



BOARD LEADERSHIP AND GOVERNANCE TRAINING MANUAL

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ASAP II Governance & Leadership Advisor

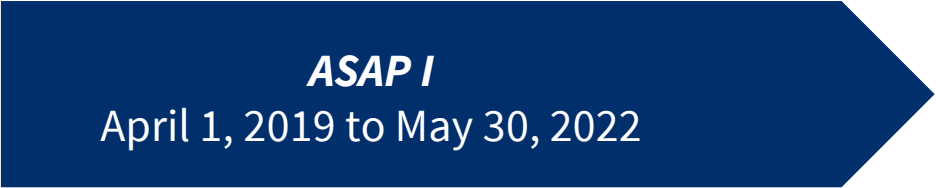
Date: January 25, 2024



ASAP II
ACCELERATING SUPPORT TO ADVANCED LOCAL PARTNERS II

WELCOME ALL

1. Please let us know where you are from **in the chat**.
2. Please use the **Q&A box to ask questions** and the chat box for answering questions asked by the presenters.
3. We have **three polls** during the webinar today.
4. The presentation for today's webinar will be saved on ASAP's website at **www.intrahealth.org/asap-resources**



PURPOSE

Rapidly prepare Local Partners to have the capabilities and resources to serve as Prime Partners for USAID/PEPFAR programming, in compliance with USAID and PEPFAR procedures, for PEPFAR program implementation.

70% of USAID PEPFAR funding to local prime partners.

STRATEGIC OBJECTIVES

1. Strengthen Local Partners as they transition to receive PEPFAR funding as a USAID Prime Partner to comply with regulations.
2. Prepare Local Partners to directly manage, implement, and monitor PEPFAR programs, and maintain consistent PEPFAR program achievement and quality.

ASAP II-SUPPORTED COUNTRIES

Angola

Cameroon

Côte d'Ivoire

DRC

eSwatini

Ethiopia

Lesotho

Malawi

Namibia

Nigeria

South Sudan

Uganda

Zimbabwe

ASAP I

**additional
countries:**

Kenya

Mozambique

South Africa

Tanzania

Zambia

**18 TOTAL
COUNTRIES**

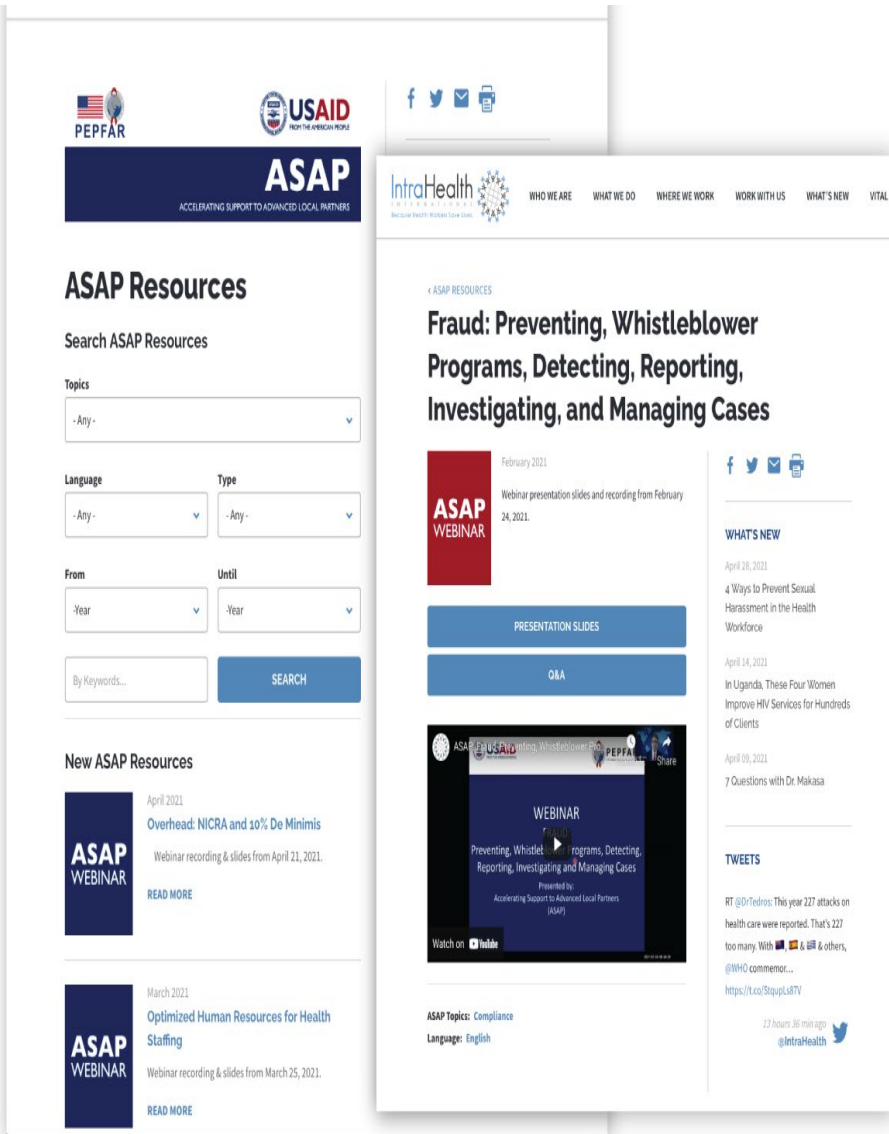
KEY RESULTS from ASAP I & II

ASAP has supported **126**
local organizations in **18**
countries

113 local partner organizations

13 local government partners





VISIT
www.intrahealth.org/asap-resources

USAID/ASAP has broadcasted **105 webinars** for more than **22,000 attendees** in **76 countries**.

A screenshot of the search filters section of the ASAP Resources website. It includes dropdown menus for Topics, Language, and Type, and input fields for From and Until. A search button is located at the bottom right of the filter section.

AVAILABLE IN 3 LANGUAGES

UPCOMING WEBINARS

January 25:	Leadership Manual Part 1
January 30:	Leadership Manual Part 2
February 1:	USG Rules and Regulations: Cost Principles
February 6:	Institutionalizing Good Human Resource Practices
February 8:	Non-US Local Partners' Mandatory/Required as Applicable Standard Provisions
February 13:	Leadership and Governance: Best Practices: Session 1
February 15:	Organizational Capacity and Compliance Assessment NUPAS Plus 2.0
February 20:	Writing an Abstract
February 22:	Sustainability: Resource Mobilization and Social Marketing
February 28:	Procurement and Property Management Compliance Issues
March 5:	USAID Financial Policies, Internal Controls and Compliance
March 7:	Data for Decision Making

BIO

As a recipient of the UK Queen's Honour of OBE and a former Executive Director of Health Systems Strengthening and Capacity Building for Deloitte and Touche, Petronella serves as Governance and Executive Leadership Capacity Advisor with ASAP II. An expert in organizational development and behavior, strategic planning, risk, and performance management, Petronella has customized organizational programs in multiple African countries to enhance responsible leadership, align workforces with strategic goals, and implement sustainable practices.

