsteps.ca

12

12

BOARD'S ROLE

- Look after interests of the library
- Avoid conflict of interest
- Attend Board and Committee meetings
  - Avoid informal meetings: meetings of a majority of members to discuss business that are not duly called public meetings.
- Represent the community
- Professional development
- Avoid focus on a single issue

13

13

THE OTHER STUFF

- Aside from mandated duties, other tasks include acting as a representative of the library to the broader community:
  - Attending community groups' events
  - Giving talks or speeches to groups or schools
  - Representing the library at events like Remembrance Day, Canada Day
  - Advocacy with and for the library and its users

14

14

LEADERSHIP BY INFLUENCE

- Effective trustees are:
  - Agents of change
  - Big picture thinkers (strategic)
  - Striving for continuous improvement
  - Catalysts for encouraging responsibility in others
  - Proponents of well-being
  - Advocates for quality of life
  - Effective planners

15

15

KEY POINTS

- This is a new board every year
- Decisions are not expected to be unanimous. Value lies in debate and deliberation of conflicting choices
  - Creates learning and buy-in
- Achieve change by creating alignment with other trustees
- Little is achieved by making speeches in board meetings. More is learned by asking questions
- The Board provides direction through the Plan of Service, bylaw, and policy
- Management responds with Business Plan and recommending policies

16

16

EFFECTIVE BOARD CHAIRS

- In your experience, what are the attributes of effective board chairs you have encountered in person or through the media?
  - Focused
  - Friendly
  - Even-handed
  - Inspiring
  - Good Communicator
  - Effective Meeting Chair
  - Effective Delegator

17

17

QUESTION FOR TODAY

Is the trustee role what you thought it would be? What's different?

18

RELATIONSHIP TO LIBRARY MANAGEMENT

19

ROLE CLARITY
Steering vs Rowing
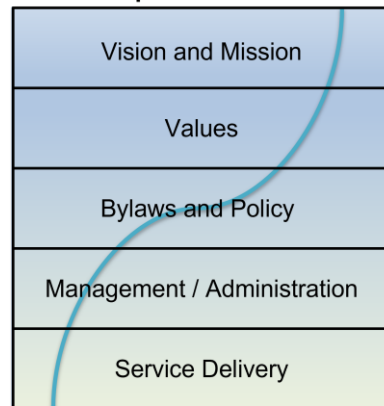
- Board Governs – 'what'
  - Plan of Service (strategic plan)
  - Vision, mission, values
  - Governance policy development
- Management Delivers – 'how'
  - Implement policy
  - Manage the library
  - Deliver programs, services

Board's Sphere

| Vision and Mission |
| Values |
| Bylaws and Policy |
| Management / Administration |
| Service Delivery |

Managers' Sphere

20

20

RELATIONSHIP TO MANAGEMENT

The two Solitudes

- Board legislates
  - Supported by administrative strength
- Board has one employee
  - Hire, evaluate and replace Director/CEO
  - Evaluate CEO every year
- All other staff are led by the CEO
- Avoid micromanaging operations – they are not yours!
  - 'Keep your nose in and your fingers out'
  - No, you don't get to choose the books

Citizens

Board

Director/CEO

Managers

Staff

21

21

EXPECTATIONS OF STAFF

- 'No surprises' environment for CEO and Board
- Stewardship of resources – efficient operation of necessary services/programs
- Direction from the Board – in order: bylaw, policy, strategy, business plan
- Effective and timely reporting to/by CEO:
  - Realistic timing for turn-around for information requests
- Service excellence that augments the library's identity

22

22

GOOD GOVERNANCE

23

A NEW BOARD IS A NEW GROUP

https://www.linkedin.com/pulse/tuckmans-guide-group-development-robert-knight/

24

SUCCESSFUL BOARD TERM

- Be **visionary**: reach for a higher plain, stay out of the mud
- **Policy**, Policy, Policy: ask lots of questions, examine alternatives, think about the whole
- Be a **team player:** identify and build on each other's strengths
- **Communicate** internally and externally
- **Build bridges** and partnerships - repair problems
- Remember, the buck stops with the board

25

25

INTRINSIC MOTIVATION

- The vast majority of library board members:
  - Want to make their communities better
  - Want to serve the library
  - Want to provide direction and oversight
- You applied to the board because you want to serve your community
- Culture takes time to form and time to change

26

26

CHECKLIST FOR ETHICAL DECISION MAKING*

1. • Will my action be legal?
2. • Does my action comply with my Role?
3. • Is it in the best interests of the library as a whole?
4. • As a decision maker, do I have a conflict of interest?
5. • Would I tell my colleagues or my family?
6. • Am I doing the right thing?
7. • Can I justify my course of action?

