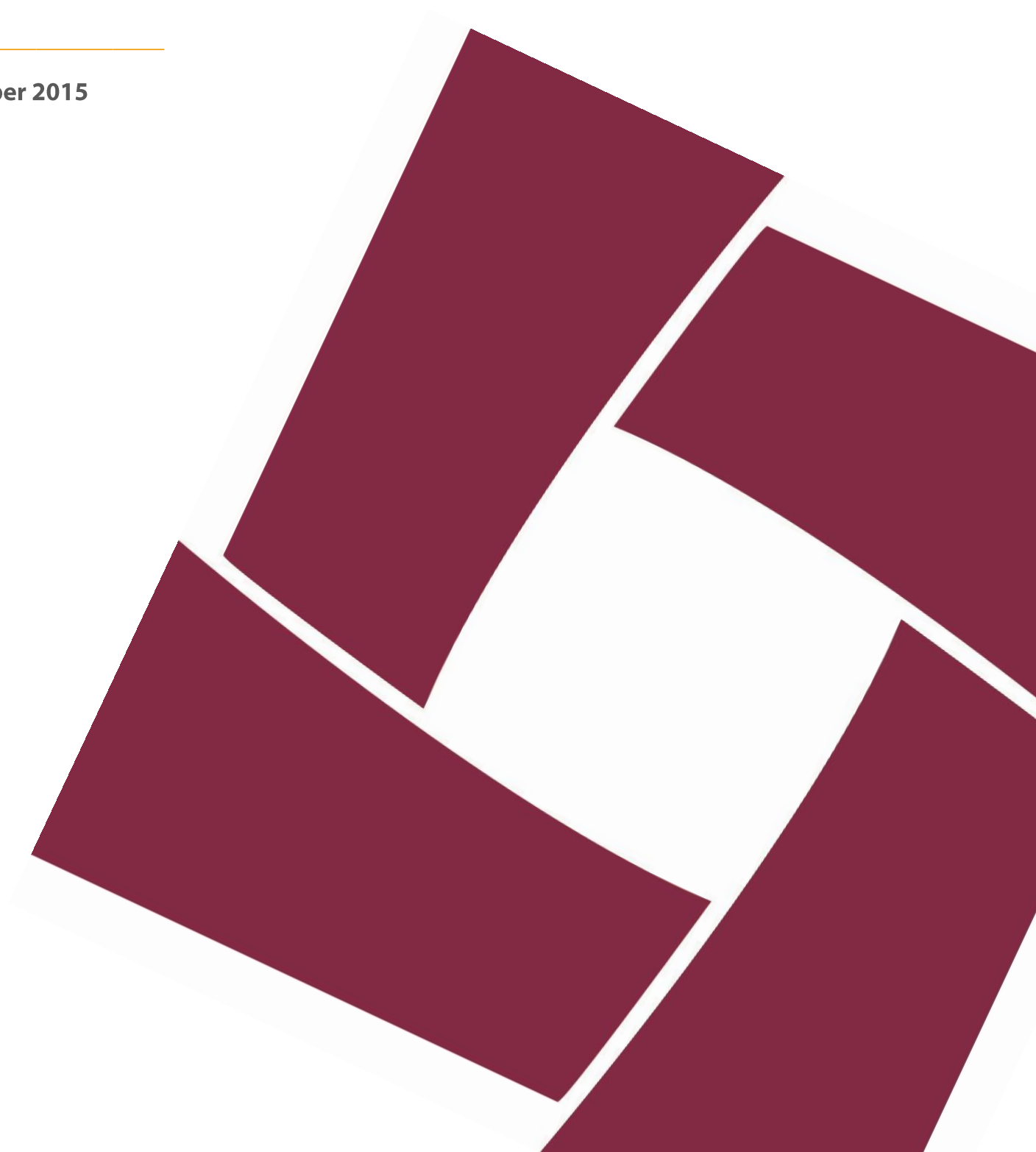


# MEASURING UP THE BOARD

**Social Enterprise Academy**

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**October 2015**





**FIGURE 1** "ARE WE PERFORMING WELL OR IS THERE TOO MUCH HEE-HAW?"  
"SEARCH ME – BUT I'M ALL EARS."

# INTRODUCTION

The Board of Social Enterprise Academy keeps its own performance and composition under continuous scrutiny, as befits an organisation with ambitions to be world-class.