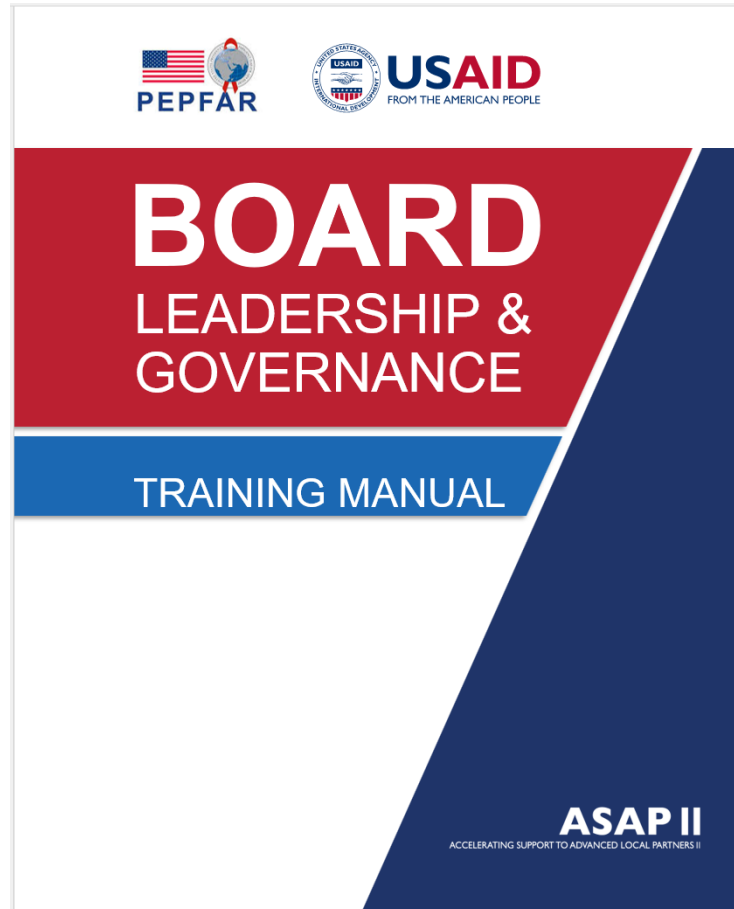
Petronella has an Executive Master of Business Administration from Ashridge and a BSc. in Health Sciences.



AGENDA

- **Welcome and Introductions**
- **Focus and Objectives of Training Manual**
- **Leadership and Governance Training Modules:**
 - Module One: Board Governance – The Role and Responsibilities of a Board
 - Module Two: Fully Functioning Board
 - Module Three: Board Risk Management
 - Module Four: Board Performance Management
 - Additional Resources and Tools
 - Let's have a discussion!

FOCUS AND OBJECTIVES OF TRAINING MANUAL



The manual is a tool developed by ASAP II to improve the capacity of local partner (LP) boards and executive directors and support them in adopting good leadership and governance practices.

It will also support ASAP II capacity advisors in training, mentoring, and coaching respective board leaders to set the tone at the top and serve their organizations well.

It will assist in preparing LPs to manage as prime partners with effective boards

LISTENING TO LOCAL PARTNERS: RESULTS FROM ASAP II'S BOARD TRAINING

“The board training is an area that had previously given us some headaches. But this time, we took some time before the new board came in to work with ASAP II to train the new board and help them understand what was going on.

Even after the board training was over, ASAP II continued to follow up. Petronella has been with us, following up and reviewing the policies. These have been very helpful areas. **This has been an invaluable support.**”

- Dr. Ogillo - CEO of APHFTA, Tanzania

LISTENING TO LOCAL PARTNERS: RESULTS FROM ASAP II'S BOARD TRAINING

“The training provided to the board totally changed them. Five are women and six are men—but of different personalities and different expertise. They are really working well and supporting us these days. What we learned now is that the board has to be committed, above all, they have to be responsible for the organization’s needs. It is the board that decides the policies, and the strategy plan—almost guiding the organization. So, when I speak to other organizations about boards, some organizations are not confident enough in their advisory boards. Our board members are very good examples of the board we are supposed to have.”

*- **Aklilu Nega** - Executive Director, Integrated Service on Health and Development Organization (ISHDO), Ethiopia*

LOCAL PARTNER MEETING SURVEY: DID YOU HAVE A FAVORITE SESSION?

- Building effective boards. Leadership builds or destroys NGOs and so I loved learning about good governance vs bad governance.
- building board capacity
- Building Highly Effective Board
- Developing Effective Boards
- Session on Effective Boards
- Training. This session strengthened my capacity
- Building Highly Effective Boards
- Training on Strengthening Boards

