

CHAPTER SIX

IDENTIFYING AND LINKING WITH OWNERS

The Challenge

Ownership is the source of boards' authority to govern. Knowing who the owners are and what they want is thus a fundamental prerequisite of good governance. This chapter examines how Policy Governance boards make the relationship with their owners a reality, becoming more open and accountable to those on whose behalf they exercise their trusteeship.

The chapter begins by reviewing the experience of our eleven organizations in relation to these questions:

- What does *moral ownership* mean?
- How do boards distinguish their ownership?
- Why do boards link with their owners?
- How do boards link with their owners?

Next the chapter looks at what we can all learn from the answers to these questions. From there we look at where your organization might be situated in terms of its linkage with owners. We make some suggestions based on what other organizations have done, and we give tips, tools, and techniques for furthering your board's linkage.

■ The Experience

What Does Moral Ownership Mean?

Board members have long known that they represent someone else as they sit at the boardroom table. They are trustees, which means that they hold something of value in trust for someone else. But who is that “someone else”? Board members know they are legally accountable to the people who vote at the annual general meeting. The Policy Governance literature acknowledges this obligation, but it also refers to “moral ownership,” pointing board members to a broader responsibility to the various stakeholders to whom the board owes its primary allegiance.

Several of the boards we have studied have risen to the challenge of embracing moral accountability rather than purely legal accountability. The board of Parkland Health District fully recognizes its legal accountability to the government; the minister of health is the funding body and has appointed four of the board’s twelve members. However, the board has defined its moral owners as “the people who live in the district, which is a circumscribed geographical area.” Similarly, although the board of the Southern Ontario Library Service is an arm’s-length government agency legally accountable to the government, it considers its moral ownership to be the “people of southern Ontario.”

The moral ownership is not always the same as the legal ownership, but the boards of some organizations can reasonably decide that it is. Membership organizations like the Colorado Association of School Boards are a case in point. In organizations like the Weaver Street Market, the legal owners (that is the shareholders or stockholders) can also be considered the moral owners. However, even in these cases the boards recognize that they have additional responsibilities to the wider communities that they serve, and they have forged links beyond their immediate ownership.

Linking with owners is one of the main jobs a board takes on under Policy Governance. Indeed for many boards this emphasis is one of the most powerful attractions of the model. For the United Way of Burlington, Hamilton-Wentworth, an important factor in the decision to adopt Policy Governance was the promise of furthering the United Way’s relationship with the community. For the City of Bryan, Texas, “The council-ownership linkage may well be the single most exciting component of the Policy Governance model.”

Speaking with One Voice. One central principle of Policy Governance is that the board speak with one voice on behalf of the whole ownership. This principle can conflict with the traditional practices of representational governance. According

to traditional practices, individual owners hold “their” board member directly accountable for everything. They say, “You sit on the board to represent me and my interests, and you will support my interests at all costs.” Speaking with one voice can be a particular challenge for members who are elected or appointed by subsets of an organization’s ownership. These members can easily feel torn between the interests of the owners as a whole and the interests of their constituents.

This problem also applies to publicly elected boards (like city councils, school boards, health boards) and many boards of membership organizations. It can also apply to organizations whose constitutions require that individuals of specific backgrounds be on the board. For instance, Weaver Street Market’s board is required to have two “consumer-owners” and two “worker-owners.” For health or hospital boards, legislation or bylaws may dictate that the chief of staff be a member. It is not uncommon for other boards to be required to have a staff member on the board.

With Policy Governance, the fact that members are appointed or elected to the board from different constituencies is seen as helping the board reflect the diversity of the organization’s ownership. However, once appointed or elected, the board member’s job is not to represent particular sections of the ownership but to ensure that the whole board is accountable to, and representative of, the entire ownership. Everyone is seen as potentially bringing valuable experience and knowledge to the boardroom table, and no individual or subgroup is seen as having more of a “right” to command the board than any other.

The board of Parkland Health District, in its Linkage with the Community policy, makes its position clear: “The board shall be accountable for the district to its owners as a whole (not as individual wards). The board shall act on behalf of the district as a whole, rather than being advocates for specific wards or interest groups.” Even with such a policy, the board must remain vigilant to ensure that new members truly get the message. Jan Moore, a Policy Governance consultant who has worked with the Parkland Health District board and who is a contributor to this book, says, “New board members who are elected because they have a particular ax to grind or who believe that their job is to manage must be oriented very quickly to the model that the board has chosen to use and must be convinced that it is an effective way to carry out their responsibilities.” (See Chapter Eight for more on orienting new members.)

Putting Owners Ahead of Staff and Consumers. Having staff members on a board can interfere with the board’s link with the owners. When staff members are on a board, they represent the entire ownership, and the fact that they also happen to be employed by the organization becomes secondary. The challenge for these board members is to consider the interests of the owners ahead of the interests of staff members or even customers (who are not always owners).

