



etbi

Education and Training
Boards Ireland

*Boird Oideachais agus
Oiliúna Éireann*

Governance Training Programme

Handbook: The ETB Chairperson

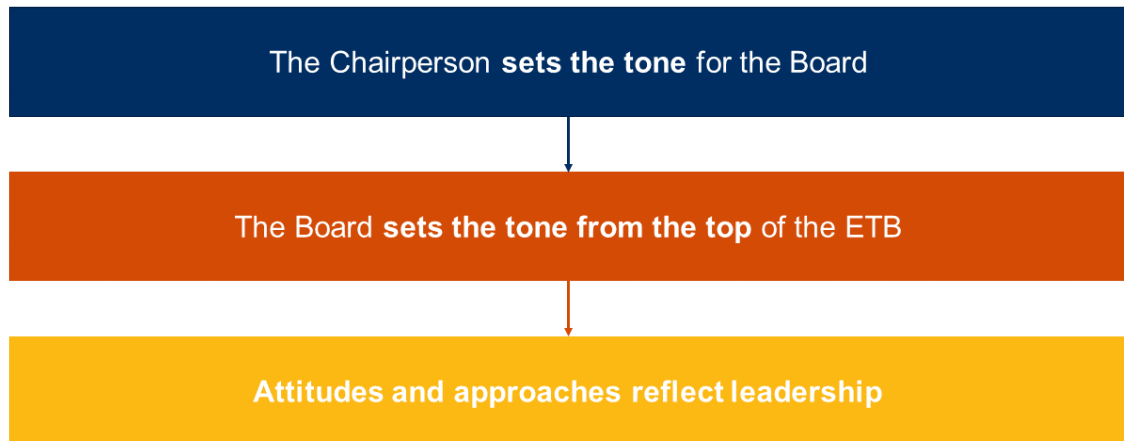
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1 Introduction

1.1 Overview

The ETB Chairperson is a key leader for the ETB. As the Chairperson, you have a specific set of duties to carry out (as well as your duties as a Board member) to ensure the proper execution of the reserved functions of the Board, and a broad responsibility for setting the tone for ethical and lawful conduct of the Board, and the organisation overall.



Leading a Board in good governance is no trivial task, but it is critical. This handbook addresses some of the key themes and issues to assist you in executing those responsibilities. It is a simple resource to support rollout and implementation of the Code of Practice for the Governance of Education and Training Boards set out in Circular Letter 0002/2019 from the Department of Education and Skills (The Code¹), and to help with retention of the ETBI Governance Training Programme, as well as providing some additional context and information.

This handbook does not translate or transcribe governance duties for ease of digestion. It is **critically important** that you refer to this handbook in conjunction with the Code and the ETB Act (which takes precedence in the event of a conflict).

1.2 Background and Context

In January 2019, the Department of Education and Skills issued the Code for implementation across the sector. It is based on the Code of Practice for the Governance of State Bodies². The Code for ETBs is locally contextualised and tailored to the ETB landscape, setting out the minimum standards for ETB governance and your specific duties and responsibilities.

The ETBI Governance Training Programme supports the rollout of the Code and this handbook is an aid to implementation by helping you to deliver your specific duties as an ETB Chairperson.

¹ Department of Education and Skills, 'Code of Practice for the Governance of Education and Training Boards', 2019.
² Department of Public Expenditure and Reform, 'Code of Practice for the Governance of State Bodies', 2016.

2 The Code

2.1 Overview

The Code relates to responsibilities of the ETB as a state body, not as a corporate body. This means it is concerned with the *reserved functions* of the Board, more so than the *executive functions* which are the responsibility of the Chief Executive and the ETB Directorate structure.

This is not to say that the Code isn't relevant to the executive, in fact the Code is at pains to point out that is everyone in the organisation is responsible for implementing and supporting good governance principles:

From **About this Code** in the preamble to the Code:

“Board members and staff of ETBs should be guided by the principles set out hereunder in meeting their responsibility to ensure that all of their actions, whether covered specifically or otherwise in this document, meet the highest standards of corporate governance.”

