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# GOVERNANCE GUIDANCE

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# ADOPTING A CODE OF GOOD GOVERNANCE

## INTRODUCTION

For some time, momentum has been building around the need for good governance across the Outward Bound network. Reviews, conducted by Outward Bound International (OBI), consistently identify the need for better, more informed and more consistent governance of Schools. This is supported by feedback from World Conferences and Staff Symposia.

OBI has developed this background document outlining the parameters and principles of “good governance” and has drafted a companion Guide, “Towards A Code of Good Governance”, for consideration by Outward Bound Schools across the network. The background document provides insight into what is meant by “good practice on governance matters” and identifies models of good practice. It is hoped that all Schools will adopt the Five Principles detailed in “Towards A Code of Good Governance” and will apply the Guide in the evolution of their own governance model.

## THINKING POINT



**It is the view of the Outward Bound community that good governance is not something that can be plucked off a shelf and placed into the lap of an Outward Bound School. Integrating principles of good governance is a process. Good governance requires willingness and active engagement on the part of those involved to implement the principles of good governance within the governing body itself.**





## WHAT IS GOOD GOVERNANCE?

Good governance is a key foundation for the success of any organization in any sector, whether commercial, not-for-profit or educational. Governance is not the management of the day-to-day operations of the organization. It is the framework of strategy, risk management, controls and processes. It relates to the organization's leadership in terms of culture, values and integrity. In a well-governed organization, these elements underpin everything the organization does and how it does it.

### THINKING POINT



If adopted and put into practice, the **Five Principles** outlined in the Code will ensure that Schools are sustainable, successful and recognized as well run by customers, funders, participants, the media and other Outward Bound entities.

## APPLYING THE TERMINOLOGY

The OBI “Code of Good Governance” refers to Boards, which in the context of Outward Bound will mean the board, council or executive committee. Your School’s governing document – for example, your bylaws - will dictate the name given to your governing body. The principles set out here apply regardless of the name used.

**The Board or Council or Executive Committee is the body with ultimate strategic decision-making responsibility for an Outward Bound School.**

The Board, through its chair, is responsible to Outward Bound International for ensuring that the School meets its licensing requirements.

Boards are comprised of **independent Board members**. Board members are not simultaneously members of School management.

The role of an independent Board member is to provide objective input to the Board’s decision-making process.

**To be truly independent, candidates for Board appointment must, from the perspective of an objective outsider, be viewed as independent and must be free from any other close connection with the School.**

The objective of Board members is to ensure that the Board’s decisions are made in the best interests of Outward Bound and the Outward Bound School recognizing that those decisions reflect the environment in which the School operates. The independent Board member is expected to serve without having a vested interest in or the potential for a vested interest in the decisions to be taken by the Board.

Board members of an Outward Bound School are volunteers and should receive neither payment nor compensation-in-kind for the time, advice or services they provide as members of a Board.

Particular knowledge or experience of Outward Bound, although useful for a Board member to have, is not essential. What is important is that Board members understand and accept the ethos of Outward Bound.

Individuals who are independent and who bring essential skills to the Board are often found from industries or sectors completely unrelated to Outward Bound. Any number of individuals could perform the Board members role, from a former student or outdoor enthusiast to an individual with no prior knowledge of Outward Bound. Individuals with desired or suitable experience should be encouraged to apply for Board membership to add to the skills-mix of the Board.

## THINKING POINT



### A STRONG INDEPENDENT BOARD

**Outward Bound is recognized around the world as a not-for-profit educational entity that provides service and benefit to the community it serves. Boards and independent Board members should reflect the values and spirit of Outward Bound around the world.**

**A carefully recruited independent Board member will bring skills, adherence to governance models and vitality to ensure that the principles and local legalities outlined in the Code of Good Governance are followed, creating credibility for your School with customers, funders, participants, the media and other Outward Bound entities.**





## NOT-FOR-PROFIT ORGANIZATIONS

It is a condition of the Outward Bound license that Schools are set up as “not for profit” but what exactly does this mean?

