



Governance Evaluation System User Guide

An online approach to board assessment and development

Developed by DirectorEvaluation.com in association with Applicable.co.nz

Introduction

Governance evaluation is the process of identifying the strengths and opportunities for improvement for your board and this is an essential requirement of good governance.

The Sport New Zealand online governance evaluation system provides you with an easy to use set of tools that can make the process easy and highly efficient.

The range of governance tools

The online governance evaluation system has a range of different assessment tools:

- The Framework Whole-of-Board evaluation – which examines the board's skills, behaviour, processes, and outputs as a team. This option also allows for the optional input of a facilitator who will provide independent assistance and commentary to the board on their development.
- Chair –which assesses the chair's management of the board, their working relationships and their personal qualities.
- Director – which examines the individual directors' understanding of the role, their abilities and their performance in the boardroom.
- Management's Evaluation of the Board – that enable management to provide feedback to the board.
- The None Essential Questions for the Board – a discussion framework for the board to consider critical governance areas.
- Re-evaluations – which involve developing specifically tailored evaluations to meet your board's needs. For example, your administrator can produce a re-evaluation based on the low scoring items from the prior year's evaluation. The system also allows the board to write its own questions if this is needed.
- Online development planning – which is an online space that allows boards to record governance improvement actions, write development plans, monitor progress and add comments on the process.
- A multi-year report generator to compare evaluations for up to five years of whole-of-board evaluations.

The use of third party assistance

While the online governance evaluation system is easy and simple to use, it is recommended that boards get the assistance of a third party consultant from the outset to explain the process and how to get maximum value from the time and effort involved in evaluation.

The Framework Whole-of-Board evaluation specially allows for the optional input of a facilitator who will provide independent assistance and commentary to the board on their development.

The time needed for evaluation

The system has been designed with busy board members in mind and we have reduced the size of the question sets as much as possible. The time needed to complete the Framework whole-of-board evaluation is about 30 - 40 minutes. For the Chair it is about 15 - 20 minutes and about 10 - 15 minutes per director.

When boards begin using the system we recommend that they start with the whole-of-board evaluation. In the subsequent year they can undertake the chair evaluation, and in the next year, the individual director evaluations. In this way the board is not answering the same questions year on year and the time involved is modest.

The need for frank and honest feedback

For boards to grow and develop they need critical but constructive feedback and the governance evaluation system is the vehicle for this. To maximise the benefit of the system board members need to be frank and honest in their ratings and comments.

The governance evaluation system produces anonymous reports and none of the ratings and comments are attributed to individuals.

When writing comments in the system please use full clear sentences. Always write comments when you have given a rating at the extreme ends of the scales so the reasons for the rating are clear. Please be concise with your comments and make them as constructive as possible.

