OFFICE OF THE
Auditor General
of British Columbia

Guidelines:
Information use by the boards of public sector organizations

December 2009

Table of Contents

Our aim in producing these Guidelines

In fall 2008, our Office issued a report on good public sector governance entitled *Public Sector Governance: A Guide to the Principles of Good Practice*.[1] We outlined the importance of proper governance as a means of helping an organization achieve its goals and objectives, and demonstrated that a key component of the framework — information and decision support — is integral to effective public sector practices.

In a review of current guidance, we did not find a generally accepted set of principles for board information use. There is much written about the responsibilities and function of boards, and much written about information and decision making, but we could find no single source of guidance about how boards and their members should use the information provided to them to fulfill their functions.

We used this breadth of information to compile guidelines that can be applied to any decision-making environment, but are tailored to the needs of the province's Crown agency boards and their members.

Overview of the Guidelines

Crown agencies are organizations, created by statute, whose sole shareholder is the government (that is, the Crown). They deliver many of the services that British Columbians require and expect from the public sector — everything from electricity and education to car insurance and health care. In this way, Crown agencies play a role in the daily lives of millions of the province's residents, while at the same time advancing the policy priorities and objectives of government. So vital is their work within the public sector that they are, in effect, the "other arm of government."[2]

---

[1]   Office of the Auditor General of British Columbia, "*Public Sector Governance: A Guide to the Principles of Good Practice*", December 2008.

[2]   Elizabeth Watson, *20 Questions Directors Should Ask About Crown Corporation Governance*, 2007, p. 4.

Background

In most cases, board members are private citizens who are either appointed or elected based on their knowledge of the agency, business acumen and political awareness. The distance of the board from the agency's daily operations, the limited number of board meetings a year, and the high level of responsibility have all made it important for a system that ensures board members receive information that supports effective and efficient decision making.

What should this system look like? Best practices documentation and guidance for both board operations and board use of information for decision making help answer that question. This material comes from audit offices across Canada, the United States, the United Kingdom, Australia and New Zealand, as well as from audit associations, board associations, British Columbia Crown corporations, central agencies of the provincial government, and private sector audit and management companies (see the bibliography in Appendix B for details).

From the best practices literature, we developed a set of steps (or criteria) that a board should ideally go through to be in a position to make fully-informed decisions (Exhibit 1). For each of these criteria, we have identified requirements that, when followed, should ensure each step is fulfilled.

Exhibit 1

Summary of the Guidelines for board use of information

Fully informed decisions are based on the needs of the entity and its clients. These decisions are correctly assumed to be correct.

Decisions made with no information have an understood level of risk; these decisions are based on the needs of the entity and the clients, and calculated assumptions or justifications are substituted for information. These decisions are qualified, and strategies are put into place to either collect the data or reduce the risk.

Decisions made with incorrect information can lead to incorrect decisions; these decisions are assumed to be based on the needs of the entity and its clients, but may not be. These decisions are assumed to be correct so no strategies are in place to track or mitigate risks.

Developed by the Office of the Auditor General of British Columbia.

Criterion 1 — The board knows what information it requires

Board members must know what information they need in order to do their jobs as directors of the organization they serve. Otherwise they cannot know if they have the right information to make fully informed decisions and they cannot know what type of information they are lacking.

To understand their information requirements, board members must understand their roles and responsibilities.

1.1. Board members understand their responsibilities.

"Clarity of roles and responsibilities is central to good governance practices and achieving government's accountability and performance reporting requirements for Crown agencies."

Crown Agencies Secretariat, *The Shareholder's Expectation Manual for British Columbia Crown Agencies*, 2009, p. 11.

1.1.1 All board members should receive orientation.

The province's Board Resourcing and Development Office lists orientation and professional development among its best practice guidelines for governance, stating that "all new directors should receive a comprehensive orientation."[3]

---

[3] British Columbia, Office of the Premier, Board Resourcing and Development Office, *Best Practice Guidelines*, 2005, p. 28.

Board Use of Information Guidelines by Criterion

Orientation and Professional Development Principles

Orientation should build an understanding of the following:
 	
 1. **Board governance**
    a. formal governance structure
    b. the constitution
    c. the bylaws
    d. the role of the board
    e. the board's supporting committees
    f. performance expectations as set out in the charter of expectations
 	
 2. **Organization (internal)**
    a. products and services
    b. summary of the organization's principal assets, liabilities and significant contracts
    c. structure, including subsidiaries and joint ventures
    d. internal risk management strategies
    e. key performance indicators
    f. operational or regulatory constraints
    g. requirements for reporting and public disclosure
    h. operations of the organization (through a site visit)
    i. important networks such as other board members, senior management and key employees (strategic and budget directors)
 	
 3. **Organization's operating environment (external)**
    a. clients
    b. operating climate
    c. major external risks
    d. major stakeholders such as the responsible Minister, key government representatives who deal with the organization, employee unions or associations and academic senates or Councils if the organization is in the public secondary system

Adapted from Board Resourcing and Development Office, *Best Practice Guidelines*, 2005, p. 28.

A report by the Auditor General of Canada in 2000 observed that new directors of boards were not adequately briefed on their duties, and it recommended that "newly appointed directors be provided with adequate orientation and training."[4]

---

[4] Office of the Auditor General of Canada, "Chapter 18: Governance of Crown Corporations," *Report of the Auditor General of Canada*, 2000, p. 14–18.

Board Use of Information Guidelines by Criterion

Orientation of new board members is necessary for the board to be effective. The Organization for Economic Co-operation and Development states that training should be required in order to inform board members of their responsibilities and liabilities.[5]

Orientation of board members can occur through personal or group training, the use of online material and written material, and other approaches. The selected mode of delivery should depend on the nature of the board and the individuals.

1.1.2 Board charters and guidelines exist and are updated to reflect good corporate governance.

The board is responsible for its own governance activities, which are typically handled by a board subcommittee. Among these is the maintenance of the board guidelines or charter, which will set the governance direction of the board through terms of reference, board expectations, a code of conduct and ethics, and similar documents.

Board charters are used to clearly identify the roles and responsibilities of each board, and promote effective accountability.[6] Charters should be kept up-to-date to reflect good governance practices, including developing and emerging best practices in corporate governance. Best practices can involve subcommittees, board structure and size, systems and reporting, and meeting schedules.

The Board Resourcing and Development Office Best Practices Guidelines also state that boards should possess a written charter that describes the board's responsibilities.[7]

---

[5]   Organization for Economic Co-operation and Development, OECD *Guidelines on Corporate Governance of State-Owned Enterprises* (Paris: OECD Publications Service, 2004), p. 48.

[6]   Treasury Board of Canada Secretariat, *Meeting the Expectations of Canadians: Review of the Governance Framework for Canada's Crown Corporations*, 2005, p. 25.

[7]   British Columbia, Office of the Premier, Board Resourcing and Development Office, *Best Practice Guidelines*, 2005, p. 13.

