

The Board Calibration Process: Alignment for Higher Performance (Or: Alignment is Not Just for Tires)

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When to Perform Alignment:

- 1. As part of regular maintenance**
- 2. When you hit a bump or crash**
- 3. When you get new equipment/directors**

Best Practices

Ram Charan – Boards That Lead (2015)

John Carver – Boards that Make a Difference

Les Wallace – 21st Century Governance

Yvonne Evers – Peak CU Board Performance

Common Obstacles

The Last Ditch Effort

To get rid of a board member

...a non-productive member.

**...or an over-productive member.
(i.e. a meddler)**

The Fear Factor



The Excuses

- **Just a Volunteer**
- **There's no Time**
- **It's not required**

How to Make it Work

Establish Ground Rules

Get buy-in

Set Goals

Realize that you're going to be better off and have an easier time in the future.

3 Approaches

1. Board Meeting Review

Board Meeting Structured Review

(Name of CU)

The purpose of this form is to evaluate overall effectiveness of the monthly Board meeting. Please rank the following items on a scale of 1-5 as defined below.

	Strongly Disagree <input type="checkbox"/> Not Agree <input type="checkbox"/> Strongly Agree <input type="checkbox"/> Disagree <input type="checkbox"/> Sure <input type="checkbox"/> Agree <input type="checkbox"/>
1) The agenda and materials were provided to all meeting participants in a timely manner	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
2) The agenda was clear and sensible	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
3) Board packet materials were relevant, focused on strategic issues and/or provided analysis of key strategic measurements	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
4) Directors were prepared and involved	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
5) Discussions were on target	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
6) Directors refrained from discussing Operational Issues (Realm of CEO)	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
7) Meeting was focused on strategic issues (Board Realm)	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
8) Directors looked ahead to ascertain if current Strategic Plan remains relevant	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
9) Education was provided, was relevant and was well presented	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>
10) Chair managed the meeting well	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>

For any score of 2 or below, please clarify/comment here:

	Strongly Disagree	Disagree	Not Sure	Agree	Strongly Agree
1.The agenda and materials were provided to all meeting participants in a timely manner	1	2	3	4	5
2.The agenda was clear and sensible	1	2	3	4	5
3.Board packet materials were relevant, focused on strategic issues and/or provided analysis of key strategic measurements	1	2	3	4	5
4. Directors were prepared and involved	1	2	3	4	5
5. Discussions were on target	1	2	3	4	5
6. Directors refrained from discussing Operational Issues (Realm of CEO)	1	2	3	4	5
7. Meeting was focused on Strategic Issues (Board Realm)	1	2	3	4	5
8. Directors looked ahead to ascertain if current Strategic Plan remains relevant	1	2	3	4	5
9. Education was provided, was relevant and was well presented	1	2	3	4	5
10. Chair managed the meeting well	1	2	3	4	5

2. Board As a Whole

Questions: Evaluation Questions for the Board as a Whole

Please use the following ratings:

- 1 = Well Below Average
- 2 = Below Average
- 3 = Average
- 4 = Above Average
- 5 = Well above Average

1. Does the board have a full understanding of its responsibilities?
2. Is the board structure clear? (officers, committees, job descriptions)
3. Has the board established clear goals resulting from a relevant and realistic strategic planning process?
4. Does the board stay on the policy and planning level?
5. Does the board engage in micro-managing?
6. Does the board receive regular reports on financial issues, budgets, product and program performance and other important matters?
7. Does the board regularly monitor and evaluate the progress toward strategic goals and product and program performance?
8. Does the board receive appropriate reports and information to measure and monitor risk at the credit union?
9. Does the board effectively represent the credit union to the membership?
10. Does the board effectively represent the credit union to the community?
11. Do board meetings focus on important matters?
12. Does the board regularly evaluate the CEO?
13. Does the board keep internal politics to a minimum?
14. Does the board approach issues with a concern for what is best for the membership and the organization as a whole?
15. Are the necessary skills and diversity represented by the board?
16. Does the board use policy and planning to guide the direction of the CEO?
17. Has the board encouraged a team concept between the board and management?
18. Does a climate of mutual trust exist between the board and the CEO?
19. Does the board accept expressions of differing opinions?
20. Is every board member encouraged to participate in discussions?
21. Does the board keep informed of new laws and/or regulations affecting credit unions?
22. Do directors appear to be aware of the level of risk existing at the credit union?

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Do it yourself?

Or

Have a facilitator?

forteamresources.com/products/free-downloads/

SAMPLE Credit Union - May 2014

Summary by Score

Scores of 4 or above indicate a strength that may be exploited.
 Scores of 3 or below indicate a weakness that should be addressed.
 Yellow highlighting indicates an area of concern.