As a Chairperson, you have a particular suite of responsibilities for implementing the Code which is more significant than most ETB employees or Board members. Alongside the Chief Executive, you are in a key leadership position for the ETB and have specific duties to execute.

2.2 Specific Duties of the Chairperson

The Chairperson has a general responsibility for “leadership of the Board and ensuring its effectiveness”, as well as a number of specific and varied duties.

The specific duties of the Chairperson are set out in **Section 2** of the Code. It is strongly recommended that you familiarise yourself with this part of the Code in detail.

Besides the specific duties of the Chairperson, the primary functions of the role are:

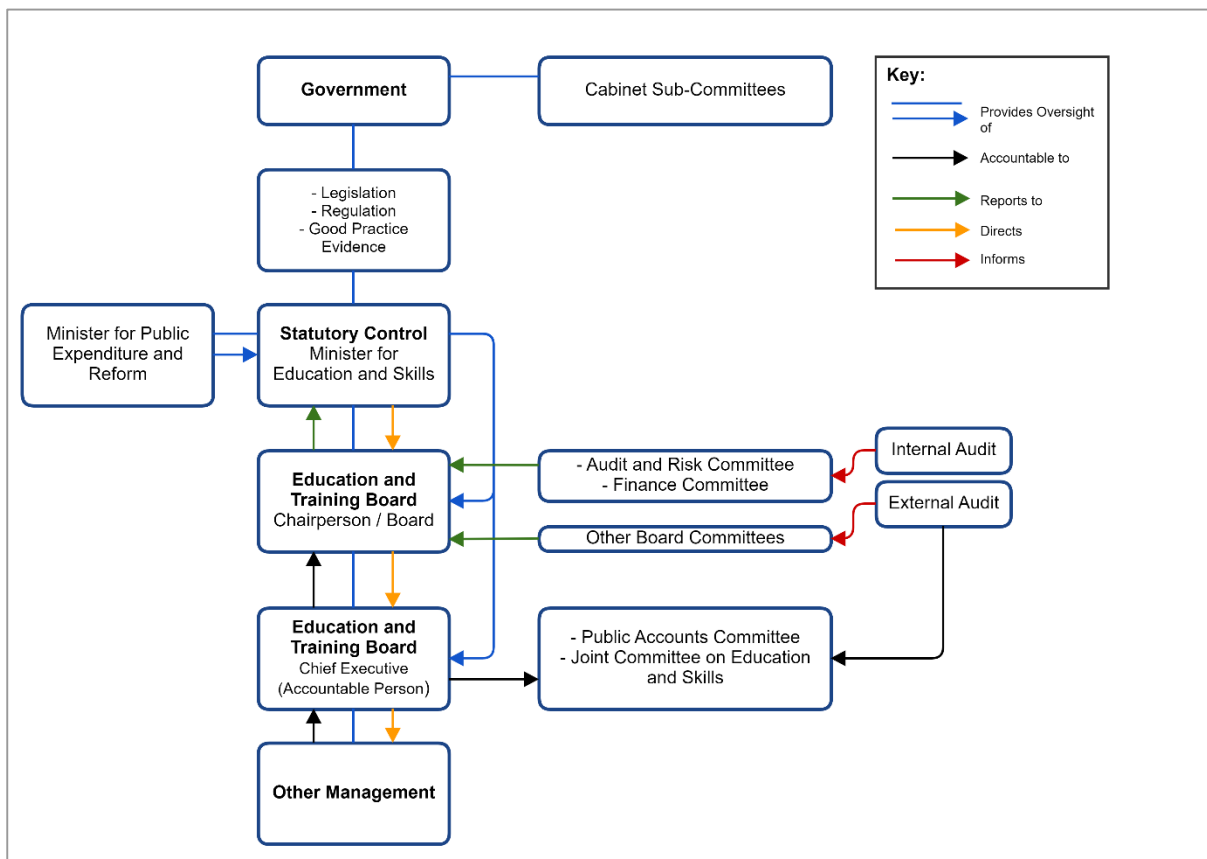
- ✓ **Setting the ethical and leadership tone** for the Board, and consequently for the whole ETB from the top of the organisation;
- ✓ **Being a champion for good governance** in the ETB; and
- ✓ **Having a strategic bird's eye view** of the Board's reserved function activity and the ETB's executive activity and effectiveness in executing all of its functions as a body.