Board Use of Information Guidelines by Criterion

Boards' Responsibilities	
Strategic Direction	■ Conducting strategic planning ■ Monitoring performance
Human Resources and Compensation	■ CEO succession and compensation
Financial and Corporate Affairs	■ Approving budgets ■ Ensuring the integrity of the financial statements, internal controls, financial information systems, projections, forecasts and audited statements ■ Ensuring that controls, codes or guidelines are in place governing ethical conduct, conflict of interest, environmental protection, personal and public safety, equity and similar concerns ■ Approving major transactions ■ Complying with legal and regulatory requirements ■ Approving the organization's material policies ■ Ensuring the enterprise risk-management system is in place
Managing Board Affairs	■ Identifying required competencies and personal attributes required on the board ■ Recommending to government the orderly succession of members ■ Establishing committees, task forces and working groups required to assist in the effective discharge of the board's mandate
Achieving Stakeholder's Mandate	■ Ensuring reporting, monitoring and accountability obligations are met
Reporting and Communication	■ Ensuring the appropriate organizational communication strategy is in place
Adapted from the Board Resourcing and Development Office, *Best Practice Guidelines*, 2005, p. 13.	

1.1.3 Board members are aware of board policies and procedures.

Boards have internal and operational policies and procedures and, as with any organization, an understanding of these is necessary for the board to function.

Board Use of Information Guidelines by Criterion

Board policies and procedures are set up to facilitate the smooth operation of the board. If all members have an understanding of them, the board will function more efficiently.

1.1.4 Board members have comprehensive job descriptions made available to them.

Job descriptions should be a fundamental component of informing board members about their roles and responsibilities. The document should contain an overall description of the organization and place each position into the context of the organization. Roles should also be described, along with responsibilities that link to the organization.

A study by the Auditor General of Canada in 2000 found that job descriptions are very useful and that they help to "outline the nature of commitment expected when recruiting or orienting new board members."[8]

1.2 Board members understand their organization (internal focus).

> *"Board members need to understand the organizations they govern."*
>
> CCAF-FCVI, *Governance Information: Strategies for Success*, 1996b, p. 5.

Because boards are responsible for the strategic direction, human resource requirements, and financial and corporate affairs of the organization they serve, board members should have a full understanding of the organization's internal structure.

Without such knowledge, the board's ability to interpret information appropriately and reasonably and make rational decisions is compromised.

1.2.1 Board members are knowledgeable about the policy objectives their organization was created to address.

Understanding the objectives of the organization is critical in most decisions of the board. What was the organization set up to do? What is its mandate?

---

[8] Office of the Auditor General of Canada, "Chapter 18: Governance of Crown Corporations," *Report of the Auditor General of Canada*, 2000, p. 18–12.

Board Use of Information Guidelines by Criterion

Board members make decisions about finances, strategic direction and resources. Every strategy undertaken by the organization should support its mandate, and proper planning dictates that all activities of the organization lead to reaching goals that support the policy objectives.

1.2.2 Board members are aware of the human, monetary and physical capital available to achieve the organization's objectives.

For a board to help its organization achieve its objectives, the board should know what resources are available. Only in this way can the board decide which strategies would best enable it to meet those objectives.

The resources establish the capacity of the organization to fulfill its objectives.

Human capital — Human capital is an organization's mix of expertise, experience and skills, and it is the greatest asset the organization has. It contributes to the product in the greatest fashion, and its combined intellectual content provides the greatest competitive advantage. At the same time, human capital also often accounts for an organization's largest expense.

All strategic planning depends on the organization's human resource strategies and the organization's ability to meet the human capital requirements of current and future strategies. The board therefore needs to understand the human capital, the human resource strategies, the well-being of the organization and the level of employee satisfaction, which is an indication of the future ability of the organization to attract and retain staff.

Monetary capital — Monetary capital refers to how much an organization has to invest in current and upcoming strategies, infrastructure, human capital and physical capital. The amount of money available depends on the organization's revenues and expenses and is the life blood of the operation.

Physical capital — Physical capital refers to the buildings, machinery and computer systems that allow the organization to function. Information about the amount, condition and life-expectancy, value, replacement value, need, etc. is required in making long-term plans. Also, what may be missing or required for current and future initiatives must be understood for planning purposes.

Board Use of Information Guidelines by Criterion

1.3 Board members understand their organization's operating environment and clients (external focus).

> *"Board members can increase their value add and collective contribution based on a more intimate knowledge of current organizational performance, external industry and economic factors and the strategic choices that the organization is making."*
>
> Alex Wittenberg & Tom McDowell, "Engaging the Board in Risk-Adjusted Decision Making," Ivey Business Journal, March/April 2007.

The decisions a board makes affect the entire organization, so it is imperative that board members understand the context—shaped by the operating environment and client needs and expectations—in which the organization is positioned.

As Tapsell states, "A board needs to be informed about the external environment; to anticipate changes in the market, technologies, deregulation, currencies and the like."[9]

1.3.1 Boards have an awareness of client needs and expectations.

Because boards make decisions that affect the operation of the organization, members should understand how the organization's product or ultimate output is serving (or is intended to serve) clients and meet their needs and expectations. Making decisions that influence strategic directions without having an understanding of the client may steer the organization into a situation that will not meet their needs and be detrimental to the organization.

1.3.2 Boards have a working knowledge of the organization's operating environment.

The environment in which the organization operates includes other levels of government, other service providers, the political environment and other jurisdictions, all of which affect the environment in which the organization works.

Other levels of government — Other government levels may be attempting to serve the same client by offering complementary services, the same services or competing services. These other levels may form direct links with the organization through committees, contracts and memorandums of agreement.

---

[9]   Sherrill Tapsell, "Uninformed Boards – Mushrooms in the Dark?" *New Zealand Management*, Vol. 47:4, 2000, p. 3.

Board Use of Information Guidelines by Criterion

Other service providers — Other service providers may be competing with the organization for the same scarce resources, which can affect budgets and service quality. Unless communication is very clear, clients may also become confused about which agency is providing which service.

The political environment — Changing and competing mandates can result from the political environment, and can lead to budget pressures as well as shifts in strategic direction.

Other jurisdictions — Other jurisdictions may offer lessons learned and best practices that can help the organization improve both the efficiency and effectiveness of its own operation. However, an organization might experience stakeholder pressures by seemingly falling short in comparisons with these other jurisdictions.

Board Use of Information Guidelines by Criterion

Criterion 2 — Board members have access to the information they require to fulfill their requirements

As important as it is for a board member to know what information he or she requires, equally important is having access to that information. Boards need to know what type of information is available to fulfill their responsibilities.[10] The central source of information will, of course, be management, but other sources of information can be valuable, such as external auditors and consultants.

Also important is that boards have access to technology that will facilitate their access to information.

At the same time, however, boards should be wary of soliciting too much or inappropriate information for their roles from management or external sources. Board responsibilities are clearly distinct from management responsibilities. No board should be involved in the day-to-day operations and decision making of the organization it serves—and the information a board requests and receives should reflect that.

2.1 Board members have access to all of the information they require.

> *"In order to fulfill their responsibilities, board members should have access to accurate, relevant and timely information."*
>
> OECD, *Principles of Corporate Governance*, 2004, p. 66.

2.1.1 The required information exists.

Management needs to have performance measurement systems in place that can generate the appropriate information for boards. This includes both financial and non-financial performance indicators. Traditional financial measures are not sufficient indicators of an organization's performance as they do not capture such details as important relationships between an organization and its clients, employees and stakeholders.[11]

---

[10] Conference Board of Canada, Determining Board Effectiveness: A Handbook for Directors and Officers, 1999, p. 14.

[11] Deloitte, *In the Dark. What Boards and Executives Don't Know About the Health of Their Businesses*, 2004, p. 1.

