

Bicycle Victoria Board Effectiveness Review

Board Response and Implementation Plan

In August to October 2006 the Board, assisted by Boardworks International, conducted its first Board Effectiveness Review.

An extract of the Board Effectiveness Review is on the Bicycle Victoria website KEYWORD: *effectiveness*.

Boardworks International concluded that the Board:

- Is a mature and competent governing body
- Has strong intellectual qualities and directors who bring a good cross section of business skills together with a passion for cycling
- Is generally on top of its role.

Boardworks International also concluded that Bicycle Victoria has had a competent and dedicated CEO over a number of years who has built a strong operational organisation under the direction of successive boards.

The Review included a number of recommendations arising from the comments of Board members as a part of the review.

The Board has worked through the recommendations to determine the appropriate actions in response. The Board accepted some of the recommendations and will actively seek to improve on its good governance program. A number of the recommendations had already been actioned prior to the review; others will be actioned as noted below.

As the review involved the directors completing questionnaires some of the recommendations reflected the fact that the communication of some actions to the Board was not effective, something that has been corrected and a positive outcome of the review in improving Board communication.

Boardworks Recommendation	Status of Implementation & Response
1. The Board reflect on the organisation's longer-term issues and balance of focus between short-term and longer-term priorities in order to achieve agreement about these.	The Board already has a focus on both short and long term issues. The exact balance of these varies depending on the circumstances. The Board will continue to manage this balance.

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<p>2. The Board should create time to address its attention to strategic dialogue with a view to firstly sharing perceptions about the sufficiency and depth of this and secondly to be sure that the dialogue is linked to existing strategy or points the way to new strategic initiatives.</p>	<p>The majority of time at Board meetings is spent on a mix of governance and strategic issues. The exact mix depends on the circumstances</p> <p>The Board conducted its last major review of strategy in April/May 2005. The Board have been reconfirming and updating this strategy March/April 2007 and will continue to review and work on implementation strategies during 2007.</p>
<p>3. The Board review its risk management policy to ensure that its attention is focused on those matters relevant to its role and responsibilities and that management has sound risk management systems in place and that these are subject to regular review.</p>	<p>Management have had fully developed risk management plans for events for some time.</p> <p>The staff have already been working through a risk identification process as a part of a risk management process for the broader organisation. This same risk identification process has been followed by the Audit & Risk Management Committee to develop the Board level component.</p> <p>Risk management is an ongoing process which forms part of the charter of the Audit & Risk Committee.</p>
<p>4. The Board should urgently review its newly appointed director induction programme so that in the event of any changes in the composition of the Board, new members will have the benefit of a thorough introduction into the workings of the Board and the organisation.</p>	<p>The current induction process is thorough and well developed. The process is reviewed and updated each year for the new directors after the election.</p> <p>The induction program was greatly enhanced in 2004 (first used with the 2005 elected Board members). The process for 2006 was improved further with separate sessions for management to present on the organisation and the President and CEO to present on Board process and current business.</p> <p>The newer directors all rated the induction process more positively than the older directors who came in under the old induction process.</p>

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<p>5. The Board create time to allow directors to share their differing expectations and levels of satisfaction for the content, timeliness, style and focus of information coming to the Board.</p>	<p>The information coming to the Board is continually improving. Directors are encouraged to raise issues on the information flow to the Board.</p>
<p>6. The Board review its member feedback system to ensure that it receives information in a form and manner relevant to its governance role.</p>	<p>The last major member feedback process was in 2003 with a major member engagement study. Since then the organisation has developed many surveying tools and the results of that surveying work is available to the Board.</p> <p>The Board continually looks at how to further improve this survey process to provide better information.</p>
<p>7. The timeliness of papers to the Board should be addressed with a view to providing the CEO with clearly defined expectations that must be met.</p>	<p>The timeliness of Board papers is always a challenge. The current timing is sufficient for review; however, there is a continual review of ways to provide more time where possible.</p>
<p>8. The Board address with urgency the design and implementation of a CEO Performance Management system that makes clear the performance criteria to be achieved and measured, establishes a board process/system for gathering data and providing feedback to the CEO, incorporates regular informal feedback to the CEO, includes CEO self-assessment and has a developmental focus.</p>	<p>The Remuneration Committee have already been working on this for the last year. A system is in the final stages of development and is expected to be signed off in early 2007.</p>