



Strengthening  
**Non-Government Organisations** strategy

The Governance Development Resource Pack

# Governance Pilot Program



**Queensland Government**  
Department of **Communities**

building robust and vibrant community organisations



## **GUIDE TO USING THE GOVERNANCE DEVELOPMENT RESOURCE PACK**

### **The Governance Pilot Program**

The Governance Pilot Program was developed as a project of the Queensland Government's Strengthening Non-government Organisations (SNGO) Strategy. In 2007, the pilot program trialled intensive governance development work with a number of organisations across two pilot areas (Logan–Beaudesert and Rockhampton) and provided a series of workshops in these pilot areas for current and potential management committee members, regional departmental staff, and other interested staff on governance issues for NGOs.

The pilot program was designed to respond to the specific needs of participating organisations and work across the following:

- developing the skills and abilities of management committee members, assisting them to do their job confidently
- building the governance capacity of individual participating organisations, supporting them to operate strategically in demanding environments
- assisting organisations to engage with their community and to develop strategies for sustainable management committee membership
- developing local networks for skills transfer and ongoing governance support.

At the completion of the pilot program, the materials and strategies developed during the program were produced as a set of electronic resources for the use of organisations across Queensland.

### **The Governance Development Resource Pack**

The governance resource materials have been designed to assist NGOs to:

- assess their organisation's current governance capacity and identify areas for development and improvement
- design a specific governance development plan for themselves, incorporating in-house training and skill development
- undertake developmental work on the areas identified to enhance and extend the capacity of their board or management committee.

The development programs may be run as self-directed programs or using an external facilitator. Individuals may also make use of the programs to develop their own skills and knowledge.

The following diagram shows the contents of the Governance Development Resource Pack.



## GOVERNANCE PILOT PROGRAM RESOURCE PACK

### GUIDE TO USING THE RESOURCES:

- ⇒ For individuals wanting to improve skills and knowledge
- ⇒ For organisations wanting to make improvements to governance structures and practice
- ⇒ For facilitators who will assist an organisation to apply these materials

### PRE ACTIVITY ASSESSMENT TOOLS

Assessment tools for:

- ⇒ Individual skills and knowledge
- ⇒ Organisational governance capacity

### GOVERNANCE CAPACITY BUILDING AND TRAINING PROGRAMS:

- Steps to building governance capacity: an introduction to developing good governance
- Activity guides to development programs (each program is a 2-3 hour in-house program):
  1. Governance and the role of a board or management committee
  2. Governance delegations, monitoring and reporting
  3. Financial management for boards and management committees
  4. Recruitment, induction and succession planning for boards and management committees
  5. Governance performance review
  6. Sustainability of the organisation
  7. Organisational planning
  8. Risk management
  9. Ensuring legal compliance
  10. Meeting governance standards

### QUEENSLAND MANAGEMENT SUPPORT ONLINE (QLD MSO): GOVERNANCE RESOURCES

The Governance Pilot Program Resource Pack is integrated with the existing tools, information sheets and board of management training programs on the Queensland Management Support Online (QLD MSO) website, and links directly to them.

QLD MSO ([www.managementsupportonline.com.au](http://www.managementsupportonline.com.au)) is a free service for Queensland NGOs, but users are required to register and receive a password. A link to the registration page appears automatically on the website address.



## Content of the governance development programs

There are 10 governance capacity building and training programs in the Governance Pilot Program Resource Pack. Each program contains guides to a series of activities to be completed as a program by the board or management committee.

### 1. Governance and the role of a board or management committee

#### Program aims

- provide board or management committee members with an understanding of the responsibilities and duties of board or management committee members
- ensure there is a common understanding of these duties among the group
- review the way in which this board or management committee is carrying out its role
- identify any changes they may want to make to the way they work
- develop a set of board or management committee job descriptions

#### Topic areas

- the roles and responsibilities of board or management committee members
- incorporation and basic requirements of governance
- (for Aboriginal or Torres Strait Islander organisations) cultural terms of reference for Indigenous organisations
- options for stakeholder participation in the governance of organisations
- duties and tasks—what the board or committee does
- reviewing or developing board or management committee job descriptions

### 2. Governance delegations, monitoring and reporting

#### Program aims

To develop effective accountability within the organisation by:

- establishing clear delegations of authority between the board or management committee and senior staff
- setting up effective reporting mechanisms.

