



# Appraisal of hospice boards and trustees

## Good practice guide

This publication is part of Hospice UK's Governance Support Programme for hospice boards and trustees

## Contents

Foreword .....	3
What is effective board appraisal? .....	4
Key benefits of board appraisal .....	4
Where to start? .....	5
This guide .....	5
<b>Part 1: Full board review or appraisal .....</b>	<b>6</b>
What should it cover? .....	6
Choosing a framework.....	6
How? .....	6
When? .....	7
Getting started.....	7
<b>Part 2: Individual performance reviews.....</b>	<b>8</b>
Getting started.....	9
Trustees who are new to the role and new to the board .....	10
Reviewing the Chair.....	10
Top tips .....	11
Resources.....	12
Appendix 1: Template for board development plan .....	13
Appendix 2: Code of good governance summary .....	14
Appendix 2a: Simple self-assessment using the code of good governance .....	16
Appendix 3: Possible frameworks for board performance/appraisal reviews .....	17
Framework 1: Three governance modes..	17
Framework 2: Support versus challenge ..	18
Framework 3: The five Ss of governance .	19
Framework 4: Hallmarks of an effective charity .....	20
Framework 5: Know how non profit ‘Board appraisal toolkit’ .....	20
Appendix 4: A sample review question framework .....	21
Appendix 5: Trustee record .....	24
Appendix 6: Gathering deeper and broader levels of feedback.....	25

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# Foreword

The need for good hospice governance is greater than ever. We know from our members that the challenges faced by hospice boards and leadership teams right across the UK are increasing in number and complexity. Alongside this, the complexity of the strategic decision making required of them is increasing too, along with the risk of negative impact if they make poor decisions.

In 2013, the Commission into the Future of Hospice Care identified rapid demographic change, changes in patterns of illness, increasing financial constraints, and uncertainty about future funding as just some of the challenges that are causing hospices to become more vulnerable.

The Commission said that such pressures are only likely to increase, and in the three years since its final report was published, this prediction has proved entirely accurate. Added to this, in recent years we have seen rising public concern and media scrutiny of charitable fundraising and the quality of charity governance.

The Commission gave a clear message that hospices must adapt now to become fit for the future. It urged hospices to make positive, informed decisions about how they operate and to find new ways of ensuring that hospice care can match future needs. Good governance and effective leadership are central to hospices' ability to respond to these many and varied challenges. Yet it can be hard for hospice trustees to know who to turn to for support and how to tell whether they are getting it right.

This good practice guide is one in a series produced by Hospice UK as part of our Governance Support Programme for hospice boards and trustees. The series covers:

- Appraisal of hospice boards and trustees
- Board involvement in hospice strategy and planning
- Board reports that add value to your hospice
- Developing a balanced scorecard for your hospice
- Developing a dashboard for your hospice
- Effective board meetings in your hospice
- Hospice board recruitment and selection
- Quality governance for your hospice

We are confident that, taken together, these good practice guides will be an extremely useful resource for all hospice trustees and senior staff.

**Antonia Bunnin**  
**Director of Hospice Support and Development**  
**Hospice UK**

# What is effective board appraisal?

Effective board appraisal is about a systematic assessment of how well the board (rather than the hospice) is performing in relation to its legal responsibilities and in contributing to the success of the hospice. It looks at the performance of the whole board and the contribution of individual members. In all of this, the ambition should be to ensure that the review process is of benefit to the organisation's beneficiaries.

The Charity Commission in the 'Hallmarks of an effective charity'<sup>1</sup> suggests that a strong board is one that can demonstrate that it has in place "a framework for evaluating board and trustee performance". The best performing boards invest resources in their development (time if not financial), regularly reviewing 'how things are going' and taking action as necessary.

## Key benefits of board appraisal

The key benefits of board appraisal are that it:

- enables the board to identify its strengths/weaknesses and development needs, for example need for training or for board recruitment
- holds trustees to account for their performance
- helps create a culture of learning and accountability by leading by example
- helps board members develop a shared understanding of good governance performance
- helps the board and thus the hospice to be more effective.

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(1) The Charity Commission. The hallmarks of an effective charity (CC10). London: The Charity Commission, 2008. Available from: [www.charitycommission.gov.uk/detailed-guidance/managing-your-charity/the-hallmarks-of-an-effective-charity-cc10/](http://www.charitycommission.gov.uk/detailed-guidance/managing-your-charity/the-hallmarks-of-an-effective-charity-cc10/)

# Where to start?

Boards can only achieve optimum effectiveness if systems for regular review are in place – that is, reviews of whole board effectiveness, and reviews of individual trustees' effectiveness – and if the development plans resulting from these processes are implemented.

It helps to view board appraisal as part of an integrated approach to board development, which includes ongoing reflection on its infrastructure, trustee education, recruitment and succession planning, as well as continuously learning, for example from those joining or leaving the board.

An organisation's performance management should ideally start at the top, that is, at board level, and cascade down through to all (from the Chair to every member of staff). It helps to emphasise the importance the board attaches to this activity and can encourage a culture of individual and collective learning and development to be embedded throughout the organisation.

