

Report to / Rapport au:

**Ottawa Public Library Board
Conseil d'administration de la Bibliothèque publique d'Ottawa**

June 8, 2021 / 8 juin 2021

Submitted by / Soumis par:

Danielle McDonald, Chief Executive Officer / Directrice générale

Contact Person / Personne ressource:

*Alexandra Yarrow, Program Manager, OPL Board & Strategic Services / Gestionnaire de portefeuille, Conseil d'administration de la BPO et services stratégiques
(613) 580-2424 x32312. Alexandra.Yarrow@bibliooottawalibrary.ca*

File Number: OPLB-2021-0604

SUBJECT: Governance Evaluation Report and Action Plan

OBJET: Rapport d'évaluation de la gouvernance et plan d'action

REPORT RECOMMENDATIONS

That the Ottawa Public Library Board:

- 1. Receive the Governance Evaluation Report (2021) for information (Document 1); and,**
- 2. Approve the Governance Evaluation Action Plan.**

RECOMMANDATIONS DU RAPPORT

Que le Conseil d'administration de la Bibliothèque publique d'Ottawa :

- 1. Prenne connaissance du rapport d'évaluation de la gouvernance pour information; et**
- 2. Adopte le plan d'action d'évaluation de la gouvernance.**

BACKGROUND

In December 2018, the Ottawa Public Library Board (OPLB) approved a revised policy framework, including Board Policy OPLB-010 OPL Board Evaluations and Governance Reviews. This policy includes a requirement to complete several self-evaluations during its term of office: the Meeting Evaluation Form (Appendix A of the policy) is completed annually to assess the general structure and functioning of Board meetings, and the Performance Evaluation Form (Appendix B of the policy) is completed every second year to assess the Board's performance.

Once the Performance Evaluation Form has been completed, staff work with an Ad hoc Committee on Governance to develop recommendations for both the Board and CEO to implement regarding Board performance. The Ad hoc Committee, approved by the Board in September 2020, is comprised of Trustees Allan Higdon and Harvey Slack, and advises and supports staff with planning and action items related to Board Policy OPLB-010 OPL Board Evaluations and Governance Reviews, including providing advice regarding proposed revisions to governance policies, and reviewing proposed recommendations made by staff resulting from the Board performance evaluation process. It should be noted that this report thus does not include the full scope of the work of the Governance Ad hoc Committee, but merely the action plan relating to the latter item. Any proposed revisions to governance policies, including the Board Rules of Procedure By-Law, Board policies, and position statements will come back to the Board for consideration in Q4 2022.

Depending on the results of the Performance Evaluation Form process, a consultant may be engaged to conduct trustee interviews and draft a report regarding their findings. Staff conducted a modified evaluation process in 2020, in order to simplify the process and respect the ongoing COVID-19 pandemic conditions and its demands on everyone's time. The consultant role, including the in-person interviews, was eliminated, and the Performance Evaluation Form was administered as an online survey. Based on a review of the results, staff are recommending a consultant be engaged to assist with the next steps in the governance review process, as discussed in Recommendations 1 and 2 below.

Trustees completed the Performance Evaluation Form in September 2020. This report presents the initial findings from the Performance Evaluation Form results (Governance Evaluation Report, Document 1), and outlines key recommendations for actions relating

to the Board performance evaluation process during the remainder of the current term of the Board.

DISCUSSION

In January 2021 staff began reviewing the results of the Performance Evaluation Form survey with members of the Ad hoc Committee. Based on these discussions, staff developed the Governance Evaluation Report (Document 1). The Report includes a summary of the findings from the Performance Evaluation Form results, as well as three recommendations. The findings are categorized in four key areas: Strengths, Role of the board, Key areas of concern, and Improvement recommendations.

Overall, the OPL Board is performing very well, with relatively few weaknesses. On the survey of 67 questions, most were rated 4, 5, or 6 (on a six-point rating scale, in which 1 = Strongly Disagree and 6 = Strongly Agree). Written feedback related generally to the questionnaire itself, highlighting that the Ad hoc Committee should perhaps explore revisions to the questions themselves. Note that the Performance Evaluation Form was last revised in March 2016, and like the OPL Board Rules of Procedure By-Law, and all Board policies and position statements, are reviewed once per term of Board.

Approximately 30% of questions had a broader spread of responses, or lower rated responses by one respondent. This may suggest some areas of weakness, or areas in which greater trustee orientation or education is needed. These questions related to succession planning, risk management, and identifying and communicating with key stakeholder groups. Given the nature of the responses to the section regarding risk management, staff believe concerns may relate to one or both of two key areas: risks related to succession management, and / or the risk framework at OPL. Staff will explore risk management concerns further as part of the action plan, outlined below in the recommendations.