On the Weaver Street Market board, the CEO is a full voting member. This was in place before the board adopted Policy Governance and has remained that way. The board and the CEO are aware of the potential pitfalls and have made a conscious decision to continue, at least for now. The board is satisfied that the board and the CEO can handle this “wearing of two hats.” The chair says, “The general manager [CEO] has done an extraordinary job of playing dual roles and clearly exhibits complete discipline in the handling of both roles.”

A recent trend in board membership is to have consumers on the board. This is usually done to ensure consumer input into decisions about issues such as access, program design, and other aspects of service delivery. Such consumer input is important, but having one or two consumers at the boardroom table is not the best way to get this input, as will be seen later in this chapter. The concept of moral ownership causes a board not only to define the ownership but also to look for the optimum ways that all the voices it needs to listen to can be heard.

How Do Boards Distinguish Their Ownership?

Some organizations can clearly identify the “who” of ownership from the start. For the board of Parkland Health District, it is the people of the district. For the council of the City of Bryan, it is the citizens. For the Colorado Association of School Boards, it is the member school boards.

For other organizations, determining ownership can be much more difficult. A particular example is provided by professional regulatory organizations. Through legislation, certain professions are granted the right to be self-regulating but must act “in the public interest.” The confusion is about who the ownership is. The professionals who are usually called “members” and who are certainly “customers” of the organization’s services and who are heavily represented at the board table can be forgiven for believing that they are the owners. However, as the organization’s mandate comes from the government (as an agent of the public) and as the organization is obliged to act “in the public interest,” the ultimate ownership undoubtedly has to be the public. This is not a popular conclusion among professionals who naturally perceive the organization as their own and who want it to act and advocate for them.

At least three of the organizations we have studied have struggled to pinpoint that “someone else” on whose behalf they are governing. The United Way of Burlington, Hamilton-Wentworth, reports that ownership is “still an unresolved issue.” The organization has relations with (1) donor organizations from whom it raises funds and for whom it administers the funds, (2) member agencies to whom it allocates funds, and (3) the community, which is the ultimate beneficiary of the funds. For the moment it has defined its ownership “as the diverse communities

of the region.” The Vermont Land Trust has had similar difficulty with the ownership concept and says, “Often there is confusion between beneficiaries, owners, members, and funders.” The board now considers its ownership to be “everyone who lives in Vermont and comes to Vermont.” Taking the broad community option can be the most appropriate solution, but it can also be an avoidance of making difficult choices that could greatly enhance the organization’s focus.

In defining ownership, boards sometimes ask, “Who would care if the organization closed tomorrow?” In using this question, boards need to be wary. The answer often points to the organization’s customers. Although owners can also be customers of an organization, a board should delve a little deeper before finalizing its thinking.

For the following two organizations, such an inquiry produced definitions that are not immediately obvious. After “a real struggle for the board,” the Early Childhood Community Development Centre now defines its ownership as “organizations/individuals involved with the care and education of children.” The board of the San Francisco AIDS Foundation now governs on behalf of “those who demonstrate an active determination and commitment to hasten the end of the pandemic and promote the basic human rights and well-being of people affected by the HIV disease.” These conclusions will produce very different organizations than those that might have emerged if the organizations had concluded that their owners were their current customers or their communities as a whole.

At times, the search for the answer to the question “Who is the ownership?” may seem akin to searching for the meaning of life. However, the search is worthwhile. From the answer to this question will flow the answers to many of the other difficult questions the board needs to address.

Why Do Boards Link with Their Owners?

By adopting the principles of Policy Governance, a board becomes the link with the ownership. This is one of the board’s main job products, as well as one of its main activities. When asked why it would want to link with the community, the West Prince Health board identified the following reasons: fulfilling moral accountability, identifying the community’s needs, educating the community about health and about the board’s work, building relationships, articulating values, and receiving feedback on Ends.

The board of the Vermont Land Trust wants to have this linkage to create the future and to hear about needs, trends, and possibilities. The board worked with a small group of citizens in the first phase in its Ends work. Composed of people with a wide range of backgrounds and outlooks, this group helped broaden the board’s thinking. The San Francisco AIDS Foundation has relied on small

groups to inform the board's thinking about specific issues—for example, the housing needs of people with HIV.

Weaver Street Market linked with its ownership to get feedback on values, to fulfill accountability, to build relationships, to educate owners about board member recruitment and the board's approach to governing, to secure input on Ends, and to share information about Ends. Almost four years after its decision to adopt Policy Governance, the Weaver Street Market board now focuses much of its attention, and consequently its time, on ownership. "What is very evident is that, for Weaver Street Market, ownership is not simply a defined group to whom the board is accountable, but it is a fundamental aspect of what Weaver Street Market is. Ownership itself provides something to individual community members who are owners, as well as to the community as a whole."