Trustees are sometimes reluctant to have their individual performance reviewed by the Chair for a variety of reasons. The phrase 'we are only volunteers' is often heard in this context. Chairs too can be reluctant and uncomfortable in undertaking such an activity with colleague trustees (who may be known within their personal or social networks) and may not wish to confront or address difficult behaviours as is sometimes necessary. This guide helps to highlight that this is a task that can be approached positively, and that the effort is justified to ensure you are getting the very best out of your board for the benefit of the hospice and its beneficiaries.

## This guide

This guide is designed to stimulate discussion across the whole spectrum of board appraisal activities, from individual performance reviews to whole board assessment.

**Part 1** looks at **whole board appraisal or collective review processes** including a list of activities that the board might undertake to begin its development journey.

**Part 2** focuses on **individual performance reviews** since our recent work with hospices suggests that those who undertake such reviews tend to have stronger, more engaged boards. We are aware that only a few hospice boards undertake individual reviews.

We recommend you create a development plan which takes into account information derived from individual performance reviews, whole board reviews and other development activities. Appendix 1 offers a draft template for this.

# Part 1: Full board review or appraisal

## What should it cover?

A productive full board review should evaluate effectiveness on a number of dimensions, such as the board's:

- contribution towards the development of strategy
- understanding of the external environment in which it operates
- understanding of the board's oversight of internal environment
- composition and governance processes and structures including meeting agendas etc
- access to information
- levels of candour, energy and other board behaviours.

Instead of a full review, you could agree to review one or more aspects of your governance, such as your succession planning, your recruitment practices, your committee effectiveness, your meetings practices including agendas etc, your focus and attention, the relationship between the board and the executive, board behaviours.

## Choosing a framework

There are a range of different frameworks you could use for your review. For example 'Good governance – a code for the voluntary and community sector'<sup>2</sup> was developed specifically for the sector. It sets out six principles of effective governance. A summary is provided in Appendix 2 with details of where to download the full copy (for free). You could use the simple self-assessment grid in Appendix 2a to self-assess using the governance code.

Examples of other frameworks are provided in Appendix 3. These too can easily be adapted to conduct your own review or self-assessment.

## How?

Board appraisal can be something you conduct occasionally, annually or as an ongoing activity. It can be a self-assessment exercise or can be conducted by someone from outside the board, such as a consultant or an advisory group. If you are conducting it internally it's a good idea to have a small group to lead the process.

Common methods include:

- self-assessment questionnaire
- externally administered questionnaire or interviews, eg online or led by a facilitator or consultant
- special session
- short sessions at the beginning or end of a board meeting.

The board could undertake one of the following actions:

- Conduct a very simple review, looking at one aspect perhaps through a discussion at an away day or board meeting. For example, the board might discuss what 'effectiveness' means and assess how the board matches this definition, identify gaps and explore how to address them.
- Alternatively, at the end of each board meeting, time could be set aside for the Chair to lead a short discussion on questions such as:
  - » What was the most and least useful item discussed at the meeting and why?
  - » What have we achieved tonight as a board that would not have happened had we not met?
  - » What have we learnt about the hospice that we didn't know before?
  - » What information has the board found most useful?
  - » How did we strike the balance between support and challenge?

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(2) National Council for Voluntary Organisations (NCVO). Good governance: a code for the voluntary and community sector. London: NCVO, 2010. Available from: [www.governancecode.org](http://www.governancecode.org)

## When?

We recommend that the board regularly reviews some aspect of its performance, with more in-depth reviews at least every three years. Sometimes this review activity takes place at a time of change – the Chair or the chief executive might be new to the role, resulting in one or both parties seeking to understand more about their board and how it operates. Some boards do an annual mini check of ‘how we are doing’ with a more in-depth check every few years. Some use self-assessment, some prefer to have an external facilitator or consultant conduct the process for them. A governance committee is well placed to oversee the process and ensure that activities are coordinated and followed through in practice.

## Getting started

This section assumes you will conduct the process yourselves.

1. Keep it simple to start with, so that you can build a shared recognition within the board of the importance of regular and ongoing review and development.
2. Consider instituting a governance committee to oversee the introduction of a board review if one is not already in place. The Chair will need to understand and champion the benefits of the activity, helping trustees to recognise the value of such an activity and longer term benefits to the organisation. Help the board to see it as part of an integrated approach to the development of the board across several dimensions.

3. Ensure that action is taken after the review has been undertaken. This is critical to the success of the activity. Document the findings and what is agreed using a template such as that in Appendix 1. Include outputs from other activities such as one-to-one reviews with trustees. Agreeing such matters as planning and implementing steps to address shortcomings and make improvements, and who leads on each of the activities, is essential to the success of the board appraisal process.
4. Ensure there is a timetable for when any reports relating to the activity will come to the board and make this part of your calendar of board activities.

# Part 2: Individual performance reviews

Research by Mike Hudson and Cass Business School (2012) on governance in large organisations identified ‘reviewing individual performance’ as one of the top 20 drivers of good governance performance.

Individual performance reviews should be seen positively – and introduced positively by the Chair – rather than as a negative and judgemental activity. Such reviews have both formal and informal elements and offer a framework for a constructive conversation between peers. The right kind of review is constructive, reinforces a culture of accountability, helps trustees to reflect on the contribution they have made to the board, to assess the impact they have had on governance practice and to allow an exploration of their hopes for the future.

