



Governance 101

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**IFTRA
Nov. 4-5, 2014**

Ontario
College of
Teachers
Ordre des
enseignantes et
des enseignants
de l' Ontario

What is Governance?

Governance is the processes and practices through which an entity organizes itself to achieve its mandate. It is concerned with the structures and procedures for decision-making, accountability, control and codes of conduct. It is expressed through legislation, policies and by-laws, and informal norms. The goal of effective governance is a robust organization that achieves peak performance and is accountable to the people it serves.

Principles of Governance

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- Responsibility
 - legislative responsibilities of organization
- Accountability
 - to members, public, government
- Critical Capacity in Oversight
 - regularly monitoring performance

Principles of Governance

- Governance is about steering not rowing
 - Difference between governance and operations
- Creation of strategies/vision
 - Long term, unity in goals/vision statement is critical
- Risk Management
 - Publicized audits, succession planning, foresight strategies

Governance and Professional Regulation

Public Interest

- Mandate of the College to “serve and protect the public interest”
 - Council must be accountable to members of the public
- Council must always strive to find out what the public interest is in order to protect it
 - market research, surveys, focus groups
- Council must take steps to incorporate the public interest into its decision-making processes

Apprehension of Bias

- Regulating in the public interest means regulatory activities are in the public spotlight
 - added scrutiny when members regulate themselves
- There must be no actual or even perceived bias on the part of Council members
- Robust conflict of interest rules/guidelines and ongoing training are necessary to ensure governance is not affected by apprehension of bias

Government Relations

- Due to governing legislation, regulators must often work closely with the government to meet goals
- Good governance in the professional regulation sector means developing good working relationships between the regulator and the government → Council plays a large role
 - effective communication, monitoring relationship, accountability

Good Governance and the Ontario College of Teachers

Where does the authority to govern come from?

- Delegated legislative authority has been given to the College by the provincial government to regulate the profession in the public interest through the *Ontario College of Teachers Act*
- The College is a creature of statute. It must do what it is required in its legislation and it can only do what it is empowered to do in its legislation, regulations and bylaws

Tools and Tactics for Good Governance

- Governance instruments
- Monitoring performance
- Effective communication
- Separation of management and operations
- Ongoing Training
- Governance Committee

What is a governance instrument?

- A governance instrument is a guideline to those in a position to exercise authority
- It can, for example: empower, limit, delegate, authorize, prescribe, or prohibit action
- In practice, this involves the creation of long-term organizational plans and policies and guiding frameworks that conform to the legislative mandate → e.g. setting a vision, creation of strategic priorities (unity in vision/priorities is key)

How is organizational performance monitored?

- CEO reports to the Board
 - In many organizations, this involves reporting on Key Performance Indicators (KPIs), which are designed to measure organizational performance on specific metrics identified by the Board.
- To measure performance, there must be a clear understanding of what is being measured and why

Effective Communication

- Information about organizational performance is communicated to the Board in a variety of ways
- At the College:
 - Registrar's report
 - Committee reports
- Open channels of communication between the Board and the CEO

Separation of Management from Operations

- Board is responsible for assuring that an organization fulfills its legal and moral obligations to its constituencies.
 - The College's only constituency is the PUBLIC, per the legislative mandate in the *OCTA*
 - But there are many stakeholders affected by our work
- Board is also legally and morally accountable for the health of the organization and the fulfillment of the organization's mission.

Separation of Management from Operations (cont'd)

- The CEO of any organization is responsible for:
 - Advising and providing research and caution to the Board in their decision making
 - Implementing decisions made by the Board
 - Reporting on the implementation
- But ultimately CEOs must let the Board of Directors make decisions
- At the College, this means letting Council and Committees decide

How does the Board do its work?

- Board must focus on asking questions of CEO
 - This is the due diligence required to make decisions
- Council must act as the Board of Directors while simultaneously carrying out its regulatory functions through its committee work

How does the CEO fit in?

- CEO accountable to Board as a whole, not to individual members of Board
- Therefore, only the Board as a whole (through majority vote) has the authority to give direction to the CEO
 - Executive has a role in between Council meetings under the OCTA
- CEO represents the organization; Chair represents the Board

What about the Registrar?

- At the College, additional duties exist for CEO as the legislation defines the CEO as also being the Registrar
 - Not all regulators have CEOs that serve this dual function

Role of the Registrar/CEO

- Directs staff in day to day operations of the regulator, as mandated by OCTA
- Important conduit between Council and staff members
- Must be acutely aware of, and effectively address, potential challenges/risks in Council-staff relationships

What are staff responsible for?

- Staff report to the CEO
- In so doing, they assist the CEO in advising, Council and implementing Council decisions
- Staff do not report to Council individually, but through the CEO

Staff and Council Committees

- While committees work on behalf of Council, the committee staff works on behalf of the Registrar
- Authority stems from governing legislation:
 - *Ontario College of Teachers Act* to Council
 - Council to the CEO/Registrar
 - CEO/Registrar to staff

Ongoing Training

- Training is essential to the effective functioning of the Board
- At the College, training starts with an orientation session to discuss how to achieve good governance → roles of Board, CEO and staff; governance instruments, monitoring performance; operations etc.
- Continuous training sessions on good governance

Governance Committee

- At its October 1-2, 2014 meeting, Council approved the merger of the Election and Nomination Committees into the Governance Committee (to take effect on July 1, 2015)
- The Governance Committee is unique in that it will be the first committee to maintain an overall understanding of Council and committee needs

Governance Committee

- The Governance Committee will take on new responsibilities in addition to those of the Election and Nomination Committees
- Its new responsibilities may include:
 - recommending changes to Council/committee structure
 - conducting governance audits
 - establishing accountability tools for Council members
 - undertaking succession planning
 - developing risk assessment strategies

In summary

- The board focuses on ends (e.g., results) and the CEO focuses on the means to achieve the ends established by the board.
- The board establishes these ends through dialogue with management, as staff are the experts in the work of the organization.
- There is a difference between governance and management – but there are also similarities and overlaps. The distinction is one of judgment and organizational evolution.

Questions?

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