Linking with the ownership is a major challenge for a health board like the Parkland Health District. According to the CEO, "The nature of public involvement related to health tends to be one in which people say little unless they are directly concerned. In other words, 'I won't take the time to tell you what I think until my family or I become ill. Then I want all possible health services to be available.' Thus the board must find ways to hear from the owners in a more regular way. It also needs to hear from those segments of the ownership that are traditionally the unheard voices."

If Parkland Health District's board needed any further reason to link with the community, it got that in the annual report of the Saskatchewan provincial auditor, who recommended that board members

- Validate their prioritization of Ends through community consultation
- Improve their process of ranking priority health needs by using real health status information

See "How Do Boards Answer the Question 'At What Cost?'" in Chapter Five for the full set of recommendations.

The Parkland Health District board is using policies based on the framework for ethical decision making developed by the Queen's Region Health board in Prince Edward Island. The framework is intended to help the Parkland board members make "At what cost?" decisions as part of Ends development or, in the words of the auditor, to "validate their prioritization of Ends." The framework is a variation on common ethical decision-making models. Although any type of board could use this decision-making process, the part that is unique to each organization is the inclusion of ownership values as articulated by the board. To determine these values, the board can use several methods, such as focus groups and case studies. The framework is described in Exhibit 6.1.

EXHIBIT 6.1.
FRAMEWORK FOR ETHICAL DECISION MAKING.

1. Describe the need to make the decision or to solve the problem.
What problem are we trying to address? Why do we need to make a choice?
2. Gather data as necessary to understand the problem.
What general information do we need to understand the problem? What are the main issues to consider in making the decision? Describe the values to be considered, and outline any potential conflicts between values.
3. Identify relevant stakeholders, say how they may be affected, and consult with them.
4. Develop alternatives, and consider their impacts.
What are the alternatives to be considered? Project the consequences and the opportunity costs of each alternative, both short term and long term. Identify the values conflicts inherent in the various alternatives.
5. Apply criteria for decision making, and evaluate alternatives or options.
 - a. Apply the value of achieving as much benefit as possible for the community with the resources available. The benefit could be measured objectively in (1) years of life gained and (2) quality of life years maintained or improved. Information about these indicators may fall under one of three categories:
 - There is clear and definitive information about the benefits or harm.
 - There is unclear or conflicting information.
 - There is no evidence.
 - b. Review the alternatives in light of existing policies, laws, and principles of primary health care and in terms of increased community involvement.
 - c. Evaluate and compare the relative costs. Include the opportunity cost—that is, what is the cost of not doing this as well as the cost of doing it?
 - d. Evaluate the options in light of relevant values, projecting how each alternative will impinge on values.
 - e. Choose the option that on balance provides the most benefit to the most people for the best cost unless it impinges inappropriately on
 - i. The autonomy of individuals or groups of individuals within the community

EXHIBIT 6.1.
FRAMEWORK FOR ETHICAL DECISION MAKING (*continued*).

- ii. The access to service or the support of individuals or groups of individuals in need within the community
- iii. Emergency service or support, creating a financial, physical, or psychological threat to life
- iv. The self-reliance of individuals or communities

6. Make the decision.

Based on the information and decisions from your “most benefit” and health reform analysis and considering that on balance key values as defined have not been violated, the best decision is. . . .

7. Educate, inform, and evaluate the decision.

Source: Adapted from J. R. Williams, M. Yeo, and W. Hooper, “Ethics for Regional Boards,” *Leadership in Health Services*, 1996, 5(4), 22–26. Reprinted by permission of the publisher, MCB University Press.

Exhibit 6.2 summarizes the reasons that the boards of some organizations choose to link with their owners, as well as the techniques and tools that the boards used. Although these organizations differ greatly in nature (there is one municipal government, two quasi-public sector organizations, a for-profit cooperative, two community organizations, and a membership organization), their reasons for linking with owners are remarkably similar:

- *Accountability:* Reporting back to the ownership about the organization’s performance, both in achieving results or Ends and in complying with Executive Limitations.
- *Creation of the future:* Getting input and feedback for the development of Ends and perhaps Executive Limitations.
- *Values articulation:* Hearing about priorities and about the values that should be part of the decision-making process and addressing the question “At what cost?”
- *Education:* Explaining the governing role and the model of governance, educating the owners about the concept of ownership, and expanding their knowledge and understanding of owner issues.

You will find more about these techniques and tools in Exhibit 5.11 and in Resources A and B at the end of this book.

EXHIBIT 6.2. OWNERSHIP LINKAGE TOOL FINDER.

