

Ottawa Public Library

Governance Evaluation Report

For 2016

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Table of Contents

Preface.....	3
Board Assessment Survey Results	4
Interviews and Meeting Observation Findings.....	5
Board Strengths.....	5
Role of the Board.....	5
Culture and Behaviour	6
Meeting Dynamics	6
Meeting Information	7
Improvement Recommendations	8
Appendix 1 – OPL Board Evaluation Survey Results	9
Appendix 2 – OPL Trustee Interview Questions.....	15

Preface

Transform Management Consulting Inc. (Transform) was retained by the Ottawa Public Library (OPL or the Library) to complete a Board evaluation in 2016.

All OPL Trustees were invited to completed surveys to obtain their perspectives on, and ratings of, different aspects of the Board's governance and performance. In addition, all Trustees were invited to participate in confidential interviews to obtain their insights on the Board's governance strengths and weaknesses.

Jacques Levesque, the prime consultant on this project, also observed a Board meeting to gain a better understanding of the Board's procedures and behavioural dynamics.

This report is a combination of the views presented by the members of the Trustees as well as our insights based on the application of governance best practices to OPL's particular situation.

Board Assessment Survey Results

The Board Assessment survey questions (shown in **Appendix 1**) are based on the application of generally accepted governance best practices and utilize a rating scale of 1 (Strongly Disagree) to 5 (Strongly Agree).

A total of 8 Trustees provided responses to the survey. One survey was not completed in its entirety and another demonstrated bias with all questions rated “5”.

Based on our experience in working with other Boards, any mean or average reading of 4.0 or greater is considered to be very good performance. The aggregate summary of all questions in the survey questionnaire is a rating of 4.43 which suggests that the Board is performing very well overall.

Almost all of the questions were rated 4.0 or higher with only a few below that figure. The identified areas of relative weaknesses in the current situation of the Board (highlighted in orange in the appendix) are shown below in numerical order:

#	Question	Mean
27	The Board or its Committees have an appropriate and effective role in succession planning for the Chair of the Board.	3.50
32	The organization has an emergency contingency plan for the succession of the corporation’s Officers.	3.88
46	The terms of individual Trustees are well staggered to allow for orderly transitions of experienced vs. new Trustees.	3.43
65	There are sufficient opportunities for the Board to meet in-camera (without the public, the CEO or any members of management).	3.86

These relatively weaker ratings are all above 3.4 and three of the questions deal with governance protocols that are more difficult to address or change due to the nature of the organization as well as its regulating Act and bylaws. Nonetheless, opportunities for improvement exist.

Only 1 comment was provided by the participants and it was a positive observation on the distribution of Trustees in (ad hoc) committees.

Interviews and Meeting Observation Findings

This section combines the insights gleaned from interviews with 8 of the Trustees who participated (see **Appendix 2** for the questions used during the interviews) as well as our observation of a Board meeting. The findings are presented without attribution to any particular person to protect confidentiality.

Board Strengths

All the persons interviewed indicated that this Board is performing very well. Some of the identified key strengths included:

- A good mix of skills and backgrounds on the Board for the work of the Library.
- All Trustees are engaged and come well prepared for meetings.
- Attendance at meetings by Trustees is generally very good.
- Trustees are open minded and strive to be fair on all topics and issues brought to the Board for consideration.
- The Board is open to new ideas and has used crowdsourcing information to obtain better insights on the community's perspective for key topics.
- All participants recognize the importance of, and challenges associated with, many aspects of the new Central Library, but the process that has been used is seen as fair and effective.

Overall, the participants indicated that this Board has many strengths and very few weaknesses.

Role of the Board

All participants recognize and accept that the Board strives to operate at a policy or strategy level of governance. They indicated, and we observed, that the Board is successful in this regard the vast majority of the time.

All Trustees indicated that they are comfortable with the current Delegation of Authority policy and that it provides a strong framework from which to determine what topics and decisions should / must come to the Board for consideration.

The participants believe that the Trustees generally ask appropriate and insightful questions of management and delegation representatives. They indicated that there are only a few occasions when individuals get “dragged into weeds” on particular detailed issues. These were not seen as excessive and they were generally well managed by the Chair.

The newer Trustees indicated that their orientation session to the Board had been very helpful. Many of them suggested that ongoing education on library topics and developments would also be very useful.

Some participants recommended that the Board should ensure there is a better succession plan for the CEO as well as a clear emergency succession plan for the Library's senior management.