You represent and promote principals of ethics and standards in public office, display high standards of integrity and probity and set expectations for the same behaviour for the rest of the Board.

2.3 The ETB Governance Framework

The Code graphically sets out a Governance Framework (reproduced below). Unpicking this diagram from the Chairperson's point of view, you can see that within the overall Framework your role (as the leader of the Board) is to:

- Report to the Minister;
- Direct and provide oversight to the Executive;
- Hold the executive to account; and
- Receive reports and information from subcommittees.



3 Key Principles for Implementing the Code

3.1 Overview

While many of the duties of the Chairperson are somewhat self-explanatory, there is a difference between understanding and implementing these responsibilities in your ETB. The following sub-sections set out key principles for carrying out your role and responsibilities, these are accompanied by exemplars which illustrate the effect of these principles.

3.2 Being a Critical Friend to the Executive

From ensuring the Board is sufficiently informed to getting the appropriate administrative support, much of the Board's performance and your effectiveness as Chairperson depend critically on the relationship between you and the Chief Executive (and by extension, the Board and the wider organisation).

Basic activities in this area include:

- Meeting the Chief Executive in advance of Board meetings to discuss and agree the agenda;
- Keeping the Board informed and ensuring adequate flows of information to support informed decision-making (in respect of reserved functions) and noting of reports (from the executive); and
- Respectfully listening to and challenging the executive's requests and reports so as to support enhanced ETB performance.

It is essential that you assist your Board with understanding and managing the distinction between **reserved matters for decision** and **executive matters** and to ensure that the Board confines its decision making activities to the reserved functions of the ETB Board Members set out in Section 12 of the ETB Act.

A firm grasp of the distinction between reserved and executive matters; and a functioning professional relationship with the Chief Executive can be the difference between a difficult Board tenure and a highly effective and successful Board.

Case Study #1

Your ETB has recently appointed a new Chief Executive. A number of Board members have complained to you that the new Chief Executive has not been particularly prompt or comprehensive regarding providing the Board with information regarding the operational activities of the ETB. Your own term of office is due to expire in six months and so while you meet with the Chief Executive frequently, the two of you do not have a particularly strong relationship.

How you should proceed	How you should <u>not</u> proceed
<p>As an important role of Boards is to provide oversight regarding the activities and performance of the organisation.</p> <p>You should meet the CEO in advance of every Board meeting to finalise the agenda and have a constructive informative discussion. This meeting is to review Board business including the 'big ticket' strategic items and the regular/returning business. At these meetings, the CEO should brief you on the business of the ETB (<i>the Finance Director is leaving, the office needs refurb etc.</i>) and any potentially contentious matters.</p> <p>Where an issue persists outside of this framework, you could request a meeting with the CEO to discuss the need for there be to good information flow between the Board and the rest of the organisation. During this conversation, you also ask if there is any way you can be of assistance to the Chief Executive and their senior management team, as you recognise the importance of a positive relationship between the Chairperson of the Board and the ETB Chief Executive to support the Board in delivering on its statutory responsibilities.</p> <p>The fact that you are leaving your post in six months is immaterial to the need for a strong relationship and effective governance practice.</p>	<p>While the fact that your Board members have not received information from the ETB Chief Executive and senior management, might be, you decide to not pursue this issue further as you feel the Board ought to be primarily concerned with reserved functions and not get involved with the operational activities of the ETB.</p> <p>Furthermore, as you are set to leave your post in six months, you feel that it is not your place to build a relationship with the Chief Executive, and rather a task for your successor.</p>

