EXCELLENCE IN GOVERNANCE PRINCIPLES
From Responsible to Exceptional...

BoardSource has identified a series of governance principles that distinguish a Responsible Board from an Exceptional Board.* Learning thru the first three rounds of the program, we have adapted several of BoardSource’s concepts so that they are more relevant and customized to the realities of Excellence in Governance participants. Leadership Teams are encouraged to select two to three (max) of the following eight principles as their primary focus for this program:

Principles of exceptional boards:

1. **Constructive Partnership Between the Board and Executive Director**
   An exceptional board governs in constructive partnership with the chief executive, recognizing that the effectiveness of the Board and chief executive are interdependent. The board builds, sustains and nurtures this partnership through trust, candor, respect and honest communication.

2. **Mission First**
   An exceptional board continually assesses their deliberations, decisions, priorities and actions in light of the mission of their organization. Board members are personally committed to the organization’s mission and able to articulate a compelling vision of organizational values and impact.

3. **Strategic Focus**
   An exceptional board allocates time to what matters most and continuously engages in strategic thinking to hone organizational direction. Agendas and goals are aligned with strategic priorities and used to assess the board’s work, the work of the chief executive and to drive meeting agendas and shape board recruitment.

4. **Practices of Inquiry and Active Listening**
   An exceptional board encourages the practice of inquiry in its work based on trust, mutual respect and constructive debate that leads to sound and shared decision-making. Board members seek important information, question assumptions and challenge conclusions to ensure that solutions are based on solid analysis.

5. **Sustaining and Expanding Resources**
   An exceptional board uses their passion for the organization’s mission to create bold plans that inspire commitments of financial support, expertise and engagement from donors, investors and their own networks of influence. Budget allocations clearly reflect strategic planning priorities; existing and new programs and activities are regularly evaluated based on available or attainable resources as well as impact and internal capacity.

6. **Focus on Impact**
   An exceptional board focuses on results. The board regularly measures the organization’s progress toward achieving its mission and evaluates the performance of programs and services against measurable goals and outcomes. The board gauges efficiency, effectiveness and impact while simultaneously assessing the quality of service delivery, integrating benchmarks against peers and calculating return on investment.

7. **Board Learning and Development**
   An exceptional board commits itself to continuous learning, honestly evaluating their own performance and assessing the value they add to the organization. Board development opportunities are intentionally included in their governance work both inside and outside of the boardroom.
8. Commitment to Diversity, Inclusion and Revitalization
An exceptional board recognizes and prioritizes the value and importance of diversity and revitalization in the boardroom. The board sees the critical correlation among mission, strategy and board composition. Continuous, active recruitment, planned leadership turnover, and a meaningful approach to orientation and inclusion result in an informed and engaged board membership that consistently reflects this priority.

The following are the Foundational Principles of all good boards attentive to the fiduciary and legal responsibilities of a board of directors:

Independence
- An exceptional board applies rigorous conflict-of-interest procedures and puts the mission and interests of the organization above all else when making decisions. Board members do not allow their votes to be unduly influenced by loyalty to the chief executive or by seniority, position or reputation of fellow board members, staff or donors.

Transparency
- An exceptional board ensures that donors, stakeholders and interested members of the public have access to appropriate and accurate information regarding finances, operations and results. The board extends transparency internally, ensuring that every board member has equal access to relevant materials when making decisions.

Integrity
- An exceptional board subscribes to strong ethical values and disciplined compliance through active, responsible oversight. They ensure accountability and sufficient controls to deepen their understanding of the organization and to reduce the risk of waste and abuse.

Intentional Practices
- Exceptional Boards purposefully structure themselves to fulfill essential governance duties and to support organizational priorities. They make governance an intentional process, investing in structures and practices that can be thoughtfully adapted to changing circumstances.

*Based on “The Source: Twelve Principles that Power Exceptional Boards” – BoardSource, 2005