THERE ARE MANY MODELS AND APPROACHES TO TRAINING BOARDS AND EXECUTIVE LEADERSHIP



Organisation Sustainability Maturity Matrix

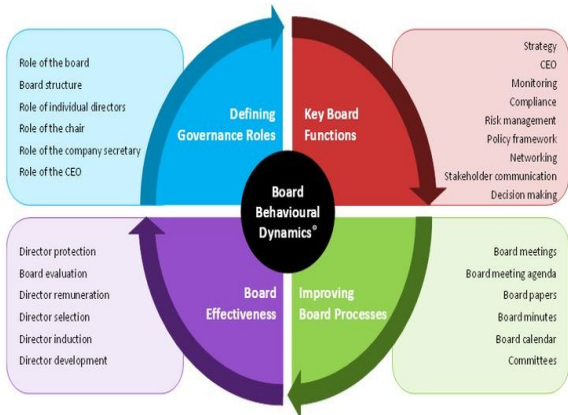
	Level 0: Oblivious	Level 1: Internally focused	Level 2: Impression management	Level 3: Holistic
A. Board agenda/ strategy	Sustainability is not considered for inclusion in the board's agenda/strategy.	Primary board agenda/strategic focus is on short term financial gain with limited consideration of impact on key stakeholders.	Board agenda/strategy considers sustainability in order to "feel good", mitigating financial risks and managing external perceptions of the organisation.	Board agenda/strategy grounded in a "conviction good" purpose which is consistently integrated and lived through an aligned culture, policies, and practices to achieve sustainability.
B. Stakeholder relationships	Stakeholder engagement only occurs to procure a benefit for the organisation.	Stakeholder engagement only occurs where some form of benefit or payback is expected for the organisation.	Claims that sustainability programs benefit key stakeholders, but stakeholders and others perceive the primary purpose is to promote the organisation.	Authentic relationships developed and maintained with key stakeholders and aligned to the organisation's purpose and strategy.
C. Value add	Sustainability is considered irrelevant for adding value or improving performance.	Natural environment and human/social improvement programs are considered an unnecessary cost and are only done for expediency.	Sustainability programs are selected to mitigate financial risks and to promote the organisation's sustainability credentials.	Genuine conviction that benefiting stakeholders is in the long term interests of the organisation.
D. Minimisation of harm caused	No concern for any negative consequences or harm caused to others by the organisation's activities.	Limited awareness, transparency or concern for harm caused by the organisation's activities while maintaining the economic benefit to the organisation.	Sustainability programs are used to mitigate or compensate for the most visible harm caused by the organisation and/or impression management.	Sustainability programs focused on holistic and transparent engagement with those impacted by the organisational harm caused.
E. Goals synthesis	Sustainability issues are not considered as short term financial gain is the sole business focus.	Paradox/tension between goals is recognized but a siloed approach, which includes philanthropy, results in maintaining the organisation's financial performance.	Recognizes paradox/tension between goals with financial performance prioritized combined with sustainability programs designed to maximise positive and minimise negative PR.	Synthesises sustainability goals by accepting the ongoing tension/paradox between improving economic performance and simultaneously adding value and minimizing harm.

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Leadership Maturity Matrix

Leadership	Level 1 Ad Hoc	Level 2 Aware	Level 3 Capable	Level 4 Mature	Level 5 World-Class
1. Engage people in conscious and thoughtful actions to proactively create the future they have chosen.	Foresight activities are rarely held, and result in only a ceremonial relationship to planning activities and resulting execution.	Foresight projects are on the annual calendar for an organization. The process and the results of these activities play an important role in deciding and executing the future agreed upon for the organization.	Foresight activities are regularly on the agenda for all levels of management. The results of these activities play an important role in deciding and executing the future agreed upon for the organization.	Foresight activities and discussions of the future are a considered part of planning activities of the organization. The organization effectively and consistently executes to deliver the plan for the future.	The organization is recognized by peers as being able to envision a vibrant future and then effectively enlist all its members to engage and live their collective vision.
2. Create an environment that provides timely anticipation of change, embracing positive changes and responding creatively to negative changes.	Changes tend to be surprises, and responses are reactive based on superficial analysis and without a full understanding of the implications.	The organization has created an informal structure that anticipates major changes and can quickly put together response plans.	The organization has developed different scenarios of the future and uses these to anticipate and respond effectively to changes as they arise.	A systematic approach to monitoring ongoing changes, combined with well thought-out plans and implications, allow the organization to provide timely and successful responses to their environment.	The organization not only has very successful processes to monitor and respond to environmental changes but is out in front enough to influence the changes in the direction that is beneficial.
3. Communicate clearly the goals, results, and implications of foresight activities	There are implicit and often undocumented goals and plans from foresight activities. The senior leaders may or may not be aware of the general direction and implications of this effort.	Goals and results from foresight activity are usually documented but are primarily communicated to managers and key people in the organization.	Goals and plans from foresight activity are conveyed to the organization. Everyone is aware of the implications and signs work and responsibilities appropriately.	Everyone in the organization considers and uses the goals and plans from foresight work to inform their decisions and perform their daily activity.	In addition to informing day-to-day decisions with implications from foresight activity, organizational members become part of the immediate feedback loop that refines and adjusts the goals and results.

www2.deloitte.com



What is a governance framework: Diligent.com:



Framework Reporting Dashboards



Foresight Alliance



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ABF101-2022

A KEY FACTOR: CHALLENGES ADDRESSED BY TRAINING BOARD LEADERSHIP

- Capacity caps identified in the NUPAS Plus assessments
- Absence of a proper functioning board – tokenism
- Founder syndrome: the founder/s maintain disproportionate power and influence
- Senior management struggles to find the right balance, and this affects performance
- Some LIPs appoint friends who do not have the needed skills to be on the board
- Power is centralized, with no delegation and management support
- Poor participation by important people
- The organization runs in permanent crisis mode
- The LP structure is not “fit for purpose”
- Asking themselves if money is being well spent by the organization.

WHAT IS THE BOARD LEADERSHIP GOVERNANCE TRAINING MANUAL?

Our Objectives

- Enhance the capacity of board and executive leadership
- Introduce/refresh the knowledge of key staff on board governance
- Highlight the importance of a board mandate and good governance systems
- Share effective governance and leadership frameworks principles and tools
- Improve board capacity to:
 - manage performance of the Executive Director
 - maintain effective oversight of board risk
 - perform well financially
 - advise management
 - develop strategy
- Improve the Executive Director's role in strategic leadership

BOARD LEADERSHIP TRAINING MANUAL: VALUE PROPOSITION

- Manual addresses governance concepts
- Defines and **clarifies** the roles of the board, executive director, and senior management
- Explores and **refreshes** the **core skills and competencies** required of boards
- Covers key areas of how a board and leadership should **set the tone at the top** of their organization
 - accountability (a formal and transparent system is in place to hold accountable)
 - delegation of authority and internal control systems (policies, tasks, processes, behaviour)
 - ensuring effective governance in board proceedings
 - managing the performance of the executive director
- *The manual covers **governance and leadership themes on factors** that create and sustain high-performing board governance teams*

WHY IS BOARD DEVELOPMENT IMPORTANT?

In ASAP II, we recognize that **a highly effective board is one of the fundamental drivers of local partner performance**, particularly in times of change.

