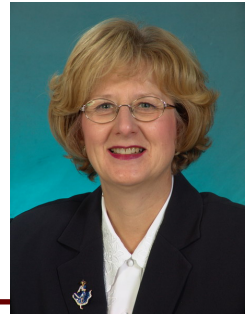




# 4 Steps Effective Boards Use to Hold a CEO Responsible for the Well-Being of the Organization



By **Brenda Kelleher-Flight Ph.D.**  
[www.gdpconsulting.ca](http://www.gdpconsulting.ca)

The board is the accountable body. However, board members are not present every day. As a result, the board requires mechanisms which enables it to determine whether the CEO is ensuring that the organization is operating effectively and efficiently within applicable policies and legislation.

There are 4 actions a board can take to hold the CEO responsible for the management of the organization.

## 1. Have a governance plan which is separate from the management plan.

Write a mission, goals and objectives which are the governance level. Ensure the mission and goals are time-limited, clear, concise, achievable and measurable.

## 2. Expect a risk checklist

This checklist delineates areas of worry for the board. These areas could assure the board that:

- I) deductions have been remitted on their due dates ( for example, Workers' Compensation premiums; federal/provincial payroll deductions; pension contributions; dues (such as union or professional); health premiums; payroll tax; and H.S.T. premiums);
- II) there are no known instances of contravention of any applicable laws that could create a liability; no legal claim outstanding against the Board; and where there is an outstanding claim, the board has full details;
- III) board of director insurance is in place; and
- IV) financial reports are filed as required.

This checklist would be signed by the applicable personnel and the CEO and submitted to the board at specified intervals.



# Secrets of Successful Strategies: How Certain Boards Get What They Want and Others Don't



By Brenda Kelleher-Flight Ph.D.

### 3. Determine the appropriate times for reports on specific topics

There are many topics of interest to the board. Unfortunately, many of these topics can be addressed comprehensively only at specific times of year. Therefore, it is essential for the board to identify with the CEO when accurate meaningful information can be reported. The result of this discussion will result in a list of topics which the CEO shall address at specified meetings. Where the CEO is unable to present the required data, he would provide an explanation and the date when the information shall be made available.

### 4. Expect reports

How often the CEO reports to the board will depend on the frequency with which the board meets and the amount of time which can be devoted to the CEO report. Each report should address the objectives in the strategic plan, issues which are political and/or publicly sensitive and outstanding accomplishments or challenges which the organization is facing, and the topics agree upon by the board and the CEO.

It is unreasonable for a board to expect a report on every program and service. If the board creates such an expectation, it will receive volumes of material and much of it will be imprecise and lack substance even if it appears impressive.

The CEO is very busy and time spent writing imprecise information or creating fillers in order to impress the board is time the CEO cannot focus on the effectiveness and efficiency of the organization.

Also, to save time in board meetings, it is possible to request that board members receive the CEO report in advance. Then it is necessary only to have the CEO speak to critical points and answer the board members' questions.

For a **free** needs analysis write [info@gdpconsulting.ca](mailto:info@gdpconsulting.ca)

**Visit [www.gdpconsulting.ca](http://www.gdpconsulting.ca) and sign up to obtain:**

**Free Quarterly Newsletters or**

**Free Special Report:**

*Or Order →*