Culture and Behaviour

Almost all participants indicated that the Board culture is professional and collegial. All participants agreed that there is a high level of trust and respect among the Trustees.

The Trustees shared that they enjoy working with their colleagues even though the subject matter can be somewhat challenging at times. They value that they can have vigorous discussions and, at times, agree to disagree on certain specific topics or decisions, but continue to work well together.

The Citizen Trustees are sensitive to the dual nature of the responsibilities held by the Councillor Trustees. Citizen Trustees generally find that discussions are well balanced during meetings, although there may be times when local political concerns can be evident during the Board's deliberations. However, this is not perceived as a significant issue.

All participants sense that management is candid with the Board and responds particularly well to requests for clarification or more information in a timely manner. The participants believe they have a strong and trusting working relationship with the CEO and the senior management team.

All Trustees are comfortable that media relations are well handled by either the staff or the Board Chair. They are clear on the protocols to be used to ensure that there are no misunderstandings on who is/are the prime spokesperson(s) for the Library.

Meeting Dynamics

The atmosphere at a Board meeting was observed to be relaxed, but serious about getting through the agenda in an efficient and effective manner. Some of our additional observations include that:

- The meeting started on time.
- There was an effective use of the consent agenda format.
- The CEO's report was short and to the point.
- Management's "ask" in presentations was clear and concise.
- Four delegations made presentations which were kept to the standard time frame and questions were asked of many of them, but the discussion did not develop into a debate.
- The Chair ran the meeting very smoothly and efficiently.

Most Trustees indicated that there is a reasonable balance of receiving information and presentations as compared to having sufficient discussion time for most topics.

Most believe the Chair is doing a good job in managing the agenda and meeting dynamics. A few are concerned that the pace of meetings is perhaps a little fast, but they recognize that there is a fine line between being efficient and ensuring all Trustees have an opportunity to ask their questions. We observed that the Chair was diligent in ensuring that all Trustees were recognized when they indicated they had comments or questions.

Nearly all Trustees agree that the approach used for hearing from delegations is working well and is effectively administered by the Chair. A few indicated that they are concerned that the Board must ensure that it takes a balanced perspective on topics that are presented by special interest groups as compared to the broader benefits to all citizens of the city.

Meeting Information

Nearly all Trustees are satisfied that the structure, content and amount of materials provided by management for meetings is highly effective.

The Trustees indicated that the meeting calendar addresses all appropriate topics and decisions for the Board. A few suggested that spending more time on deeper strategic issues for the future of the Library and libraries in general for the longer term would be useful. This could be considered a form of generative governance discussion or a reframing / expansion of strategic planning discussions which already occur.

A few noted that there are sometimes a few points of detail that could be provided by management for better understanding. However, they were able to quickly and easily obtain the information they desired by having a telephone conversation or discussion with staff. They further noted that staff was always accommodating and helpful in supplying the requested information.

Most indicated that the timing of information being published for the Trustees is satisfactory. A few noted that when documents or reports are quite large and potentially of great interest to the public, the current notice period is not adequate. We were informed that this is recognized by the Chair and that larger and/or more significant reports will be published with greater lead times for the benefit of all Library stakeholders in the future.

Improvement Recommendations

Based on the findings from the questionnaires, interviews and our own observations, a number of improvements could be implemented by the Board. In our considered opinion, we believe the most important actions the Board should consider taking to enhance its effectiveness would be to:

1. Modify or expand the Board's involvement in strategic planning workshops or use generative governance discussions to explore the future of libraries and how this could impact the OPL.
2. Develop or enhance a policy and process for the Board to ensure an effective succession planning process for the CEO is in place.
3. Ensure an emergency succession plan is developed for the senior executives of the Library.
4. Discuss what should be done to further enhance ongoing training for Trustees.
5. Develop a method for the Board to communicate to City Council any recommendations or suggestions it might have regarding succession planning for the Trustees and the Board Chair as it nears the end of its term.
6. Continue to assess and adjust the new Central Library decision-making process to ensure it yields the best results.