Individual reviews should encourage trustees to have an open discussion about areas where they feel less confident, often about finance or quality governance. A lack of confidence can result in the trustee letting others lead or challenge the executive on matters brought to the board, sometimes leaving the ‘common sense’ questions requiring no in-depth specialist knowledge unasked.

Benefits of individual trustee performance reviews include helping the Chair:

- to get to know trustees beyond the confines of the board meeting – some Chairs have found that in starting to undertake this activity, they also learn more about the organisation and/or the individual trustee than they knew before
- to identify skills, knowledge and experience on the board of which they were previously unaware
- to seek feedback on their own performance.

In addition, reviews can help with the board’s succession planning, enabling a discussion about how the trustee envisages their future on the board: ie whether they are interested in becoming a sub-committee Chair or taking on an honorary officer or senior role such as the Chair, vice-Chair or treasurer; how long they see themselves on the board including whether they might leave before the end of the agreed term or not.

How does your board plan for changes and rotation of the honorary officers and other trustees? If you have no plan consider developing one now; it does not need to be unduly onerous but will keep the idea of ‘refreshment’ of the skills, knowledge and ideas. Results from your performance reviews can provide a view of the trustees on the current board who are interested in taking on a new role or who are intending to step down (and whether this is at the end of their agreed term or earlier).

In all of this the ambition should be to ensure that the review process is of benefit to the hospice’s beneficiaries.

## Getting started

### 1. Keep it simple

Keep it simple, but build in good practice from the beginning. Having some formality to the process ensures that there is consistency of approach.

It is sometimes necessary to start the process gradually and use an informal approach for the first year, leading to a more formal approach for the second. For example, in the first year you might use a system of self-appraisal by the trustee and observations from the Chair or person leading the review, before moving to a system in which wider feedback is sought. Getting input from peers really adds value.

### 2. Discuss the principles at board level to get engagement

It is helpful if the Chair initiates a discussion about the benefits of individual performance reviews. The governance or nominations committee (where one operates) might initially consider this and make recommendations to the board for further discussion. The board could consider establishing such a committee to oversee this important activity.

Ensure that there is discussion about the process at board level. This helps the whole board to appreciate and accept the value of such reviews for the overall governance health of the hospice and those it serves.

### 3. Agree who will undertake the reviews

The assumption is that the Chair will undertake the reviews, but it is perfectly acceptable for the Chair to delegate the task to the vice-Chair or to another trustee, perhaps the Chair of the nominations or governance committee (where one operates). In this circumstance, attention needs to be given to liaison with the Chair, particularly with regard to the gathering of feedback. Most reviews are undertaken one-to-one, rather than the Chair with another trustee undertaking the review together.

### 4. Agree timing

Set an annually recurring time for the review; choose a point in your annual cycle which allows your board to evidence good governance in the ‘trustees’ report’ section of your annual accounts. Add the agreed timeframe to your board calendar of events.

Determine and agree the time scale for completion of all the reviews (advance notice will help ensure everyone can deliver) so that the period during which reviews are being undertaken is not too long. Agree the length of each review interview; 60 minutes is common practice.

### 5. Agree what will happen to the ‘findings’ of the review meetings

It is most effective if the Chair collates key aspects of the results of the reviews (without identifying individual trustees) which are then fed into the overall development plan (Appendix 1). This facilitates an integrated approach to discussion and planning the board’s development.

### 6. Agree a clear framework for the review process

This helps both parties to prepare for the review and to structure and document the subsequent discussion. The suggested frameworks in Appendix 5 and Appendix 6 are included as a prompt for both parties to stimulate dialogue and encourage structured preparation for the meeting, and to identify information you may wish to collect before the meeting.

### 7. Seeking feedback

Getting started with feedback can be a simple process of asking committee Chairs for their feedback on members of their group, including attendance, participation and contribution towards the work of the sub-committee or asking other sub-committee Chairs or the vice-Chair or treasurer for their feedback (where this relates to the sub-committee Chair). The Chair should aim to gather as wide a range

of views as possible, to add potentially new information to their own perspective. Remember to ask the minute taker for a record of attendance, an aspect of performance that should not be overlooked. The Chair should be open about how feedback is to be gathered when discussing the activity with the whole board.

Appendix 7 offers a deeper and broader approach to seeking feedback from a range of stakeholders including peer trustees, hospice managers and others.

## 8. Feedback about the Chair

The Chair can take the opportunity to seek informal feedback on their own performance during the review process.

## 9. Keeping a record: How should the meeting be recorded and by whom?

It is helpful to keep a track of what has been said or requested in the trustee review. It helps both reviewer and trustee check progress (and whether agreements have been kept) on both sides. This record should be used in the subsequent year in assessing progress made.

We suggest a central file of all reviews be kept within the organisation (hard copy or electronic), accessible to the Chair and/or lead reviewer and the trustee in question and maintained confidentially.

We also recommend that you devise a framework or template for this record for ease of year-on-year reference (see Appendix 5).

In addition Appendix 6 provides a suggested information sheet which could be completed by the person in the hospice responsible for board administration, to provide a record of length of service on the board, attendance and other items that may be relevant to the discussion.