When You Want to Link with the Ownership in Order to . . .	Try This
Be accountable	Annual general meeting Open board meeting Presentations by the board Newsletters Newspaper advertisements Annual report Information on web site
Create the future (considering owners' needs, concerns, and demands—Ends work)	Search conference Board-to-board meeting Breakfast meeting Needs assessment Various small-group processes: fishbowl, roundtables, brainstorming, affinity diagram process Expert informants Focus groups Statistics, demographic data Community profile Presentations to and by the board Board recruitment Brown-bag lunch Open forum Town hall meeting Topical community/membership meeting Focused questions Board committee
Clarify values (Ends and Executive Limitations)	Surveys Case studies, scenarios Ethical decision-making framework
Educate the owners	Presentations to and by the board Board-to-board meeting Annual general meeting Expo, poster session Newspaper articles Sponsoring speaker Newsletter
Build a relationship	Board-to-board meeting Community or membership meeting Presentations to and by board

The CEO of the Early Childhood Community Development Centre sums up the benefits of linking with the ownership in this way: “The board has created an organization that works on behalf of the ownership by talking with the ownership and creating what they want their organization to be and [determining] at what cost.” Most boards intuitively believe in the wisdom of community. They would not think their governing job to be complete without connecting with those for whom they hold the work of the organization in trust. For these boards, the reasons for linkage are compelling. Linkage helps them realize a major part of the promise of Policy Governance.

How Do Boards Link with Their Owners?

John Carver identifies three types of board linkage with their owners: attitudinal, statistical, and personal. Boards might begin to forge a link by examining their own process and ensuring that it accounts for owners’ needs and by seeking more information about the owners. Boards may also engage owners in a dialogue in various ways.

Examining Their Attitudes Toward Owners. Board members don’t always see the importance of linking with owners to their role as trustees. They sometimes ask the following questions:

- Why would we want to meet with the community when they put us here to do a job on their behalf?
- Why do we need to meet with the community when we already know what they think?
- Why meet with the community when they don’t understand all this stuff?

Such attitudes need to be challenged if linkage with ownership is to be successful. Boards that rely only on the diversity of the board member mix for linkage with ownership are missing out on the much wider and deeper pool of wisdom available outside the boardroom. Nevertheless, one very important and straightforward way for a board to link with owners is to ensure that the diversity of the ownership is represented at the board table. Boards with control over their member recruitment process can begin to link with owners by adjusting the recruitment process and by establishing qualifications for board members. If board members are to be elected, a board can publicize the criteria required of candidates for election, along with information about the governing model. If board members are to be appointed, a board can recommend criteria for candidates to the appointing body. For example, the Early Childhood Community Development Centre outlines a thorough process of recruitment and selection. The board

“felt strongly that the board complement needed to be broad and reflect community ownership.”

All the boards in our sample that are engaged in Ends development recognize that reviewing recruitment processes is just a start. For example, the board members of the Vermont Land Trust believe that they “are at the very beginning of [linking with the ownership] now.” Yet they are conducting an impressive Ends process with all kinds of rich owner-focused questions and dialogue. In order to grapple with the “what good for which people at what cost” questions, the board invited a group of key informants for a roundtable (see Exhibit 5.5 for a full description).

This process is also known as “the fishbowl” and can be used by any board for their Ends work or in determining ownership values. (This tool is described in detail on pages 396–398 of *The Fifth Discipline Fieldbook* by Peter Senge and others; see Resource C for details.) Using such techniques, boards, like the board of the Vermont Land Trust, can reach out well beyond themselves to involve their owners in creating their organization’s future.

Seeking Information About Owners. A board can learn much about its owners. Needs, demands, use patterns, fears, values, and trends can be gathered from surveys and data. West Prince Health and East Prince Health both carried out community needs assessments. The process had four parts: a survey, a community profile, an analysis of community demographics, and community meetings. Parkland Health District conducted a targeted needs assessment directed at youth. From the surveys and demographics, these boards began to get an understanding of the health needs in their communities and some notion of priorities.

In *Owners’ News*, Weaver Street Market’s ownership newsletter, the organization reported that it had done a survey: “The survey used the mission statement the owners were familiar with as a source to get feedback on possible effects for Weaver Street Market and Weaver Street Market values, while also causing respondents to make some choices [to prioritize] among different items. Owners were asked to check off various degrees of agreement or disagreement to selected value-based statements from the mission statement. . . . By seeking feedback on something owners were familiar with [the mission statement] and in a language they understood, the board felt it could then extrapolate possible basic values inherent in the responses.”

In its four-step Ends development process, the City of Bryan included a staff-generated background paper that includes an environmental scan (a review of data and information on issues affecting an organization now and likely to affect it in the future). The board of the Early Childhood Community Development Centre conducted an impact study, which included these questions:

- What is the current impact of the Early Childhood Community Development Centre on child care in the Niagara Region?
- If we are to be successful as an organization, what should the community impact be in the future?
- How will we know if we are successful?

Members of the ownership were randomly selected for this survey. The board used the data collected from the survey to develop its Ends.

In addition to carrying out its own survey, a board could use data collected and made available by other organizations—those with similar owners or customers as well as the more obvious sources of census and other relevant data.