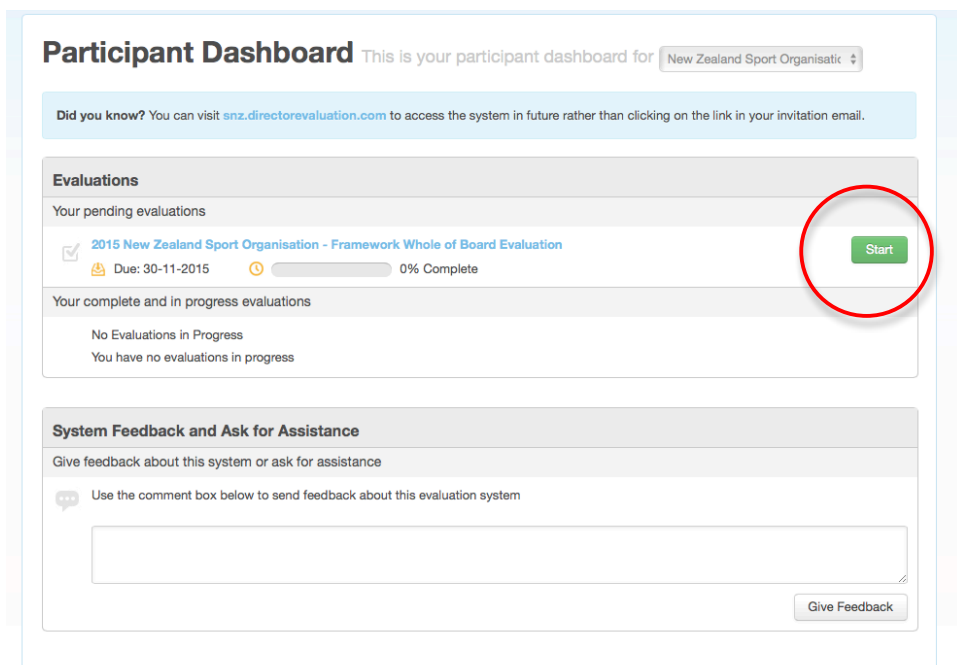
Using the system

The governance evaluation system is designed to be easy and simple to use. As a board member you will receive an email inviting you to undertake an evaluation. This email will come from the person who your board has appointed to undertake the administration role of the evaluation.

The email will include a link “Visit your Evaluation Dashboard”. When you click on this you will enter the system and see the evaluations that your board has agreed to undertake.

The email will also ask you to complete the evaluation by a specific date that you should note and add this date to your calendar.

When you click on the link in the email you will see the following screen



When you click on Start you see the following screen.



Note that you can save your work and return later at any time.

After you have answered all the questions you can click on the Save and Finish button

2015 New Zealand Sport Organisation - Framework Whole of Board Evaluation

[Save Progress and Finish this Evaluation later](#) [Save and Submit](#)

- ✓ Clarity and cohesion
- ✓ Constitution or trust deed
- ✓ People
- ✓ Inside the boardroom
- ✓ Relationship with the chief executive
- ✓ Board meetings
- ✓ Accountability and Ethics
- Reporting and monitoring**

1. Policy obligations - The board is confident that it is fulfilling its **legislative and policy obligations**

1 2 3 4 5 6 7 Don't Know

Strongly Disagree Strongly agree

2. CE reporting - The chief executive **reports against** the statement of strategic direction

1 2 3 4 5 6 7 Don't Know

Strongly Disagree Strongly agree

3. Financial literacy - The board has a strong **financial literacy**

1 2 3 4 5 6 7 Don't Know

Strongly Disagree Strongly agree

4. Risk identification - The organisation has an ongoing programme of **risk identification**

1 2 3 4 5 6 7 Don't Know

Strongly Disagree Strongly agree

5. Risk register - Every meeting receives the **risk register**

1 2 3 4 5 6 7 Don't Know

Strongly Disagree Strongly agree

6. Risk committee - Do you have an **audit and risk committee**?

1 2 3 4 5 6 7 Don't Know

Strongly Disagree Strongly agree

7. Do you have any comments or observations to make with respect to this section?

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Use of the feedback

The board should review the evaluation reports and write a development plan based on the results. If not already engaged in the process this is a good time to get a third-party consultant to assist with interpreting the report and writing the development plan.

1. For the Framework whole-of-board evaluation the reports will be distributed to all members and time should be set aside in a regular board meeting to review the results and write up a set of development actions. Your administrator can enter the development actions into the online Development Plan and allow board members to see and comment on this.
2. For individual evaluations, the chair should hold separate meetings with each director and discuss their performance and areas for development. Again a written development plan is an excellent idea for each director and can be done online with the assistance of your administrator.
3. For the chair evaluation, we suggest that the chair circulate his or her evaluation to some or all of the board members then hold a meeting to discuss his or her performance and draw up a development plan.

Development plan follow up

We recommend that six months after the development plans have been written, the chair should organise a brief review of progress in the areas for development set out in the plans.

One year after the whole-of-board evaluation the chair should consider using the re-evaluation function of the system. This part of the system can produce a re-evaluation based on the low scoring items from the prior year's evaluation. The system also allows the board to write its own questions if this is needed.

Feedback and assistance

If you require any assistance with any part of the evaluation or have any feedback on the Sport New Zealand system or on this manual please email to Iain McCormick: iain@directorevaluation.com

Thank you.