

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

Ruth Gracey  
Wycliffe UK

# 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)

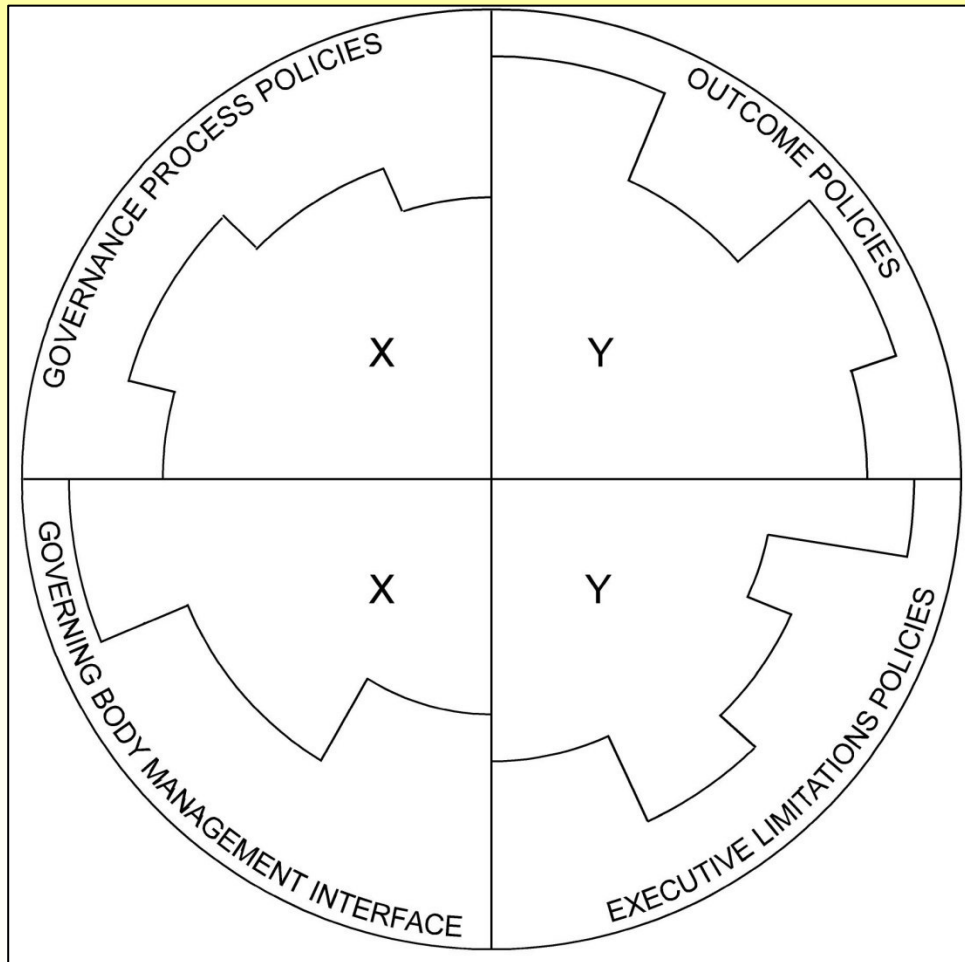
NB For Carver Governance is about  
“ensuring” not “doing”.

- “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* (3<sup>rd</sup> ed 2006 Jossey-Bass, San Francisco)
- Oliver, C. *Getting Started with Policy Governance* (2009 Jossey-Bass, San Francisco)
- [www.carvergovernance.com](http://www.carvergovernance.com)
- 'Carver's Policy Governance Model in NonProfit Organisations' - useful summary article ([www.carvergovernance.com/pg-np.htm](http://www.carvergovernance.com/pg-np.htm))
- [www.ukpga.typepad.com](http://www.ukpga.typepad.com)