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A New Framework of Governance

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The task of governing a University, School or other Not for Profit organisation is becoming increasingly complex. Council members are sometimes difficult to find, are hard to get committed to doing good governance, and are often juggling multiple roles and responsibilities outside their voluntary governance position. As a result, most schools are being governed like a social club, run like a business, or somewhere in-between. We often find that most Board members end up confused about their role and how to effectively govern their organisation.

This article presents a new framework for the governance of Christian Schools—a Community Governance Framework that centres on the key roles and relationships contained within that community. Relationships are central to the Community Governance Framework, as it is our belief that quality healthy relationships are critical to growing healthy Christian organisations. Whilst there are many similarities and familiar elements between the Community Governance Framework and other models, the unique difference is that the Community Governance Framework seeks to put all the pieces of the governance puzzle together in one place to show, in effect, what a healthy Christian school actually looks like. The framework has been developed through practical experience as consultants working with the Boards of hundreds of Christian Schools and Not for Profit organisations.

Figure 1 summarises the components of the framework and the interrelationships that exist within an organisation.

Values, Core Purpose and Vision
A healthy Christian school has a clear understanding of their reason for being both over the longer term (Core Purpose) and within the current generation (Vision), and a clear understanding of the foundations and biblical principles under which all aspects of the organisation are aligned (Values). Simple, clear values, core purpose and vision statements that are held central to all that is done in the organisation help maintain focus, thus enabling organisational energy to achieve maximum impact.

One of the Board's key roles is to keep the organisation accountable to its values, core purpose and vision. In ensuring that the relational linkages between the Board, Personnel, Beneficiaries and Moral Owners are strong and healthy, the Board must continually seek to focus all four groups towards the Values, Core Purpose and Vision of the organisation.

Community
All organisations operate within community. This sounds obvious, but in the Community Governance Framework, a distinction is made between three types of community that organisations operate within: Contact Community, Connected Community, and Core Community. Issues often arise when, in making key governance and management decisions, these distinctions are blurred. Active, healthy relational community is critical to a healthy Christian School.

Governance vs Management
The framework provides a dashed horizontal dividing line that separates the top two member groups of the Core Community (Personnel and Beneficiaries) from the bottom two groups (Moral Owners and Board). This represents a different emphasis in the leadership style of these two groups. In a healthy organisation the Personnel and Beneficiaries are accountable for and involve themselves primarily in Management, whilst the Moral Owners and Board are accountable for and involve themselves in Governance. Recognising this distinction in roles will help the organisation implement good governance.

Moral Owners–Board relationship
The relationship between the Moral Owners and the Board is strengthened by a number of key documents, legislation and events. Referred to collectively as 'WHO sustainers', they help sustain a healthy relationship between the Moral Owners and the Board of the organisation. WHO sustainers could include the charter or articles of incorporation,

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bylaws for operation or statements of designated authority, as well as any government legislation related to the social, economic and environmental impacts of the entity. Typically, they address sphere of influence, achievement of mission, organisational participants, span of control, and assessable responsibility.

In our experience, unhealthy school organisations often have some of the following key problems with linkages between the Moral Owners and Board:

1. The Moral Owners are the Board, or
2. The Moral Owners are asleep and the Board is very happy with this malaise from the membership, or
3. The Moral Owners micromanage the Board.

Board–Personnel relationship

The two key groups that consultants spend most time working with in governance are the Board and Personnel. The 'WHAT sustainers', or relational linkages between the Board and Personnel, have been the priority of most advisors on good governance for many years now. The terminology 'WHAT sustainers' indicates those protocols, procedures and process responsibilities that relate to accomplishing the core business through the

activities of employees. 'What do we want to do to move toward achieving our Vision?' is the question that is asked collaboratively by the Board and the Senior Executive. The outcome is often some form of strategic management plan and other processes and polices that help to sustain WHAT the institution wants to achieve.

Increasingly, Boards that have adopted some form of governance approach have tended to delegate varying degrees of authority to their CEO to manage the day-to-day operations of the organisation, while they attempt to focus on governing the organisation. This style of governance relationship between the CEO and board is only one of a number of tools necessary for a healthy relationship between the board and their personnel.

A danger can be that Boards develop an over reliance on their CEO/Principal which results in Boards possibly abdicating their responsibility rather than delegating it. There is a need for Boards to strengthen the relational linkages between themselves and their CEO in appropriate ways to enable them to govern their organisations in a healthy way that respects the authority of the CEO, but maintains the clear leadership and authority of governance within the Board. The Board also needs to have relational links that correctly value personnel