KEY ROLES OF THE BOARD

- Formulating strategy
- Holding the organization accountable for its progress in achieving its strategic goals
- Oversight responsibilities – is money being spent well?
- Shaping the culture of the organization

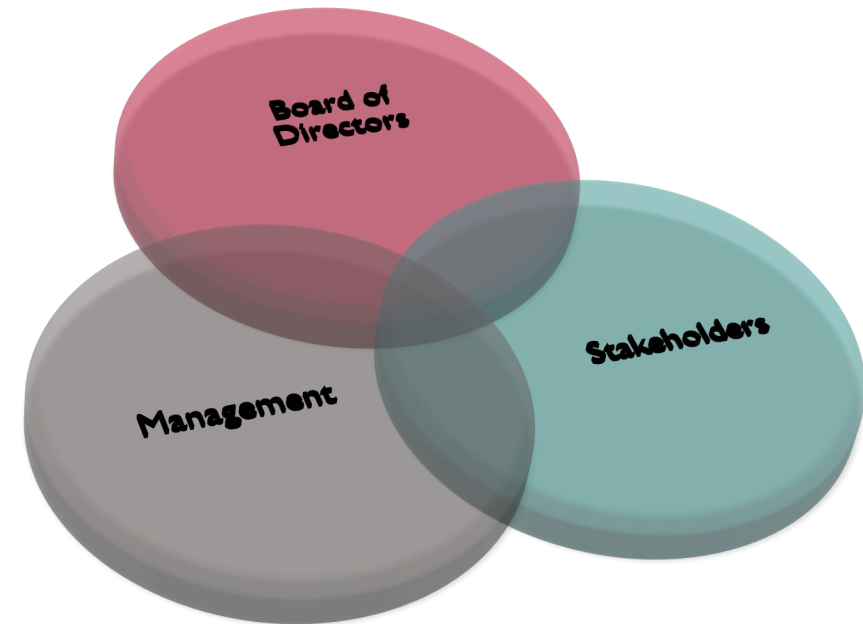
OVERVIEW OF MODULES

Each key section in the manual starts with an exercise option, e.g.:

- **Exercise 1:** What is good governance?
 - *Allows you to cover the principles of governance*
- **Exercise 2:** What challenges are faced by the board of directors? How have you overcome any challenges?
 - *Allows you to **engage** the participants and allows them to **share** their stories and **exchange** ideas/solutions with others*
 - Facilitator summarizes the key challenges and solutions

DEFINITION OF BOARD GOVERNANCE

- The leadership involved in decision-making, **culture**, controls, and **accountability** from the boardroom and throughout the organization... to achieve consistently **great outcomes**.
- Governance is really about capable people delivering great outcomes and making the world a better place.



Leadinggovernance.com

MODULE ONE: BOARD GOVERNANCE ROLES AND RESPONSIBILITIES

Sections

- Understanding board governance
- The role of governance and leadership
- Principles of governance
- Critical board activities, policies, and procedures

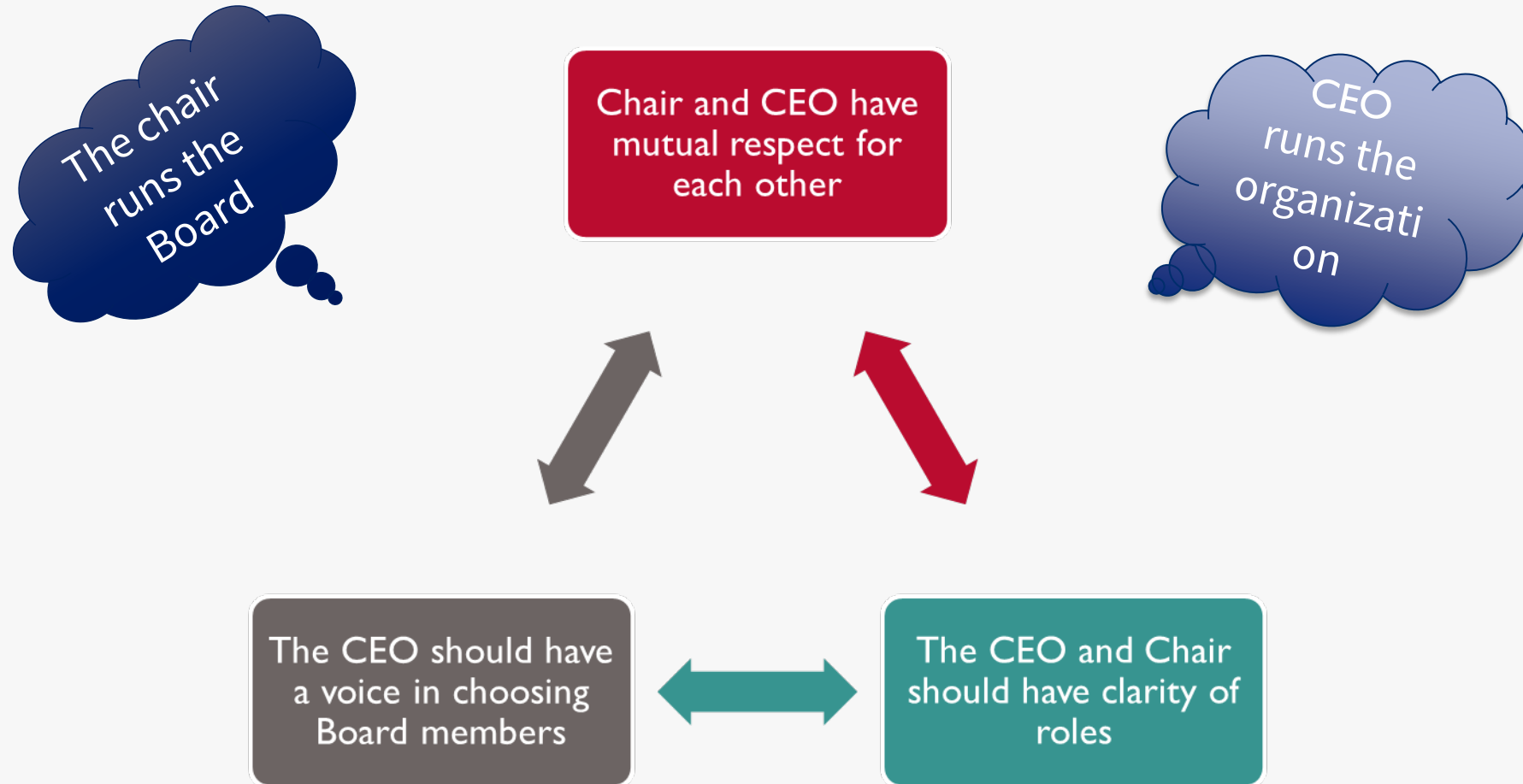
MODULE TWO: FULLY FUNCTIONING BOARD

Sections

- Components of a balanced board
- Characteristics of board members
- Relationship between the board chair and Executive Director