3.3 Chairing Effective Board Meetings

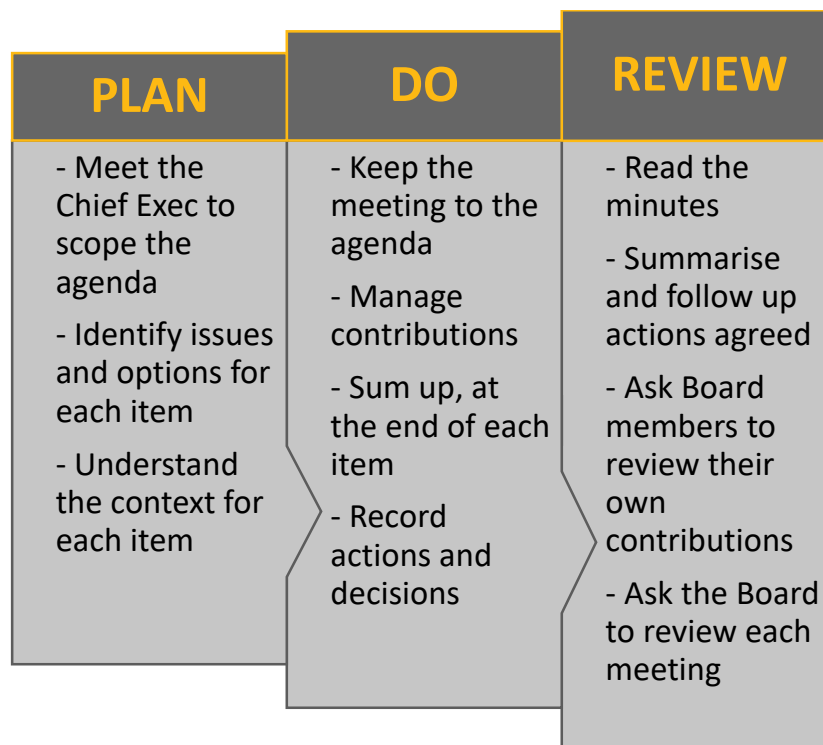
The Chairperson is responsible for the effective management of the Board’s agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues. The Chairperson should agree the agenda of Board meetings in consultation with the Chief Executive.

As Chairperson, you are also responsible for ensuring that the Board receives accurate, timely and clear information. Furthermore, you should strive to ensure all relevant stakeholders are effectively communicated with and made aware of key issues regarding the ETB.

Section 4 of the Code sets out minimum standards and provisions for the conduct of Board meetings.

In general, Board meetings are the vehicle for the transaction of the Board’s business, and it is your responsibility to give the Board the best chance possible to get through its work while allowing each Board member to appropriately contribute.

This can be a challenging proposition, which can be eased by firm and consistent application of the **‘plan/do/review’** lifecycle for meetings (which may seem obvious but can be a challenge in a large meeting with a congested agenda and competing interests in the room):



Case Study #2

You feel that a number of individuals tend to dominate Board discussions. Furthermore, these discussions often focus on issues which you believe are overly operational, and detract attention and time from the discussion of more strategic concerns regarding your ETB.

How you should proceed	How you should <u>not</u> proceed
<p>Recognise that amongst your primary duties is ensuring that the Board's agenda is effectively managed, with all stakeholders afforded the opportunity to contribute. This happens both in real-time and outside of Board meetings:</p> <p>During Meetings:</p> <ul style="list-style-type: none"> ■ Invite contributions from those who speak less and manage the contributions from those who dominate; and ■ Invite contributions by name: <i>"for this topic I would like to hear from A, and B; C, you might wait until the end to give us your comments"</i>. <p>Outside of Meetings</p> <p>Take the opportunity to meet individuals who dominate conversation, and remind them that while their commitment is appreciated that the Board is most efficient when all members feel as though they can contribute to discussions. Furthermore, you can remind the Board that it is primarily concerned with the strategic direction of the organisation and the execution of the reserved functions and not diving into operational matters.</p>	<p>Decide that while the domination of conversation by a few individuals is not ideal, you reflect that all Board members have the same opportunity to engage in discussions, and so those not engaging in discussions may just not be as committed to Board membership.</p> <p>Determine that the Board, as the ultimate decision maker has the right to delve into operational management issues and satisfy itself that matters are being handled correctly.</p> <p>It is better to have a robust discussion than to restrict the Board to governance and strategic matters.</p>