The Board reviews itself annually (normally as part of its “awayday”) but remains alert at other times to changes that call for an interim or ad hoc Review. The tools in this paper have been designed by the Academy to facilitate individual and collective self-assessment by Board members.

## REVIEW RESPONSIBILITIES

In true Academy style, the burden of responsibilities rises democratically from the grass-roots:

- The key responsibilities sit with Individual Board members. As “part of the job”, they are expected to be active in:
  - Assessing their own performance, identifying how that performance might be improved and securing any support needed to realise the improvement
  - Getting to know and understand the Company (values, activities, impacts etc) and Board colleagues
  - Supporting those colleagues and playing a full part in collective discussion
  - Scanning externally for good governance practice that might benefit the Academy.
- The Chair and CEO are jointly responsible for ensuring that an annual Review is undertaken – creating the space, chivvying colleagues who might otherwise, say, find themselves distracted from Review preparation by the pressure of other work.
- All Board members (and the CEO) are responsible for identifying any significant internal or external issue that calls for an interim Review.

## THREE TOOLS

The Academy has designed three simple “bits of kit” to support Board members at Review time:

### A. Challenges

Past, Present, Future. This provides a context for the Review, reminding Board members of the kind of challenge they have had to deal with and anticipate having to address over the next three years or so. This should be revisited and updated as the advance step in any Board Review.

### B. Characteristics

This asks Board members to weigh what they bring to the Academy Board table in terms of personal attributes, expertise and knowledge and influence with stakeholders<sup>1</sup> Individual Board members are

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<sup>1</sup>. “Stakeholders” variously embraces funders, partners and so forth. Here it covers any people and organisations whose investment (of whatever kind) is important to the Academy.

expected to rate themselves on the sheet, which can then be consolidated for a snapshot of Board strengths and weaknesses.

**C. 21 Questions**

The Academy expects each Board member to assess their own performance and to contribute actively to a debate on the performance of the Board as a whole. This aide-memoire asks that Board members to consider 21 questions to ensure that everyone comes to the Review having thought about things comprehensively.

# ACADEMY BOARD CHALLENGES: PAST, PRESENT, FUTURE

These are challenges for the Board (rather than for the Company as a whole). They blend the tough challenges that Board members have had to address in the last few years with those anticipated in the future – say, the next three years. Updating the challenges is the first step in the Review. This part of the process is intended to focus thinking on the demands faced by a Board member.

## 1. **Sticking to our values**

Agreeing, re-agreeing and maintaining a shared sense of purpose, mission and objectives. “Social enterprise” means different things to different people round about us; our grip on a clear mission is always under invisible attack.

## 2. **Building the business**

Focusing our mission and values on developing a sustainable business – not “chasing the money”: differentiating between “markets” and “funders” [tricky when the consumer is not the person who pays]; dealing with competition; sustaining quality control and protecting reputation.

## 3. **Making the business case**

Persuading others of the value of what we offer (social enterprise – leadership + social purpose) and the worth of investment.

## 4. **Understanding our company**

Staying abreast of our operating environment/activities; being on top of our financial position, prospects, controls and reporting to enable informed decisions.

## 5. **Choosing what we do**

Deciding which activities to pursue and which to decline (saying “NO” – priorities!). Assembling market intelligence/research to underpin our decisions (including monitoring and evaluation approaches that facilitate continuous improvement).

## 6. **Keeping existing customers**

Honing our edge in existing markets (especially Government and “preferred supplier” status). Strengthening relationships with current partners and funders (who might get itchy feet with time); encouraging existing participants to return for more.

## 7. **Boldly going**

Helping the Company open up new markets whose nature, scale and culture are unfamiliar: in Scotland: outwith Scotland: overseas.

## 8. **Becoming world class**

It sounds desirably nice but it will be demanding of everyone, including the Board.

## 9. **Being brave**

Dealing with decisions on major growth: it’s easy to stroll along but easy might not be right. Alternatively, sticking to our mission and purpose might get harder if the Academy got bigger.

**10. Sharing the load**

Enabling all Board members to play their part: helping each Board member balance the desire to be involved with making time to do it. Managing conflict of interest (most Boards don't like conflict).

**11. Balancing board-team relations**

Keeping the Board collectively and Board members individually supportive of AND challenging the Team – e.g. challenging on strategy and activities (knowing enough) and on performance.

**12. Seeing ourselves clearly**

Having the self-awareness to know when the Board needs to change and when it doesn't (e.g. decision on a Tutor representative on the Board): time to augment: time to step aside.