## 10. After completion of the review meetings

The detailed content of each meeting can remain confidential, but the themes emerging are the legitimate concern of

the entire board as well as the senior management team.

To make the most of the investment you have made (in the trustee reviews), we suggest that the Chair or lead reviewer presents a short written summary of the key themes from the reviews and any resulting recommendations. The Chair should stimulate discussion about the process and the outcomes, including any changes and improvements needed. Trustees can discuss what might be learnt from this and what development activities they suggest for the whole board.

## 11. Keep the activity alive and relevant

Periodically review the process by asking the board for their feedback, then adjusting the framework appropriately.

## Trustees who are new to the role and new to the board

The Chair needs to spend time ensuring that the new trustee, who is also new to the role, receives more attention during their early period on the board. This should be reflected in the individual performance review process. An informal review meeting with the new trustee after two or three board meetings (depending on the frequency of board meetings) will be useful to check out how both parties are finding the experience. It is also an opportunity to seek feedback from the new trustee since they will be seeing the board and its governance practice with a fresh eye.

Pairing the new trustee with a more experienced board member as part of the induction programme is a useful way to help the new trustee integrate and gain confidence.

## Reviewing the Chair

A similar process as outlined for trustees can be used for the Chair. It is often the vice-Chair, treasurer (and sometimes a 'lay' person from outside the board and organisation) who review the Chair's performance. In such cases, the group reviewing the Chair collate the feedback, complete the assessment form and use this as the basis of their feedback to the Chair.

# Top tips

- Make individual and board performance reviews not merely a stand-alone activity, but part of an integrated approach to the development of your board; link this activity to your recruitment and succession planning, to your skills matrix, and your collective board development programme.
- Maintain a line of sight to the mission of your hospice and your agreed strategic aims.
- Include the requirement to attend regular performance reviews in your trustee code of conduct so that there is an expectation from the outset that this activity will be part of the role.
- Keep the trustee role profile and your code of conduct in mind when undertaking reviews.
- Use the appraisal exercise to support your succession planning processes.
- Ensure that individual reviews take place at the same time each year and fit with the (strategic) planning cycle of the hospice and its overall organisational performance management system.
- Aim to hold individual reviews over a relatively short period to optimise the opportunity to learn from the activity collectively.
- Invest in the board's development – ensure there is a budget for this work and annually review the expenditure.
- Resist making major changes to your performance review process every year (it will make it harder to track progress made) but do reflect on the process through board discussion.

# Resources

Armstrong M, Baron A. Managing performance: performance management in action. CIPD, 2005.

[www2.cipd.co.uk/NR/rdonlyres/64B9C9FD-8168-4EDC-9B71-DD3D8B5C2B90/0/performance\\_management\\_discussion\\_paper.pdf](http://www2.cipd.co.uk/NR/rdonlyres/64B9C9FD-8168-4EDC-9B71-DD3D8B5C2B90/0/performance_management_discussion_paper.pdf)

Bader BS. Evaluating individual trustees' performance. Great Boards, Winter 2005.

[www.greatboards.org/newsletter/reprints/Individual\\_Trustee\\_Assessment.pdf](http://www.greatboards.org/newsletter/reprints/Individual_Trustee_Assessment.pdf)

Bader BS. Selecting and preparing a Chair elect. Great Boards, Fall 2006.

[www.greatboards.org/newsletter/reprints/selecting\\_and\\_preparing\\_a\\_chair\\_elect.pdf](http://www.greatboards.org/newsletter/reprints/selecting_and_preparing_a_chair_elect.pdf)

Hospice UK. Board Development Programme:

Report of findings and key themes from our previous Board Development Programme which ran to 2013: Help the Hospices.

Board Development Programme. London: Help the Hospices, 2013.

[www.hospiceuk.org/what-we-offer/publications?cat=d18f4112-4ccd-608d-ad24-ff0000fd3330](http://www.hospiceuk.org/what-we-offer/publications?cat=d18f4112-4ccd-608d-ad24-ff0000fd3330)

For information about Hospice UK's current Governance Support Programme for hospice boards and trustees see:

[www.hospiceuk.org/what-we-offer/governance-support-programme](http://www.hospiceuk.org/what-we-offer/governance-support-programme)

Hudson M, Ashworth J. In association with Centre for Charity Effectiveness, Cass Business School. Delivering effective governance: insights from the boards of larger charities. Buckinghamshire: Compass Partnership, 2012.

[www.dsc.org.uk/wp-content/uploads/2015/08/Delivering-Effective-Governance-Look-inside-version.pdf](http://www.dsc.org.uk/wp-content/uploads/2015/08/Delivering-Effective-Governance-Look-inside-version.pdf)

Nadler DA. Building better boards. Harvard Business Review, May 2004.

<https://hbr.org/2004/05/building-better-boards>

NCVO trustee resources includes a section on appraisal:

[www.ncvo.org.uk/practical-support/governance](http://www.ncvo.org.uk/practical-support/governance)

Sonnenfeld JA. What makes great boards great. Harvard Business Review, September 2002.

<https://hbr.org/2002/09/what-makes-great-boards-great>

The Charity Commission. The hallmarks of an effective charity (CC10). London: The Charity Commission, 2008.