3.4 Maintaining Openness and Debate

A key element of any high-functioning and effective board is the presence of a culture of openness and debate, with all Board members feeling enabled to participate. This principle extends beyond keeping the Board functioning in a mechanical sense and getting through the workload. **Maintaining openness and debate is about the quality of the Board's work.**

Constructive, and occasionally challenging, dialogue is essential to the effective functioning of any Board, and all Board members should feel empowered to participate and provide meaningful contributions.

A simple mental checklist for you to bear in mind is set out below. In consideration of any ETB business, it is important that you satisfy yourself that, on balance, the answer to each of the following questions is 'yes':

- ✓ *Is the Board sufficiently informed about the issue?*
- ✓ *Has the Board had adequate opportunity to consider the matter?*
- ✓ *Has the matter been appropriately considered by a relevant committee? Or is confirmation of the act of a committee being requested?*
- ✓ *Is specialist expertise required to inform the Board?*
- ✓ *Does the executive have a view, and have they discussed that view with the Board?*
- ✓ *Has every Board member had an opportunity to contribute their view, and have you considered those contributions in steering the Board towards an action?*
- ✓ *Is it clear what action the Board is being asked to take (e.g. is it a reserved matter for decision, a report for noting, a discussion topic, etc.)?*
- ✓ *Does the Board understand the consequences of any action to be taken?*

Should the answer to any of these checklist items be 'no' then it is your responsibility as Chairperson to identify and address that through openness and facilitating a calm and respectful debate on the topic to get to yes on this checklist.

As Chairperson, it is your responsibility to foster a culture of openness and debate where Board Members feel comfortable speaking honestly and contributing to the oversight function that the Board provides to the ETB. Ensuring that all Board members feel sufficiently empowered is important, so as to avoid Board meetings being unduly dominated by a handful of individuals as this may exclude other members with valuable experience and expertise to contribute.

Case Study #3

You feel that meetings lack a variety of perspective and that matters are regularly waved through with limited examination. Equally, where there is a debate, it tends to be steered towards political and external agenda-driven topics.

How you should proceed	How you should <u>not</u> proceed
<p>As Chair of the Board, you recognise that amongst your primary duties is to ensure that the experience and expertise of the Board is properly utilised, with all member afforded the opportunity to contribute to discussions.</p> <p>Much of this can be addressed through clear and authoritative chairing, inviting contributions and managing domination.</p> <p>You can also routinely remind the Board that everybody should feel enabled to fully contribute to discussions, and invite any member who may not currently do so to meet with you to discuss any issues.</p> <p>Should you feel that there are fundamental gaps in knowledge, skill or competence within the Board, you should engage with the CEO to plan training or development for the Board (such as induction refreshers).</p>	<p>Reflect that as long as you provide a space for discussion, it is Board members' prerogative as to the extent to which they contribute.</p> <p>As the appointment of Board members is not your responsibility, you cannot address skills or knowledge gaps, so you must do the best with what you have.</p> <p>You conclude that everybody on the Board is an adult, and so must take ownership of their own contributions to and engage with the Board.</p>

Case Study #4

As Chairperson, a key element of your role is to provide the Minister for Education and Skills with a comprehensive report covering the ETB's core activities, alongside the annual reports and financial statements. While this report is typically provided alongside the annual report, your ETB has recently undertaken and committed to a number of significant activities and reforms, and the annual report is not due for another seven months.