Adapted from document of the same name, Institute of Certified Management Consultants, 2019

27

27

IF YOU DON'T KNOW WHERE YOU'RE GOING…

28

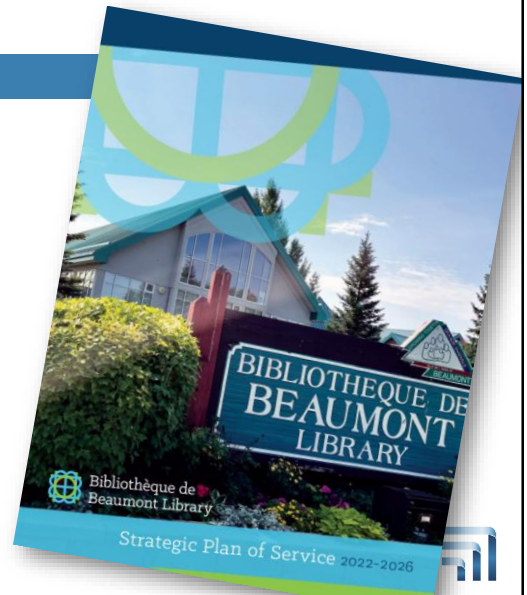## SUSTAINABILITY

- *"Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs"*
  - (Report of the Brundtland Commission, adopted by the United Nations in 1987)

- The notion of 'sustainability' isn't a new phenomenon

29

29

QUESTION FOR TODAY

How closely do you follow your Plan of Service?

30

FROM VISION TO MEASURES

Leading the Library
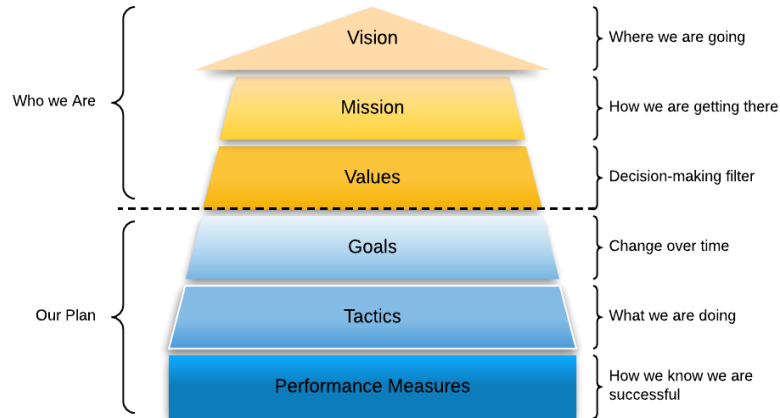
31

31

CASCADING ALIGNMENT

- Common examples, not all are present in all libraries.
- Who is responsible for what:
  - Vision and Mission
    - Plan of Service (Strategic Plan) and trustee priorities
    - Policy
      - Corporate Business Plan
        - Department Business Plans
  - Budgets and budgeting process
  - Reporting to the Board, the Municipality, and the Public

32

32

QUESTIONS FOR VISION

- What problems does the library hope to solve in the next few years?
- What does the library hope to achieve?
- What does the library want to do for patrons, citizens, government, and businesses?
- What will success look like?

- Can you recall it?

33

33

LIBRARY VISIONS

- **The Beaumont Library is a place for everyone to gather, explore, learn, and express themselves.** – Bibliotheque de Beaumont Library
- **Equitable and accessible community resources, services, and programs** – Spruce Grove Public Library
- **To be a safe and welcoming place for our diverse community, a place which connects people, inspires learning, literacy, and curiosity, and sparks change for a better community.** – Devon Public Library
- **The heart of a connected, informed, and inspired community.** – Strathcona County Library

34

34

MISSION STATEMENT

- What are the opportunities or needs that the library addresses?
- What is the 'business' of the library? How are these needs being addressed?
- What level of service is provided?
- What principles or beliefs guide the library?