Question #		Average Score 2014	Average Score 2013	Average Score 2012	Change between 2014 and 2013
	1= Well Below Average 2= Below Average 3= Average 4= Above Average 5= Well Above Average				
	Evaluation Questions for the Board as a Whole:				
5	Does the Board request and receive regular reports on financial issues, budgets, product and program performance and other important matters?	3.82	3.92	3.83	-0.10
12	Does the Board approach issues with a concern for what is best for the membership and the organization as a whole?	3.73	3.83	4.00	-0.10
10	Does the Board regularly evaluate and develop the CEO?	3.64	3.82	3.83	-0.18
1	Does the Board have a full understanding of its responsibilities?	3.45	3.67	3.83	-0.22
4	Does the Board stay on the policy and planning level to guide the operational activities of the staff?	3.45	3.42	3.50	0.03
7	Does the Board effectively represent the credit union to the membership?	3.45	3.75	3.33	-0.30
11	Does the Board keep politics (methods and tactics used to achieve personal interests) to a minimum?	3.45	3.75	4.00	-0.30
14	Has the Board encouraged a team concept between Board and management?	3.45	3.83	3.75	-0.38
15	Does a climate of mutual trust exist between the Board and the CEO?	3.45	3.83	4.00	-0.38
16	Does the Board accept and encourage expression of dissenting opinions?	3.45	3.75	3.66	-0.30
2	Is the Board structure clear? (officers, committees, job descriptions)	3.36	3.67	4.00	-0.31
9	Do Board meetings focus on important matters?	3.36	3.55	3.50	-0.19
18	Does the Board continually improve Board performance through Board education and enriched input and deliberation?;	3.36	3.83	2.83	-0.47
13	Are the necessary skills and diversity of thought represented by the Board?	3.30	3.83	3.50	-0.53
6	Does the Board regularly monitor and evaluate the progress toward strategic goals and product and program performance?	3.27	3.27	3.66	0.00
8	Does the Board effectively represent the credit union to the community?	3.27	3.67	3.75	-0.40
20	Does the Board communicate well using all methods available (meetings, use of the Volunteer Information Portal (VIP), e-mail, etc.)?	3.18	3.58	3.66	-0.40
17	Does the Board conduct a re-exploration of ENDS annually?	3.09	3.73	3.66	-0.64
19	Does the Board consult with selected groups in the membership, or find other methods of gaining members' input, so as to maintain adequate linkage with the membership?	3.00	3.25	2.83	-0.25
3	Has the Board established clear goals resulting from a relevant and realistic strategic planning process?	2.82	3.00	3.42	-0.18
	Overall Average for the Board as a Whole:	3.37	3.65	3.63	-0.28

Board as a Whole Self-Evaluation

SAMPLE Federal Credit Union - May 2014

Summary by Score

Scores of 4.5 or above indicate a strength that may be exploited.

Scores below 3 indicate a weakness that should be addressed.

Yellow highlighting indicates an area of concern.

Question	Average Score	Score of "5"	Score of "4"	Score of "3"	Score of "2"	Score of "1"
1= Well Below Average 2= Below Average 3= Average 4= Above Average 5= Well Above Average						
Evaluation Questions for the Board as a Whole:						
5 Does the Board request and receive regular reports on financial issues, budgets, product and program performance and other important matters?	4.67	14	2	2	0	0
20 Does the Board receive appropriate reports and information to measure and monitor risk at the credit union?	4.50	11	5	2	0	0
2 Is the Board structure clear? (officers, committees, job descriptions)	4.28	9	5	4	0	0
19 Does the Board keep informed of new laws and/or regulations affecting credit unions?	4.17	6	9	3	0	0
1 Does the Board have a full understanding of its responsibilities?	4.11	7	7	3	1	0
21 Do Directors appear to be aware of the level of risk existing at the credit union?	4.00	5	9	3	1	0
7 Does the Board effectively represent the credit union to the membership?	3.82	3	9	4	1	0
12 Does the Board approach issues with a concern for what is best for the membership and the organization as a whole?	3.82	4	7	5	1	0
6 Does the Board regularly monitor and evaluate the progress toward strategic goals and product and program performance?	3.78	4	7	6	1	0
10 Does the Board regularly evaluate and provide direction to the CEO?	3.71	3	7	6	1	0
14 Does the Board use policy and planning to guide the direction of the CEO?	3.65	3	7	5	2	0
8 Does the Board effectively represent the credit union to the community?	3.61	3	6	8	1	0
3 Has the Board established clear goals resulting from a relevant and realistic strategic planning process?	3.56	4	7	2	5	0
11 Does the Board keep internal politics to a minimum?	3.50	2	6	9	1	0
13 Are the necessary skills and diversity represented by the Board?	3.44	1	9	5	3	0
17 Does the Board accept expressions of differing opinions?	3.44	2	5	10	1	0
18 Is every Board member encouraged to participate in discussions?	3.44	4	7	5	1	1
9 Do Board meetings focus on important matters?	3.39	3	5	5	4	0
15 Has the Board encouraged a team concept between the Board and management?	3.39	4	5	4	4	1
16 Does a climate of mutual trust exist between the Board and the CEO?	3.33	2	7	6	1	2
4 Does the Board stay on the policy and planning level or does it engage in micro-managing?	3.06	2	5	5	4	2
Overall Average for the Board as a Whole:						