Appendix 1 – OPL Board Evaluation Survey Results

Ratings range from 1 (e.g. Strongly Disagree) to 5 (e.g. Strongly Agree)

#	Section 1 - Legal and Regulatory Considerations	Mean	Low	High	n
1	The legal responsibilities of the organization, including provincial and municipal laws are well understood and the organization is in compliance.	4.88	4	5	8
2	The Board / Trustees are committed to being accountable for the results of the organization.	4.75	4	5	8
3	Effective processes exist to ensure the Board and its Trustees fulfil their fiduciary responsibilities.	4.63	4	5	8
4	The Board ensures it properly reviews the organization's by-laws regularly.	4.38	3	5	8
	Section 1 - Mean	4.66			
	Section 2 - Direction Setting	Mean	Low	High	n
5	The Board plays an appropriate role in establishing and/or updating the organization's missions, vision and values.	4.63	4	5	8
6	The Board plays an appropriate role in contributing to the development and then approval of the strategic/corporate plan in keeping with its governance model.	4.75	4	5	8
7	The Board has implemented appropriate techniques to ensure the mission and vision are understood by and integrated into the actions of employees.	4.63	4	5	8
8	The Board adopts appropriate policies governing ethics and behaviour, and ensures these are effectively communicated, applied and results monitored.	4.63	4	5	8
9	The Board has adopted and properly applies comprehensive conflict of interest and code of conduct policies for itself and the organization.	4.63	4	5	8
10	The Board ensures the management team is responsive to developing issues for the organization.	4.75	4	5	8
	Section 2 - Mean	4.67			

	Section 3 - Financial Oversight	Mean	Low	High	n
11	The Board reviews and approves the financial plans of the organization prior to their implementation.	4.63	4	5	8
12	The Board obtains all the financial and other information it requires to understand and assess the condition and performance of the organization.	4.50	4	5	8
13	The Board is diligent in verifying the integrity of the organization's internal financial controls and management information systems.	4.38	4	5	8
14	The Trustees are sufficiently financially literate to effectively discharge their financial oversight responsibilities.	4.38	4	5	8
	Section 3 - Mean	4.47			
	Section 4 - Performance Management	Mean	Low	High	n
15	The Board approves the annual objectives of the organization, regularly evaluates actual performance, and takes appropriate action as warranted.	4.50	4	5	8
16	The Board uses an appropriately broad range of indicators to measure various aspects of the organization's performance.	4.50	4	5	8
17	The Board does a good job of evaluating the performance of the CEO by measuring results against objectives.	4.88	4	5	8
18	The Board provides regular feedback to the CEO concerning performance, and opportunities for improvement and development.	4.63	4	5	8
19	The Board effectively links CEO performance to compensation in a manner consistent with established policies.	4.63	4	5	8
20	The performance assessment process for the Board as a whole is effective and promotes continuous improvement.	4.38	4	5	8
21	The Board addresses shortcomings in its performance or that of management expeditiously.	4.25	3	5	8
	Section 4 - Mean	4.54			

	Section 5 - Risk and Opportunities Management	Mean	Low	High	n
22	The Board has adopted an appropriate risk management framework and process.	4.25	3	5	8
23	The Board systematically assesses the management of principal internal and external risks.	4.25	3	5	8
24	The organization has an effective risk mitigation program.	4.25	3	5	8
25	The Board systematically assesses the identification and management of key opportunities.	4.38	3	5	8
	Section 5 - Mean	4.28			
	Section 6 - Succession Planning	Mean	Low	High	n
26	The Board or its Committees have an appropriate and effective role in succession planning for the CEO.	4.13	3	5	8
27	The Board or its Committees have an appropriate and effective role in succession planning for the Chair of the Board.	3.50	2	5	8
28	The Board or its Committees have an appropriate and effective role in succession planning for the Trustees.	4.00	3	5	8
29	The orientation process for new Trustees adequately prepares them to fulfill their responsibilities.	4.50	4	5	8
30	The Board has an effective ongoing education program for the Trustees.	4.50	4	5	8
31	The Board plays an appropriate role in the succession planning process for senior management (other than the CEO).	4.00	2	5	8
32	The organization has an emergency contingency plan for the succession of the corporation's Officers.	3.88	3	5	8
	Section 6 - Mean	4.07			

