

**AISACT GOVERNANCE SEMINAR:**  
**MAKING THE SCHOOLS GOVERNANCE GUIDE REAL**

**PARTICIPANT'S WORKBOOK**

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## INTRODUCTION

The Association of Independent Schools ACT (AISACT) has developed the *School Governance Guiding Principles: A Guide to Promote Good Governance* (AISACT to insert link to doc on AISACT website) (the Guide) to support AISACT members in the pursuit of good governance within their schools. The Guide contains eight guiding principles for effective governance, as well as recommendations for actions school boards can take in support of each principle.

The guide has been inspired by and draws on:

- [ASX Corporate Governance Principles and Recommendations](#)
- [Australian Institute of Company Directors \(AICD\) Not for Profit Governance Principles](#)
- [Australian Charities and Not for Profits Commission \(ACNC\) Governance Standards](#)

All schools are different. While general principles of good governance are universal, it isn't possible to develop a prescriptive "one size fits all" governance approach for all schools. Different schools will have different governance structures depending on their size, history, complexity and corporate culture.

The Guide is not meant to be a prescriptive template for adoption by all schools. It is for individual school boards to identify the guiding principles and recommendations they may wish to adopt. The hope is that the Guide provides inspiration, ideas, and support for strong, effective governance within our schools.

## THE MAKING THE SCHOOLS GOVERNANCE GUIDE REAL SEMINAR

To bring the eight guiding principles to life the *AISACT Governance Checklist* (AISACT website) and this *Seminar* have been developed. This seminar is designed to help you gain a greater understanding of the Governance Guide and an increased knowledge of how to ensure strong governance in your school, and in so doing reduce the risks to the school, the board and individual board members.

The seminar is based on the following:

- Content links directly to the AISACT School Governance Guiding Principles document, ie. It shows you how the Guide can be used in a practical sense to uplift governance in your school.
- To enhance practical understanding, rather than lectures on content the seminar focuses on scenarios based on key challenges/issues of relevance to ACT independent schools.
- Scenarios include questions connected to each of the eight principles in the Guide. You are encouraged draw on the Guide, your colleagues and your own experience to explore options and identify the best way forward.

## LEARNING OUTCOMES

By participating in this seminar, you will build your knowledge, develop skills and identify behaviours, enabling you to:

- Understand the competitive external market and key school organisational drivers.
- Create and foster a truly governance focused board with a culture of openness and transparency.
- Interpret relevant management reports and use these to guide evidence based decision making.
- Coach governance focused behaviours in the board and the executive to drive high levels of conformance and performance.

## MY PERSONAL LEARNING OBJECTIVES

In the space below, note your Personal Learning Objectives and prepare to share them with the group.




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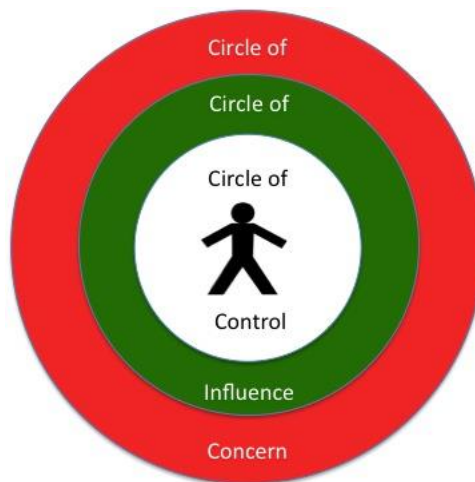
## WHOSE RESPONSIBILITY IS IT?

Responsibilities as a board member of your school and in fact of any organisation – not for profit, for profit, commercial, public, government – in many instances cannot be ignored, delegated, passed over or left to others. The culture we encourage you to embrace is “It’s up to me” which reinforces the key role you have in driving your school’s governance policies and practices.

To help understand your role in governance, Stephen Covey a renowned business thinker came up with the concept of Circles of Concern.

- The circle of concern, in a business sense, encompasses all of those issues that have an impact on the school and the performance of the school. In many instances these are outside your direct control, for example general economic conditions or government funding of schools. Nevertheless you must deal with these issues in your board decision making.
- The circle of influence encompasses the concerns that you can do something about (for example issues to do with school culture or dealing with complaints)
- The circle of control covers those areas where you have complete control on outcomes (for example establishing robust governance protocols).

It is important to understand the distinctions between these, as it is wasted effort to rail against things you can't change, and equally if it is truly "Up to me", then if you have control or influence then there are no excuses for not acting.