[www.gov.uk/government/publications/the-hallmarks-of-an-effective-charity-cc10](http://www.gov.uk/government/publications/the-hallmarks-of-an-effective-charity-cc10)

# Appendix 1: Template for board development plan

## RAG key

Red URGENT Action in the next 3 – 6 months	Amber MEDIUM TERM Action within 6 – 12 months	Green LONGER TERM Action in 12 months+
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Development need or area	Agreed action	Lead by and timescale	Comments measurement of success	Urgency RAG

# Appendix 2: Code of good governance summary

An effective board will provide good governance and leadership by:

1. understanding its role
2. ensuring delivery of organisational purpose
3. working effectively both as individuals and a team
4. exercising effective control
5. behaving with integrity
6. being open and accountable.

## Principle 1

An effective board will provide good governance and leadership by understanding its role.

Members of the board will understand their role and responsibilities collectively and individually in relation to:

- their legal duties
- their stewardship of assets
- the provisions of the governing document
- the external environment
- the total structure of the organisation and in terms of:
  - » setting and safeguarding the vision, values and reputation of the organisation
  - » overseeing the work of the organisation
  - » managing and supporting staff and volunteers, where applicable.

## Principle 2

An effective board will provide good governance and leadership by ensuring delivery of organisational purpose.

The board will ensure that the organisation delivers its stated purposes or aims by:

- ensuring organisational purposes remain relevant and valid
- developing and agreeing a long-term strategy
- agreeing operational plans and budgets
- monitoring progress and spending against plan and budget
- evaluating results, assessing outcomes and impact
- reviewing and/or amending the plan and budget as appropriate.

## Principle 3

An effective board will provide good governance and leadership by working effectively both as individuals and as a team.

The board will have a range of appropriate policies and procedures, knowledge, attitudes and behaviours to enable both individuals and the board to work effectively. These will include:

- finding and recruiting new board members to meet the organisation's changing needs in relation to skills, experience and diversity
- providing suitable induction for new board members
- providing all board members with opportunities for training and development according to their needs
- periodically reviewing their performance both as individuals and as a team.

## **Principle 4**

An effective board will provide good governance and leadership by exercising effective control.

As the accountable body, the board will ensure that:

- the organisation understands and complies with all legal and regulatory requirements that apply to it
- the organisation continues to have good internal financial and management controls
- it regularly identifies and reviews the major risks to which the organisation is exposed and has systems to manage those risks
- delegation to committees, staff and volunteers (as applicable) works effectively and the use of delegated authority is properly supervised.

## **Principle 5**

An effective board will provide good governance and leadership by behaving with integrity.

The board will:

- safeguard and promote the organisation's reputation
- act according to high ethical standards
- identify, understand and manage conflicts of interest and loyalty
- maintain independence of decision making
- deliver impact that best meets the needs of beneficiaries.

## **Principle 6**

An effective board will provide good governance and leadership by being open and accountable.

The board will lead the organisation in being open and accountable, both internally and externally. This will include:

- open communications, informing people about the organisation and its work
- appropriate consultation on significant changes to the organisation's services or policies
- listening and responding to the views of supporters, funders, beneficiaries, service users and others with an interest in the organisation's work
- handling complaints constructively, impartially and effectively
- considering the organisation's responsibilities to the wider community, eg its environmental impact.

**'Good governance – a code for the voluntary and community sector'**  
(Second edition October 2010)  
Code Steering Group

Available on NCVO and ACEVO websites.

# Appendix 2a: Simple self-assessment using the code of good governance

Code of governance area	Where are we now? Mark yourself out of 5 Where 1 is poor and 5 is excellent	What do we do well?	What could we improve?	Ideas for action
1. Understanding of role				
2. Ensuring delivery of organisational purpose				
3. Working effectively as individuals and a team				
4. Exercising effective control				
5. Behaving with integrity				
6. Being open and accountable				

# Appendix 3: Possible frameworks for board performance/appraisal reviews

This appendix sets out a variety of frameworks that you can use to assess your board. You can use each of them in different ways, for example as a starting point for a discussion, to create some questions for your board, or to ask members of your board to make their own assessments against the framework and then compare with each other – discussing any differences.