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Figure 1: The Community Governance Framework
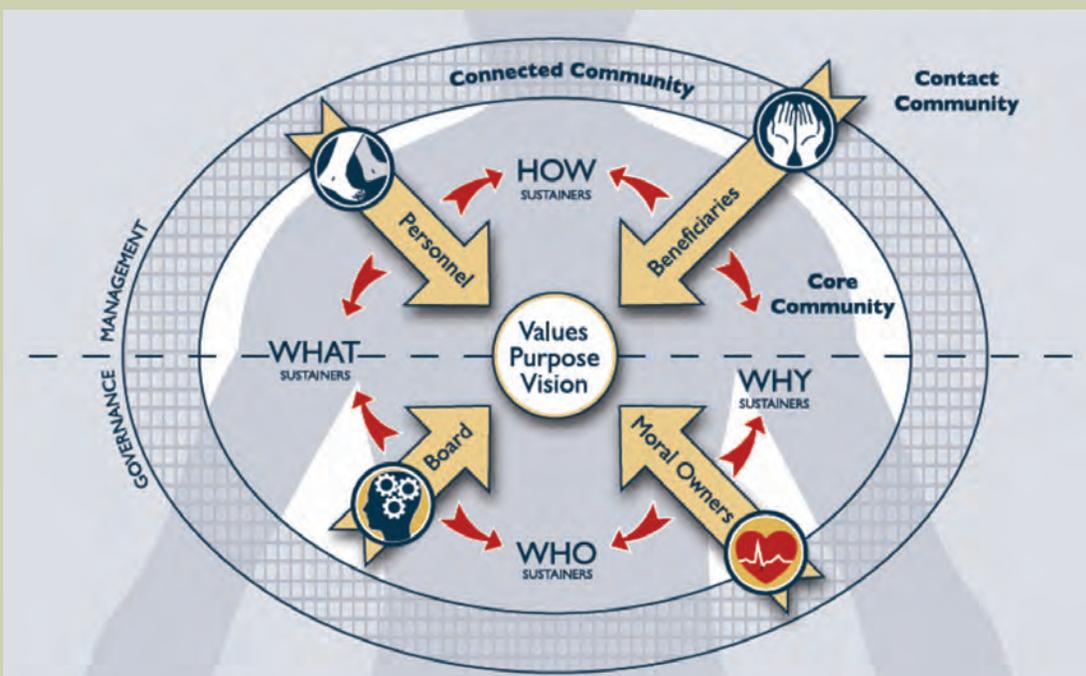
and provide each with the motivation to optimise accomplishment of a shared vision and goals.

Personnel–Beneficiaries relationship

Day to day management of a school rests with the Personnel of the organisation. They manage the organisation in relationship with and to the Beneficiaries who receive the services and/or goods of that organisation. A healthy organisation will develop strong 'HOW sustaners'; relational linkages between Personnel and Beneficiaries. These linkages not only focus on strengthening the management issues associated with operating the organisation, but also focus both groups toward the Vision, Core Purpose and Values of the organisation. All client relationship functions, including greeting, meeting, informing and advising, servicing, billing and maintenance of client satisfaction, need to be monitored and optimised.

At this point it may be helpful to note the difference between a 'WHAT sustainer' and a 'HOW sustainer'. Using policy development as an example, many organisations start the journey by trying to develop a Board policy manual, but instead of seeing Board policy development in terms of the broader missional, 'WHAT are we going to do' question, most Boards end up trying to write 'HOW is the ministry delivered' type policies. This will not work because the Board is, in this case, creating a policy for a relationship it does not take part in (Personnel and Beneficaries). Boards should therefore create macro, big picture, guiding policy over management in the areas of Board process, executive boundaries, mission and the Board/CEO relationship, and leave 'WHAT' policy development to management. Management, in turn, can create its policies and submit these for approval by a Board whose role is to measure these policies for consistency against their stated Board policy.

Beneficiaries–Moral Owners relationship

The fourth relational linkage is that between Beneficiaries and Moral Owners, the 'WHY sustainers'. This linkage is quite restricted, noting that Beneficiaries typically move to become Moral Owners through a process of membership application and approval (usually by the Board). During the formation stage of a new organisation, the Moral Owners respond to the WHY question, establishing the organisation in response to an identified need for services or products; in the case of the Christian organisation, this is through a clear calling from God. This Core Purpose and Vision needs to remain connected and sustained, able to bend and respond to changes in mission (the things we do in response to our Vision), and even allow for a new Vision to be adopted as time progresses in the life of an organisation. Maintaining a connection to the WHY question will help a Christian school maintain its 'saltiness' as a Christian ministry over the long term.

The Board, having been delegated governance responsibility to act on behalf of the Moral Owners for their interests as per the objects in the organisation's constitutional documents, should plan for the long-term sustainability of the membership of the Moral Owners group. Observers are currently noticing a general trend toward a decline in the numbers or involvement of Moral Owners. This presents a serious concern for the long-term survival of any school organisation. Preventive maintenance of the Moral Owner base is necessary. Students in Christian schools need to be transitioned into this domain while in the school so that they identify with the school values and visioning. Leaving the school creates the need to maintain attachment through a variety of alumni oriented activities as well as past staff functions. Effective governance will also involve previously untapped commitment by clarifying and publicising 'causes' and 'concerns'. Proactive action may attract convicted persons for potential inclusion and thus increase participation in the community of Moral Owners.

Conclusion

Over time, referring to the Community Governance Framework can help a Board determine its areas of weakness or exposure and provide priority areas to be worked on in a strategic planning context. The framework also provides an easy to use, ongoing tool to perform a health check for the Board, to make sure that the organisation's vision and mission are not being compromised over time. It also helps to minimise distractions and keep a strong focus on what is truly an important part of organisational community—relationships! TEACH

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