#### Topic areas

- elements of accountability
- allocating roles between staff and board or management committee
- relationship between the board or management committee and senior staff
- establishing delegations of authority
- establishing effective reporting to the board or management committee



### 3. Financial management for boards and management committees

#### Program aims

- assist the board or management committee to understand their responsibilities in maintaining the financial health of the organisation
- ensure that the board or management committee receives and understands relevant financial information
- review the basic components of financial management
- assist board or committee members to read and understand financial reports

#### Topic areas

- the role of the board or management committee in financial management
- financial reporting to the board or management committee
- overview of accounting and reading financial statements
- establishing and monitoring budgets
- reading the balance sheet

### 4. Recruitment, induction and succession planning for boards and management committees

#### Program aim

- assist a board or management committee to develop a comprehensive recruitment, induction and succession planning process for new board or management committee members

#### Topic areas

- skills and experience required on the board or management committee
- developing a recruitment strategy
- developing an orientation or induction program for new board or management committee members
- designing a succession plan for the board or management committee



## 5. Governance performance review

### Program aim

- conduct a review of the board or management committee performance and identify any improvements that could be made

### Topic areas

- overview of methods and benefits of conducting governance performance reviews
- reviewing how well the board or management committee attends to its business
- reviewing how well the board or management committee provides stewardship to the organisation
- reviewing how well the board or management committee provides leadership to the organisation
- reviewing how well the board or management committee ensures monitoring and accountability
- identifying improvements to be made

## 6. Sustainability of the organisation

### Program aim

- review the organisation's capacity to sustain itself over time, identify areas where the organisation may be vulnerable in the future, and develop ways of dealing with these

### Topic areas

- overview of organisational sustainability
- analysis of the organisation's current operations and historical trends
- sustainability planning for governance
- sustainability planning for the business of the organisation
- sustainability planning for the general capacity of the organisation (people and infrastructure)

## 7. Organisational planning

### Program aim

- broadly review the organisation, identify the direction the organisation needs to go in, and look strategically at what needs to change for this to happen

### Topic areas

- the role of the board or management committee in strategic direction setting
- preparing for a planning session
- organising and conducting a planning session



## 8. Risk management

### Program aims

- review the organisation's risk management processes
- examine effective risk management and the board or management committee's role in risk management
- develop a risk management plan

### Topic areas

- overview of risk management
- reviewing current risk management practices
- developing a risk management plan
- monitoring risk management
- reviewing insurance coverage

## 9. Legal compliance

### Program aim

- review the organisation's legal obligations and the processes that the board or management committee have in place for ensuring compliance with legal requirements

### Topic areas

- overview of the legal requirements of the organisation
- conducting a legal audit and monitoring legal compliance

## 10. Meeting governance standards

### Program aim

- identify relevant governance standards, and review the organisation's current practice against governance-related sections of the Queensland Standards for Community Services

### Topic areas

- overview of standards
- reviewing governance standards



## Using the Governance Development Resource Pack

The Governance Development Resource Pack consists of three main components:

### 1. An introduction to developing good governance: Steps to building governance capacity

This component provides an easy-to-follow overview of the main elements of good governance, and is available as a text-only document or as an animated Flash file with a voice-over.

### 2. The pre-activity assessment tools:

- a simple, confidential quiz for individual board or management committee members: *Your role as a board or management committee member: Questionnaire for individuals*
- a three-hour workshop for boards or management committees: *Governance review workshop for boards and management committees: Guide to conducting the workshop*
- a template for recording results and planning a governance development program for a board or management committee: *Boards and management committees: Governance review results sheet and planner*
- a template for reviewing governance-related systems and documents: *Reviewing documents and systems.*

### 3. The activity guides to the governance development programs

To make best use of the Governance Development Resource Pack:

- View the introduction *Steps to building governance capacity.*
- Take the quiz for individual board or management committee members (*Your role as a board or management committee member: Questionnaire for individuals*) to help you identify your own strengths as an individual board or committee member and the aspects of your governance knowledge that you may want to develop further.
- Organise with your board or management committee to run the governance review workshop (*Governance review workshop for boards and management committees: Guide to conducting the workshop*). This workshop will assist your board or committee to identify the extent to which the group has the governance expertise and practices that it needs, and will provide the group with an opportunity to review how well you work together. From this workshop, you can plan what development work the group would like to do.



- Use the following activity guides to the governance development programs to either improve your own individual skills and knowledge, or work as a group with your board or management committee to improve skills and practices.
  - *Governance and the role of a board or management committee*
  - *Governance delegations, monitoring and reporting*
  - *Financial management for boards and management committees*
  - *Recruitment, induction and succession planning for boards and management committees*
  - *Governance performance review*
  - *Sustainability of the organisation*
  - *Organisational planning*
  - *Risk management*
  - *Ensuring legal compliance*
  - *Meeting governance standards*