Given the nature of the process undertaken in this round of assessment (eliminating the in-person confidential interviews with a consultant), staff and members of the Ad hoc Committee also examined past trends in survey responses and comments to determine whether this year's modified process had other impacts on the responses received. The responses were found to relatively align with previous governance reviews. Based on the findings, the Report includes three recommendations that could be implemented to

improve effectiveness. The recommendations and respective responses and actions are as follows:

Recommendation 1:

- Engage a governance consultant to validate the results from the Performance Evaluation Form survey, and further clarify trustee concerns where needed including as related to risk and succession management, and work with staff to propose any recommended changes to OPLB Policy 015 Board Evaluations and Governance Reviews, including the “Meeting Evaluation Form” and “OPL Board Performance Evaluation Form” (Appendices A and B).
- Recommended timeline: Q4 2022.

Recommendation 2:

- Develop plans for one or more Board workshops, informed by the survey results and input received from the consultant, as prioritized by staff in consultation with the Governance Ad hoc Committee.
- Recommended timeline: Q1 2022.

Recommendation 3:

- Conduct an inventory of key Board stakeholders, including plans for continuous monitoring and maintenance, subsequent to the inventory of staff partnerships at the executive level.
- Recommended timeline: Q4 2022.

These recommendations, once implemented, will help clarify the performance management process for the Board, ensure adequate succession planning processes are in place for the future of the Board and the organization, and improve the Board’s overall performance.

CONSULTATION

Library staff worked with the OPL Board Ad hoc Committee on Board Governance to review and better understand the results of the Governance Evaluation Report (2021) and suggest action items to address the recommendations.

ACCESSIBILITY IMPACTS

There are no accessibility implications associated with this report.

BOARD PRIORITIES

This report aligns with the OPL value of integrity (“We embody the principles of public stewardship, transparency, and accountability in our operations and interactions.”). This report is prepared in compliance with OPL Board Policy OPLB-0015 Board Evaluations and Governance Review.

BUSINESS ANALYSIS IMPLICATIONS

The recommendations in this report were developed from the results of the self-evaluations completed by OPL trustees in the Performance Evaluation Form (Appendix B of Board Policy OPLB-010 OPL Board Evaluations and Governance Reviews). This survey was administered online using CheckMarket for the first time in 2020; previous versions of the survey were completed using other tools. At this time, staff anticipate that future surveys will be completed online.

FINANCIAL IMPLICATIONS

If the recommended action plan is approved as presented, external professional consulting services will be engaged to support the actions responding to Recommendations 1 and 2. Funding for these services is available in the existing OPL Budget.

LEGAL IMPLICATIONS

There are no legal implications associated with this report.

RISK MANAGEMENT IMPLICATIONS

Implementing the Governance Evaluation Action Plan may assist in more effective risk management processes at OPL, in terms of both trustee education and succession

planning for key roles in governance and senior management, depending on the findings of the consultant's work.

TECHNOLOGY IMPLICATIONS

There are no technology implications related to this report.

SUPPORTING DOCUMENTATION

Document 1 Ottawa Public Library Governance Evaluation Report 2021

DISPOSITION

Upon approval of this report, the Manager, Board & Strategic Services will lead the implementation of the action plan in accordance with the timelines identified.

Ottawa Public Library Governance Evaluation Report 2021

Between September 17-29, 2020, all OPL Trustees were invited to complete the Performance Evaluation Form (Board Policy OPLB-010 OPL Board Evaluations and Governance Reviews, Appendix B) to obtain their perspectives on a broad range of Board performance dimensions reflecting governance best practices. This report is a combination of the views presented by trustees in their survey results, as well as insights from staff and the members of the OPLB Ad hoc Committee on Governance.

Board Assessment Survey Results (OPL Board Performance Evaluation Form)

The survey was administered on a six-point rating scale, in which 0 = Unable to Assess, 1 = Strongly Disagree, 3 = Neutral, and 6 = Strongly Agree. The average rating of all questions in the survey questionnaire is 4.77, and trustees rated the overall effectiveness of the Board with an average rating of 5.5, which suggests that the Board is performing well overall.