How you should proceed	How you should <u>not</u> proceed
<p>You decide that while the update report is typically not provided for another seven months, the significance of the activities recently undertaken and committed to by the ETB ought to be recognised.</p> <p>You consult with the Chief Executive to determine what form of update may be required from the ETB to the Minister to give a topic-specific update which briefly and concisely outlines the situation and any particular associated risks, needs or dependencies.</p>	<p>There are two possible pitfalls in this scenario:</p> <p>Do nothing: You decide that while things are busy, that you should wait until the annual report is due before providing the Minister with a report detailing these activities and reforms. You reason that to send a report now would only inconvenience the Minister, not mention that it would be more convenient for all parties were all reports and documentation provided in one tranche.</p> <p>Provide a running commentary: Avoid the risk of not providing enough information by routinely reporting to the Minister any time a strategic matter changes (this is often a sign of covering ones back and being overly cautious).</p>

3.5 Facilitating Induction and On-boarding of New Board Members

While primary responsibility for briefing new Board Members rests with the Chief Executive, in respect of the provision of critical information and documentation, you have a central role to play in welcoming individuals to the Board and forming them into a cohesive functioning body.

An essential element of good governance is that Board members understand their responsibility to contribute to the discharge of the Board's responsibilities and to act in the best interests of the ETB.

As part of the Governance Training Programme, ordinary Board Members will be advised to follow a simple principle to help them to contribute and conduct themselves appropriately:

“If you are not sure, ask”

As the Chairperson, you are identified as one of the key individuals to ask and who will provide some advice, direction and guidance on adherence to policy and procedure and compliance with the Code for Board members.

It is critically important that you are proactive and responsive to Board members who have queries or appear not to understand or appreciate the seriousness of good governance for the ETB.

Case Study #5

A number of new Board members have recently joined the Board. As Chairperson, you are aware that it is your responsibility to ensure that these individuals are welcomed to the Board and made aware of their new role and responsibilities.

How you should proceed	How you should <u>not</u> proceed
<p>There are three main elements to this process:</p> <ul style="list-style-type: none"> ■ Establish the relationship Introduce yourself and get to know the individuals to some extent. ■ Communicate responsibilities Provide a description of formal responsibilities and have a discussion around the Code. ■ Introduce how things are done Work with the executive to provide contact details, descriptions of live issues, copies of minutes, agendas and risk registers. Invite them to raise any queries, conflicts or clarifications. <p>Crucially for your role as Chairperson – you must be available to new Board members should they have queries.</p>	<p>Introduce yourself to the new Board member(s) and direct them to where the relevant information can be found, trusting they can find and interpret this information without any assistance.</p> <p>Since the Code requires the Chief Executive to provide technical information through a briefing, assume that the new Board Members understand and can internalise this information as competent adults.</p>

3.6 Managing Conflicts of Interest

One of the areas of risk for public sector bodies and State Boards relates to Conflicts of Interest.

Conflicts of Interest in public office is an area which is highly specified in law and it is incumbent upon you, and all Board Members, to familiarise yourselves in particular with the legal requirements of Standards and Ethics in public office³

For your role as an ETB Chairperson, there are three key principles in this area:

- Carefully consider the interaction between your own interests and the interests of the ETB – bearing in mind that you are responsible for setting the ethical leadership tone for the Board;
- Assist and clarify the procedures and rules around the declaration of actual or perceived conflicts of interest; and
- Receive such declarations (annually and as matters arise at meetings) from Board Members and advising and assisting in the addressing of any conflicts in line with the ETB's policy / Code of Conduct for same.

³ Department of Finance, *Standards in Public Office Act*, 2001; Department of Finance, *Ethics in Public Office Act*, 1995.

4 Summary

The Code sets out a large array of principles to guide action, as well as referring to a range of technical and legal obligations on ETB Board Members, on the executive and on the Board as a collective.

As the Chairperson, you are a key leader in the organisation. You are not expected to be capable of citing the Code 'chapter and verse', but you are expected to **set the tone from the top of the ETB** and to be the key person championing good governance.

To help you meet this challenge, the key principles for fulfilling this role are:

- Being a critical friend to the executive,
- Chairing effective Board meetings,
- Maintaining openness and debate,
- Facilitating induction and on-boarding of new Board members, and
- Managing Conflicts of Interest.