What are the barriers, if any, to you "Owning" governance in your school?




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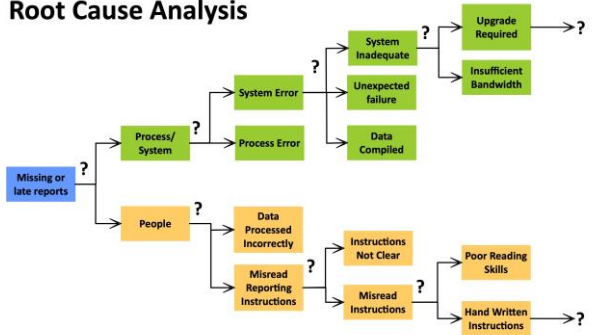


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Example Scenario: Financial and other census reports are not readily available to the board.

Implications of this?	How does this relate to the Guiding Principles?	What should you do?
<p>Implications include:</p> <ol style="list-style-type: none"> <li>1. The board and the school have a policy of timely and open communications that is not being adhered to.</li> <li>2. The board is unable to monitor the financial and operating health of the school in a timely manner. This is a major Risk factor for the board.</li> <li>3. The board may be making decisions based on incorrect or incomplete data or understanding of the issues.</li> <li>4. A breach of openness between the board and the executive may adversely impact trust and the way we work together.</li> </ol>	<p>Principle 4: Risk recognized and managed.</p> <ul style="list-style-type: none"> <li>• 4.3 Have processes to review and monitor risk framework</li> </ul> <p>Principle 5: Organisational capability to deliver purpose.</p> <ul style="list-style-type: none"> <li>• 5.1: Have an effective financial governance framework</li> <li>• 5.2: Identify appropriate performance indicators</li> <li>• 5.4: Understand and assess capacity and capability</li> </ul> <p>Principle 6: Integrity and accountability</p> <ul style="list-style-type: none"> <li>• 6.1: Ensure board has access to current and relevant reports</li> </ul>	<p>At this stage the cause of the delay is not known. For example it could be systems related, a lack of urgency or simply poor communications methods.</p> <p>Therefore in conjunction with the Finance and Audit Committee we need to undertake a Root Cause Analysis to identify the reason and then take the appropriate action.</p> <p><b>Root Cause Analysis</b></p> 
<p>Private Reflection: Notes for my school</p>	<p>In the first instance despite not being on it I need to consult with the Finance and Audit Committee. To do this I will contact xxxxxxxx the Chair of the committee to see what their understanding of the situation is and discuss next steps.</p> <p>I anticipate we will need to the engage yyyyyyyyyy the Principal to understand their position in relation to board reporting. If the cause of the problem is not evident we will then encourage the Finance and Audit Committee to undertake a more formal Root Cause Analysis in conjunction with the school Executive.</p>	

Scenario Worksheet: My scenario is.....

Implications of this?	How does this relate to the Guiding Principles?	What should you do?
<p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p>	<p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p>	<p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p>
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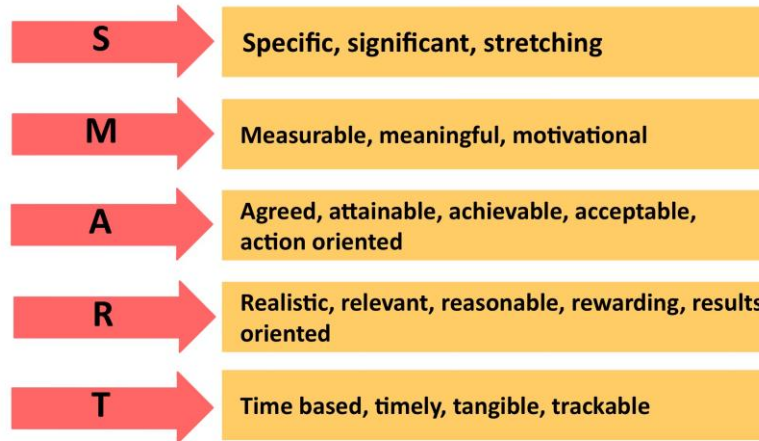


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## ACTION PLANNING

### SMART Goals



It's time now to undertake some action planning based on the work we have done today. Considering your Circle of Control, your scenario analysis, make notes on actions you intend to undertake back in the school, and some clear SMART goals you wish to achieve.

My notes:




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## ATTACHMENT: SEMINAR SCENARIOS

In reviewing your nominated scenarios you are asked to answer the following questions:

- What are the implications of this?
- How does this relate to the Guiding Principles?
- What should you do?