35

35

LIBRARY MISSIONS

- **Connecting people to ideas, experiences, and one another**. – Bibliotheque de Beaumont Library
- **Create connections through experiences of belonging and opportunities for learning**. – Spruce Grove Public Library
- **Reaching out across urban and rural Strathcona County, the Library enriches lives, promotes community engagement, sparks imagination, and empowers residents to build skills and knowledge** – Strathcona County Library
- **To enrich lives, build community and foster success by bringing people, information and ideas together**. – Devon Public Library
- **YRL provides materials and services to public and school libraries, and other organizations, to assist them in meeting the informational, educational, cultural and recreational needs of their communities**. – YRL

36

36

VALUES

- These are the guiding principles that help to define how the Board and the library would behave.

- Do Values Align with Vision and Mission?

- Common Questions
  - What do we stand for?
  - How do we treat patrons, public, each other?
  - How do we want to be seen by the public?

37

* http://examples.yourdictionary.com/examples-of-core-values.html#Mc88jqdGJpXLmjWA.99

© www.strategicsteps.ca

37

CORE VALUES – LIST

Acceptance	Cooperation	Ethical practice	Invention	Potency	Responsibility	Support
Accomplishment	Courage	Excellence	Investment	Power	Responsiveness	Sustainability
Accountability	Courtesy	Expectation	Involvement	Practice	Results-Oriented	Synergy
Accuracy	Creativity	Experience	Justice	Precision	Rigor	Talent
Adaptability	Credibility	Fairness	Kindness	Preparation	Risk Taking	Teamwork
Agility	Curiosity	Faithfulness	Knowledge	Preservation	Satisfaction	Thoroughness
Alertness	Customer Focus	Flexibility	Leadership	Pride	Security	Timeliness
Ambition	Decisiveness	Freedom	Loyalty	Productivity	Sensitivity	Tolerance
Attentiveness	Delivery Results	Generosity	Motivation	Professionalism	Serenity	Toughness
Authenticity	Dependability	Gratitude	Objectivity	Profitability	Seriousness	Tradition
Availability	Development	Growth	Openness	Progress	Significance	Training
Awareness	Diligence	Guidance	Optimism	Prosperity	Simplicity	Transparency
Brilliance	Directness	Honesty	Order	Public Service	Sincerity	Trustworthiness
Capability	Discipline	Hospitality	Organization	Punctuality	Skillfulness	Truth
Carefulness	Discretion	Humility	Originality	Purity	Solidity	Uniqueness
Certainty	Diversity	Imagination	Participation	Quality	Sophistication	Unity
Clearness	Drive	Improvement	Partnership	Rationality	Spirit	Utility
Cleverness	Eagerness	Independence	Passion	Reality	Spontaneity	Valor
Collegiality	Ecology	Individuality	Patience	Recognition	Stability	Value
Commitment	Education	Influence	Perception	Reflection	Standard	Variety
Communication	Efficiency	Innovation	Perfection	Reliability	Straightness	Virtue
Competence	Endurance	Inspiration	Performance	Reputation	Strength	Vision
Confidence	Enthusiasm	Integrity	Persistence	Resilience	Structure	Vitality
Consistency	Equality	Intelligence	Persuasion	Resolution	Success	Wealth
Continuity	Esteem	International	Philanthropy	Respect	Supervision	Wisdom

38

38

VISIBILITY IS IMPORTANT

- Vision and Mission is why you exist
- As much about who you *aren't* as who you are
- How can you create a vision, mission, values that you remember?
- Where can you and others see them?

39

QUESTION FOR TODAY

Where does your library display vision, mission, values?