### A not-for-profit organization:

- Can generate a financial surplus, but must not distribute that surplus to those who own or control the organization. Any surplus is reinvested to further the purpose of the organization;
- Can be run and managed as if it were a business enterprise, and can engage in investment activities;
- Are private in the sense that they are separate from government;
- Are self-governing;
- Have a Board made up of volunteers who are unpaid and who receive no remuneration (although staff will normally be paid in the usual way); and,
- Are created to provide a service or benefit to a community or to its members.
- Is a charity or similar (e.g. 501(c)(3)) entity that benefits from a special tax status





## IS OUTWARD BOUND GOVERNANCE DIFFERENT?

**The Code applies general principles of good governance to the community of Outward Bound, recognizing that our world is unique.**

In the same way that good governance is a key foundation of a commercial organization's success, so it is important for Outward Bound Schools operating in the not-for-profit sector:

Outward Bound Schools have specific issues to address, such as not-for-profit status, licensing requirements, safeguarding participants, delivering programs that the general public perceive to be high risk. We operate in a sector that cuts across socio-economic boundaries, geographies, cultures and demographics and therefore, have a greater focus on inclusion and diversity.

Despite these points of diversity, principles of good governance are well-recognized and applied across the not-for-profit sector worldwide. Outward Bound International has based its Code for Good Governance on internationally recognized and constantly evolving practices.

### THINKING POINT



**Ethics are at the core of Outward Bound: we cannot be effective in Outward Bound without integrity and visibly ethical leadership.**

**Outward Bound is unique when it comes to 'the product'. The effectiveness of our programs in changing the lives of our participants is 'the product' and so our decision-making needs to remain true to the core principles of Outward Bound.**

## WHY IS GOOD GOVERNANCE IMPORTANT FOR YOU?

The worldwide Outward Bound network is diverse and includes Schools of all sizes and with different operating models, budgets, staff complements and facilities.

Complexity and size will influence the structures and mechanisms needed to embrace the principles of good governance, but principles of good governance are relevant to all.

In smaller Schools, the need for good governance may not be an immediately recognizable part of the organization but all organizations have an underlying culture as well as strategy and processes, whether they are explicit or implicit.

Outward Bound Schools must ensure that they are fit-for-purpose, provide value for money, operate transparently, deliver programs that are within the ethos of Outward Bound and are well-organized and structured bodies.

Being a “not for profit entity” and holding an Outward Bound license means that your School must ensure it has a high level of accountability to your local and network community and that you use the resources at your disposal effectively, accountable to your students, clients and donors.

Outward Bound Schools need to ensure that stakeholders are engaged in the aims and objectives of the School, that the organization is run ethically and with integrity, and that the School remains focussed on a strategy that leads to the sustainable development of Outward Bound. This focus can help your School to improve its effectiveness, grow its influence, minimise risks, increase participation and achieve strategic success.

## THINKING POINT



**The ability to attract new participants and customers is important in a world where there is so much choice amongst users and consumers and where there are many competitive organizations seeking to replicate what we do.**

**Participants are attracted to organizations that show the highest standards of operation and in a world of ever-increasing expectation and standards, organizations are scrutinised by the very people they exist for – customers and participants.**

**In an environment where funding may be provided by public bodies, donors and sponsors, there will be a strong interest in good governance which includes robust controls, sound risk management and ethical leadership.**



## WHY ADOPT THE CODE OF GOOD GOVERNANCE?

Outward Bound International has reviewed all of the licensed Outward Bound Schools over a number of years. It is our considered view that adherence to the principles of “good governance” by Schools results in enhanced strategic planning, improvement in operations and significant and positive organizational growth.

### **Successful Outward Bound Schools have good systems of governance!**

Most Schools have indicated that they want to improve governance. We hope that this Code will provide the catalyst to ensuring a strong independent Board with needed skills and a commitment to change.

## THINKING POINT



### YOUR OUTWARD BOUND SCHOOL

**Outward Bound International recognizes that Schools are different – nevertheless, the principles of “good governance” are relevant to all Outward Bound Schools. This Code is intended to be flexible for all Outward Bound Schools to adapt and use appropriately.**

**The Code acknowledges that not all Outward Bound Schools (or the fiscal and legal regulations of the country in which they are based) are the same. The Code tries to use language that is relevant to all Schools. Where terminology does not fit exactly with your School we hope that you will be able to take the meaning and adapt the wording appropriately**



## NEXT STEPS IN ADOPTING THE CODE

The Outward Bound Code of Good Governance is designed to be flexible and simple. It provides Five Principles of good governance, as endorsed by Outward Bound International, together with practical recommendations that your organization may wish to consider.

We recognize that each Outward Bound School is different and that what may be appropriate for one may not work in another. Think carefully about your own School's priorities, capacity and what your School is striving to achieve in governance terms. Then take time to plan, garnering the necessary support and setting realistic timeframes. Each of the Five Principles offers a stimulus for discussion and a guide to how the Code of Good Governance can be implemented.