In preparing your answers you should consider the specific question asked in *italics*.

### SCENARIO 1: LOW FINANCIAL ACUMEN

There are various financial skill levels on the board but overall there appears to be low financial acumen. This was highlighted during recent board discussions on:

- Board financial responsibilities.
- The changes to government funding for schools. There appeared to be a low level of understanding on how funding works e.g. directors were not clear on:
  - i. the difference between federal and territory government funding
  - ii. the impact cuts to federal and territory government grants will have on the bottom line in the medium and long term
  - iii. the relationship between enrollments, census days and funding
  - iv. how much the school receives from government grants versus school fees
  - v. the key levers and drivers of profit in a school setting
  - vi. how to interpret financial reports.

*Consider:*

- *What can individual directors do to improve their financial acumen?*
- *What can boards do to improve boardroom financial literacy?*

### SCENARIO 2: THINKING LIKE PARENTS

The board seems to be too focused on day-to-day school issues and activities. This includes directors raising questions related specifically to their children who are students at the school (i.e. thinking like parents rather than board members).

*Consider:*

- *What are the key roles and responsibilities of school board directors?*
- *What are the key roles and responsibilities of the principal and school executive?*
- *What can boards do to ensure clarity in roles and responsibilities between the board and school executive?*

### SCENARIO 3: POOR DECISION MAKING

We have recently made some decisions that have backfired on us. No one seemed to see the risk of things going wrong.

*Consider:*

- *What do we really mean by “risk” in the context of the school?*
- *What is the role of the board in risk?*
- *What can boards do to recognise and manage risk?*

#### **SCENARIO 4: BOARD INFIGHTING**

Board members seem to be fighting with each other and appear to have their own agendas. There have been incidents of directors shouting, table thumping and using aggressive language towards fellow directors and school executives.

The chair appears not to be concerned and to view this behaviour as a demonstration of frank and fearless debate. Alternatively, it may be just that the chair doesn't know what to do.

*Consider:*

- *Is it your role to challenge board room behaviour you are concerned about?*
- *How might you do this?*
- *How can boards ensure they operate effectively, add value and are working to a shared mission?*
- *How might you influence the culture of the board and the school?*

#### **SCENARIO 5: LACK OF ACCOUNTABILITY**

The board's ability to deliver on its purpose and meet its fiduciary responsibilities appears to be compromised. Neither the board members nor the executive seem accountable for their actions. There is no clear definition of roles and responsibility and no processes in place to ensure accountability or measure performance.

*Consider:*

- *What are the implications of this if it is allowed to continue?*
- *What can boards do to ensure organisational capability to deliver on purpose?*
- *How can boards support integrity and accountability within their school?*

#### **SCENARIO 6: BULLYING AND POOR BEHAVIOUR**

Your school promotes strong positive values and ethics in its vision and mission. However, as a director for this very successful and well regarded school, you have been troubled by the latest results from parent and student surveys which show a trend of increasing reports of bullying behaviour.

When you raised it at the last board meeting your fellow directors seem unconcerned about this trend. The chair noted that the school was performing well, had a good reputation and advised that if the principal and staff had any concerns they would manage it internally.

*Consider:*

- *Are you satisfied with this approach from the board?*
- *Is it your role to question a culture and process that your board colleagues seem happy with?*
- *What can boards do to ensure a culture that supports the school's vision and mission?*

## **SCENARIO 7: CHAIR/PRINCIPAL RELATIONSHIP**

The chair/principal relationship seems to be challenging and interfering with the smooth operation of the board and the school and our culture.

It's not uncommon for the chair to assert their authority over the principal in board meetings or to go directly to other staff to request information on operational matters. The principal is often quiet in board meetings, speaking only to the principal's report or when responding to direct questions.

*Consider:*

- *What are the risks to a school of a poor relationship between the chair and principal?*
- *Is it your role to raise concerns about the relationship between the chair and principal? If so, how might you do this?*
- *What can boards do to help support an effective chair and principal relationship?*

## **SCENARIO 8: BOARD LACKS UNDERSTANDING OF THE WORLD AROUND US**

The board doesn't seem to understand the environment the school is operating in. There is low understanding on the board of:

- who our stakeholders are and what they require of us
- changing demographics and societal issues
- competition
- evolving educational issues and trends.

*Consider:*

- *Why is it important for boards to understand their operating environment?*
- *How can boards build and maintain effective stakeholder engagement?*
- *How can boards ensure their decision making is based on a sound understanding of the environment you operate in?*

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