## Framework 1 – Three governance modes<sup>3</sup>

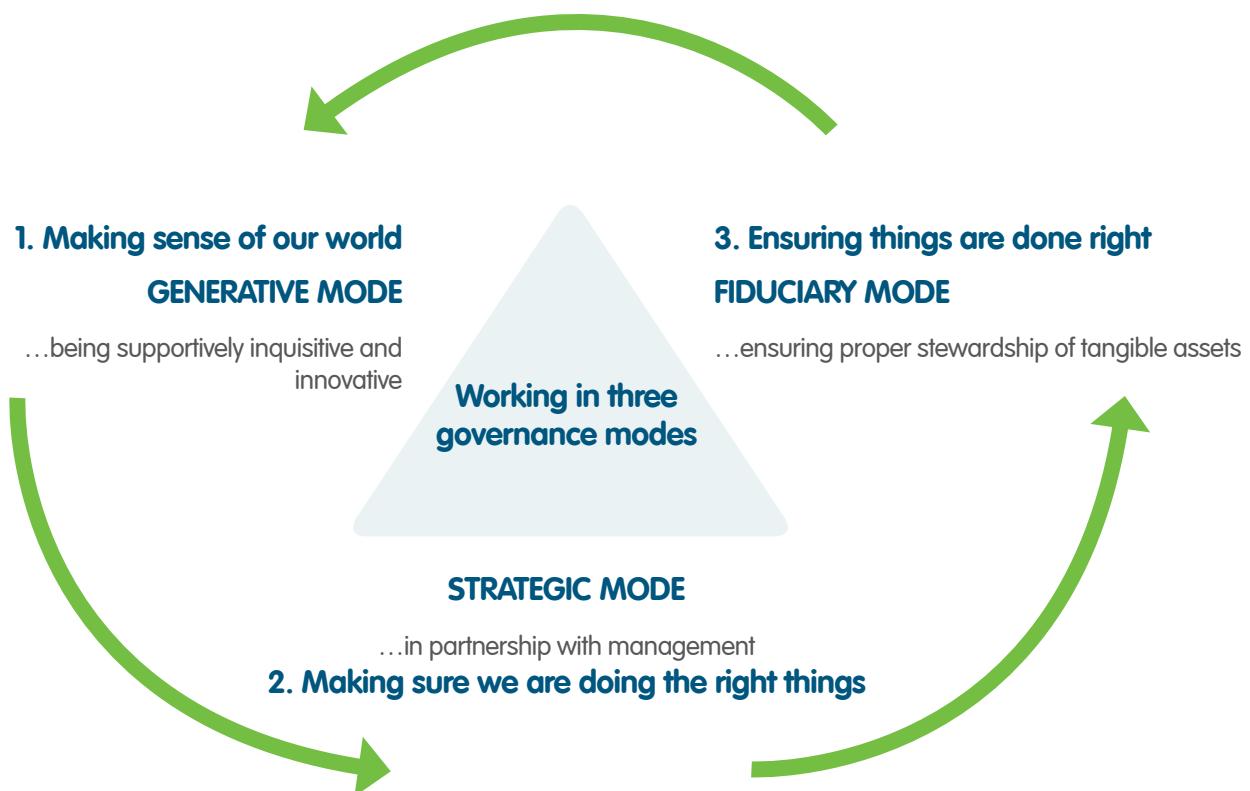
The idea of three governance modes is put forward by Chait, Ryan and Taylor.

**Fiduciary** is about the stewardship of tangible assets, the overseeing of operations, ensuring appropriate use of resources and ensuring legal compliance and fiscal accountability.

**Strategic mode** is about setting priorities for your organisation, developing and improving various strategies, and then monitoring their performance.

**Generative mode**, by contrast, is more expansive. It takes a broader and more innovative look. Generative thinking is about deciding on what to decide, probing assumptions about the organisation, and identifying the underlying values that should be driving.

Many boards spend more of their time in the fiduciary mode than the strategic mode, and least time in a generative mode. Reflect with your board on which mode you spend most of your time.