Strengths

- Trustees felt that they understood, and OPL complied with, the legal responsibilities of the organization, and that they are committed to being accountable for the results of the organization. They felt that they obtained adequate financial and other information to understand and assess the condition and performance of the organization.
- Trustee and management relationships are strong: trustees felt that the relationship between the Board and the CEO is appropriate and effective. They also agreed that there is a high level of trust and respect among trustees, and that The Board speaks with one voice after a vote is taken. There is also a high level of trust and respect between trustees and Senior Management, including that management is candid and direct in responding to questions.
- With respect to meetings, trustees felt that meetings were well-attended, that the information received for meetings is appropriate, timely, and properly focuses discussion and decision-making, and that trustees arrive at Board meetings well prepared. They also agreed that committees reported appropriately and

effectively to the Board, and that the Board is effective in following through on agenda items from previous meetings.

- Trustee comments reflected their overall confidence in the Board:
 - “Thank you to staff for their diligence and to the CEO for her leadership.”
 - “The board (CEO, Chair, and Trustees) do an exemplary job and are able to execute tasks in a timely fashion. It is a pleasure to be able to work alongside such a great group of folks.”
 - “I have gained much knowledge of the workings of OPL and am very pleased to serve on Ad-Hoc Committees and speaking opportunities to represent OPL.”
 - “The Board seems to be evolving and gaining some steam.”

Role of the Board

- There was consensus that the Board plays an appropriate role in contributing to the development and approval of the strategic and corporate plans, in keeping with its governance model.
- Trustees had a broad range of responses to a question regarding whether the Board has implemented appropriate techniques to ensure the mission and vision are understood by and integrated into the actions of employees. These responses may speak to the fact that trustees are conflicted about their strategic role in this area, or that this question should be eliminated given that this responsibility is delegated to the CEO, as per Board policy 002 - OPLB Delegation of Authority (“the DOA”), broadly covered under Items 32 (“Assess the performance of, and set salaries for individual staff”) and 33 (“Hire, appoint, promote, suspend, dismiss and manage the performance of individual staff.”).

Key Areas of Concern

- Succession planning continued to be a concern for some trustees. It would be useful to validate the results from this section of the survey and further clarify specifics regarding trustee concerns (for example, whether succession planning for trustees or staff is of primary concern). Revisions to the survey, and / or

Board workshops on specific succession planning topics, may be warranted.

One initial area of concern from conversations with several trustees is a strong desire to ensure this policy reflects OPL's desire to move to a more diverse and representative board. Of note, the process for succession planning for trustees is outlined in Board Policy 016 - OPLB Board Succession Planning. In accordance with the *Public Libraries Act* (the Act), board members are appointed by the municipal council. Board members develop a set of preferred skills and competencies for trustees, updated in the final year of the Board's term, to assist City Council in its deliberations on the appointment of trustees for the next term. As a result, the Board Succession Planning Policy will be reviewed in 2022, and trustees will have an opportunity to provide input into the composition of the Board via the proposed revisions to this policy.

- Risk management: Responses to several questions in this section of the survey seem to reflect some confusion among respondents, including one direct comment that a question was unclear. It would be useful to validate the results from this section of the survey and further clarify trustee concerns. Revisions to the survey, and / or Board workshops on topics of concern, may be warranted.
- Identifying and communicating with stakeholders: Responses to a question regarding whether the Board had identified key stakeholders or stakeholder groups and had defined communication strategies for each were mixed. As indicated in the 2021 Board Work Plan (OPLB-2021-0403) in Appendix 2, the Corporate Work Plan, staff intend to develop an inventory of partnerships at the executive level, and a plan for continuous monitoring and maintenance of key relationships this year. This work will inform a future inventory of key Board stakeholders, including plans for continuous monitoring and maintenance, which will occur in 2022.

Improvement Recommendations

Based on the findings from the questionnaire, and the observations of staff and the Ad hoc Committee, several improvements could be implemented by the Board to enhance its effectiveness:

Recommendation 1: Engage a governance consultant to validate the results from the Performance Evaluation Form survey, and further clarify trustee concerns where needed including as related to risk and succession management, and work with staff to propose any recommended changes to OPLB Policy 015 Board Evaluations and Governance Reviews, including the “Meeting Evaluation Form” and “OPL Board Performance Evaluation Form” (Appendices A and B).

Recommendation 2: Develop plans for one or more Board workshops, informed by the survey results and input received from the consultant, as prioritized by staff in consultation with the Governance Ad hoc Committee.

Recommendation 3: Conduct an inventory of key Board stakeholders, including plans for continuous monitoring and maintenance, subsequent to the inventory of staff partnerships at the executive level.