Key Question: *When does the board get involved with management?*

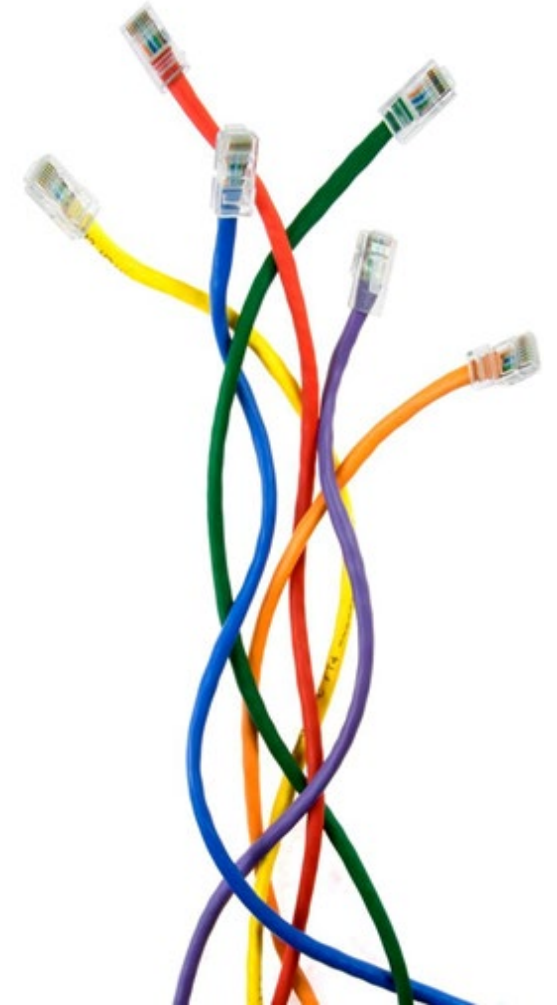
A SUCCESSFUL RELATIONSHIP BETWEEN BOARD CHAIR AND EXECUTIVE DIRECTOR



MODULE THREE: BOARD'S MANAGEMENT OF RISK AND ITS ROLE IN OVERSIGHT

Sections

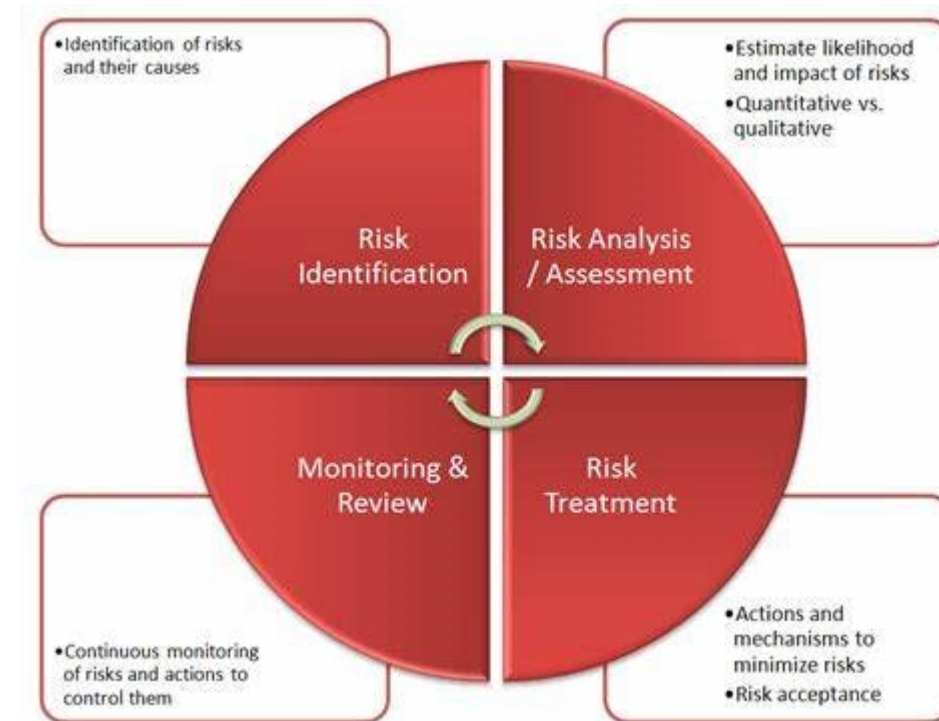
- Overview of risks
- What is risk?
- Types of risks
- The distinction between risk oversight and risk management
- Identification of risks
- Measurement of risks
- Roles and responsibilities in risk management
- Steps to manage risks



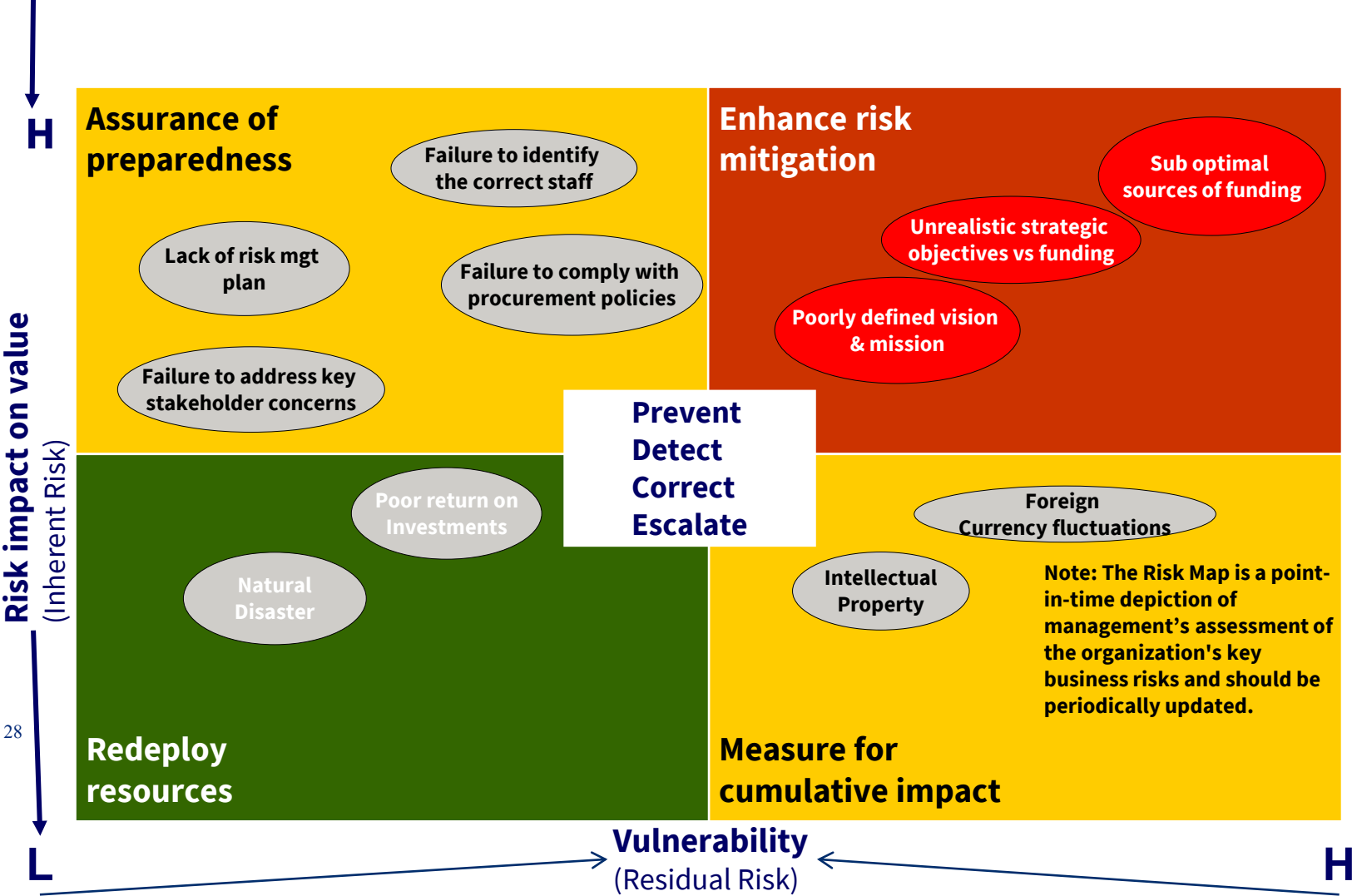
MODULE THREE: BOARD'S MANAGEMENT OF RISK AND ITS ROLE IN OVERSIGHT (CONT.)