**And on each of these, taking decisions – not leaving it to our CEO as our default**

# ACADEMY BOARD CHARACTERISTICS

Board members rate themselves in the three tables below as a preface to their own self-assessment. The returns are consolidated for a whole-Board picture, from which the Board can consider areas of strength and weakness and consider what, if any, action is required<sup>2</sup>.

## PERSONAL ATTRIBUTES

Our first aim is to bring the “right sort of person” to the Academy Board so personal qualities come before expertise etc. As far as possible, the ratings for personal attributes should reflect the degree to which they have been demonstrated; these are fundamental qualities but not much good to the Academy if they remain latent.

**There are some attributes to be expected of each and every Board member:**

- **Selflessness**  
Honesty and integrity, a commitment to the ethos of social enterprise (not any particular “sector”) and not out for personal gain
- **Commitment**  
Academy values and vision and to the benefits flowing from people’s engagement in Academy activities
- **Leadership**  
Willing to engage actively with and on behalf of the Academy, ready to contribute time, effort and initiative
- **Objectivity**  
Capable of independent judgement plus ready and willing to speak their mind
- **Self-awareness**  
Insightful on own strengths and weaknesses – absolutely and in relation to colleagues

And there are attributes where the balance is about the Board as a whole rather than each member and we expect individual trade-offs among these (again, it is about their demonstration):

- **Creativity**  
Bringing a bent for innovation to the table
- **Strategic thinking**  
The “wood and trees” stuff
- **Team-mindedness**  
The Board needs to work as a team so it needs people who naturally make that happen but for individuals there may be a trade-off with, say, creativity.

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<sup>2</sup>Just because there’s a gap doesn’t mean we must fill it. If we do want to fill it, expanding the Board might be one option

**Please score yourself** on a scale from 1 (“I am pretty much a waste of space here”) to 10 (“I am the bee’s knees on this”):

	1	2	3	4	5	6	7	8	9	10
Selflessness										
Commitment										
Leadership										
Objectivity										
Self-awareness										
Creativity										
Strategic thinking										
Team mindedness										

## EXPERTISE AND KNOWLEDGE

Expertise and knowledge can be bought in or otherwise accessed as required but it is useful to have around the Board table some degree of competence in the areas below. Time and circumstances will determine whether and when they are called on; in contrast to personal attributes, scoring should estimate the stock rather than whether there has been opportunity to demonstrate it.

### A. For looking after ANY enterprise:

- **Finance** – understanding the numbers
- **HR** – the ins and outs of personnel matters
- **IT** – increasingly important
- **Legal** – at least enough to ensure propriety (and know when we need a lawyer!)

### B. For looking after the Academy’s line of business:

- **Government policy** – wherever and whenever relevant
- The “**3<sup>rd</sup> Sector**” – social enterprise, charities and voluntary organisations
- The corporate world – **big business**
- **Small business** – family-owned etc.



- The world of **learning**, education and training
- Wider **economic development** – regenerating communities, opening markets etc.
- **Quality** assurance

C. **For ongoing development:**

- **Business support** and funding – knowing where to get help
- **Marketing** and promotion – how to sell social enterprise
- **Partnership-building** – relationships are key

**Please score yourself** on a scale from 1 (“It’s all Greek to me”) to 10 (“This would be my specialist subject on Mastermind”):

	1	2	3	4	5	6	7	8	9	10
Finance										
HR										
IT										
Government policy										
Third sector										
Big business										
Small business										
Learning										
Economic development										
Quality										
Business support										
Marketing										
Partnerships										

## STAKEHOLDER INFLUENCE AND CREDIBILITY

**Where do you think you carry weight or credibility with Academy stakeholders?** As with expertise, it's about having the weight, not whether you were called on to deploy it. **Please mark** (ticks, crosses, blobs and any other mark all acceptable):

\* There is no "All Scotland" column; if you want to say "all Scotland", just mark all three Scottish boxes.