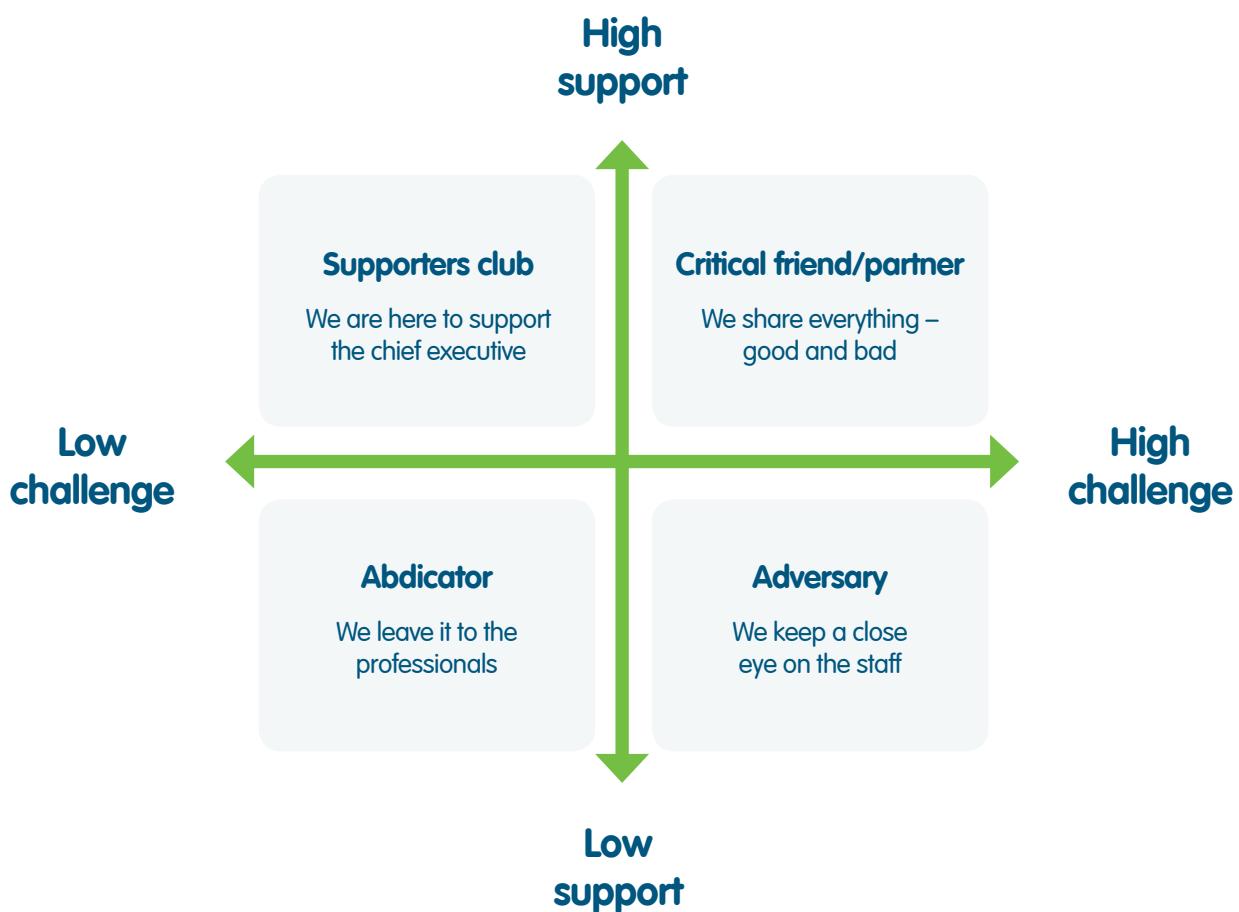


(3) Chait RP, Ryan WP, Taylor BE. Governance as leadership. reframing the work of nonprofit boards. New Jersey: John Wiley & Sons, 2005.

## Framework 2 – Support versus challenge

How do we behave as we (as a board) oversee the performance of the organisation?<sup>4</sup>

Using the matrix below, the board considers how it oversees the performance of the organisation and identifies examples when it might have behaved in any of the four quadrants and how it can ensure the appropriate balance between challenge and support. Such a discussion helps generate shared understanding of constructive and less helpful behaviours.



(4) Adapted from a model by Dorothy Dalton, Editor of 'Governance' magazine.

## Framework 3 – The five S's of governance

Julia Unwin<sup>5</sup> identified five modes in which high performing boards operate. While very good boards use all of these modes, excellent boards know which they are using and when. She describes the five modes as:

### 1. Support

There are times when the function of the board is to support, not just to encourage, the executive, but also to enable the executive team to work by ensuring that the infrastructure of the organisation works – that staff are employed, that systems work, and also that they are encouraged and enabled to do their work.

Boards in support mode say:

- Have you got what you need to do that?
- We really ought to celebrate that.
- We really can't allow you to be treated like that.

### 2. Stretch

There are times when the board needs to stretch the organisation. It needs to challenge and improve what is put to it.

Boards that are stretching say:

- Can't we do any better than that? Can we create a strategic alliance for this?
- Have you thought of doing it differently? Couldn't we develop a social enterprise to do this?
- Surely we can improve by more than five per cent?

### 3. Scrutiny

Oversight and scrutiny go hand in hand. Boards in scrutiny mode examine the propositions put to them, challenging them and holding them to account.

Scrutinising boards say:

- But this really doesn't make sense. We can't change our services in this way.
- Have you thought of the implications of doing this?
- I don't think you have made the case that...

### 4. Stewardship

In stewardship mode boards safeguard the assets of the organisation. They protect the money, the good name, the long term survival of the organisation.

Boards which are carrying out their stewardship role say:

- But will the money be here in five years' time?
- Are we giving away our intellectual property too cheaply?
- Is risk to our reputation too great if we do this?

### 5. Strategy

Boards also make strategy. They listen to what others have to say, consult the experts and their stakeholders, and in the end they make the big decisions that affect the future direction of the organisation.

Boards in strategy mode say:

- The external environment means that we have to rethink...
- This is a golden opportunity to open our doors to people from...
- We can come out of this a stronger organisation.

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(5) Unwin J. The five S's of governance. London: Civil Society, March 2006. Available from: [www.civilsociety.co.uk/governance/content/4637/the\\_five\\_ss\\_of\\_governance](http://www.civilsociety.co.uk/governance/content/4637/the_five_ss_of_governance)

## **Framework 4 – Hallmarks of an effective charity**

The ‘Hallmarks of a highly effective charity’<sup>6</sup> published by the Charity Commission lists six hallmarks:

- 1.** Clear about its purposes and direction
- 2.** A strong board
- 3.** Fit for purpose
- 4.** Learns and improves
- 5.** Financially sound and prudent
- 6.** Accountable and transparent

NB This is not just about the functioning of the board but of the organisation more widely.

## **Framework 5 – know how non profit ‘board appraisal toolkit’**

‘The board appraisal toolkit: self assessment for Chairs and trustees’<sup>7</sup> is a useful resource which helps a board to:

- identify where the board may be struggling
- find practical solutions to nine classic problem areas for boards:
  - 1.** Energy
  - 2.** Understanding
  - 3.** Information for the board
  - 4.** Meetings
  - 5.** Chair/honorary officers
  - 6.** Teamwork
  - 7.** Our results
  - 8.** Diversity
  - 9.** Chief executive

It provides a self assessment grid and helpsheets for each of the problem areas.

