Generative Governance - A Model for times of change

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CMHO – Governance Conference

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Objectives

- Defining Generative Governance
- Key Success Factors
- Implementing Generative Governance
About us

We bring people and knowledge together to strengthen the quality and effectiveness of mental health services for children, youth and their families and caregivers.

SERVICE AREA SUPPORT
strengthen skills and knowledge in key areas that lead to improved outcomes

SYSTEM SUPPORT
provide consistent evidence-informed approaches that enhance service planning and delivery

IMPACT AND INNOVATION
inspire excellence and innovation through continuous learning, evolution and innovation
Reference Material

The Practitioner’s Guide to Governance as Leadership: Building High Performing Non-Profit Boards

Cathy Trower
Three Modes of Governance

Fiduciary
• oversight and policy; stewardship of assets; Can we afford it? Does the budget balance?

Strategic
• prospective and reactive; strategic indicators or balanced score cards; What are the opportunities?

Generative
• Framing questions; shifting the cognitive paradigm; direct answers not available; meaning matters; What bigger purpose is this serving?
Three Modes Together

- Fiduciary
- Strategic
- Generative

Triple helix

[Image with the Ontario Centre of Excellence for Child and Youth Mental Health logo]
Working Together

• Not all issues or problems require all modes
• Most effective Boards can operate between all three modes
• Identify situations that require fiduciary, strategic and generative considerations (triple helix)
What is a Generative Discussion Appropriate

- Ambiguity
- Saliency
- High Stakes
- Strife
- Irreversibility
<table>
<thead>
<tr>
<th><strong>Framing Generative Governance</strong></th>
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<tbody>
<tr>
<td><strong>Structural</strong></td>
</tr>
<tr>
<td><strong>Human Resources</strong></td>
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<tr>
<td><strong>Political</strong></td>
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<tr>
<td><strong>Symbolic</strong></td>
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### Characteristics of Each mode

<table>
<thead>
<tr>
<th>Nature of Leadership</th>
<th>FIDUCIARY</th>
<th>STRATEGIC</th>
<th>GENERATIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board’s Purpose</td>
<td>Stewardship of assets</td>
<td>Partnership with management</td>
<td>Source of leadership for the organization</td>
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<tr>
<td>Board provides</td>
<td>Oversight</td>
<td>Foresight</td>
<td>Insight</td>
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<tr>
<td>Board’s Core Work</td>
<td>Technical, oversee operations; ensure accountability; select and assess CEO; ratify policy</td>
<td>Analytical; shape strategy; review performance</td>
<td>Reconcile value propositions; manage accountability; discern and frame adaptive issues; think collectively; make sense of circumstances</td>
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<tr>
<td>CEO-Board Relationship</td>
<td>Hub and spoke</td>
<td>Strategic alliance</td>
<td>Think-tank peers</td>
</tr>
<tr>
<td>Key Question</td>
<td>What’s wrong?</td>
<td>What’s the plan?</td>
<td>What’s the key question?</td>
</tr>
<tr>
<td>Strategy</td>
<td>Set by CEO; ratified by board</td>
<td>Board and CEO plan strategically together</td>
<td>Board and CEO think strategically together</td>
</tr>
<tr>
<td>Performance Metrics</td>
<td>Facts, figures, finances, reports</td>
<td>Strategic indicators, benchmarks, comparative data</td>
<td>Signs of learning and discerning</td>
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<td><strong>Agendas and Meetings</strong></td>
<td>Standardized, staff-dominated, passive</td>
<td>Variable formats; strategy-driven; participative</td>
<td>Collective mind of board doing generative work</td>
</tr>
<tr>
<td><strong>Group Dynamic</strong></td>
<td>Great minds think alike</td>
<td>Reasonable people disagree agreeably</td>
<td>Great minds think differently</td>
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<tr>
<td><strong>Ways of deciding</strong></td>
<td>Reaching resolution; protocol and exception</td>
<td>Reaching consensus; group process</td>
<td>Perceiving, grasping, and grappling</td>
</tr>
<tr>
<td><strong>Communication with constituents</strong></td>
<td>Limited and ritualized, mostly to legitimate</td>
<td>Bilateral and episodic, mostly to advocate</td>
<td>Multilateral and ongoing, mostly to learn</td>
</tr>
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Traditional Board Competencies

- Financial (Accounting)
- Legal
- Human Resources
- Subject matter expertise (the area of the non-profit)
- Community/Family/Youth Representation
Generative Board Competencies

• Critical thinking
• Broad Perspective
• Open communicator
• Open to new ideas and perspectives
• Curious
• Not defensive
ED/CEO Competencies

• Holds that nothing is undiscussable
• Do not think they have all the right answers/questions
• Invites dissent
• Shares information, power and leadership opportunities
• Not wedded to the past, nor too far ahead, awareness of history, context and culture
Getting Started

Survey on Board Service and Board Effectiveness

- Key focus areas are on oversight, strategy, insight, context, organization and operations, meeting functions, composition, personal experience, how well informed

- Often the responses will include areas for improvement such as:
  - more time deliberating issues of strategic important;
  - more engagement of board members;
  - more people expressing their opinions;
  - better board focus on performance and understanding performance
Getting Started – Building Support

• Opportunity for Engagement
  – How do we get the best from each other
• Opportunity for moving from Good to Great
  – It’s not about what is wrong with our board
• Embodiment of Core Organizational Values
  – How are we practicing our values in our governance discussions
• Reflection of Sector Best Practices
  – Asking thoughtful questions and valuing multiple perspectives
Building Support (cont’d.)

- Incremental Experiment
  - Small steps, evaluate as you go, sense-making is at the heart of this
  - Shift the agenda, adding consent agenda for “straight forward” fiduciary approvals, add space for discussion

- Demonstrating Capacity to Change and Improve
  - What spurs growth, fosters innovation, takes advantage of opportunities
  - Evaluation within meetings – did we get the right questions?
Working with the Three Modes

• Working an issue either with the three modes sequentially
  – Good when the board is not sure it has the right question, or when there is very fundamental questions about mission/markets/values to be settled first

• Working with the three modes simultaneously
  – Certainty over the right question and the decision implications
  – Considering operational issues, strategic issues, alternatives to meet the same end
Ways to encourage critical thinking

- Leaders should take a neutral stance at the beginning
- Assign devil’s advocates (counterarguments) and devil’s inquisitors (questions)
- Break the board into small groups (even in 2) to work on the same problem
- Invite outside experts to act as sounding boards
- Hold “second chance” meetings where residual doubts are encouraged
- Use mind maps, paradoxical/wicked questions to surface assumptions
Closing Thoughts

• Generative Governance is different in many ways
• Trimodal is not as easy as it seems
• Use a variety of techniques to get started
• Persistence – it requires work and a reflection at every meeting as to how the board is doing and what they are learning
• Practice – it is a change in behavior and we all like our own status quo; play the devil’s advocate
QUESTIONS?

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