

THE IMPORTANCE OF EVALUATION

How to use evaluation to assure Board excellence

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DISCUSSION

What is happening in Aged Care?

- Changes due to the outcomes from the Royal Commissions
- ASX Governance Principles Change to focus more on annual review of Boards and Directors
- Regulator changing focus on governance through Standard 8
- Importance of evaluation and feedback for self-reflection and focus on performance

The board drives culture



ASIC 2016 Why culture matters

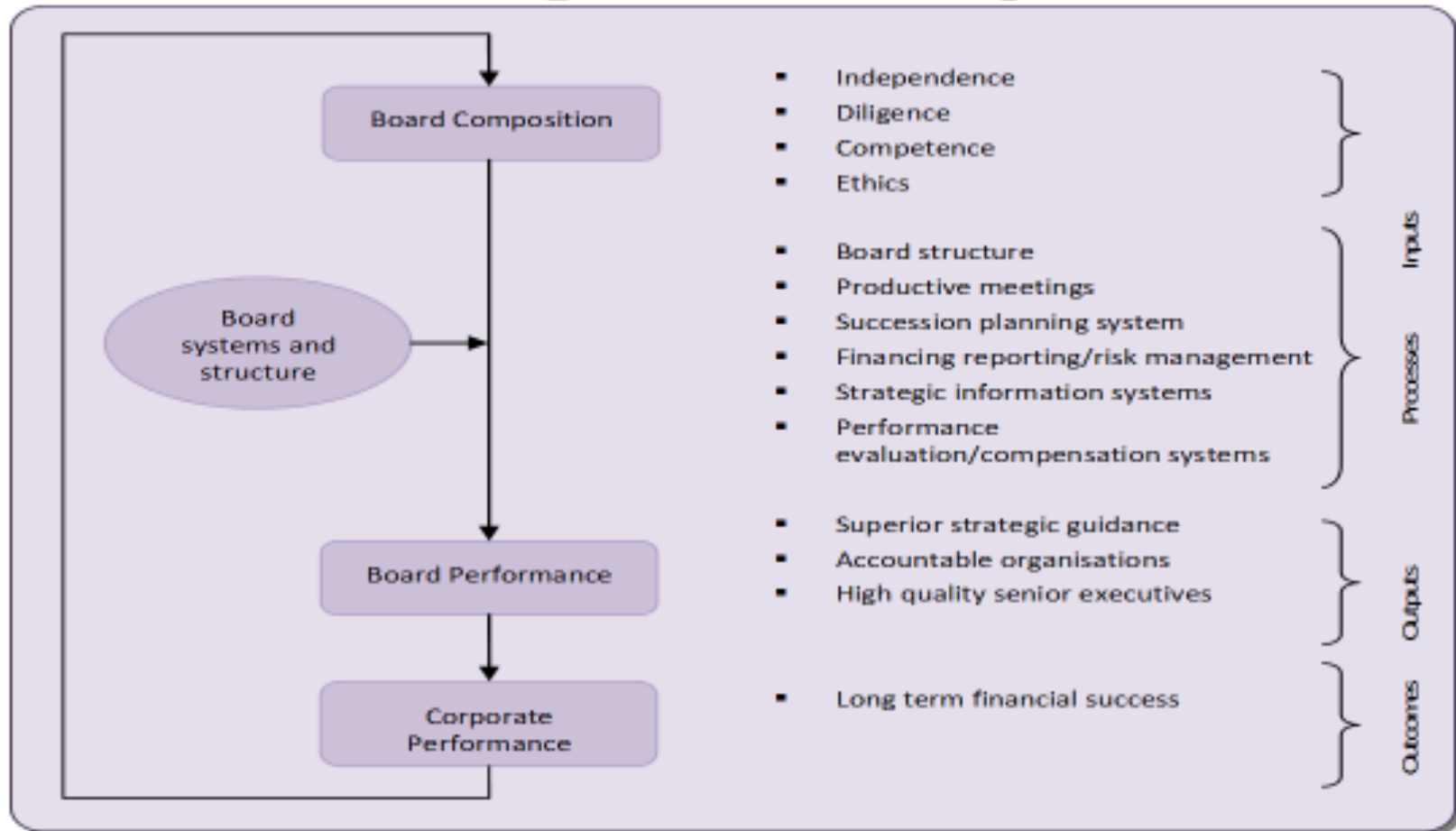
What is board evaluation?

- Governance is complex – particularly your corporate governance (both boards and directors) and sector responsibilities
- Evaluation simplifies that
 - It gives the boards/directors the chance to see how they stack up against those
 - Decide for what you need to lift to meet expected standards
 - Leading on a culture of continuous quality improvement from the top

Why is evaluating a board in Aged Care important?

- Continuous review and development
- Gives opportunity for discussion and focus about what matters
- Builds team insight into issues and for problem solving
- Constant learning process
- Look at trends and benchmarks across the years
- Important information for Chairs to lead and understand the board
- Public confidence and trust
- Evidence indicates it is a key 'process' to achieving high levels of performance.

Elements to achieve high levels of Board performance



What are the key areas that an evaluation should focus on?

- Governance Risks –
 - Corporate Governance and Sector Specific
 - Systems and processes
 - Culture/Behaviours
 - Individual Director

What can you expect to get out of an evaluation in Aged Care?

- Hard to have difficult conversations with supporting independent information
- Do we know what we don't know?
- Are we on the money for how we are going or are we not discerning enough?
- Feedback on performance to the governance and sector frameworks
- Where we are functioning well and not
- What's our culture like
- A good plan with right resources

How does it improve the performance of a board in Aged Care?

- Set the culture of teamwork and collaboration
- Brings discussions about the issues that matter – creates a team approach
- Brings perspective and limits tunnelling to the range of areas the Board should be focusing
- Action Plans – Whole Board and Director Development
- Choose right education
- Individual Director experiences about the board meeting roles and responsibilities for governance as well as the whole group feedback

What are the options in terms of how you can approach an evaluation?

- Reflect the development status of the board
- Questions need to raise awareness and cover corporate and sector specific content
- Approach results meaningfully
- Actions to implement and improve the board
- Next steps – relevant education and supports
- Annual trend and benchmarks are essential to be data driven for well informed decisions

What does evaluation of a director entail?

- Component of evaluating the efficacy of boards
- Electronic – easy to do /confidential
 - Engaging and confidence building
 - Evaluate your professional, sector specific (Quality Governance) Culture, contribution and development requirements
 - Create your own plan with relevant resources

How does evaluating a director contribute to better board performance in an Aged Care board?

- Attraction of Directors is a real challenge
- Board with limited turnover need to develop skills as there is no refresh
- Director development in aged care education
- More cohesive board
- Highlights areas for Board and Directors to build capabilities
- Highlights responsibilities for individual directors
- Sets the culture for the organisation

What does a structured approach to board evaluation look like?

- Three years – the magic number
 - Annually Board Governance and Director Development Program
 - IDDPs - Year 1
 - External Convening – Actions, Insights or Full Year 2
 - Led by Chair year three
 - Education Annually
 - Benchmark and Trend Annually

Questions

How we can help you

Free Evaluation Program Demonstration

- Please join our free demonstration straight after our webinar today – just stay on the line

Give away – copy of webinar

- We will send you a free video of this webinar

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THANK YOU