Tools to share with participants for each section (as handouts):

- Example of risk structure
- Risk identification
- Risk escalation matrix
- Risk analysis and evaluation
- Risk map



RISK HEAT MAP: PRESENTS THE RESULTS OF A RISK ASSESSMENT



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(source Deloitte and Touche)

MODULE FOUR: MANAGEMENT OF BOARD PERFORMANCE

Examples of Resources and Tools:

- Principles of Good Governance
- Sample Code of Conduct for Directors
- Board Delegation of Authority
- Board Evaluation Tools
- Board Meeting Procedures

MODULE FOUR: MANAGEMENT OF BOARD PERFORMANCE

This session allows you to train on looking at the organization holistically (*Use of group exercises*)

High Level Focus Areas	Important Issues to Consider
<ul style="list-style-type: none">▪ Governance▪ Performance▪ Strategy▪ Integrity▪ People	How can we improve? Does everything look as it should? Who is responsible? Who needs to be involved? Who needs to act on it?
Board Monitoring of Executive Management operations	The board should regularly check with ED
<ul style="list-style-type: none">▪ Planning▪ Operations▪ Reporting▪ Culture▪ Risk	Why are we doing this? Will this help to ensure that every tactic leads to improved performance?

GOVERNANCE OPERATING FRAMEWORK

- A tool that provides your board with a focus and enables setting up a system to make decisions
- Structure has the potential to enhance the board's exercise of proper oversight and management's ability to implement governance.



GOVERNANCE OPERATING FRAMEWORK

Start at the top. Working your way down, at each step ask yourself:

- “How will we improve this?”
- “Is this okay?”
- “Whose call is this?”
- “Who do we need to tell about this?”

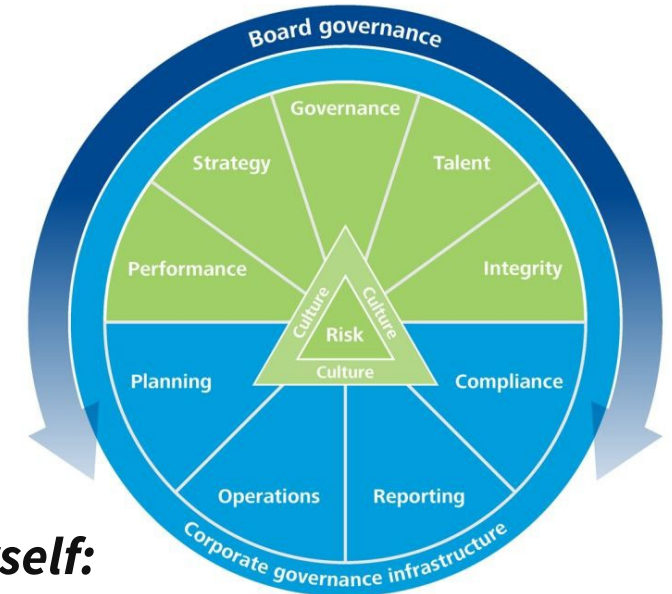
This will help ensure that your tactics support your objectives.

Start at the bottom. Working your way up, at each step ask yourself:

- “Why are we doing this?”

This will help ensure that every tactic leads to improved performance

- List the key priority improvement areas
- Any other areas?



BOARD SHOULD PAY ATTENTION TO:

Strategy environment	<ul style="list-style-type: none">▪ Existence of a strategy: clear vision, mission, goals, and strategic actions▪ Communication of the strategy to staff and stakeholders
Leadership and decision making	<ul style="list-style-type: none">▪ Evidence of mentoring and nurturing by the leadership▪ Clear decision-making structures, style of decision-making, and communication of decisions▪ Legal setup of governance; presence of a functional governing body and compliance with the governance structures
Organizational structures	<ul style="list-style-type: none">▪ Alignment of structure to strategy▪ Adequacy of structure to fulfil organizational needs▪ Clarity of roles and responsibilities▪ Effective chain of command▪ Interdepartmental relationships
Organizational culture	<ul style="list-style-type: none">▪ Dominant characteristics – values and behaviours that hold the organization together▪ Impact of current culture on performance and sustainability of optimum performance by the local partner

PERFORMANCE MANAGEMENT: FRAMEWORK OF BOARD GOVERNANCE

Questions that the Board (and Advisors) should consider:

1. What areas should we be **spending time** on?
2. How do we **align** the board and management on priorities?
3. How do we make **decisions**?
4. How do we **communicate** decisions?
5. How do we ensure that decisions are followed up or **escalated** to the board?
6. How do we **mitigate** risk in everything that happens in the organization?
7. How do we position **the board** as a **strategic partner** with management?
8. What should we specifically do in the **critical areas of oversight**, such as strategy and risk?
9. How does the work of the **board committees** relate to and differ from the work of the full board?

NEXT STEPS WITH YOUR BOARD: RECOMMENDATIONS

1. Decide What the Board Should Look Like

- Identify the capabilities you need on your board. This is not just about having a prominent person from your community, but members with specific professional skills (e.g., expertise in financial management or human resources).
- Consider having the board represent the social and cultural diversity of the organization itself, literally looking like the organization and the people it serves.

2. Determine How Well the Board Currently Measures Up

- Have open, honest, and ongoing discussions about the makeup of the board and the extent to which it meets the organization's defined needs.
- Have a board by-law/charter that states how long each board member should serve.
- Evaluate each member of the board, every year, to determine whether he or she has performed to expectations. Include the chair, members, and Executive Director.

