

# Governance and Management

## Roles and Responsibilities

The following sources offer some guidance for the division of roles and responsibilities between the Committee/Board and the staff of an organisation.

‘The board concerns itself with the longer-term strategic issues: setting overall aims, establishing broad policies, and working with the CEO on strategic plans, objectives and targets.

Staff-members under the CEO have responsibility for short-term, day-to-day operations –carrying out administrative work, monitoring progress and reporting to the board.

To complete the circle the board must evaluate the organisation’s performance against its targets.’<sup>1</sup>

Committee or Board	Manager
Is focussed on organisation’s stated goals.	Is focussed on operations (day-2-day) activities
Creates a vision for the future.	Acts to make the Board’s vision a reality.
Makes strategic and tactical decisions.	Make operational decisions.
Develops organisational policies.	Implements organisational policies and develops policies related to staffing matters.
Monitors the performance of the Manager (including implementation of policies and strategic plan).	Monitors the work of other staff members and volunteers.
Makes major decisions about human, physical and financial resources.	Manages the resources and makes minor decisions about their allocation.
Has ultimate legal responsibility for all aspects of the organisation’s affairs.	Has delegated responsibility for some of the organisation’s affairs. <sup>2</sup>

### Board Responsibilities

- Setting long term goals.
- Having the final say when determining yearly objectives.
- Ensuring the mission of the organisation is adhered to.
- Finalising budgets and allocating funds.
- Approving the annual budget, and any changes or additions outside the budget.
- Taking responsibility for the company’s financial records.

<sup>1</sup> Our Community Pty Ltd 2007 *Transforming Community Boards & Committees - From Hell to Heaven*, 2<sup>nd</sup> Edition. 2007, P.39

<sup>2</sup> Reynolds K. 2002 *Just a tick: A Best Practice Survival Guide for Committees and Boards of Management*, Revised Edition Volunteering SA, P 31.

- Evaluating programs, services and products.
- Evaluating Board and its performance.
- Employing the organisation's manager (executive officer / director/ etc.) setting their compensation package and evaluating their performance in the job.
- Appointing new Board members when there are unplanned vacancies.
- Selecting sub-committee members and managing committees.
- Taking responsibility for all legal matters.
- Taking responsibility for compliance with regulatory requirements (eg. annual general meeting, annual returns, audit, insurances and licences etc).
- Appointing auditors and approving the audit of the financial records.
- Maintaining and building the organisation's public profile.

### **Staff Responsibilities**

Staff members have contact with the Board through management channels. In most cases, formal responsibility for staff functions will rest with the Manager– the Staff are responsible to the Manager, who is in turn responsible to the Board. The following are generally staff members' responsibilities (in relation to Governance):

- Providing information to the Boards.
- Supporting the Board's planning function.
- Determining community needs.
- Operating programs and reporting on their successes and shortcomings.
- Evaluating staff performance.
- Organising events, fundraising activities etc. once approved by the Board.
- Employing and dismissing staff members and volunteers.
- Managing staff problems.
- Implementing Board decisions.
- Conducting day-to-day financial operations.
- Monitoring and managing daily operations.

### **Joint responsibilities**

The following activities are best conducted jointly:

- Discussing ideas and forming long-term goals.
- Planning organisation strategies.
- Designing programs to achieve the group's mission.
- Proposing fundraising ideas.
- Ensuring risk management programs are implemented.
- Ensuring that achievements are recognized and documented.
- Promoting the organisation<sup>3</sup>.

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<sup>3</sup> Our Community Pty. Ltd. 2009, *Surviving and Thriving as a Safe, Effective Board Member*, Pp60,61