3. 360 Degree Peer Review

Board Structured Peer Review

SAMPLE Credit Union - May 2014

Peer Review Summary Scores by Individual Item

Question #	Peer Score	Self Score	Peer Score	Self Score	Peer Score	Self Score	Peer Score	Self Score	Peer Score	Self Score	Peer Score	Self Score	Peer Score	Self Score	Peer Score	Self Score	Peer Score	Self Score	Average score for question for Entire Board
	Director 1	Director 1	Director 2	Director 2	Director 3	Director 3	Director 4	Director 4	Director 5	Director 5	Director 6	Director 6	Director 7	Director 7	Director 8	Director 8	Director 9	Director 9	
1	3.00	4.0	3.40	3.0	3.20	4.0	3.20	4.0	3.70	3.0	3.70	4.0	3.40	4.0	3.20	3.0	3.60	4.0	3.38
2	3.00	3.0	3.30	3.0	3.20	3.0	3.20	3.0	3.40	3.0	3.30	4.0	3.20	3.0	3.20	3.0	3.22	3.0	3.22
3	2.80	4.0	3.50	3.0	3.00	4.0	3.10	3.0	3.40	3.0	3.40	4.0	3.30	4.0	3.20	3.0	3.56	4.0	3.25
4	2.80	4.0	3.50	4.0	3.40	3.0	3.20	3.0	3.40	3.0	3.50	4.0	3.50	4.0	3.40	3.0	3.44	3.0	3.35
5	2.70	3.0	3.50	4.0	3.10	3.0	2.80	3.0	3.20	3.0	3.30	4.0	3.50	4.0	3.20	3.0	3.11	3.0	3.16
6	2.70	3.0	3.20	3.0	2.90	4.0	3.00	3.0	3.30	3.0	3.30	4.0	3.30	3.0	3.20	3.0	3.44	3.0	3.15
7	3.30	4.0	3.20	3.0	3.30	4.0	3.30	3.0	3.40	3.0	3.40	3.0	3.50	3.0	3.10	3.0	3.33	3.0	3.31
8	2.80	4.0	3.60	3.0	3.00	3.0	3.10	4.0	3.50	3.0	3.40	4.0	3.20	4.0	3.40	4.0	3.44	4.0	3.27
9	3.10	4.0	3.30	3.0	3.30	4.0	3.40	3.0	3.40	3.0	3.40	4.0	3.40	4.0	3.10	3.0	3.33	3.0	3.30
10	3.30	4.0	3.40	3.0	3.20	4.0	3.40	4.0	3.50	3.0	3.50	4.0	3.40	3.0	3.40	3.0	3.44	3.0	3.39
11	3.10	4.0	3.30	3.0	3.20	4.0	3.30	3.0	3.30	3.0	3.20	4.0	3.30	3.0	3.30	4.0	3.44	3.0	3.27
12	3.00	4.0	3.10	3.0	3.10	4.0	3.20	3.0	3.20	3.0	3.30	3.0	3.20	3.0	3.00	3.0	3.22	3.0	3.15
13	2.80	3.0	3.30	3.0	3.10	3.0	3.00	3.0	3.50	2.0	3.70	4.0	3.10	4.0	3.40	3.0	3.67	3.0	3.29
14	3.00	4.0	3.60	4.0	3.30	4.0	3.10	3.0	3.40	3.0	3.50	4.0	3.40	4.0	3.30	3.0	3.67	4.0	3.36
15	2.80	4.0	3.60	3.0	3.30	4.0	3.00	3.0	3.20	2.0	3.40	4.0	3.20	4.0	3.10	4.0	3.44	4.0	3.23
16	3.00	4.0	3.40	3.0	3.10	4.0	3.30	4.0	3.50	3.0	3.40	4.0	3.50	4.0	3.00	3.0	3.33	3.0	3.28
17	3.20	4.0	3.20	3.0	3.20	4.0	3.40	3.0	3.40	3.0	3.40	4.0	3.40	4.0	3.20	3.0	3.33	3.0	3.30
18	3.20	4.0	3.30	3.0	3.20	4.0	3.30	3.0	3.30	3.0	3.30	3.0	3.30	3.0	3.30	3.0	3.33	3.0	3.28
19	3.20	4.0	3.40	3.0	3.20	4.0	3.40	3.0	3.40	3.0	3.30	4.0	3.40	3.0	3.40	3.0	3.44	3.0	3.35
20	3.10	4.0	3.10	3.0	3.20	4.0	3.40	3.0	3.40	3.0	3.30	4.0	3.40	3.0	3.20	3.0	3.44	3.0	3.28
Peer Average	3.00		3.36		3.18		3.21		3.39		3.40		3.35		3.23		3.41		
Self Score		3.80		3.15		3.75		3.20		2.90		3.85		3.55		3.15		3.25	
Overall Board Average:																			3.28

Yellow highlights indicate that the Directors Self-Score is 0.50 or more points **HIGHER** than the Peer Average.

This may indicate an area where the Director has a self-perception that is not shared by the Peers.
This may be an area where the Director can learn from the Peers useful information about their functioning as a director.

Bright Green highlights indicate that the Directors Self-Score is 0.50 or more points **LOWER** than the Peer Average.

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