By adopting the Outward Bound Code of Good Governance, your School is committing to integrating the Five Principles across your organization. We hope that you will use the Code to better understand the benefits of good governance. You will also be able to benchmark your current performance, develop a coherent plan for improvement and monitor progress over time.

## THINKING POINT



**This is not a 'one size fits all' approach to governance. It is not the role of the Code to dictate what is appropriate for each School. The principles of good governance are intended to be applied in a pragmatic way, which takes into account size, complexity and level of maturity of the Outward Bounds Schools. Some Schools have established governance working groups which are tasked with implementing governance improvements. While this approach is helpful in managing the process in a structured fashion, it may not work for everyone. The process should match the size, function and complexity of your School.**

**This governance approach allows the framework to evolve over time. Your Board should set expectations and review regularly in relation to embedding the principles of good governance within the organization. Your School will wish to adopt an approach where your Board annually reviews your progress against the governance improvement plan.**



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# TOWARDS A CODE OF GOOD GOVERNANCE





# 1. FIRST PRINCIPLE

## ACTING AS GUARDIANS OF OUTWARD BOUND: INTEGRITY, ACCOUNTABILITY AND TRANSPARENCY

The Board must uphold the highest standards of integrity in its management and operation of its Outward Bound School.



## COMMENTARY

The Board's role is setting and protecting the vision, mission and values of Outward Bound as well as and protecting the reputation of the School. This includes:

- Ensuring that all Board processes and decisions are **transparent**.
- Ensuring that there is a **conflict of interest policy** in place; that **declarations of interest** are updated at least once a year; and that these are declared in relation to agenda items at each Board meeting.
- Ensuring **Financial Statements** are available.
- Protecting and promoting the **moral and physical wellbeing** of all participants including actively promoting and monitoring equality and diversity.
- Ensuring the organization is equipped to **safeguard all participants**.
- Being **aware of risks** inherent in the delivery of Outward Bound programs and **monitoring and mitigating them**.
- Ensuring each Board member has **adequate time to dedicate to their role**.
- Ensuring each Board member is **appropriately engaged** with **the Board and its staff**.
- **Supporting education and training** for staff as appropriate.
- Ensuring that the School meets its **obligations** to Outward Bound International and the wider **Outward Bound network**.
- **Contributing to, and supporting**, the work of Outward Bound International

## THINKING POINT



It is vital that Board members have the time to contribute effectively to the School and are not limited by the number of roles or activities in which they are engaged.

It may be helpful to recruit Board members who sit on other boards or committees because of the experience and knowledge they will bring to your School, but this must be balanced with the requirement that individual Board members have sufficient time to dedicate to their role for Outward Bound.

## 2. SECOND PRINCIPLE

### OBJECTIVITY: A DIVERSE BOARD

The Board should be made up of individuals who can provide a preferred mix of skills, knowledge and experience to meet the needs of the Outward Bound School.



### COMMENTARY

The Board must strive to recruit members with diverse backgrounds and skills that can support the evolution and growth of your Outward Bound School. This includes:

- Ensuring **Board member succession** planning is proactively undertaken.
- Setting **limited terms of office** for Board members to ensure that the balance between continuity and fresh perspective is maintained.
- Ensuring that **Board composition** adequately reflects the community served by the organization and the diversity of society.
- Adopting **appropriate recruitment practices** for new Board members.
- Ensuring that Board members are chosen on the basis of their **competence, ability, quality, leadership, integrity and experience**.
- Recruiting an adequate number of members to allow for **effective and independent decision-making** (for most Outward Schools, this number will vary between 4 and 12 people).
- Ideally recruiting a quarter of Board members **from outside of Outward Bound**.  
[? – to discuss]
- Ensuring a balanced and inclusive interview panel and nominations panel for Board appointments. Use external experts in specific fields when necessary.

### THINKING POINT



Having a wide range of perspectives represented on the Board is critical not only in achieving good governance but also in enhancing the quality of debate and ultimately improving decision-making.

You need people on your Board who are able to make decisions in the best interests of the Outward Bound School, setting aside their personal position, any potential conflicts or loyalty.



### 3. THIRD PRINCIPLE

#### DEFINING AND EVALUATING THE ROLE OF YOUR BOARD TO MEET ITS OBJECTIVES

The Board must understand and evaluate the role it plays and the way it contributes to the Outward Bound School.