HIGH-LEVEL PLANNING OVERVIEW

- Plan of Service Review or Creation
  - 5-year plan based on 20-25 year vision
- Operational Plan
  - 1 year – 3 year
- Annual Priorities
  - 1 year with an outlook
- How do you and your patrons know what your Board's priorities are?
- Budgets assign resources to priorities.
  - 1 to 3-year operational budget cycle; 5-year capital budget cycle

41

41

DETERMINING WHAT'S CRITICAL

- To get to the top strategies:
  1. Will this action move towards the library's definition of success?
  2. Will this action move towards the expressed Plan of Service goals?
  3. Will this action provide flexibility for future library leaders to take action?
- Tactics/Actions are High, Medium or Low priority

42

42

PRIORITY REVIEW

- Regular Cycle of Engagement and Review
  - Quarterly Review of Targets & Achievement
  - Setting Priority Strategies for Next Quarter
  - Link Budgets to Priorities
- Celebrate Success

43

43

GOVERNANCE ROLE IN FINANCE

44

GOVERNANCE ROLE IN FINANCE

- The library is required to set and monitor its budget
- The Board has an oversight role
  - No need to see A/R, A/P, cheque register, sign cheques
- Keep an eye on the ongoing variances from what was budgeted.
  - Many variances are because of timing
- Check to see that the money was spent appropriately at the end of the year
- As noted before, keep your nose in and your fingers out.

45

PRUDENT BUDGETING

- Operational Budgeting
- Capital Budgeting
- Reserves
  - Dedicated saving for a specific purpose
  - Optimum balance

46

OPERATING BUDGET AND PLAN

- "A rolling multi-year budget is a spending document that **details expenses and anticipated revenues over the specified budget period**. Each year of the plan is reviewed and approved, with adjustments as required and an additional year added."
  - Total revenues and expenditures by major category
  - Allocated or anticipated funding sources

  https://open.alberta.ca/dataset/496f5f83-08f6-4c9b-9965-7f13d44cb1e5/resource/2d8480e6-5a43-46b2-8bb0-93fc4380818f/download/change-management-corporate-planning-guide.pdf

47

47

CAPITAL BUDGET AND PLAN

- "A capital plan is a **multi-year financial plan that lists the physical assets and needs of an organization**, assesses the condition of those assets, determines what new amenities are needed, and indicates when funds will be spent on both old and new assets. A capital plan **identifies how projects are to be funded** and when projects are to commence."
  - Planned capital additions
  - Timing of capital replacement
  - Allocated or anticipated funding sources

  https://open.alberta.ca/dataset/496f5f83-08f6-4c9b-9965-7f13d44cb1e5/resource/2d8480e6-5a43-46b2-8bb0-93fc4380818f/download/change-management-corporate-planning-guide.pdf

48

48

FINANCIAL REPORTING

- Annual audit is required
- The Board determines the auditor
- Audit is typically presented to the Board annually
- The Board may choose how to communicate financial performance to the public
  - Would likely follow engagement policy

49

49

FIRST THINGS FIRST

50

STARTING WITH ME

- Have supports in place - family, friends, colleagues, administrators, professional coaches, previous ethical trustees

- Principle – keep library business public unless there is a reason not to. Don't only release what must be released

- Follow the spirit of the law, not just the letter

51

51

INTRA-BOARD CONFLICT

- There will be conflict
  - Trustees don't have to be friends, but they do have to deal with one another for the next couple of years at least

- Work to build effective teams
  - Regular, conscious team-building exercises
  - Style analysis
  - Know that meetings are team building events too

52

52

BOARD LANDMINES

- Managing, not leading
- Dysfunctional Board – CEO relationship
- Lack of consensus building
- Confusion with role of Board and committees
- Delving into operations

- Overreacting to issues
- Misuse of confidentiality
- Misuse of position
- Favoritism with public or staff
- Family ties and influences

53

53

TOOLS AND PEOPLE

- Checklist for Ethical Decisions
- Legislative Paramountcy Cascade
- *Libraries Act* and Regulations
- Code of Conduct
- ALTA tools and Manuals

- Your Colleagues
- Previous Trustees
- Privacy Officer
- Legal Counsel
- External Experts

54

54

ENJOY YOUR ROLE OF SERVICE TO YOUR COMMUNITY

ian@strategicsteps.ca
780-983-2227

55