



# BOARD EVALUATION POLICY TEMPLATE

## PURPOSE

To provide an indicative policy and process for periodic evaluation of board performance.

The board members of [Company] recognise the merit of annually evaluating both the collective performance of the board and, optionally, that of its individual members.

The board will evaluate and assess its own performance annually, using a board self-evaluation instrument and process as determined by the board. The instrument shall incorporate criteria regarding board operations and effectiveness, reflecting recognised current best practice in governance. All board members will be required to complete the evaluation instrument, from which a summary will be presented and discussed in a board meeting scheduled for that purpose.

The purpose of the board self-evaluation is to identify those areas of board functions which are working well and those which may need improvement. In addition to identifying specific issues, the discussion of the board's roles and responsibilities can build communication and understanding among board members of each other's values and strengths and lead to a stronger, more cohesive working group. The Chair may also provide the board with comments and perspectives about the performance and accomplishments of the board during the previous year and facilitate discussion on board goals for the following year.

A facilitator may be utilised periodically to obtain additional objectivity in the process.

Unless otherwise agreed, the process of evaluation will include a survey instrument, to be completed by each board member. Each director will rank performance according to a defined scale, for each responsibility/ activity. In addition, directors are encouraged to provide supporting or explanatory comments regarding their assessment and to nominate any matters or activities not expressly covered that they consider warrant attention.

The results of the survey responses will be collated and analysed to rank collective board performance against each topic. Board members will be encouraged to consider their individual performance as well as overall board performance, and the self-evaluation instrument may include questions to prompt this.

The CEO will also be invited to contribute to the board review process. A short, customised survey instrument will be used for this purpose, focusing on the CEO's interaction with the Chair and the board.

The board will review and discuss the outcomes of the performance review and agree initiatives to address significant issues.

Board members will also discuss specific issues where the assessment by individual directors has been significantly different from the collective mean assessment.

The goals of the self-evaluation are to clarify roles, to enhance harmony and understanding among board members, and to improve the efficiency and effectiveness of board meetings.

## REFERENCE

- > Fishel, D, The Book of the Board, Federation Press, Sydney, NSW (2003; 3rd edn. 2014)
- > [AICD Board evaluation and director appraisal](#)

## ABOUT POSITIVE SOLUTIONS

[Positive Solutions](#) offers a range of services to non-profit boards throughout Australia. [Board development workshops](#) and detailed board reviews can be tailored to the needs of each organisation. To find out more about how Positive Solutions can help you, contact: [info@positive-solutions.com.au](mailto:info@positive-solutions.com.au) or call 07 3891 3872.

## THE BOOK OF THE BOARD

[The Book of the Board](#) is Australia's standard reference book for board and committee members of non-profit organisations. Authored by Positive Solutions Director, David Fishel, and currently in its third edition, The Book of the Board provides clear guidance on the role of the non-profit board, formal and legal responsibilities, and the ways in which the board can maximise its effectiveness for the organisation.

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