#### COMMENTARY

The Board and its members are active participants in the good governance of the Outward Bound School. The Board must have clarity regarding its role in relation to management. This includes:

- Complying with, reviewing and updating the **governing document** as needed.
- Ensuring that governance practices of the Outward Bound School are appropriate for its environment.
- Establishing **clear roles and divisions of responsibility** for key positions on the Board.
- Creating **appropriate Board committees**; for example, Nominations & Governance, Risk Management, Finance & Audit.
- **Recruiting, appointing, monitoring and supporting the executive director.**
- Electing an **independent chair** from among the sitting Board members.
- Establishing **division of responsibilities**, in writing and as agreed by the Board, between the **chair and the executive director.**
- Ensuring that chair directs **discussion at Board meetings**; challenge is encouraged and conflict is resolved appropriately.
- Running effective Board **member orientation.**

- Ensuring Board members understand their **personal legal responsibilities** including relevant company or charity law requirements.
- Collectively reviewing and running a **Board evaluation** once a year.
- Ensuring each member of the Board carries out a **self-assessment** and has an informal one-to-one meeting with the chair each year.

#### THINKING POINT



The idea of each Board member having a review may seem unnecessarily formal, particularly as he or she is a volunteer. But, it is important for each individual to have a discussion about what they want to contribute and how they feel they have been delivering against their own expectations.

Outward Bound staff are familiar with the concept of continuous personal review and improvement – Board members should also seek ways to become more effective at what they do.

## 4. FOURTH PRINCIPLE

### SETTING VISION, MISSION AND PURPOSE

The Board's primary role is to set strategy and vision for the organization while recognizing that its role is not to engage directly in operational delivery of that strategy.



### COMMENTARY

The Board's primary task is to set the School's strategic direction and goals. The Board sets the strategic course and monitors the implementation of achievable deliverables, however the Board and its members should remain apart from the actual operational delivery. The responsibilities of the Board include:

- Conducting a **strategic review**, which identifies the vision, mission and purpose that will inform the School's strategy.
- Creating a **strategic plan**, in consultation with staff and members, which sets the challenging yet realistic goals that the Outward Bound School aims to achieve.
- Consulting with **partners and stakeholders** such as donors, funders and Outward Bound International.
- Ensuring there are **sufficient resources** available for delivery of the strategic plan.
- Entrusting **operational issues** to the management of the School under the leadership of the executive director.

### THINKING POINT



Creating a sound strategic plan is a challenging task.

It is important that the strategic plan is developed in partnership with senior staff so that everyone buys into the direction the organization is taking. The plan need not be overly detailed or complex. Too often the consultation is left to the last minute or forgotten altogether. For a strategic plan to be effective, it needs to mean something to everyone and the best way for this to happen is for everyone to be given the opportunity to contribute.

A strategic plan should take account of the external environment, the resources available (including funding and people) and the vision and objectives of the organization. It should contain clear, measurable and achievable targets.



## 5. FIFTH PRINCIPLE

### STANDARDS, SYSTEMS AND CONTROLS

The Board needs to be conscious of the standards and obligations that bind it, and of its role in exercising appropriate and effective control over the School.



### COMMENTARY

Good governance of an Outward Bound School recognizes the contributions of the Board and its members, of management and staff and respects both external obligations and the community within which the School functions. This includes:

- Complying with **regulatory and legal requirements**, including those required by the OB license.
- Ensuring that **key policies** are in place and reviewed annually.
- Ensuring that **appropriate financial controls** are put in place and adhered to.
- Ensuring that **checks and balances** are in place to support a high standard of staff and decision-making.
- Ensuring that **committees** appointed by the Board **fulfil their mandates**.
- Setting clear **terms of reference, limits of authority and expectations** whenever a project or task is assigned to a Board committee, Board member or staff.
- Assessing organizational risks (often through a standing Risk Management Committee) and developing mitigation plans.

### THINKING POINT



The level of control, systems and processes that need to be implemented will vary depending on the size of the Outward Bound School.

Risk management in Outward Bound is often thought of as accident liability but it is much more than that. A thorough risk management strategy in Outward Bound should look across the environment at any potential risks, which may stop the School achieving its vision, mission or purpose. Preserving the reputation of Outward Bound and the network must be a commitment of every member school.



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# CODE OF GOOD GOVERNANCE SELF ASSESSMENT AUDIT TOOL

“Good governance” requires willingness and active engagement on the part of those involved to implement the principles of good governance within the governing body itself.

OBI has developed this self-assessment tool to enable OB Member Boards and Executive Directors to review their own Schools against the five principles of good governance detailed in these two documents.



# FIRST PRINCIPLE

## ACTING AS GUARDIANS OF OUTWARD BOUND: INTEGRITY, ACCOUNTABILITY AND TRANSPARENCY

The Board must uphold the highest standards of integrity in its management and operation of its Outward Bound School.

