

## *BRIEFING NOTE*

**TO:** Council

**DATE:** October 1, 2018

**SUBJECT:** Presentation by Anne Coghlan, Executive Director & Chief Executive Officer and Kevin McCarthy, Director of Strategy from the College of Nurses of Ontario

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In 2014, the College of Nurses of Ontario (CNO) invited an external task force to review all aspects of its governance structure and to examine how its Council is formed and how it operates. In 2016, the CNO Council approved its Governance Vision 2020, as set out in the [Final Report: A Vision for the Future](#).

Anne Coghlan, Executive Director & Chief Executive Officer and Kevin McCarthy, Director of Strategy, CNO, will be sharing the key highlights of the governance plan and the CNO's experience in implementing its vision.

# Vision 2020

## Modernizing the College of Nurses of Ontario's Governance

A close-up photograph of a person's hand holding a white rectangular sign. The sign features the text "VISION 2020" in a bold, sans-serif font. The word "VISION" is printed in black, and the year "2020" is printed in red. The hand is positioned at the top and bottom edges of the sign, with the thumb and fingers visible. The background is dark and out of focus, and the sign is resting on a wooden surface.

**VISION 2020**



**Why did our  
Council decide  
to look at  
governance?**



# Leading

## in regulatory governance

**Evelyn Kerr, RN, Chair**



**Don McCreesh**



**Anne Coghlan, RN**



**Rob Lapper**



**Ella Ferris, RN**



**Presidents**



**Megan Sloan, RN, RPN**



**Nancy Sears, RN**



**Angela Verrier, RPN**



# Regulation

in the spotlight

thestar.com

thestar.com

News · Canada

TORONTO STAR

## The 'radical paradigm shift' that's changing Ontario's oversight system for health professionals

BOYLE Health Reporter  
5, 2018

News · Canada

## Bad teacher list

A Star investigation shields bad teachers

Opinion · Editorials

## College of Nurses shouldn't let privacy trump safety: Editorial

Privacy for nurses cannot be allowed to trump the safety of patients.

Javad Peirovy was found guilty three years ago of sexually abusing

ely touched" their breasts, they reported to the College of Physicians and Surgeons Ontario (CPSO), the self-regulator of doctors in the province.

# TRUST

# Regulatory reform



In Ontario



# Outcomes

aligned with public interest

**Enhance transparency**

**Address conflicts of interest**

**Achieve outcomes**



# Governance Principles

Council is individually and collectively committed to regulating in the public interest in accordance with the following principles:

## Accountability

- We make decisions in the public interest
- We are responsible for our actions and processes
- We meet our legal and fiduciary duties as directors

## Adaptability

- We anticipate and respond to changing expectations and emerging trends
- We address emerging risks and opportunities
- We anticipate and embrace opportunities for regulatory and governance innovation

## Competence

- We make evidence-informed decisions
- We seek external expertise where needed
- We evaluate our individual and collective knowledge and skills in order to continuously improve our governance performance

## Diversity

- Our decisions reflect diverse knowledge, perspectives, experiences and needs
- We seek varied stakeholder input to inform our decisions

