



# Speaking with One Voice: Words to Use and Not to Use

*Which words do Policy Governance® boards need to know, and which should they avoid?*

BY MIRIAM CARVER

**T**his article doesn't argue for jargon: there's too much in this world already. When a new system is created, however, old words may not be useful to describe the new. John Carver's Policy Governance® model so revises the conventional wisdom about boards, and so redesigns the board's job, that inevitably the language changes too.

Policy Governance introduces words not commonly found in governance settings. It also redefines words that have carried meaning for decades. The first section of this article identifies words used in Policy Governance literature and gives a brief definition of each. To make it easier to get to know these terms, we've put them in bold type, where appropriate, so that you can look them up in the glossary.

The second section lists words often heard in boardrooms which are unnecessary or misleading for Policy Governance boards. Again, the words are in alphabetical order, and we've explained why these words aren't appropriate for Policy Governance boards to use.

### GET TO KNOW THESE WORDS:

**Accountability:** The resting place of the buck. Ultimately,

accountability rests with the board. The board is accountable to the **owners for the success of the organization.**

**Board:** A group of peers who have the total responsibility to govern an organization. All authority in the organization begins in this group. No one else has any authority until the board delegates some of its own authority.

**Board-CEO Linkage/Board-Staff Linkage Policies:** Those board **means policies** that describe the board's delegation style and how it **monitors** the performance of its delegatee.

**Board Committee:** A group set up by the board to help accomplish a board job. The board never creates such a group to advise, instruct, or help staff or involve itself in staff work. If called a task force, the same principle applies.

**CEO:** The one person who reports to the board. Board policies about required **ends** and unacceptable **means (executive limitations)** are addressed to the CEO, who is authorized to interpret and act on any **reasonable interpretation** of these policies. The title of the individual who carries out this function varies from organization to organization. Examples are: Executive Director, President, Superintendent,

Executive Vice President.

**Chair:** The board member who has the responsibility of leading the board in such a way that the board achieves its stated aims. This individual has the authority to interpret and act on any **reasonable interpretation** of the board's **governance process** and **board-CEO linkage policies**. The chair has no individual authority over the CEO or the organization. The title of the individual who carries out this function varies from organization to organization. "President," for example, is a frequently used title.

**Consent agenda:** When outside authorities such as funders or accreditors require the board to make a decision which the board chooses to delegate to the CEO, the CEO places his or her decision on the consent agenda. The CEO also provides a **monitoring** report showing that the relevant policy expectations have been met. The board can automatically approve the consent agenda since it has no reason to not approve it.

**Consumers:** See "Customers."

**Customers:** The people targeted to receive the outcomes produced by the organization.



**Ends:** All organizational decisions, values, and circumstances are classified either as ends or means. This is the fundamental distinction that Policy Governance boards must make. Traditionally, boards have emphasized **means** (what the organization does) rather than ends (what the organization actually accomplishes for **consumers**). Ends directly designate the consumers, consumer outcomes, and the worth of the consumer outcomes. Ends define the purpose and justification for the organization's existence. A board's ends' policies dictate three things: (1) what the organization is to accomplish, (2) for whom, and (3) with what **worth, cost, or priority**.

**Executive Limitations:** The board makes policy about staff means not by prescribing those means but by proscribing them. That is, executive limitations policies out-

line the staff means that would not be tolerated by the board. This delegation style has the effect of preapproving all staff means that have not been expressly forbidden by the board. Although negatively worded, these policies have a positive, empowering effect on the recipient of the delegation.

**Governance:** The job of the governing board. The job has three non-delegatable elements: (1) linkage with **owners**, (2) written expression of **policies**, and (3) assurance of organizational performance in line with policies.

**Governance Model:** A conceptual system which is internally consistent, externally applicable, and which provides the context in which governance issues can be addressed in a logical manner. In Policy Governance, the term "model" doesn't imply a particular structure,

though there are structural implications of using Policy Governance.

**Governance Process:** Those board **means policies** that describe the board's own job, as well as the board's expectations of itself as a body, itself as individuals, its chair, its committees, and its agenda.

**Means:** Those decisions, values, and circumstances that don't fit the **ends** definition. That is, they don't directly describe **consumers**, consumer outcomes, or the worth of consumer outcomes. **Board means** are issues related to the board's job. **Staff means** are related to the staff's job and are those means that produce ends.

**Monitoring:** The process by which the board assures that expectations expressed in policies are met. Data which directly address the provisions of the policy are required for monitoring. Data which don't directly



address policy provisions don't qualify as monitoring data, though such data may be useful for other, non-evaluative decision-making. The board can acquire monitoring data through internal report (under the authority of the CEO), external report (not under the authority of the CEO) or, infrequently due to its cumbersome nature, by direct inspection by the board.

**Owners:** The group on whose behalf the board governs the organization. Most community organizations consider the community to be the moral (as opposed to legal) owners.