GOOD PRACTICE	YOUR POSITION	REMARKS
Does your Board Chair circulate an <b>agenda</b> in advance of its meetings with items noted for decision?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Has your Board enacted a <b>conflict of interest</b> policy that includes <b>declarations of interest</b> to be updated by Board members annually?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Are Board members asked to <b>declare</b> potential conflict issues that may arise from the meeting agenda?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Does your Board/School produce annual <b>Financial Statements</b> ? Are they audited by third party auditors? Are they available to donors, funders?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Has your Board and School enacted policies that promote <b>diversity, inclusion and privacy</b> for the protection of staff and students?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Is your Board <b>informed about the risks</b> inherent in the delivery of Outward Bound programs? Does it have systems for <b>monitoring and mitigating</b> those risks?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Does your Board support appropriate <b>education and training</b> for School management and staff?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Does your Board <b>support</b> the School in meeting its <b>obligations</b> to Outward Bound International and the wider <b>Outward Bound community</b> ?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	



## SECOND PRINCIPLE

### ENSURING A DIVERSE AND COMMITTED BOARD

The Board should be made up of individuals who can provide a preferred mix of skills, knowledge and experience to meet the needs of the Outward Bound School.

GOOD PRACTICE	YOUR POSITION	REMARKS
Does the composition of the Board adequately reflect the diversity and needs of the community served by your School.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Are the terms of office for Board members limited in number of years to promote a balance between continuity and renewal?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Does the Board have a Nominations & Governance Committee responsible for succession planning and recruitment of appropriate new Board members?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Does the Board's recruitment process allow for a sufficient number of Board members to provide effective and independent decision-making (usually between 4 and 12 people)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Does the Board's recruitment process ensure that new Board members are chosen for their competence, ability, quality, leadership, integrity and experience.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Does the Board's recruitment policy specify that each new Board member must be able to commit adequate time to the role and engagement with the Board and School and its staff?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Does the Board promote an orientation to ensure that new Board members understand their personal responsibilities to adhere to relevant laws and good practices ensuring the diversity and competence of the Board?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	

## THIRD PRINCIPLE

### DEFINING AND EVALUATING THE BOARD IN MEETINGS ITS GOALS

The Board must understand, assess and document its various roles in support of the Outward Bound School. In many countries, this is required at law and laid out in Board bylaws.

GOOD PRACTICE	YOUR POSITION	REMARKS
Is the Board committed to <b>good governance practices</b> that are appropriate for the laws and environment applicable to your School?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Is the Board committed to <b>reviewing and updating</b> governance documents on a <b>regular basis</b> ?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Do those governance documents establish clear <b>roles and divisions of responsibility</b> for key Board positions?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Do those governance documents establish appropriate Board <b>Committees</b> such as Finance & Audit; Risk Management; Nominations & Governance?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Does the Board have a process for oversight that Board Committees <b>fulfil their mandates</b> ?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Does the Board have a process to ensure the election of an <b>independent Chair</b> from among the sitting Board members?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Does the Chair conduct Board meetings in such a way that <b>challenge is encouraged</b> and <b>conflict is resolved</b> appropriately?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Does the Chair implement an <b>evaluation of the Board</b> by its members once a year?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Does the Chair ask each Board member to conduct <b>self-assessment</b> and to have an informal one-to-one meeting with him or her each year?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Does the Board, led by the Chair, have a process for <b>recruiting, appointing, monitoring and supporting</b> the Executive Director/Chief Executive Officer (ED/CEO)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Has the Chair established a <b>division of responsibilities</b> , in writing and as agreed on by the Board, between the <b>Chair and the ED/CEO</b> ?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Does the Board appropriately entrust the <b>operational issues</b> to the management of the School under the Executive Director/CEO?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	

## FOURTH PRINCIPLE

### SETTING VISION, MISSION AND PURPOSE

The Board's primary role is to set strategy and vision for the organization while recognizing that its role is not to engage directly in operational delivery of that strategy.

GOOD PRACTICE	YOUR POSITION	REMARKS
Has the Board conducted a recent <b>strategic review</b> to identify the vision, mission and purpose that will direct the School's strategic plan?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Has the Board created a recent <b>strategic plan</b> , in consultation with senior management and staff, that sets the goals for the School over a predictable time period (e.g., 3, 5 or 7 years)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
In setting its <b>strategic plan</b> , has the Board together with senior management consulted with <b>partners and stakeholders</b> including donors, funders and Outward Bound International?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
Prior to embarking on its <b>strategic plan</b> , has the Board and School management ensured that there are <b>sufficient resources</b> available for delivering the desired goals in the time proposed?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	



## FIFTH PRINCIPLE

### STANDARDS, SYSTEMS AND CONTROLS

The Board needs to be conscious of the standards and obligations that bind it, and of its role in exercising appropriate and effective control over the School.