		ACADEMY MARKETS				
		SCOTLAND*			REST OF UK	OVERSEAS
		H & I	CENTRAL	BORDERS		
<b>Scottish Government</b>						
<b>Politicians</b>	Government					
	Other parties					
<b>Departments</b>	3rd Sector Team					
	Other					
<b>UK Government</b>						
<b>Politicians</b>	Government					
	Other parties					
<b>Departments</b>	Other					
	Other					
<b>European Government</b>						
<b>Politicians</b>	MEPs					
	LEADER					
<b>Departments &amp; Programmes</b>	ESF					
	EIB					
	Other					
<b>Education &amp; Learning Sector</b>	Universities					
	FE Colleges					
	Schools					
	British Council					
<b>Other Public Sector</b>	Local Authorities					
	NHS					
	Other					
	Other					
<b>Enterprise Development Agencies</b>						
<b>General</b>	Scot. Enterprise/SDI					
	HIE					
	Business Gateway					
	Other					
<b>Social Enterprise</b>	HISEZ					
	CEiS, FirstPort etc					
	Other					
<b>Trade Associations</b>						
<b>General</b>	Local Business Clubs					
	Other					
<b>Social Enterprise</b>	EVH, SFHA, ACOSVO, CNRS etc					
	Other					
	Other					

\* There is no "All Scotland" column; if you want to say "all Scotland", just mark all three Scottish boxes.

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		ACADEMY MARKETS				
		SCOTLAND*			REST OF UK	OVERSEAS
		H & I	CENTRAL	BORDERS		
Business Intermediaries						
General	SBC/BIC					
	Scot Council (D&I)					
	Chambers					
	Small Bus Federation					
	CBI					
	IOD					
	Other					
Social Enterprise	Single Interfaces					
	UK SE Coalition					
	SSE Coalition					
	SCVO/VDS					
	SENSCOT					
	DTAS					
	Social Firms					
	Other					
Regulators	OSCR					
	Charity Commission					
Financial Sector						
Banks	RBS Community					
	Triodos					
	Cooperative					
	Other					
Other	SIS					
	BIG					
	Trust Funds					
	Other					
Media	TV & Radio					
	Press					
	On-line media					
	Other					
Movers & Shakers	Major social enterprises					
	Key charities/Vol orgs					
	Major private businesses					
	Individual leaders & entrepreneurs					
Anyone else	?					
	?					
	?					

# ACADEMY BOARD: SELF-ASSESSMENT - 21 QUESTIONS

The Academy Board expects individual Directors to take full responsibility for their own performance as a Director and to play a full part in our collective reviews of Board performance and composition. We carry out these reviews annually (and on an ad hoc basis in the event of significant change). This aide-memoire is simply to help Board members reflect in advance of a Review.

## SECTION I: MY PERFORMANCE AS A MEMBER OF THE ACADEMY BOARD

**Q1.** What do I think I should be contributing to the work of the Board? [**Column A**]

**Q2.** How well have I delivered on my contributions over the past 12 months?

[**Column B: 1 is crap, 5 is fab**]

	A	B				
		1	2	3	4	5
Time at Board meetings						
Sub-group roles						
Specific expertise						
Support for CEO/staff						
Influence with stakeholders						
Generating business leads						
General ambassadorial role						
Other						
Other						
Other						

**Q3.** Do I still have a role to play? Do I justify my place? Am I getting something back from being a Board member?

- Q4.** Am I able to discharge my role to my own satisfaction? Are there identifiable barriers that make it hard for me to make my contribution?
- Q5.** Is the nature of my contribution going to change from that at Q1 above?
- Q6.** What have I learned about the Company (its people, activities etc) over the past 12 months? Do I know enough about the Company and what it does?
- Q7.** Over the next 12 months, where and how do I intend to improve my performance?
- Q8.** Do I need help from anyone to effect this improvement?

## **SECTION 2: THE PERFORMANCE OF THE ACADEMY BOARD**

**Over the past 12 months.....**

- Q9.** What has the Board done well?.....
- Q10.** .....And what have we done less well?
- Q11.** Have we taken the right decisions (not ducking any)? Have we got those decisions right?

**Q12.** Have we kept an eye on our Strategy and the way it balances values and commercial issues?

**Q13.** Have we all been putting in the time?

**Q14.** Have we faced up to the difficult or painful issues?

**As we stand now.....**

**Q15.** Do I understand my Board colleagues' strengths and weaknesses?

**Q16.** Are we making best use of all the knowledge and skills round the Board table?

**Q17.** Do we have the trust of our people? What do the staff and tutors think of the Board?

**Q18.** How are we (the Board) viewed by our key stakeholders and our customers?

**Q19.** As a Board, and taking account of the Challenges before us, are we lacking any skills, knowledge etc. round the Board table? If so, what exactly makes me say that?

**And in the future.....**

**Q20.** How could we perform better as a Board team?

**Q21.** What actions would be needed for those improvements to come about?