Getting to Know Owners. To deepen its knowledge of who the owners are and identify opportunities for interacting with them, a board may want to ask itself some or all of the following questions:

- Who are the formal and informal community leaders?
- Who are the influencers in the ownership group?
- Who else is interested in our mission?
- What else is going on (in the community) that we can be part of?
- Which are the influential and successful community organizations?
- Where and how do people gather in our community?

The payoffs from getting to know owners in person can be great, but there are several obstacles to this endeavor. On their first attempts to interact with the ownership, several boards discovered that the discussions were dominated by immediate and often individual concerns about programs and services. When owners are also customers, which is true for the majority of the organizations that have contributed to this book, the challenge is to separate owner concerns from customer concerns. A member of the East Prince Health board takes the following approach: “If a citizen calls me about a particular concern, I use the opportunity to listen and turn the conversation around, to get input on larger issues.”

At each council meeting of the City of Bryan, citizens have three minutes to make a personal presentation to the council. The mayor thanks all presenters, informing them when appropriate that their issues are means issues and as such have been given to the city manager to handle. Presenters are asked to leave their names and telephone numbers with the city secretary and are informed that a staff member will contact them the next day to discuss the issue further.

Customer input can have an important impact on the development of board policies. Customers may not only have valid input on Ends but also valid concerns and worries about how they are achieved. The board explicitly addresses these

worries in its Executive Limitations policies. Customers and owners can, for example, comment on board policies for the treatment of customers, which may cover issues such as access, customer involvement in program design, risk, safety, confidentiality, and competence of staff. As another example, customers may have something useful to say about how staff members are treated, which could be reflected in the board's Executive Limitations policy on the Treatment of Staff.

The important thing in personally linking with the ownership is to demonstrate to people that their concerns are taken seriously, whether by the board or by the staff. An appropriate response will help build good relationships. Board members often observe that when people have the ear of the board, they use that opportunity to vent a little. Once the venting is done, people can move more easily to "owner" issues. Owners need to be educated about the difference between owner and customer concerns. Because this is not always possible or easy, the board and the staff must be absolutely clear about the difference themselves and ensure that there are opportunities and mechanisms to hear both types of concerns.

Setting Up Opportunities for Dialogue with Owners. Connecting with a large ownership like an entire city or the people in a health district is onerous unless the task is broken into manageable pieces. Here are some ways that various boards have approached the task:

Board Organization. The board can set about its linkage work as one group or by delegation to a committee, to subgroups, or to individuals.

- *Whole-board meetings.* Many boards choose to meet their owners as an entire board so that all board members are exposed to the same information.
- *Delegation to a board committee.* Some boards delegate some of the ownership work to a board committee, making the work more manageable. The board gives tasks to the committee according to its Governance Process policies on committees. For example, Weaver Street Market established an ownership committee. Its product and authority are outlined in this board policy on Committee Structure:

Product: Options and implications for board consideration and/or, as appropriate, follow-through on board tasks with respect to the board's relations with its owners—schedule as set forth in the board's annual planning calendar or as determined by the board. This includes, but is not limited to: owners' communications, board election, and owners' meetings.

Authority: To incur resources not to exceed relevant amounts defined in the board's annual budget or as defined by the board.

- *Delegation to subgroups.* Similarly, the board of the Colorado Association of School Boards (CASB) began its linkage work by grouping the membership (or ownership) geographically, then delegating each geographic region to a subgroup of the board. All subgroups are to design “their ownership interface strategies based on the particular needs and idiosyncrasies of their region. The job of the subgroups is to go out and talk with the membership and create a live link. Some groups are putting together focus groups. Some subgroups have divided up their work so that they are able to make personal visits to [CASB member] boards [the CASB’s owners] in every region over the course of a year.”

- *Appointment of liaisons.* Another option is to have individual board members take on responsibility for linking with specific bodies. Parkland Health District’s Governance Process policy on Linkage with the Community explains their approach: “The board members from local communities, with the CEO and/or the board chair or vice-chair, if possible, will liaise with local bodies when required, [either] to report to government on board activities or [to] respond to local issues. Such local issues shall be brought to the board for districtwide decisions.”

Methods. The boards in our sample had experience developing and using a wide variety of methods to link with their owners. Here are a few:

- *Links with other boards.* Connecting with the boards of other organizations that represent the same ownership can be a productive way to form a link with owners. For a board with a very large ownership or one that is geographically dispersed, this may also be the most efficient method. Boards talk to other boards about mission and common community or ownership issues. Sometimes there is an opportunity to educate another board about Policy Governance.

The San Francisco AIDS Foundation had a series of one-on-one meetings with boards of other agencies but found that it needed to have a staff member as well as a board member at each meeting “because when you link with organizations that are not Carver, those other boards want to talk about *means*.” Now the staff can address the means questions at the meetings, and the board members can engage in the conversations they need to have. An unintended benefit of this type of linkage can be a new relationship between the staffs of organizations. The result can be joint programming or shared services.