Board Use of Information Guidelines by Criterion

2.1.2 There are no technological barriers that prevent access to information.

Firstly, management needs to have the appropriate information technology to generate information for boards. Boards should be aware of management's information technology abilities. According to a Harvard Business Review study, this is often not the case.[12] Without this knowledge, a board may be inadvertently enabling a situation in which there are not the systems in place to provide them with their own information requirements.

Secondly, boards should not be hindered by a lack of information technology (such as not having appropriate hardware or software to access information). Where there is a problem, boards should seek information outside the problem area from sources such as management, external consultants, or appropriate stakeholders.

2.1.3 The board is proactive in meeting its information needs.

Board members should not passively wait for management to supply information to them. Rather, they should work proactively to obtain the information they need to fulfill their responsibilities. This may involve directly requesting it from management as well as from external consultants.[13]

2.1.4 Board members request information from both management and external sources.

Boards face several risks when they rely on information that comes from their organization only. One is the risk that board members may not be able to develop a full understanding of an issue if relevant information from external sources such as subject matter experts and external auditors is not made available to them. Another is the risk that internal reports may have been amended or changed to downplay bad news, withhold project information, or provide information that is biased toward specific recommendations.[14]

---

12 Richard Nolan and F. Warren McFarlan, "Information Technology and the Board of Directors," *Harvard Business Review*, 2005, p. 96–106.

13 CCAF-FCVI, *Information: The Currency of Good Governance*, 1997, p. 8.

14 Margot Cairnes, *Boardrooms That Work: A Guide to Board Dynamics*, 2003, p. 12.

Board Use of Information Guidelines by Criterion

2.1.5 The board documents meeting minutes related to key discussions and decisions for reference purposes.

Board transparency and accountability are jeopardized when key decisions and matters of importance (including dissenting views) are not documented—particularly when concerns about these decisions or matters are raised at a later date. Lack of such documentation leaves both board members and stakeholders without a frame of reference for both past and future business activity.[15]

2.1.6 Information provided to board members is timely and current.

Board members require information as promptly as possible when faced with discussing matters related to the organization's strategic direction and decision making. They also require information that is up-to-date. If information is delayed or not current, board members could form an inaccurate picture of the current state of the organization, especially in a volatile financial climate.

2.1.7 The board receives reports that link financial and non-financial data.

Non-financial performance measures are often powerful leading indicators that provide insight into current and future financial data.[16] This allows board members to gain a greater understanding of their organizations' strategic direction. The BC Reporting Principles include linking resources to strategies and results, and says "linking financial and operational goals, objectives and results is important to any public sector organization."[17]

Choosing effective non-financial performance measures can be a challenge. However, resources such as the BC Reporting Principles can provide assistance.

---

[15]   British Columbia, Ministry of Finance, *Agency Self-Assessment Tool*.

[16]   Deloitte, *In the Dark II: What Boards and Executives Still Don't Know About the Health of Their Businesses*, 2007, p. 4.

[17]   Office of the Auditor General of British Columbia, *Performance Reporting Principles For the British Columbia Public Sector*, November 2003, p. 14.

Board Use of Information Guidelines by Criterion

2.1.8 The board is on guard for interference with the information flow, and when appropriate, has access to management other than top executive.

The nature of the board's relationship with the Chief Executive Officer (CEO), in particular, can have serious consequences for an organization. If there is a poor relationship between the board and the CEO, boards should be alert if any of the following occurs:

- Reports are changed or amended to ensure bad news is either removed or trivialized.
- The board is swamped with large amounts of material immediately before a decision-making point.
- Information prepared by an executive known to oppose a project or a position is deliberately withheld from the board.
- Employees of the organization who have key information on a particular topic are deliberately prevented from speaking to the board.[18]

If it appears that such events are occurring, boards must have a strategy to address the issue.

2.1.9 Board chairs are responsible for ensuring board members are sufficiently informed to contribute to board deliberations and decisions.

The Chair is responsible for ensuring the effective functioning of the board, which in turn includes ensuring that each member makes a contribution.[19] To do this, the Chair should see to it that all board members receive sufficient and appropriate information to enable them to conduct their business as effectively as possible and from as well-informed a position as possible. If no one takes responsibility for this task, it is possible that the flow of information will be adversely affected, leading to an increased possibility of ill-informed judgments.

2.1.10 The board and management develop an information strategy to ensure that information flows sufficiently in both directions.

As both the board and management are responsible for the vitality of the organization, they should meet to determine the feasibility of improving governance information in the organization

---

[18] Margot Cairnes, *Boardrooms That Work: A Guide to Board Dynamics*, 2003, p. 13.

[19] Audit Office of New South Wales, *On Board: Guide to Better Practice for Public Sector Governing and Advisory Boards*, 1998.

and, if needed, to recommend action. The discussion can include an assessment of the quality and usefulness of the information that is provided to the board concerning the goals and objectives of the organization. A frank discussion will allow both management and the board to assess each other's needs and begin to develop strategies to meet those needs. Ideally, this will lead to a negotiated arrangement between the board and management as to what constitutes a governance information system.[20]

In one approach, described by Tapsell,[21] CEOs (or equivalent):

- provide an updated overview of important issues and trends in the external environment;
- give directors as much contact with managers as those directors need to get a feel for the company's internal resources; and
- ensure information flows both ways by being receptive to the board's input and answering all of the board's questions.

Under that same approach, board members can:

- insist on getting the information they need;
- invest the time to learn about key organizational trends, even if they are fast-changing or complex;
- become intellectually engaged in the toughest issues management faces; and
- while actively participating in discussion and decision making, remain mindful of the distinction between governing and managing a business.

2.2 The board gathers information in a cost-effective manner.

> *"During times of severe constraints and declining resources, it is imperative that management and the board be able to demonstrate that the institution is using its resources to best advantage and is constantly looking for opportunities to free up resources so that they can be reinvested where they will do the most good."*
>
> CCAF-FCVI, *Governance Information: Strategies for Success*, 1996b, p. 10.

---

[20]   CCAF-FCVI, *In Search of Effective Governance: The Video Script*, 1996.

[21]   Sherrill Tapsell, "Uninformed Boards – Mushrooms in the Dark?", 2000, p. 2.

Board Use of Information Guidelines by Criterion

2.2.1 The information needs of the board are balanced with management's limited resources.

Requesting information that goes beyond the scope of a board's role typically results in two major inefficiencies: 1) the board ends up using management's time unwisely; and 2) the board falls into micro-managing.

Hiring contractors to provide information to the board may be an appropriate application of the organization's resources, but only if the contractors are providing what cannot be obtained from internal sources at much less cost. This makes it important that boards be well aware of the internal resources at their disposal.

2.2.2 The board maximizes efficiencies when gathering information.

The reality of all public sectors' limited resources affects boards as well as management. Boards should therefore strive to ensure they seek out for themselves, or request from others, the right mix of complete and accurate information to enable them to make decisions and fulfill their responsibilities—while at the same time keeping well within the budget set for information collection and reporting.

Having a clear understanding of its responsibilities and data needs before it starts gathering or requesting information helps a board avoid costly inefficiencies.

Board Use of Information Guidelines by Criterion

Criterion 3 — Board members have access to high-quality information

Information presented to boards should be high quality—that is, it should be forward looking, explain options, compare intentions with results, facilitate comparisons, and promote understanding of a topic without oversimplifying it.[22]

Information with these qualities helps board members:

- interpret the significance of what they receive;
- make sound strategic decisions;
- form accurate judgements about the performance of their organization; and
- ensure that their policies and directives have been implemented.