GOOD PRACTICE	YOUR POSITION	REMARKS
In addition to having strong governance documents, does you Board and School comply with all relevant <b>regulatory/legal requirements</b> , as well as good practices required through the <b>OB license</b> ?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	
<p>Does your Board have <b>key policies</b> in place to ensure:</p> <ul style="list-style-type: none"> <li>• <b>appropriate financial controls</b></li> <li>• <b>high standards for staff</b></li> <li>• processes for <b>decision-making and approvals</b></li> <li>• <b>terms of reference, and limits of authority for delegation</b> of a project or task to a Board committee, Board member or staff</li> <li>• <b>assessing and mitigating organizational risks.</b></li> </ul> <p>Are these key policies reviewed and re-adopted annually?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe	

# BOARD REVIEW TEMPLATE



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	BOARD MEMBER 1	BOARD MEMBER 2	BOARD MEMBER 3	BOARD MEMBER 4	BOARD MEMBER 5	BOARD MEMBER 6	BOARD MEMBER 7	BOARD MEMBER 8
Board has a full and common understanding of the roles and responsibilities of a board								
Board members understand OBI's mission and its services and programs								
Structural pattern (board, officers, committees, executive and staff) is clear								
Board has clear goals and actions resulting from relevant and realistic strategic planning								
Board attends to policy related decisions which effectively guide operational activities of staff								
Board receives regular reports on finances/budgets, products/program performance and other important matters								
Board helps set fundraising goals and is actively involved in fundraising								
Board effectively represents OBI to the community								
Board meetings facilitate focus and progress on important organisational matters								
Board regularly monitors and evaluates progress toward strategic goals and service performance								
Board regularly evaluates and develops Executive Director								
Each member of the Board feels involved and interested in the Board's work								
All necessary skills of stakeholders and diversity are represented on the Board								

**REMARKS:** 5 = Very Good 4 = Good 3 = Average 2 = Fair 1 = Poor

Please list the three to five points on which you believe the Board should focus its attention in the next year. Be as specific as possible in identifying these points:

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# MODEL BOARD SKILLS AND ATTRIBUTES TEMPLATE



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	DIRECTOR NAME:	DIRECTOR NAME:	DIRECTOR NAME:	DIRECTOR NAME:	DIRECTOR NAME:	DIRECTOR NAME:
Year of Birth						
Year of First Appointment						
Ethnicity, Country Region						
Gender						
Board Experience						
Outward Bound Experience						
Working in partnership						
Fundraising						
Risk management						
Marketing & Communications						
Media & Public relations						
Information technology/digital						
Finance & accounting						

## Board of Directors skills and attributes audit

Professional background & experience

Please score yourself 0-3 based on the following:

3 = significant work experience and / or relevant professional qualification

2 = good knowledge / voluntary experience

1 = limited knowledge / passing interest

0 = no knowledge or past experience





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# THE ROLE OF EXECUTIVE DIRECTORS IN DELIVERING GOOD GOVERNANCE

## APPENDIX I



### 1. THE ROLE OF THE EXECUTIVE DIRECTOR

OBI recognises that the Executive Director (ED) of an Outward Bound School has a crucial role to play in helping their Outward Bound organizations meet Outward Bound's expectations for "Good Governance". As an employee of the Board, the ED needs to tread a delicate line between supporting, influencing and advising the Board and telling the Board what to do! This guidance attempts to provide practical advice to EDs (and their Boards) based on operational experience and sound principles of good practice.

### 2. UNDERSTAND YOUR BOARD MEMBERS

Your board will likely be made up of successful and influential people. As such, they make better friends than adversaries, so make sure you harness the skills and influence they can contribute to the success of your school.

If you have inherited your board, seek to build strong relationships with the board members as quickly as possible. If you find yourself in the enviable position of being able to drive the selection process for your board—choose wisely. Select board members who will challenge both you and your management team.

Board members will go to great lengths to help you if they perceive you respect and value their position and contribution.

Understand the motivations of your Board members and think carefully about how you can best utilize their experience and interest. Try to keep them motivated and involved whilst being realistic about the contribution that can be expected from a busy volunteer.

### 3. BOARD COMPOSITION

One of the key rules of board management is to avoid conflicts of interest. As many of your board members as possible should meet director independence standards so they can contribute a broader range of experience to your decision-making.