- *Presentations by the board.* Some boards link with ownership through presentations about their work; these can take place in a variety of settings, as described in this chapter.

The council of the City of Bryan makes presentations on Bryan Policy Governance to civic clubs and nonprofits, which represent citizens in a different way.

At a joint meeting with a board of a large provider of child care, the board of the Early Childhood Community Development Centre made presentations on ownership and Policy Governance.

Every year each Parkland Health District board member makes up to three presentations to community groups, which are selected to ensure a cross-section of the population. The entire board determines the content of these presentations, which outline the board's priorities for one to three years and state the rationale. They also include two specific questions on which the board wants feedback.

- *Presentations to the board.* Boards can also have owners make presentations to them. The City of Bryan's council has a four-stage Ends process. The partnership discussion stage involves presentations from other agencies and entities and allows individual citizens to comment on a particular Ends topic. (See Exhibit 5.3 for more on that board's whole process.)

- *Brown-bag lunches.* The San Francisco AIDS Foundation board holds lunchtime sessions to which it invites individuals to bring their lunches. Community members participate in discussion with the board on a specific issue. (See Exhibit 5.4 for the board's whole process.)

- *Focus groups.* As part of its Ends development process, the board of the Colorado Association of School Boards held focus groups with members and allied groups. At these focus groups, the board posed a series of questions, including, "What is it that the Colorado Association of School Boards should be providing in the way of member benefits that it isn't now?" The board took the ideas generated in the focus groups and began to define which member concerns were reasonable, unreasonable, or top priority. They narrowed the list to five broad statements.

- *Letters.* Periodically, the East Prince Health board writes a one-page letter on a particular topic. A database of four hundred community leaders has been compiled. The board sorts the letters according to the leaders' postal codes. Each letter is personally signed by a board member living in that postal code area. Leaders are invited to give feedback or comment by calling the board chair or the board members who signed the letter.

- *Newsletters.* Some Policy Governance boards educate owners about the ownership concept by publishing a newsletter. As mentioned, Weaver Street Market developed the *Owners' Newsletter*, "a publication of the board that is solely intended to foster a dialogue between Weaver Street Market and the owners on topics . . . related to ownership." The first issue in October 1995 explained the board's shift in its approach to governing.

- *Discovery meetings.* To further its work on Ends, the East Prince Health board developed three questions to ask about families at a series of discovery meetings:

What is your vision of the future with regard to healthy families?

How does your organization contribute to and enhance family life in this community?

What are the barriers to your vision?

The board compiled a list of organizations in the community with an interest in healthy families, and the board chair sent a letter inviting representatives from two community organizations to each meeting. The letter outlined the context for the discussions and the board's work and asked each organization to bring a one-page sheet with information about itself.

At the meeting, each organization was asked to focus on the discussion questions. The result was a three-way conversation at each meeting between three very different organizations, all with a common mission. East Prince Health then used the information from that conversation in its Ends development process.

- *Open community meetings.* Some boards take advantage of existing open community meetings to get in touch with their owners. Others set about creating open community meetings for their own specific purposes. The West Prince Health board did some preliminary Ends work using brainstorming, mind mapping, and presentations by staff on statistics and demographics. After sketching out four categories of Ends, the board set up four community meetings, one to focus on each Ends statement. Letters of invitation went to individuals and organizations. Advertisements were also placed in local newspapers. At each community meeting, the board chair did a brief presentation to set the context for the evening. The audience was broken up into smaller groups, which were each assigned three questions. The board had several purposes for the meetings: to validate what it already knew, to gain more information about and interpretations of the four Ends, and to further its relationship with the ownership in a positive way.

Two times per year the Parkland Health District board holds public meetings in which the program and the financial achievements of the prior year are reviewed and the public is informed of the board's plans. Feedback about the board's strategic direction is solicited through specific and open-ended questions. (See Exhibit 5.2 for more on that board's Ends process.)

- *Telephone polling.* The Colorado Association of School Boards put their questions on a free phone line. Owners were invited to call in and complete the survey. You will find more methods for linking with owners in the "Practical Tips and Tools" section of this chapter.

Key Learnings

Other boards may benefit from some of the main points that emerge from the experiences of the boards we have studied.

Boards Want to Represent Owners

The potential to form stronger links with owners is one of the things that draws boards to the Policy Governance model. Even though boards have always considered that they represent the community, the model has encouraged them to do so in more real and powerful ways.

Identifying Owners Isn't Always Straightforward

Identifying the ownership is much more difficult for some organizations than for others. Those who have difficulties require a particularly deep understanding and commitment to the principles of the “trust” in trusteeship and the board speaking with “one voice.” The challenge is often knowing who the ownership is not. Confusion between owners and customers is very common.