According to the Financial Reporting Council in the United Kingdom, while management should be providing the board with information that has these qualities, "directors should seek clarification/amplification."[23]

3.1 Information is tailored to their needs.

> *"Too much information or data is as much of a problem as too little. I'm on a board where I get close to a foot of material once a quarter, and that's as much an impediment as too little. You're getting a novel, where the gem is hidden somewhere."*
>
> CCAF-FCVI, *Information: The Currency of Corporate Governance*, 1997, p. 9

A board with the appropriate subcommittee structure can rely on these subcommittees to filter and tailor the information going to members, when required, to adequately inform them.

3.1.1 Information is clearly and concisely presented.

The information presented to boards should reflect the fact that the roles of management and boards are distinct from each other. This means that the information a board is given should be aggregated and reported at a level appropriate for the board's role. It should not be presented in a way that overburdens

---

[22] CCAF-FCVI, *Information: The Currency of Good Governance*, 1997.

[23] United Kingdom, Financial Reporting Council, *Combined Code on Corporate Governance*, 2008.

board members or steers them away from their responsibilities. As well, because board members have limited time to deal with the issues of the organization they serve, they should not have to struggle with unclear messaging, jargon or unnecessarily long documents. That said, oversimplification is not useful either and can be as problematic as excessive complexity. Information being oversimplified can lead to a board making decisions without being aware of the intricacies of the topic.[24]

3.1.2 Board members are comfortable voicing concerns when not fully informed.

Boards should ensure that the way they conduct business does not discourage individual members from expressing different or dissenting opinions. An open environment where board members feel comfortable asking questions freely and challenging assumptions fosters better decision making than what might result otherwise.

Furthermore, boards in which members are not comfortable voicing concerns about information, risk having members who are not fully — or even well — informed.

3.2 Information received by board members is complete.

"Information that [boards] receive must be fit for purpose in terms of scope, quality and presentation and be clearly linked to the organisation's performance against its objectives."

United Kingdom, National Audit Office, *Reporting Financial Management Information to the Board*, 2008, p. 2.

3.2.1 Information compares performance with plans.

Information on how well an organization is doing is critical to understanding the organization. A benchmark to measure performance against, such as a budget, is required to understand how well the organization has done compared to it.

Boards should also receive information on whether intended performance targets and critical success factors have been met. Without such information, it is not possible for board members to determine whether past strategies and policies have been effective and whether they should be continued.

---

[24] CCAF-FCVI, *Governance Information: Strategies for Success*. [Print], 1996b, p. 19.

Board Use of Information Guidelines by Criterion

3.2.2 Information has a historic context.

Board members need to be presented with the options for any decision that they are asked to make; however, a historic context for any issue will provide valuable additional information, such as:

- What has changed that has caused this to become an issue?
- What decisions have previously been made related to this issue?
- Why were previous decisions made?

3.2.3 Information is forward looking.

Because one of a board's key roles is to set strategic direction for the organization, board members require information that is forward looking and will help them develop policies that have long-term viability. By being aware of emerging trends, boards are better able to assess what the effect of the trends on the organization might be, and to determine the sustainability of current approaches and policies.

3.2.4 Information explains options and trade-offs.

For any issue, a board needs to understand the options available, and the implications of each, before it is asked to decide on a course of action. Board members should therefore be provided with information that both identifies the options and explains the risks associated with each one.

According to the London Stock Exchange, "Agenda topics should be supported by concise, informative papers with key points highlighted. Alternative courses of action should be proposed where relevant and the risks associated with proposed decisions should be noted and discussed."[25]

The board should also receive information that clarifies the desired outcomes of the pending decision. Inability by the board to articulate these outcomes would indicate a dangerous level of unfamiliarity with the issue at hand.[26]

---

[25] London Stock Exchange, *Corporate Governance: A Practical Guide*, 2004, p. 7.

[26] CCAF-FCVI, *Governance Information: Strategies for Success*, 1996b, p. 14.

Board Use of Information Guidelines by Criterion

3.3 The information presented to the board is substantially correct.

> *"The quality of the decisions made by the board can only be as good as the quality of information provided to directors."*
>
> David Leighton & Donald Thain, *Making Boards Work: What Directors Must Do to Make Canadian Boards Effective*, 1997, p. 250.

3.3.1 Information can be validated through an audit or other means.

Certain information, such as financial statements, must be audited. However, board members should use their professional judgement to determine when other key sources of information require validation, either through internal or external means. As the CCAF-FCVI notes, "validation of information, whether it comes through audit or other means, increases confidence in the information and underlines its importance to those who provide it. In addition, boards are expected to exercise due diligence in their decision-making; the notion of due diligence precludes simply accepting information at face value."[27]

3.3.2 The board has confidence in the information it receives.

No matter the source or content of information that boards receive, members should have confidence that the information is complete and accurate. This is an important part of a board's requirement to act with due diligence.

If board members are not confident in the quality of the information they receive, there may be several detrimental outcomes. Members might:

- spend some of their already limited time on discussing the quality of the information rather than getting on with decision making;
- feel the need to qualify decisions in a way they would not if they had greater assurance about the quality of the information on which the decisions are based;
- decline making any decision with the information provided; and

---

[27] CCAF-FCVI, *Information: The Currency of Corporate Governance*, 1997, p. 17.

- make poor decisions as a result of incorrectly interpreting and qualifying the information provided.

Members should openly discuss within the board any concerns they have about the quality of the information they receive. If necessary, discussions with the Corporate Secretary should follow to ensure that the board's confidence in the information is raised to an acceptable level.

Board Use of Information Guidelines by Criterion

Criterion 4 — Board members understand the information they receive

No matter how accurate, concise or relevant the information presented to a board is, it is of little value if members cannot understand it. For this reason, the information should not only be clearly explained, but the board should have the capacity to understand it.

4.1 The board has the ability to understand the information.

"The chairman should ensure that the directors continually update their skills and have the knowledge and familiarity with the company required to fulfill their role on the board and its committees."

United Kingdom Financial Reporting Council, *Combined Code on Corporate Governance*, 2008, p.10.

The province's Board Resourcing and Development Office has a clearly documented appointment process for board positions selected by Cabinet. The governing principles that form the basis of this process include the provision that appointments be merit based—that is, made following an objective assessment of the fit between the skills and qualifications of the prospective candidate and the agency.[28] The underlying assumption is that candidates have the appropriate education, experience and skills to fulfill a board position, including the ability to understand the information provided to them.

Due to the system used to elect some board members, there is no provision guaranteeing that these members have the education, skills and experience needed to fulfill their function. However, as they are elected to represent a certain constituency, it is expected that their constituency would take these factors into account when voting.

---

[28] See Board Resourcing and Development Office, Ministry of Finance, Government of British Columbia. "Appointment Process," http://www.fin.gov.bc.ca/brdo/appoint/index.asp#policy_full.

Board Use of Information Guidelines by Criterion

4.1.1 Board members have the right skills, experience and educational background to understand the information provided to them.

According to the Board Resourcing and Development Office guidelines, boards should be "made up of individuals, who, collectively, have the required competencies and personal attributes to carry out their responsibilities effectively."[29] As well, the guidelines state that each board should have an annually updated competency matrix for board members that identifies the skill sets needed for the board if it is to function optimally. This competency matrix can also be used to direct the search for new candidates.