THE BOARD'S ROLE AND ISSUES TO CONSIDER

- Clarify board oversight and responsibilities
- Determine the skills and knowledge the board requires to effectively execute oversight responsibilities
- Engage management in providing the information the board requires to exercise governance and risk oversight
- Advise management on policies that ultimately influence how governance is conducted
- Understand governance activities that occur at various levels within the organization and support management in its efforts to enhance program efficiency and effectiveness

LIP CULTURE IS KEY

Signs of a possible problem with the organizational culture is a must in training

- Silo thinking
- Dominant Executive Director
- Arrogant leadership
- Pressure to meet the numbers or overambitious targets
- Lack of access to information
- Low levels of meaningful engagement between leadership and staff
- Lack of openness to challenge
- Tolerance of breaches of regulations or code of ethics
- Short-term focus
- Misaligned incentives

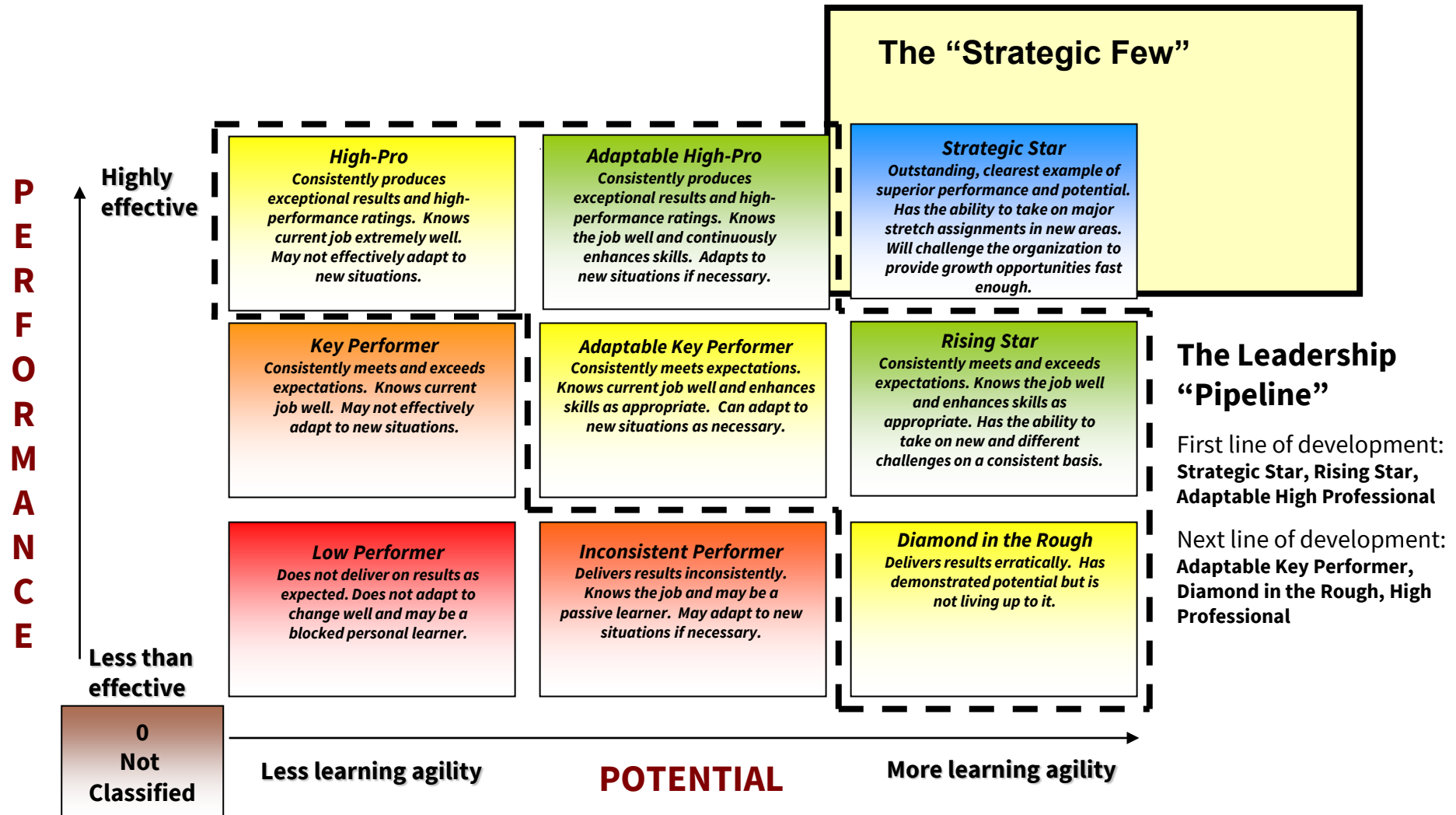
SOURCES OF INSIGHTS INTO CULTURE

- Turnover and absenteeism rates
- Training data
- Recruitment, reward, and promotion decisions
- Use of non-disclosure agreements
- Whistleblowing, grievance, and “speak-up” data
- Employee surveys
- Board interaction with senior management and workforce
- Promptness of payments to suppliers
- Attitudes toward regulators, internal audits, and employees
- Exit interviews