While race and gender diversity may be drivers in the board selection process, the diversity drivers you should also be paying attention to are thought diversity, industry diversity, skill diversity and experience diversity. Selecting a board that challenges your thinking, and makes you a better ED, is more important than having a rubber-stamp board that adds little value.

The length of board term should also be considered when appointing new members, as you don't want to be wed to a board member for a long-term commitment only to find out early in the relationship the member is not a good fit. Work with your Board to confirm your governance documents and then make sure the Board follows them.

Lastly, when developing board sub-committees, you should consider establishing the following: finance and audit committee, safety and risk committee, investment committee, nominating and governance committee.

## 4. BOARDS MUST BE LED

EDs deserve the boards they develop – a failure to lead, especially at the board level, can have significant negative consequences. “Leadership from the top” doesn't just apply to employees. Just as you must align your expectations with your employees, you must also do so with your board.

Your board will hold you accountable to a set of standards and behaviors, and you must require the same of your board. You must clearly communicate what you need from board members and then demand they do more than just show up for the meetings. This can be a fine line to tread – and good support from your Chair and relevant sub-committee Chair (e.g. Nominations and Governance) is crucial. It can help to have a regular “review” where the Board Chair confirms that Board membership continues to meet everyone's expectations.

## 5. BE PROACTIVE AND HONEST

One important concept of board management is not to hold the meeting at the board meeting. As the Executive Director, your role in board management is that of leader, executive, fiduciary, lobbyist and evangelist. As such, it makes sense for you to have phone calls or meetings with individual board members in advance of the actual board meeting to seek their input and advice.

Also make sure to get a draft of the board agenda out to your Board Chair or key committee Chairs well in advance of the meeting, creating another opportunity for feedback and input. Use these proactive encounters to flesh out, and seek alignment on, key issues and positions.

Never reserve bad news for the actual board meeting. Reveal any bad news as early as possible, and be honest in describing the extent of the problem. Failure to do this erodes trust between the ED and the Board.

Never hold a board meeting when you don't know where your Board stands on key issues in advance. If you are unprepared on a key issue you may well not get the decision from your Board that you are seeking and you may not be able to provide the leadership the Board expects.

## 6. THE AGENDA

Make sure the agenda isn't too crowded, and that there is sufficient time available to cover needed ground. Ensure that any important or strategic items are covered early in the meeting (when there is time and focused enthusiasm), and that more routine matters are left for later on. Having a high-powered board of directors does little good if you don't give them the time to properly explore and debate the important items.

## 7. DISPLAY BACKBONE

Smart EDs respect their Board—that said, you should not allow yourself to be run over by the Board, or to allow Board meetings to turn into little more than glorified gripe sessions. The Board's role is one of governance not management

(they do strategy, you do operation) and sometimes it's necessary to remind them of this. Be willing to compromise where prudent, but stand your ground and successfully make your case on mission-critical issues.

## 8. THE ENVIRONMENT:

What should be obvious, but what is often overlooked, is the importance of having your board members look forward to the meeting. Make the meetings meaningful, productive and if possible enjoyable. If your board members dread attending your meeting, they will be predisposed to show up with a bad attitude (if they show up at all!). Bad attitudes bring out the worst in people, and that is not what you want when you arrive at the meeting.

Don't bore your members with meaningless drivel or worthless presentations. Rather, be crisp in your delivery and be specific about the issues at hand. Feed them, make them comfortable, ensure they don't feel their time is wasted, or that they didn't have the opportunity to be heard—have them leave looking forward to the next meeting.

## 9. SET HIGH STANDARDS FOR BOARD COMMITMENT TO YOUR VISION AND VALUES

All board members are obligated to make decisions in the best interests of your school. Moreover, personally motivated decisions by Board members that speak of self-dealing will eventually come out into public view and will not be productive for the on-going success of your school. Use the Board's "conflict of interest" policy and remind members that their primary responsibility is to your School.

Make sure all board members share and embrace the values and vision which have driven the Board's strategic planning, and hold them accountable to make decisions in alignment with the fiduciary obligation they assumed when they accepted the board seat.

## 10. SUCCESSION:

Many studies show succession is a major issue of importance for Boards. The Board should ensure the continuity and succession of Board members and, whilst primarily the responsibility of the Chair, the ED is a primary focus.

Make sure that the role of the ED is clearly defined and understood, and that transitions at both the operating and board level serve to advance the succession, not impede it.

It is important for all to realize that just as your role as ED is "not for life", "board member for life" is equally unacceptable.