	Section 7 - Stakeholder Communications	Mean	Low	High	n
33	The Board / Chair have adequate opportunities for effective communication with the City of Ottawa / Council.	4.29	3	5	7
34	The Board ensures a comprehensive and candid annual report is provided to the City of Ottawa / Council.	4.57	4	5	7
35	The Board has identified its key stakeholders or stakeholder groups and has defined communication strategies for each.	4.00	2	5	7
36	The Board and Management are clear on the communications tactics to be used in various circumstances and have identified the prime spokesperson(s).	4.43	4	5	7
37	The Trustees are clear on their role, if any, in communicating on behalf of the corporation.	4.57	4	5	7
	Section 7 - Mean	4.37			
	Section 8 - Roles and Responsibilities	Mean	Low	High	n
38	The Trustees demonstrate a clear understanding of, and respect for the respective roles of the Board and the CEO / Management.	4.43	4	5	7
39	The Board has specifically delegated authority levels, in writing, to the CEO.	4.57	4	5	7
40	The Board thinks and acts independently of, and is not unduly influenced by Management.	4.29	3	5	7
41	The Board generally excels in providing strategic leadership to the organization.	4.14	3	5	7
42	The Board addresses all of its responsibilities in an organized manner and schedules regular reviews of key issues in its annual calendar of meetings.	4.57	4	5	7
43	The roles and responsibilities of the Chair, Trustees and Ad-hoc working groups is well documented and understood.	4.29	4	5	7
	Section 8 - Mean	4.38			

	Section 9 - Structure and Composition	Mean	Low	High	n
44	The size of the Board is appropriate for its mandate.	4.57	4	5	7
45	The composition of the Board provides for an effective mix of representation, expertise and experience.	4.29	2	5	7
46	The terms of individual Trustees are well staggered to allow for orderly transitions of experienced vs. new Trustees.	3.43	2	5	7
	Section 9 - Mean	4.10			
	Section 10 - Culture and Protocol	Mean	Low	High	n
47	The relationship between the Board and the CEO is appropriate and effective.	4.57	4	5	7
48	There is a high level of trust and respect among the Trustees.	4.43	3	5	7
49	There is a high level of trust and respect between the Trustees and Senior Management.	4.57	3	5	7
50	The Trustees have adequate opportunities to influence the structure and content of Board meeting agendas.	4.00	3	5	7
51	The number and length of Board meetings is appropriate.	4.43	4	5	7
52	Meetings are well attended and achieving quorum is not an issue.	4.43	4	5	7
53	Board meeting agendas are well structured and address an appropriate range of issues for consideration.	4.43	4	5	7
54	The amount and type of information received for Board meetings is appropriate, timely, and focuses discussion and decision-making.	4.57	4	5	7
55	Trustees arrive at Board meetings well prepared by having read the materials and are ready to address the issues on the agenda.	4.29	4	5	7
56	The Chair does an effective job of planning and running meetings, and leading the Board.	4.43	4	5	7

57	Management is candid and direct in responding to questions.	4.57	4	5	7
58	Management responds to Trustee requests for information in a reasonable time frame.	4.57	4	5	7
59	The Board's culture promotes candid communications and rigorous decision-making.	4.43	4	5	7
60	All Trustees are appropriately involved in Board discussions.	4.43	4	5	7
61	The reporting of Committee work to the Board is done in an appropriate and effective manner.	4.57	4	5	7
62	The Board is effective in following through on agenda items from previous meetings.	4.43	4	5	7
63	The Board speaks with one voice after a vote is taken.	4.29	2	5	7
64	The Trustees are able to effectively discharge their fiduciary duties to the OPL regardless of other positions they might hold.	4.57	4	5	7
65	There are sufficient opportunities for the Board to meet in-camera (without the public, the CEO or any members of management).	3.86	2	5	7
66	The minutes of Board meetings adequately capture all relevant issues, discussion, and decisions.	4.43	4	5	7
	Section 10 - Mean	4.41			
	Section 11 - Overall Rating	Mean	Low	High	n
67	What is your overall rating of the effectiveness of the Board?	4.43	4	5	7
Comments or Suggestions for this Section: Engagement of Board members in committee work is well distributed.					

Appendix 2 – OPL Trustee Interview Questions

1. How long have you been on the OPL Board?
2. What things do you think the Board and its Trustees do particularly well?
3. How would you characterize the culture and behaviour of the Board?
4. Do the Trustees ask for and receive the right information from management and if not, what kinds of things should they ask for, in your opinion?
5. Do the Trustees ask management the “right types” of questions?
6. Is there any area or topic on which the Board should spend more time?
7. Do the Trustees generally focus on strategy, policy, risk and objectives and leave operations to management in keeping with a Policy Model of governance?
8. How would you describe the relationship among the Trustees?
9. How would you describe the relationship between the Board and management?
10. What could the Board do differently to improve its governance and/or performance?
11. What have we not discussed that you think it would be important for me to know to provide the Board with the maximum benefit from this process?