Existing elected board members should regularly supplement their own skill sets by taking advantage of training and development opportunities, as well as by consulting external advisors.

4.1.2 Training and development opportunities exist for board members.

Board members require opportunities for ongoing training and professional development to ensure they can keep up with changing circumstances and new information. As stated in the Board Resourcing and Development Office guidelines: "The education program for directors should be funded by the organization, and the budget for this expenditure should be controlled by the board under direction of the Governance Committee. Ongoing education may take place as part of regular board meetings, as part of the board's annual retreat or in separate educational sessions."[30]

The BC School Trustees Association also recognizes the importance of professional development. It holds conferences annually to give trustees the opportunity to interact with leaders in their field and to take part in programs that enhance the knowledge base and skills of participants.

---

[29] British Columbia, Office of the Premier, Board Resourcing and Development Office, *Best Practice Guidelines*, 2005, p. 12.

[30] Ibid., p. 30.

Board Use of Information Guidelines by Criterion

4.1.3 Board members have sufficient time to scrutinize the information presented to them.

There will be times when quick, decisive action will need to be taken by boards; however, this should not preclude the board from having the time needed to carefully read through the information provided to them. This means that, whenever possible, information packages should be distributed to the board well in advance of board meetings. "Offloading" the information transfer process to before the meeting will enable the board to focus their precious meeting time on decision making.[31]

4.2 Information presented to boards is clearly explained.

"Information presented to the Board should be concise, focused according to risk and with an emphasis, where relevant, on reporting by exception. Reports to the Board should be supported by a narrative summary which highlights the key items and actions required and by whom."

United Kingdom, National Audit Office, *Reporting Financial Management Information to the Board*, 2008, p. 19.

4.2.1 Information contains suitable explanatory narrative when appropriate.

To make the most of limited meeting time, board members need to "get up to speed" quickly on the material they receive. Management and other parties providing information can facilitate this by including an explanatory narrative that highlights the key points the board should be considering.

4.2.2 The information is logically presented.

Information presented in a clear, logical fashion also helps board members grasp information quickly. A briefing-note model can be used, for example, with each briefing note including short, succinct sections on background, issue, analysis and recommendations. Another approach is to give board members information in a standardized way—such as in a "dashboard" form, which includes a given number of performance measures that compares where the organization is with where it wants to be.[32]

---

[31] Joe Hadzima, *Don't Bore the Board of Directors (How to Use A Board Effectively)*. MIT Enterprise Forum, http://enterpriseforum.mit.edu/mindshare/startingup/dont-bore-board.html.

[32] London Stock Exchange, *Corporate Governance: A Practical Guide*, 2004, p. 8.

Board Use of Information Guidelines by Criterion

4.2.3 Board members receive assistance with the interpretation of information when appropriate.

Board members should not be reluctant to turn to the organization's resources for advice when it is appropriate to do so. This includes asking for a clear explanation of technical, legal and financial information.[33] Ultimately, however, board members should be comfortable that they have reached their own conclusions about the suitability and validity of the advice.

---

[33] See: McKinsey & Company, "The State of the Corporate Board, 2007: A McKinsey Global Survey," *McKinsey Quarterly*, 2007, http://www.mckinseyquarterly.com/Governance/Boards/ The_state_of_the_corporate_board_2007_A_McKinsey_Global_ Survey_2011?pagenum=3>; Chartered Instituted of Public Finance and Accountancy, *The Good Governance Standard for Publivc Services*, 2004, p. 16; and London Stock Exchange, Corporate Governance: A Practical Guide, 2004.

Board Use of Information Guidelines by Criterion

Criterion 5 — Board members use the information they receive

The fundamental purpose of a board is to make decisions about policies, strategies and goals. According to *Robert's Rules of Order*, the classic reference on how to conduct deliberative meetings, a key component of the decision-making process is the debate among members on "the merits of the *immediately pending question*."[34] It is during this debate that board members' familiarity with the information they have received will help ensure that all issues of importance pertaining to a pending decision have been discussed, and that the decision can be made with confidence that it is fully informed.

5.1 Board members have adequate time to discuss and debate information pertaining to decisions prior to making them.

> "There are occasions where a business opportunity calls for quick and decisive action. Even if time is of the essence, an urgent board meeting should be convened and the best information given to directors so that they can make appropriate enquiries and have a full discussion."
>
> Margot Cairnes, *Boardrooms That Work: A Guide to Board Dynamics*, 2003, p. 12.

As mentioned in the prior section, it is important that board members have sufficient time to examine and consider information presented to them by management or other sources. Without time to understand the information presented, board members may be unable to use it effectively or even correctly and may end up making decisions based on:

- incomplete knowledge of information availability;
- incorrect application of findings; or
- information proxies.

However, it is equally important that major decisions should only be taken after a full discussion at board meetings,[35] and members will not be able to use the information and participate fully without an understanding of what information is available.

---

34 Henry M. Robert, *Robert's Rules of Order*, 1915 (revised 1996).

35 London Stock Exchange, *Corporate Governance: A Practical Guide*, 2004, p. 7.

Board Use of Information Guidelines by Criterion

5.2 The board uses sound decision-making processes, such as a decision-making framework.

> *"It has become clear that directors need to be decision makers in their own right, there to help a company choose the correct path when approaching major forks in the road."*
>
> Michael Useem, "How Well-Run Boards Make Decisions", *Harvard Business Review*, Vol. 11, No. 11, November 2006, p. 38.

A decision-making framework is a quality assurance tool that formally breaks out the decision-making process into a series of distinct and consistently applied steps.[36] Exhibit 2 shows one developed by Health Canada.

Such a framework typically includes: identifying the strategic importance of the decision; assessing the risks; identifying the resource implications; and assessing the potential impacts on stakeholders and clients. All such topics should be supported by documentation. Ultimately, boards need to be rigorous and transparent about how decisions are made.[37]

---

[36] Health Canada, "Decision-Making Framework for Identifying, Assessing and Managing Health Risks," 2000), p. 1.

[37] Independent Commission on Good Governance in Public Services, *The Good Governance Standard for Public Services*, 2004, p. 15.
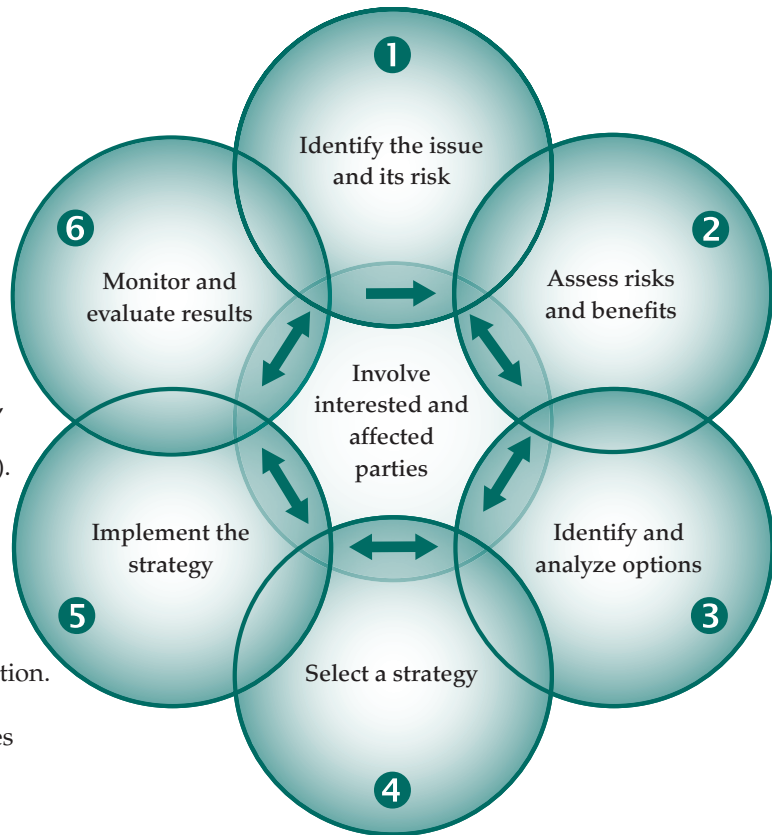
Board Use of Information Guidelines by Criterion