Boards Need to Take Owner Input Seriously

Some boards see linkage with ownership as a good thing to do, and others see it as a fundamental obligation. Boards should consider carefully what they intend to do with what they hear from the ownership. In a newsletter to clients, Jan Moore counsels boards to ask themselves, “Is the intent of connecting with owners merely to ‘be seen’ to be allowing ownership input, when in reality the desire is to limit the ability of the owners to effectively influence a desired decision, or is the intent to give due consideration to owners’ views when making a decision?” Boards that fundamentally believe they are governing on behalf of someone else will struggle less with linkage. And boards that believe in the community’s wisdom will find a greater richness in ownership linkage.

There Is More Than One Way to Link with Owners

There are various ways of linking with the ownership. All of the contributing organizations have done some linkage. Forming links through personal dialogue with owners seems to be the most common route, but the boards we have studied

also provide good examples of linking through research about owners' needs. Ends work often makes this focus on owners a natural part of the process.

It Helps to Understand Why You Are Linking

Clarity of purpose helps boards construct useful methods of linking and choose workable techniques. Boards commonly link to be accountable, to create the future, to clarify values, to educate the owners, and to build a relationship with the owners.

Get to Know What Works for Your Ownership

Boards that become familiar with their ownership (whether it consists of members, citizens, or subgroups of the community) will be more successful in discovering what tools and techniques work with which group. Linking with a large ownership is tougher and will require more innovative tools and techniques. Building on existing opportunities can save time and effort.

○ Taking Action: Strategies for Where You Are Now

Linking with the ownership can be one of the trickiest pieces of the board's job for a variety of reasons:

- The ownership is hard to identify.
- The ownership doesn't know it is the ownership.
- Some people who think they are the owners are not the owners—or at least not all of the owners.
- A board is not aware of the tools and techniques available.
- A board is unclear about why it should link and what to talk about.
- People are busy.

On the other hand, linkage with the ownership can be one of the most rewarding pieces of the board's work. This chapter is meant to help your board break up the job into manageable chunks, aid you in preparing for this work, and suggest tools and techniques that are easy to use. If your board feels it still lacks the group process skills to do this work, there are several other avenues. You can

hire a consultant, seek in-kind services in the community, use staff expertise to design the process, or train yourselves in group process techniques.

Allocate one hour on your next board agenda to assess where you are in regard to linking. Pick one of the suggestions from this chapter and make a plan.

If Your Board Doesn't Know Who Its Owners Are

Some boards cannot identify their owners. Until they do, the Ends conversation has nowhere to start, and ultimately there can be no real accountability. The next “Practical Tips and Tools” section gives a variety of suggestions to break through this barrier.

If Your Board Is Unclear About What to Do Next

Your board may be unclear about how to proceed with ownership linkage. If so, refer to the next “Practical Tips and Tools” section for a host of ideas.

If Your Board Is Unclear as to Why It Should Bother

When a board sees itself as already being representative of the ownership, it can seem unnecessary to make extra efforts. See the next “Practical Tips and Tools” section for ideas to provoke a more in-depth analysis.

If Your Owners (and Staff) Want to Talk About Operational Complaints

Owners are often customers too. Naturally they want to talk about the immediate, tangible issues affecting them today. No one is more aware of customer issues than frontline staff members, so how can they be expected to refrain from raising customer issues at the boardroom table? See the following “Practical Tips and Tools” section for some ideas on handling these issues.

If Your Ownership Links Are Under Way

If your board has had some successful linkages with the ownership, celebrate! Then at your next meeting take some time to assess what worked well, why it worked, and what you can do differently next time. Maybe it would be beneficial to share your success with other relevant organizations by meeting with the members of their boards.

► Practical Tips and Tools

Identify Your Owners

If you're struggling with the question "What does *ownership* mean?" try some of the following ideas at your next board meeting.

- Imagine that you are the board of an organization and that you are representing the stockholders. You decide to call a meeting of the stockholders in your company. Look out at the meeting room. Who would be there?
- Pretend that the stockholders have sent letters to the chair asking for a meeting with the board so the board can account for the past year's results. Who would have sent the letters?
- Imagine that your organization (and your board) doesn't exist. People are gathering around a kitchen table and saying, "There is a big need in our community, and we really need to do something about it." Who would those people be?
- If you think your ownership is quite small and focused, rethink that. Ask yourself, "Are these customers?" If the answer is yes, now look more broadly. Is it possible that your ownership is the citizens of your community? Customers can also be owners, but don't stop there. Be rigorous in your search for the moral ownership.

Work Out What to Do Next

A board may be discouraged because the ownership seems too large for any linkages to be made. If this is what your board is thinking, just do it! Take a deep breath, bite off a small chunk, pick a small group to link with, and enjoy it! Look at Exhibit 6.2, pick a tool, and give it a try.