### SOME USEFUL ADDITIONAL RESOURCES:

"How to Stay in Control of Your Meetings" Mark Suster (for your Chair)  
<https://Bothsidesofthetable.com>

"20 Questions Directors of Not For Profit organizations should ask about governance"...Hugh Lindsay CA of Canada

<https://www.cpacanada.ca/en/business-and-accounting-resources/strategy-risk-and-governance/not-for-profit-governance/publications/20-questions-for-nfp-directors-on-risk-management>

"The Board Building Cycle...Nine Steps to finding, recruiting and Engaging Not for profit Board members" Sandra Hughes, Berit Lakey, Marla Bobowick [https://www.boardsource.org/eweb/pdf/Intros/363\\_Intro.pdf](https://www.boardsource.org/eweb/pdf/Intros/363_Intro.pdf)





**OUTWARD BOUND®**  
INTERNATIONAL

# MODEL OBI CONFLICT OF INTEREST POLICY

## APPENDIX 2



### 1. PURPOSE

The purpose of this policy is to help board members of OBI effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of OBI and manage risk.

### 2. OBJECTIVE

The OBI Board aims to ensure that board and committee members, and OBI executives are aware of their obligations to disclose any conflicts of interest that they may have, and to comply with this policy to ensure they effectively manage those conflicts of interest as representatives of OBI.

### 3. SCOPE

This policy applies to the board members, members of all Board Committees, and executives of OBI.

### 4. DEFINITION OF CONFLICTS OF INTERESTS

A conflict of interest occurs when a person's personal interests conflict with their responsibility to act in the best interests of OBI. Personal interests include direct interests as well as those of family, friends, or other organisations a person may be involved with or have an interest in. It also includes a conflict between a person's duty to OBI and another duty that the person has within the Outward Bound network. A conflict of interest may be actual, potential or perceived and may be financial or non-financial. Changes in OBI policies or practices, which potentially impact a school in the OB network to which an OBI Board member has a duty, generally would not require notification of a conflict of interest by that OBI Board member, unless the proposed change would "significantly" impact that particular school relative to other schools in the network.

### 5. POLICY

This policy has been developed because conflicts of interest can arise, and do not need to present a problem to OBI if they are openly and effectively managed.

OBI will manage conflicts of interest by requiring board and committee members, and OBI executives to:

- avoid conflicts of interest where possible
- identify and disclose any conflicts of interest
- carefully manage any conflicts of interest, and
- follow this policy and respond to any breaches.

## 6. RESPONSIBILITY OF THE BOARD

The board is responsible for:

- establishing a system for identifying, disclosing and managing conflicts of interest.
- monitoring compliance with this policy, and
- reviewing this policy on an annual basis to ensure that the policy is operating effectively.

## 7. IDENTIFICATION AND DISCLOSURE OF CONFLICTS OF INTEREST

Once an actual, potential or perceived conflict of interest is identified, it must be entered into the board's register of interests, as well as being raised with the board. The register of interests must be maintained by the Executive Director, and record information related to a conflict of interest, including the nature and extent of the conflict of interest and any steps taken to address it.

Action required for management of conflicts of interest

## 8. CONFLICTS OF INTEREST OF BOARD AND COMMITTEE MEMBERS AND OBI EXECUTIVES

Once the conflict of interest has been appropriately disclosed, the board, excluding the conflicted person and any other conflicted person, must decide whether or not those conflicted people should:

- vote on the matter,
- participate in any debate, or
- be present in the room during the debate and the voting.

In exceptional circumstances, such as where a conflict is very significant or likely to prevent a board, committee member or executive from regularly participating in discussions, it may be worth the board considering whether it is appropriate for the person conflicted to resign.

## 9. WHAT SHOULD BE CONSIDERED WHEN DECIDING WHAT ACTION TO TAKE

- In deciding what approach to take, the board will consider whether the conflict needs to be avoided or simply documented
- whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making

The approval of any action requires the agreement of a majority of the board (excluding any conflicted board member/s) who are present and voting at the meeting. The action and result of the voting will be recorded in the minutes of the meeting and in the register of interests.

## 10. COMPLIANCE WITH THIS POLICY

The board will investigate the circumstances if it has reason to believe that a person subject to the policy has failed to comply with it.

If it is found that this person has failed to disclose a conflict of interest, the board may take action against them. This may include seeking to terminate their relationship with OBI.

If a person suspects that a board member has failed to disclose a conflict of interest, they must refer the matter to the Chair of the Board.

## CONTACTS

For questions about this policy, contact the board Chair or the Executive Director:



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