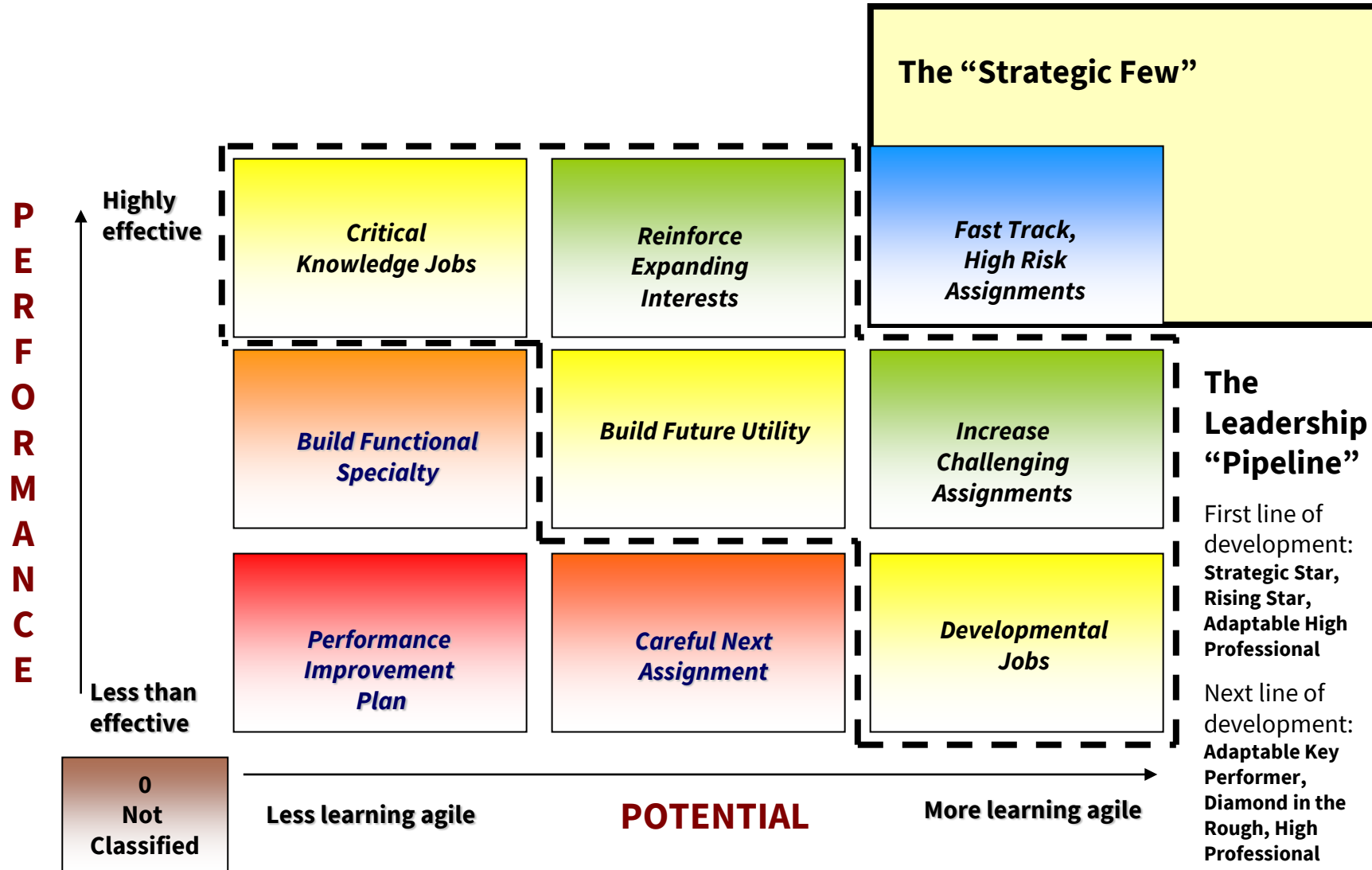
RISK MANAGEMENT MATURITY MODEL: ARE YOU A RISK-INTELLIGENT ORGANIZATION?

1. Unaware	2. Fragmented	3. Top-Down	4. Systematic	5. Risk Intelligent
<p>The board has not established the necessary oversight for risk management and establishing a culture of risk awareness throughout the organization.</p>	<p>The board has established oversight, but it is neither widely adopted nor well understood.</p> <p>Risk management and the culture of risk awareness only exist separately and unevenly within individual departments and not across the organization.</p>	<p>The board has established oversight and it has been clearly communicated throughout the organization.</p> <p>As a result, management Demonstrates a culture of risk awareness, but risk management Disciplines have not been embraced broadly or evenly in the organization.</p>	<p>The board has Established oversight that is widely understood and adopted, creating a culture of risk awareness and the adoption of risk management disciplines throughout.</p>	<p>The board has established oversight and is constantly seeking ways to influence the improvement of the culture of risk awareness and management throughout the organization.</p>

SURROUND YOURSELF WITH THE RIGHT PEOPLE WITH THE RIGHT SKILLS TO DO THE RIGHT JOB AT THE RIGHT TIME



CREATE DEVELOPMENT PATHS



WHAT DRIVES YOUR BOARD?

PERSONALITY

Features

- Driven by results
- Strong iconic leadership
- Use passion to exert power
- Often strong, task-focused chair and/or CEO

"Trust me"

Benefits and challenges:

- Nimble, rapid decisions
- Risk taking, innovative
- Leader can alienate
- No empowerment
- Always changing, can overreach

**Greatest fear:
Power sharing**

PEOPLE

Features

- Driven by relationships
- Family atmosphere
- Use relationships to exert power
- Often highly creative and people-oriented chair and/or CEO

"Involve me"

Benefits and challenges:

- Consensus-driven, team
- Loyalty encouraged and rewarded; resists "outsiders" (= non-family)
- Resists change
- Difficulty setting priorities and taking risks

**Greatest Fear:
Division**

PERFORMANCE

Features

- Driven by best practices
- Replication of tasks
- Use reason and measures of performance to exert power
- Chair or CEO is often a peacemaker and consensus builder

"Show me"

Benefits and challenges:

- Facts, benchmarks, results are key
- Systematic
- Undervalues people with divergent views
- Not as innovative as could be
- Benchmarking can be circular

**Greatest fear:
Taking risks**

POLICY

Features

- Driven by rules and policy
- Bureaucratic
- Uses rules to exert power
- Chair or CEO is often very analytical and precise

"Tell me"

Benefits and challenges:

- Cautious and slow decision-making - traditional approaches
- Clear, routine, focus
- Traditional
- Resistant to change, outsiders

**Greatest fear:
Changing the system**

SOME CLOSING THOUGHTS:

WHY THIS TRAINING MANUAL AND COACHING ARE KEY

- **Accountability** – great board members hold themselves *and* the organization accountable for advancing the mission.
- **Passion for mission** – their passion is sincere and contagious, helping to promote others' enthusiasm for the mission.
- **Donor access and modelling** – great board members demonstrate a financial commitment to the organization and provide access to others who can do the same.
- **Big picture view** – they view the mission through a strategic, not operational, lens.
- **Inquisitive nature** – great board members aren't afraid to ask hard or frequent questions in striving toward progress.

SOME CLOSING THOUGHTS:

WHY THIS TRAINING MANUAL AND COACHING ARE KEY

- It is about Capacity Advisors working with local partners as a team and having open communication channels with them
- Working with them on their pain points - especially understanding the barriers the local partners face
- Requires a change in behavior and introducing local partners to learn best practices.
- Identifying their issues and adapting sessions with them accordingly
- Bringing in some common-sense practices, especially in areas that are not so evident to them
- Achieving significant and sustainable changes, that free up their time to lead
- Train the trainer will be key!

FINALLY, THIS BOARD TRAINING MANUAL

- Shares our combined years of experience in guiding and coaching boards and executive leadership
- Includes best governance and leadership practices, frameworks, and templates required to successfully train board members and executive leadership

Special thanks to all contributors:

ASAP II Leads

ASAP II Advisors

Local Implementing Partners