**Ownership Linkage:** The steps taken by the board to ensure that its decisions are based on knowledge of the opinions of the owners.

**Performance Appraisals:** The board does not conduct performance appraisals of staff below the level of CEO.

**Performance Appraisal of the CEO:** The board expresses its expectations for the system in **ends policies** and **executive limitations policies**. Its **monitoring** of these policies shows whether a **reasonable interpretation** of the expectations has been met. The CEO must see that the system meets a **reasonable interpretation** of the board's expectations. Therefore, CEO performance appraisal is simply the accumulation of regular **monitoring** of board **ends** and **executive limitations** expectations.

**Policy:** The value or perspective that underlies action. Hence all people in organizations, because they make decisions based on values, make policy decisions. The board makes policies about **ends** to be accomplished, **staff means** to be avoided, and the **means** of the board itself. **Board means policies** describe the board's job and how it delegates to staff.

**Policy Governance:** A board model, created by John Carver, that

There is no such thing as a board strategic plan.

enables boards to achieve true accountability for their organization.

**Policy Size or Breadth:** Policies can range from the broad to the very narrow. The board makes the broadest, most all-encompassing policies. It makes policies of progressively narrow scope, delegating the authority to interpret and act on its policies.

**Reasonable interpretation:** When the board delegates authority to someone else, that party may use any **reasonable interpretation** of **board policy** in deciding how to act.

**Self-evaluation:** The board evaluates its own performance by comparing its expectations of itself (expressed in **governance process** and **board-CEO-linkage policies**) with its actual conduct and achievement.

**Speaking with One Voice:** The board's authority is a group authority. While board members will and should bring dissenting views to the board, the board speaks authoritatively only when it has resolved, through voting or some other mechanism, the official position of the group. The board can change its official position, but individual board members cannot.

**Success of the Organization:** The organization is successful if a **reasonable interpretation** of **ends** has been accomplished and a **reasonable interpretation** of unacceptable **means** has been avoided. This is the **accountability** of the **CEO**. The board is ultimately accountable for the CEO achieving a successful organization. Hence it's in the board's interest that the CEO has the authority and clarity of direction that will lead to success.

**Worth, Priority, or Cost:** One

of the three variables that together comprise **ends**. Ends decisions must clarify not only what the organization is to accomplish and for whom but also with what worth, cost, or priority. A decision about worth may reflect the relative importance of one **consumer** result over another.

**DUMP THESE WORDS:**

Here are terms to stop using—and why.

**Advisory Board:** A board has governing, not advisory, power. Advice collected from organized groups may be helpful, but their title shouldn't imply that they have authority over the organization. Hence, advisory groups shouldn't be called boards.

**Approval:** The board is involved in no approvals except those on the **consent agenda**. The board that has defined the **ends** to be accomplished and has, in advance, disapproved certain **means** has no need to approve staff actions. Instead, it must **monitor** compliance with previously stated expectations.

**Board Strategic Plan:** There is no such thing as a board strategic plan, because strategic planning is carried out by staff. The board's input is to define the **ends** which staff planning should target, limiting the **means** available to the CEO and staff.

**Constituents:** This term, often used by elected board members, commonly confuses the roles of **customer** and **owner**—roles which boards must keep distinct.

**Goals:** This word fails to distinguish between **ends** and **means**.

**Mission Statement:** This term does not ordinarily respect the **ends**—



**means** distinction crucial to Policy Governance. Some Policy Governance boards, however, may call their broadest **ends policy** the mission statement.

**Objectives:** This word fails to distinguish between **ends** and **means**.

**Procedures:** All board expectations are expressed as **policies**. The CEO's interpretation and subsequent rules will be named whatever the CEO decides is an appropriate name. Some CEOs name their rules which follow upon board policies, procedures.

**Stakeholders:** This term combines several groups (public, staff, vendors, customers) which have altogether different interests and roles. It is important that the board define its **owners** and its **customers**, because the organization is owned by the owners and exists to provide the

appropriate benefits to the right customers. Designating customers and benefits is an **ends** issue. The board can decide to protect certain interests of staff, vendors, and so on, and is likely to take this important step. This protection is not an ends issue, however, and Policy Governance boards deal with it in **executive limitations policies**.

**Values:** All policies are expressions of the board's values. Policy Governance separates the board's values into ends values, staff-means values, and board-means values.

**Vision Statement:** This term is often used to describe the board's philosophy of life. As such, Policy Governance boards place their "vision" in the **governance process** section of board policies. If the term is meant to refer to the organization's expected results, this matter should be the subject of **ends policies** and

should adhere strictly to the ends discipline, defining only **consumers**, consumer results, and the worth of the results. ■

#### Selected References

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These publications are available through the Society for Nonprofit Organizations' Resource Center, 608-274-9777.

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