Exhibit 2

Health Canada's decision-making framework[38]

The framework consists of a series of inter-connected and inter-related steps. These six steps may be grouped into three phases:

- Issue identification (identify the issue and put it into context);

- Risk assessment (assess risks and benefits); and

- Risk management (identify and analyze options, select a strategy, implement the strategy and monitor and evaluate the results).

Generally speaking, the process begins at the top of the diagram, and proceeds clockwise through the other steps. The process is flexible in that one may move back and forth between steps or revisit steps based on available information. For example, a previous step may be revisited when new information becomes available and needs to be considered.

① Identify the issue and its risk

② Assess risks and benefits

③ Identify and analyze options

④ Select a strategy

⑤ Implement the strategy

⑥ Monitor and evaluate results

Involve interested and affected parties

---

38 Health Canada, "Decision Making Framework," (9 August 2005) Retrieved 24 September 2009: <http://www.hc-sc.gc.ca/sr-sr/advice-avis/decision/index-eng.php>.

Board Use of Information Guidelines by Criterion

5.3 Appropriate information is used to make decisions.

> *"While relevant and timely information allows managers to make accurate decisions, irrelevant information makes decision making difficult, adds to confusion, and affects the performance of the company."*
>
> Shrianjani Marie (Gina) de Alwis & Susan Ellen Higgins, "Information as a Tool for Management Decision Making: A Case Study of Singapore," *Information Research*, 2001, p. 2.

5.3.1 Board debates are guided by appropriate and sufficient information.

Decisions stem from debates of options informed by data and a range of other types of information about such details as costs, outcomes, benefits and stakeholder concerns. However, too much information can complicate and confuse the decision-making process, and too little information can leave the decision-making process dependent on speculation and assumptions. It is therefore important that boards work to ensure their decisions are guided by information that is appropriate (not too much information) and sufficient (enough information).

5.3.2 Appropriate and sufficient alternative courses of action are presented to the board.

Information provided to the board should clearly explain a number of options for the board to consider and the consequences of pursuing each one. Each option presented should:

- be viable;
- be pertinent to the issue;
- include the necessary information that members require to understand the option;
- list the advantages and disadvantages of the option;
- identify the risks posed by the option and related mitigation strategies for each risk; and
- ensure that all information provided for the option is free of bias.

Board Use of Information Guidelines by Criterion

5.3.3 Information presented to the board highlights the nature and extent of the risks to which the organization is exposed.

Boards need to determine the extent and types of risk that an organization is prepared to handle. They also need to monitor the risk management systems that management has in place.[39] Risk information is a necessary part of any options presented to the board, as a large part of any decision is the likelihood of success and failure with each option, and a list of risks contextualizes each option.

Any risks identified must include the likelihood and seriousness of its occurrence, thus explaining it relative to the environment and other risks. Furthermore, risks must include a mitigation strategy that will be used to mitigate the risk, which helps frame the risk by understanding how the effects of the risk can be removed or reduced.

---

[39] Hugh Lindsay, *20 Questions Directors Should Ask About Risk*, Second Edition (Toronto: The Canadian Institute of Chartered Accountants, 2006), p. 1.

Board Use of Information Guidelines by Criterion

Criterion 6 — Board members evaluate the quality and quantity of the information they receive

6.1 The entire board and its committees devote time towards scrutinizing the quantity, quality and timeliness of the information they receive from management and other sources.

> *"On balance, are we satisfied that we have in place the structures, relationships, attitudes, behaviors and other conditions that foster our capacity to receive and use — and management's capacity to develop and communicate — appropriate governance information?"*
>
> CCAF-FCVI, *Information: The Currency of Good Governance*, 1997, p. 25.

To identify successes and address deficiencies in the information systems it relies on, the board should dedicate time to evaluating the information it receives. This includes having board members determine whether they are satisfied that the information they receive is reliable, well focused and effectively communicated.[40]

Such an evaluation should generally be done first as an internal board exercise. However, management should be fully informed about the exercise and be proactive in addressing its own concerns about the quantity, quality and timeliness of the information it provides to the board—and in suggesting solutions for improvement.

---

[40] CCAF-FCVI, *Governance Information: Strategies for Success*, [brochure], 1996a.

Appendices

Appendix A: Summary of the Guidelines for Board Use of Information

[1]	**The board knows what information it requires**

1.1 Board members understand their responsibilities.

    1.1.1 All board members should receive orientation.

    1.1.2 Board charters and guidelines exist and are updated to reflect good corporate governance.

    1.1.3 Board members are aware of board policies and procedures.

    1.1.4 Board members have comprehensive job descriptions made available to them.

1.2 Board members understand their organization (internal focus).

    1.2.1 Board members are knowledgeable about the policy objectives their organization was created to address.

    1.2.2 Board members are aware of the human, monetary and physical capital available to achieve the organization's objectives.

1.3 Board members understand their organization's operating environment and clients (external focus).

    1.3.1 Boards have an awareness of client needs and expectations.

    1.3.2 Boards have a working knowledge of the organization's operating environment.

[2]	**Board members have access to the information they require to fulfill their requirements**

2.1 Board members have access to all of the information they require.

    2.1.1 The required information exists.

    2.1.2 There are no technological barriers that prevent access to information.

    2.1.3 The board is proactive in meeting its information needs.

    2.1.4 Board members request information from both management and external sources.

    2.1.5 The board documents meeting minutes related to key discussions and decisions for reference purposes.

    2.1.6 Information provided to board members is timely and current.

    2.1.7 The board receives reports that link financial and non-financial data.

    2.1.8 The board is on guard for interference with the information flow, and when appropriate, has access to management other than top executive.

    2.1.9 Board chairs are responsible for ensuring board members are sufficiently informed to contribute to board deliberations and decisions.

    2.1.10 The board and management develop an information strategy to ensure that information flows sufficiently in both directions.

2.2 The board gathers information in a cost-effective manner.

    2.2.1 The information needs of the board are balanced with management's limited resources.

    2.2.2 The board maximizes efficiencies when gathering information.

Appendix A: Summary of the Guidelines for Board Use of Information

[3] Board members have access to high quality information	

	3.1 Information is tailored to their needs.
	    3.1.1 Information is clearly and concisely presented.
	    3.1.2 Board members are comfortable voicing concerns when not fully informed.
	3.2 Information received by board members is complete.
	    3.2.1 Information compares performance with plans.
	    3.2.2 Information has a historic context.
	    3.2.3 Information is forward looking.
	    3.2.4 Information explains options and trade-offs.
	3.3 The information presented to the board is substantially correct.
	    3.3.1 Information can be validated through an audit or other means.
	    3.3.2 The board has confidence in the information it receives.