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(6) The Charity Commission, op cit.

(7) Lesirge R, Oakley R. The board appraisal toolkit: self assessment for Chairs and trustees. London: National Council for Voluntary Organisations. Available from: <https://knowhownonprofit.org/studyzone/board-appraisal-toolkit/>

# Appendix 4: A sample review question framework

The sample questions below are designed to assist both parties to prepare for the review meeting and to provide a framework for the meeting; the questions focus on the interviewee but need to be considered in advance by both parties. We suggest you adapt them for your use.

Questions to consider before and at the review meeting by the trustee and the person conducting the review	Note of your responses <b>in preparation for</b> the review meeting (trustee and the Chair)	Note of key points and agreed actions <b>at the review meeting</b> (trustee and the Chair)
<b>The board</b>		
What is your broad overview of how the board has operated in the past 12 months?  What have we done well this year? What needs attention in the next 12 months? Why?		
What are the board's key tasks? What do we need to focus on in the next 12 months?		
What are our trustees' strengths and limitations; how do these impact on the board's effectiveness?		
How do you rate the level of knowledge of the external environment and community on our board?		
How would you assess trustees' preparedness for our board and other meetings (in addition to reading the papers)?  To what extent do you interrogate the agenda papers you receive in advance of meetings?  Are there examples of discussions about a key issue with the Chair, chief executive or another trustee or of more extensive reading before the meeting?		

Questions to consider before and at the review meeting by the trustee and the person conducting the review	Note of your responses <b>in preparation for</b> the review meeting (trustee and the Chair)	Note of key points and agreed actions <b>at the review meeting</b> (trustee and the Chair)
<b>The board</b>		
<p>What activity has there been in relation to sub-committees in terms of:</p> <ul style="list-style-type: none"> <li>a) their contribution, such as in-depth analysis or contribution based on specialist knowledge</li> <li>b) introduction to helpful external contacts and networks</li> <li>c) participation in 'provider' type visits to the hospice's operations</li> <li>d) contribution to activities/areas outside own specialist knowledge (for example, taking a whole board view of finances or quality governance).</li> </ul>		
<p>Are there examples of support given this year to the hospice management (such as chairing or being a member of a disciplinary or appeals hearing panel or on a working party comprising board members and members of the executive)?</p>		
<b>Your contribution as a trustee</b>		
<p>What trustee development have you undertaken in the past 12 months?</p> <p><i>This could include attendance and contribution to board away days; ensuring a good and up to date understanding of palliative care; keeping abreast of new ways of working within the hospice movement.</i></p>		
<p>What areas do you feel least confident about?</p> <p><i>This might be finance, quality governance, property, staffing issues etc.</i></p>		

Questions to consider before and at the review meeting by the trustee and the person conducting the review	Note of your responses <b>in preparation for</b> the review meeting (trustee and the Chair)	Note of key points and agreed actions <b>at the review meeting</b> (trustee and the Chair)
<b>Your contribution as a trustee</b>		
Where and what have you contributed between meetings?  <i>This could be tasks undertaken on behalf of the Chair or with the chief executive or time spent working with other trustees?</i>		
What (in particular) do you hope to contribute in the next 12 months?		
Do you want to change any of your roles, eg your sub-committee membership?		
Do you aspire to become a sub-committee Chair (or stepping down as a Chair)?		
Do you intend to complete your term as a trustee?		
Is there anything you think the Chair could do to better support you or the board in being more effective?		

# Appendix 5: Trustee record

A suggested information sheet is offered below which could be completed by the person in the hospice responsible for board administration. It is useful to have this information because it provides a record of length of service on the board and other items that may be relevant to the discussion.

Name of the trustee	
When joined the board	
Date for possible re-election or retirement from the board	
Sub-committee or trading company board membership List sub-committees/boards and date of joining	
<i>If applicable:</i> Chair of a sub-committee Date when took up the role	
Any additional responsibilities or special assignments undertaken such as being a member of a task and finish group or a working party	
Date of review meeting	
Reviewed by (name and role)	

# Appendix 6: Gathering deeper and broader levels of feedback

It is useful for a board to gather as wide a range of views as possible whether this is in relation to the performance of the Chair, chief executive or individual trustees.

- Aim to gather feedback from the trustee's peers and those who support the board including staff, who come into contact with the trustee.

*"The unique advantage of peer review is that members of a board see one another at work and therefore have first-hand knowledge with which to make an evaluation." (David Nadler, 2004)*

- A governance sub-committee can steer the process, overseeing the type of question framework used, ensuring that reviews are undertaken and that follow-up action is taken as a result (ie that a draft board development plan is agreed).

- An additional way to generate depth of feedback is through a short framework of questions distributed through an online survey provider such as Survey Monkey so that responses cannot be individually identified. This can also cut the time involved in collecting feedback.
- The collated feedback can then be offered during the review meeting, as a contribution and framing of the review conversation; it can help to identify areas where trustees have contributed well or areas where they might want some development (for example, by attending a sub-committee which is outside their area of expertise or being briefed by a member of staff).
- For the chief executive it is helpful to have a 360° process gathering views from those they manage as well as from peers and external stakeholders.



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