# Basic Principles of Policy Governance

Adapted from the Carver Guide Series on Effective Board Governance by John Carver and Miriam Mayhew Carver

Policy governance provides an empowering and fundamental redesign of the board role. It emphasizes values, vision, empowerment of both board and staff, and the strategic ability to lead leaders. Under this model, a board crafts its values into policies. Except for what belongs in bylaws or enabling statutes, these categories of board policy contain everything a board has to say about values and perspectives that underlie all organizational decisions, activities, practices, budgets and goals. Because values permeate and dominate all organizational life, redesigning policy in this way presents the most powerful lever for expressing board leadership.

## The Principles of Policy Governance

### The Trust in Trusteeship

The board represents the ownership of the organization. The primary relationship the board must establish, maintain, clarify and protect is its relationship with its "owners." In most cases, community college boards consider the taxpayers the institution's owners.

### The Board Speaks With One Voice or Not at All

The power of boards is not as individual members but as a group. The strength of this single voice arises from the diversity of viewpoints and intentions its members bring to it, as well as the way the board focuses this multiplicity into unity. Differences among trustees must be respected and encouraged, but once a vote is taken those who lose must accept the decision and support its implementation.

### Board Decisions Predominately Should Be Policy Decisions

The policy governance model defines policy as the value or perspective that underlies action. Policies embody the board's beliefs, commitments, values and vision. Therefore, they must be the product of the board and must remain

under the control of the board. The model provides strict rules for policy form. Following are the four types of board policies. Examples provided are the broadest statements from the policies approved in concept by the Barton board earlier this year.

**Executive Limitations:** The board establishes the boundaries of acceptability within which methods and activities can be responsibly left up to the president. These limiting policies apply to means rather than ends.

Example: The president shall not cause or allow any practice, activity, decision or organizational circumstance which is illegal, imprudent or in violation of commonly accepted business and professional ethics.

**Board Process:** The board determines its philosophy, its accountability and specifics of its own job. The effective design of its own board process ensures that the board will fulfill its three primary responsibilities: maintaining links to the ownership, establishing the four categories of written policies and assuring executive performance.

Example: On behalf of the owners of the college, the board will govern the college through the expressions of its policies.

**Board-President Relationship:** The board clarifies the manner in which it delegates authority to the president as well as how it monitors and evaluates the president's performance according to the ends and executive limitations policies.

Example: The college president is accountable to the board, acting as a body. The board will instruct the president through written policies delegating implementation to the president.

**Ends:** The board defines which human needs are to be met, for whom and at what cost. Written with a long-term perspective, these mission-related policies embody the board's long-range vision.

Example: The college exists to produce positive contributors to the economic and social well-being of society.

### Boards Should Formulate Policy by Determining the Broadest Values Before Progressing to More Narrow Ones

Knowing that values come in sizes and that large value determinations contain ranges within which smaller ones occur is a key to the organization of board policies.

When writing policies, the board speaks to the broadest values of all four areas before speaking to smaller values they contain. The board can go into as much detail as it chooses as long as it goes in one level at a time. When it reaches a sufficient level of policy detail, it must be ready to delegate all further definition and to accept any reasonable interpretation. Subsequent interpretation of policies in executive limitations and ends is delegated to the president. The board chairman is responsible for subsequent interpretation of board process and board-president relationship policies.

### A Board Should Define and Delegate, Rather Than React and Ratify

The traditional practice of approving staff plans entangles the board in trivia impeding its focus on leadership and freezes the plan in place keeping staff from adapting plans to changing environments. Without criteria already in place, and because the board wasn't involved in creating the plan, the board is placed in a reactive position. Under policy governance, staff plans are judged by the board's ends and executive limitations policies. With those policies in place, the board does not need to approve staff plans. It does need to be assured through communications and monitoring that the plans are within board policy.

### Ends Determination Is the Pivotal Duty of Governance

The ends of an organization are the reasons for its existence. It is obvious that careful, wise selection of ends is the highest calling of trustee leadership. An educational board must become more sophisticated about the skills needed for personal and social success in the world to come. This means turning board attention away from budgets, personnel issues or programs, and focusing on what good is to be done for whom and at what cost. Ends language is never about what the organization will be doing; it is always about what will be different for others.

### The Board's Best Control Over Staff Is to Limit, Not Prescribe

The organization's conduct, activities, methods and practices are its means. To exercise appropriate control without meddling, and to withdraw safely from the details of the means, the board must resist telling the staff how to do its job and must tell the president in writing what is unacceptable. By producing a "don't do it" list, the board builds an enclosure within which freedom, creativity and action are allowed and even encouraged. This method of means constraint makes it possible to govern with fewer board pronouncements, less board member dabbling into details of implementation, and greater accountability from the president.

### A Board Must Explicitly Design Its Own Products and Process

In board process policy, the board states what it expects of itself. It commits itself to use committees only when necessary to help the board get its job done and never to help the staff with theirs. It outlines its own code of conduct, the way it will control and plan its own agenda, the duties of the chairman, and the nature of its linkage to its owners.

### A Board Must Forge a Linkage With Management That Is Both Empowering and Safe

No single relationship is as important as that between the board and its president. The board must carefully craft a form of delegation that balances the need for executive effectiveness and with board responsibility. The board-president relationship policy commits to delegate to staff only through the president, and outlines the job products and evaluation process of the president. The board has the right to expect performance, honesty and straightforwardness from the president. The president has the right to expect the board to be clear about the rules, to speak with one voice, and to get its own job done.

### Performance of the President Must Be Monitored Rigorously, But Only Against Policy Criteria

When the board has told its president to achieve certain ends without violating certain limitations, monitoring performance becomes no less and no more than checking actual performance against these two sets of expectations. By setting the criteria and demanding targeted and precise information, the board is able to effectively monitor the president.