[4] Board members understand the information they receive	

	4.1 The board has the ability to understand the information.
	    4.1.1 Board members have the right skills, experience and educational background to understand the information provided to them.
	    4.1.2 Training and development opportunities exist for board members.
	    4.1.3 Board members have sufficient time to scrutinize the information presented to them.
	4.2 Information presented to boards is clearly explained.
	    4.2.1 Information contains suitable explanatory narrative when appropriate.
	    4.2.2 The information is logically presented.
	    4.2.3 Board members receive assistance with the interpretation of information when appropriate.

[5] Board members use the information they receive	

	5.1 Board members have adequate time to discuss and debate information pertaining to decisions prior to making them.
	5.2 The board uses sound decision-making processes, such as a decision-making framework.
	5.3 Appropriate information is used to make decisions.
	    5.3.1 Board debates are guided by appropriate and sufficient information.
	    5.3.2 Sufficient and appropriate alternative courses of action are presented to the board.
	    5.3.3 Information presented to the board highlights the nature and extent of the risks to which the organization is exposed.

[6] Board members evaluate the quality and quantity of the information they receive	
	6.1 The entire board and its committees devote time towards scrutinizing the quantity, quality and timeliness of the information they receive from management and other sources.

Appendix B: Bibliography

Alberta. Agency Governance Secretariat. *Public Agencies Governance Framewor*k. Edmonton: Agency Governance Secretariat, 2008.

Alberta. Office of the Auditor General of Alberta. *Government Accountability*. Edmonton: Office of the Auditor General, 1997.

Australia. Australian National Audit Office. *Building a Better Financial Management Framework*. Canberra: Australian National Audit Office, 1999.

_____. *Public Sector Governance: Better Practice Guide*. Canberra: Australian National Audit Office, 2003.

Australia. Ministry of Finance. R*eview of the Corporate Governance of Statutory Authorities and Office Holders*. Canberra: Commonwealth of Australia, 2003.

[Author unknown.] "Director Input to Corporate Strategy: Getting the Board on Board." *Strategic Direction*. Vol. 24, Issue 7, 2008.

Bart, Chris. *20 Questions Directors Should Ask About Strategy*. Toronto: The Canadian Institute of Chartered Accountants, 2003.

Beck, Anthony. *Board Practices in Canadian Crown Corporations*. Ottawa: The Conference Board of Canada, 2008.

British Columbia. Crown Agencies Secretariat and Board Resourcing and Development Office. *Crown Agency Corporate Governance: A Good Practices Checklist*. Victoria: Crown Agencies Secretariat and Board Resourcing and Development Office, 2008.

British Columbia. Ministry of Finance. *Agency Self-Assessment Tool*. Victoria.

British Columbia. Ministry of Finance. Board Resourcing and Development Office. "Appointment Process." Retrieved 22 September 2009: www.lcs.gov.bc.ca/brdo/appoint/index.asp.

British Columbia. Ministry of Finance, Crown Agencies Secretariat. *British Columbia Crown Agency Registry*. Victoria: Ministry of Finance, June 2009.

_____. *Shareholder's Expectations for British Columbia Crown Agencies*. Victoria: Ministry of Finance, January 2009.

_____. *The Shareholder's Expectations Manual for British Columbia Crown Agencies*. Victoria: Ministry of Finance, April 2006.

Appendix B: Bibliography

British Columbia. Office of the Auditor General of British Columbia. *Crown Corporations Governance Study*. Victoria: Office of the Auditor General, 1996.

_____. *Performance Reporting Principles for the British Columbia Public Sector*. Victoria: Office of the Auditor General, November 2003.

_____. *Province of British Columbia Audit Committees: Doing the Right Things*. Victoria: Office of the Auditor General, 2006.

_____. *Public Sector Governance: A Guide to the Principles of Good Practice*. Victoria: Office of the Auditor General, 2008.

British Columbia. Office of the Premier, Board Resourcing and Development Office. *Best Practice Guidelines*. Victoria: Office of the Premier, 2005.

British Columbia School Trustees Association. "What We Do: Conferences." Retrieved on 24 September 2009: www.bcsta.org/whatWeDo/eventsAndServices/conferences.

Brown, Debra. *Planning to Prevail: A Practical Guide to the Board's Role in Strategic Planning and Performance Measurement*. Ottawa: The Conference Board of Canada, 2000.

Cairnes, Margot. *Boardrooms That Work: A Guide to Board Dynamics*. Sydney: Australian Institute of Company Directors, 2003.

Canada. Health Canada. "Decision Making Framework." 9 August 2005. Retrieved 24 September 2009: www.hc-sc.gc.ca/sr-sr/advice-avis/decision/index-eng.php.

_____ ."Decision Making Framework for Identifying, Assessing and Managing Health Risks." 1 August 2000. Retrieved 24 September 2009: www.hc-sc.gc.ca/ahc-asc/alt_formats/hpfb-dgpsa/pdf/pubs/risk-risques-eng.pdf.

Canada. Office of the Auditor General of Canada. *Report of the Auditor General of Canada*. Ottawa: Office of the Auditor General of Canada, 1995.

_____. *Report of the Auditor General of Canada*. Ottawa: Office of the Auditor General of Canada, 2000.

_____. *Report of the Auditor General of Canada*. Ottawa: Minister of Public Works and Government Services Canada, May 2008.

Appendix B: Bibliography

_____. *Governance of Crown Corporations*. Ottawa: Office of the Auditor General of Canada, 2005.

Canada. Treasury Board of Canada Secretariat. *Meeting the Expectations of Canadians: Review of the Governance Framework for Canada's Crown Corporations*. Ottawa: Treasury Board of Canada Secretariat, 2005.

The Canadian Institute of Chartered Accountants. *Strategic Planning – What Boards Should Expect from CFOs*. Toronto: The Canadian Institute of Chartered Accountants, 2003.

CCAF-FCVI. *Crown Agency Accountability Relationships*. Ottawa: CCAF-FCVI Inc., 2008.

_____. *Governance Information: Strategies for Success*. [brochure.] Ottawa: CCAF-FCVI Inc., 1996a.

_____. *Governance Information: Strategies for Success*. [print.] Ottawa: CCAF-FCVI Inc., 1996b.

_____. *Governance Information: Strategies for Success*. [video.] Ottawa: CCAF-FCVI Inc., 1996c.

_____. *In Search of Effective Governance: The Video Script*. Ottawa: CCAF-FCVI, 1996.

_____. *Information: The Currency of Corporate Governance*. Ottawa: CCAF-FCVI Inc., 1997.

Chartered Accountants of Canada. *Beyond Compliance: Building a Governance Culture*. Toronto: Canadian Institute of Chartered Accountants, 2001.

The Chartered Institute of Public Finance and Accountancy. *The Good Governance Standard for Public Services*. London: Office for Public Management Ltd. and the Chartered Institute of Public Finance and Accountancy, 2004.

Conference Board of Canada. *Determining Board Effectiveness: A Handbook for Directors and Officers*. Ottawa: The Conference Board Inc., 1999.

de Alwis, Shrianjani Marie (Gina) and Susan Ellen Higgins. "Information as a Tool for Management Decision Making: A Case Study of Singapore." *Information Research*. Vol. 7, No. 1, October 2001.