You may need to create a context for the discussion with the ownership by doing a brief presentation at a meeting, submitting articles to the local newspaper, or perhaps sponsoring a series of shows on your local cable television or radio station. Before your discussion, consider these questions:

- What specific questions about Ends do you want to focus on?
- Which populations do you want to target, if any?
- Which owners have the information you need?
- Who can provide diverse opinions?

EXHIBIT 6.3. MULTIPLE VOTING.

Purpose

Multiple voting is a group decision-making technique designed to reduce a long list to a manageable number of ideas.

Guidelines

- Review the list of brainstormed ideas and combine redundant entries. (Be sure to combine only redundant ideas, as opposed to similar ones.)
- Have members decide on the criteria for selecting ideas.
- Have each member vote for an agreed-on number of ideas. The team decides how many votes each person can have. This usually equals approximately 20 percent of the total entries on the page. Each group member has the same number of votes.
- Members can give only one vote to an individual idea and should use all of the votes agreed on by the team.
- Members make tally marks next to the items on the flip chart they are voting for.
- Ideas with the most votes receive further consideration.
- Remove those items that receive one or zero votes.
- Repeat the process. Two rounds should be sufficient to reduce a long list to a few workable ideas.
- Allow members to make a case for an idea that is being discarded. Don't hesitate to repeat the process if new information comes to light in a discussion.

If you want to focus the discussion on a particular need, group of needs, or target population, you will most likely want to develop questions that will ensure this focus. But also make them open-ended, to elicit informative responses.

Techniques such as multiple voting and weighted voting (see Exhibits 6.3 and 6.4) can help you sort through all the ideas you will be bringing back to the boardroom.

Become Clear About the Purpose

If your board is unclear about why it should link with its owners, you may want to review Policy Governance principles that underlie linkage with the ownership. Your board members could consider these discussion questions:

EXHIBIT 6.4. WEIGHTED VOTING.

Purpose

Weighted voting is similar to rank ordering, but it reflects people's strength of feeling about various ideas rather than just their order of importance. This group decision-making technique provides a visual display of the individual and team priorities among ideas on a relatively short list. The purpose is to prioritize a list of ideas and to recognize their relative merit in the eyes of the group.

Guidelines

- Ideas are listed on a flip chart.
- Members decide on the criteria for ranking ideas.
- Each member is given a number of votes that represents 125 to 150 percent of the number of items. (If there are five items, each team member gets eight votes.)
- Members reflect the relative strength of their preference for an idea by distributing their votes accordingly. The purpose is for each team member to reflect his or her true preference, not to be strategic about "tipping the balance" of the voting.
- The individual preferences can be indicated with sticky dots or with felt-tip marks on the flip chart paper.

The flip chart clearly shows the relative weight of team members' preferences.

- What does *trusteeship* mean to us?
- Do we know everything we need to know in order to govern?
- What more do we need to know?
- Where can we find out more?

Looking at the common purposes of linkage in Exhibit 6.2 and identifying the benefits of broadening that linkage beyond the boardroom may convince your board to plan some linkage activity at its next meeting.

Ask yourselves the following questions:

- What can we learn from owners to create the future?
- Do we need to be more accountable?
- Do we need to educate our owners about what we are up to?
- Do the owners know the issues?

- Do the owners understand the needs we are trying to meet?
- Do the owners understand the root causes of the issue we are dealing with?
- Do the owners know the barriers to our making a difference?
- How can the owners be part of the solution, both through us and directly?

Deal with the Immediate Concerns of Owners, Customers, and Staff

If your board has members who have been appointed because they represent staff or consumers, try setting up a solid complaints process that outlines the roles of the board and the staff. Board members will then have comfort in knowing there is a process for dealing with customer issues. Furthermore, if an Executive Limitations policy says that the board will track customer concerns through regular monitoring reports, the board can feel more at ease. Parkland Health District's board has established this policy: "The CEO shall not fail to consult with appropriate community advisory groups when determining appropriateness of *means* for achieving the board's specified Ends." Thus the board explicitly states its value of consumer involvement. In a similar way, the board can have an Executive Limitations policy dealing with staff issues to ensure that staff issues are truly dealt with, just not mentioned at the boardroom table.

Expand the Board's Thinking

If you want to expand your board's and your ownership's thinking, try some creative-thinking processes for large groups like a search conference or some techniques for smaller groups like brainstorming and mind mapping. For more on search conferences see "Future Searches" by M. Weisbord, which appears in *Community Building*, edited by K. Gozdz. For more on brainstorming and mind mapping see Exhibits 3.6 and 5.12, as well as *The Mind Map Book* by T. Buzan and B. Buzan. Details about both works are in Resource C. Processes like these are inclusive and unthreatening to all participants. They can help any group focus on the future, and everyone usually leaves with some new learning.

THE POLICY GOVERNANCE FIELDBOOK

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Tools from the Experience of
Real-World Boards

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