Appendix B: Bibliography

Deloitte (Deloitte Research in cooperation with the Economist Intelligence Unit). *In the Dark. What Boards and Executives Don't Know About the Health of Their Businesses*. Deloitte: October 2004.

_____. *In the Dark II. What Many Boards and Executives Still Don't Know About the Health of Their Businesses*. Deloitte: November 2007.

Eckerson, Wayne W. "Data Warehousing Special Report: Data Quality and the Bottom Line." *Application Development Magazine*. 2002.

Edwards, Meredith and Robyn Clough. *Corporate Governance and Performance*. Issues Paper No. 1. Corporate Governance ARC Project. Canberra: University of Canberra, January 2005.

Enns, Doug and Hugh Lindsay. *20 Questions Directors Should Ask About Crises Management*. Toronto: Chartered Accountants of Canada, March 2008.

Fraser, John and Hugh Lindsay. *20 Questions Directors Should Ask About Internal Audit*. 2nd ed., Toronto: The Canadian Institute of Chartered Accountants, November 2007.

Hadzima, Joe. *Don't Bore the Board of Directors (How to Use A Board Effectively)*. MIT Enterprise Forum, Retrieved on 24 September 2009: http://enterpriseforum.mit.edu/mindshare/startingup/dont-bore-board.html.

Independent Commission on Good Governance in Public Services. *The Good Governance Standard for Public Services*. London: Office for Public Management Ltd and The Chartered Institute of Public Finance and Accountancy, 2004.

International Federation of Accountants Public Sector Committee. *Governance in the Public Sector: A Governing Body Perspective*. New York: International Federation of Accountants, 2001.

Jones, Ian and Michael Pollitt. "Understanding How Issues in Corporate Governance Develop: Cadbury Report to Higgs Review." *Corporate Governance: An International Review*. Vol. 12, No. 2, April 2004.

Kose, John and Lemma Senbet. *Corporate Governance and Board Effectiveness*. New York: Elsevier Science, 1998.

KPMG. *A New Focus on Governance* – Managing Stakeholder Expectations to Sustain Business Value. New York: KPMG, 2002.

Appendix B: Bibliography

Leighton, David and Donald Thain. *Making Boards Work: What Directors Must Do To Make Canadian Boards Effective*. Toronto: McGraw-Hill Ryerson Limited, 1997.

Lindsay, Hugh. *Financial Aspects of Governance: What Boards Should Expect from CFOs*. Toronto: The Canadian Institute of Chartered Accountants, 2004.

_____. *Risk Management: What Boards Should Expect from CFOs*. Toronto: The Canadian Institute of Chartered Accountants, 2006.

_____. *20 Questions Directors Should Ask About Risk*. 2nd ed., Toronto: The Canadian Institute of Chartered Accountants, 2006.

Lipchak, Andrew. *Information Management to Support Evidence-Based Governance in the Electronic Ag*e. Ottawa: Public Policy Forum, 2002.

London Stock Exchange. *Corporate Governance: A Practical Guid*e. London: London Stock Exchange, 2004.

McKinsey & Company. "The State of the Corporate Board, 2007: A McKinsey Global Survey." *McKinsey Quarterly*, June 2007. Retrieved 24 September 2009: www.mckinseyquarterly.com/ Governance/Boards/The_state_of_the_corporate_board_2007_A_ McKinsey_Global_Survey_2011?pagenum=3.

Manitoba. Crown Corporations Council. *Corporate Performance Measurement and Reporting*. Winnipeg: Crown Corporations Council, 2001.

Manitoba. Office of the Auditor General of Manitoba. *Study of Board Governance in Crown Organizations*. Winnipeg: Office of the Auditor General, 2009.

_____. *Voluntary Sector Grant Accountability: Perspectives and Practices*. Winnipeg: Office of the Auditor General, 2006.

_____. *An Examination of Governance in Manitoba's Crown Organizations*. Winnipeg: Office of the Provincial Auditor, 1998.

National Health Service Confederation and Audit Commission Nexu. *Good Governance: Good Financial Management*. The Independent Commission on Good Governance in Public Services. London: Office for Public Management Ltd. and The Chartered Institute of Public Finance and Accountancy, 2004.

Appendix B: Bibliography

New Brunswick. Auditor General of New Brunswick. *1996 Auditor General's Repor*t. Fredericton: Auditor General of New Brunswick, 1996.

New South Wales. The Audit Office of New South Wales. *On Board: Guide to Better Practice for Public Sector Governing and Advisory Boards*. Sydney: State Library of New South Wales, 1998.

Nolan, Richard and F. Warren McFarlan. "Information Technology and the Board of Directors." *Harvard Business Review*. Vol. 83, No. 10, 2005.

Northern Ireland Audit Office. *Good Governance – Effective Relationships Between Departments and Their Arm's Length Bodies*. Colegate: Northern Ireland Audit Office, 2007.

Organization for Economic Co-operation and Development. *OECD Guidelines on Corporate Governance of State-Owned Enterprises*. Paris: OECD Publications Service, 2004.

_____. *OECD Principles of Corporate Governance*. Paris: OECD Publications Service, 2004.

Plamondon, Robert and David Zussman. *Ten Steps to a Governance Checkup for Boards of Crown Corporations and Government Agencies*. Ottawa: Public Policy Forum, 2002.

Queensland. Queensland Audit Office. *Incorporating a Review of Corporate Governance*. Report No. 1. Brisbane: Queensland Audit Office, 2001.

Robert, Henry M. *Robert's Rules of Order*. 1915 (revised 1996). Retrieved 24 September 2009: www.robertsrules.org/rror-07.htm#42.

Schoening-Thiessen, Karen. Risk, *Governance, and Corporate Performance: A Board's-Eye View*. Ottawa: The Conference Board of Canada, 2008.

Shah, Anwar (ed.) *Performance Accountability and Combating Corruption*. Public Sector Governance and Accountability Series, World Bank. Washington: Office of the Publisher, World Bank, 2007.

Tapsell, Sherrill. "Uninformed Boards – Mushrooms in the Dark?" *New Zealand Management*. Vol. 47, Issue 4, May 2000.

United Kingdom. Financial Reporting Council. *Combined Code on Corporate Governance*. June 2008.

Appendix B: Bibliography

United Kingdom. National Audit Office. *Reporting Financial Management Information to the Board*. London: National Audit Office, 2008.

The University of British Columbia. "Role of the Board." University of British Columbia Board of Governors. 17 June 2009. Retrieved 22 September 2009: www.bog.ubc.ca/about/role.html.

Useem, Michael. "How Well-Run Boards Make Decisions." *Harvard Business Review*. Vol. 11, No. 11, November 2006.

Victoria (state). Public Accounts and Estimates Committee. *Inquiry into Corporate Governance in the Victorian Public Sector*. Victoria, Australia: Parliament of Victoria, 2002.

Watson, Elizabeth. *Improving the Practice of Management*. London: Ivey Management Services, 2004.

_____. *20 Questions Directors Should Ask About Crown Corporation Governance*. Toronto: The Canadian Institute of Chartered Accountants, 2007.

Willis, Alan. *20 Questions Directors Should Ask About Management's Discussion and Analysis*. 2nd ed. Toronto: The Canadian Institute of Chartered Accountants, 2008.

Wittenberg, Alex and Tom McDowell. "Engaging the Board in Risk-Adjusted Decision Making." Ivey Business Journal. March/April 2007. Retrieved 28 September 2009: www.iveybusinessjournal.com/article.asp?intArticle_ID=676.