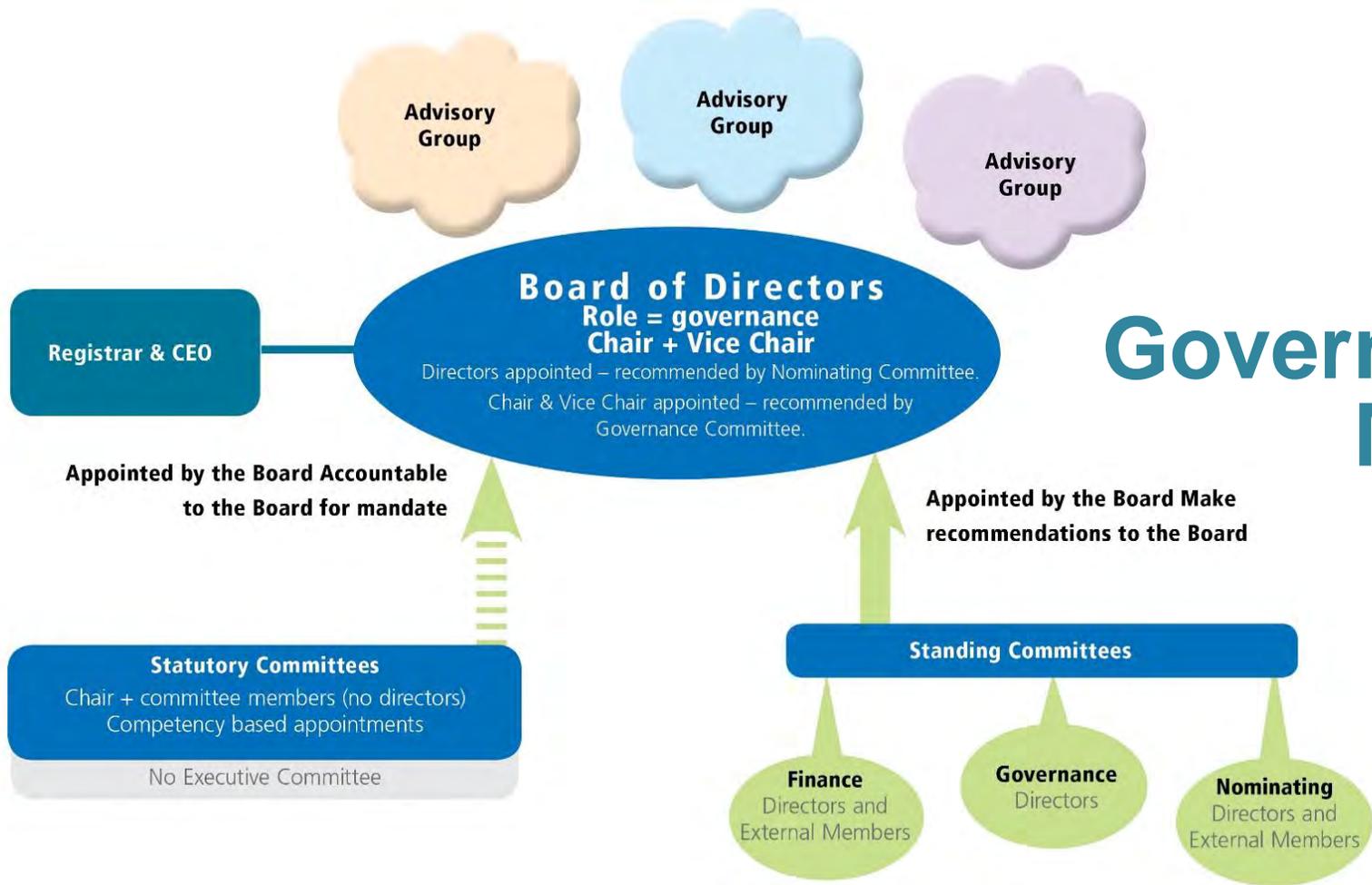
## Independence

- The public interest as our paramount responsibility
- No conflict of interest perspectives

# Self

## assessment





# Governance Model

## FOUNDATION

Public Interest Mandate

Governance Principles

Evidence Informed

Continuous Improvement



# Smaller size, from 35 to 12...

## A Contingency Approach to Nonprofit Governance

Patricia Bradshaw

A number of contingency factors may be relevant for effective nonprofit organizations and their boards. Although all boards must fulfill certain critical roles and responsibilities, strategic choices can be made about adopting different governance configurations or patterns. These choices can be meaningfully informed by understanding organizational contingencies such as age, size, structure, and strategy—and, even more important, by external contingencies and environmental dimensions such as degree of stability and complexity. This article extends or layers contingency thinking beyond its traditional focus on an alignment between the external environment and the organization's structure to focus as well on the alignment of the organization's governance configuration with its structure and environment. Structural contingency theory in general, and specifically for nonprofits, is reviewed. Two cases are presented of organizational change based on contingency theory in their governance.

Human Decision Processes 117 (2012) 111–124

Available at SciVerse ScienceDirect

and Human Decision Processes

[www.elsevier.com/locate/obhdp](http://www.elsevier.com/locate/obhdp)



## teams perform worse

Philadelphia, PA 19104, United States

Larger teams perform worse than individuals in smaller teams; however, this study examines why. The current study of 212 knowledge workers within 26 teams in size, employs multi-level modeling to examine the underlying mechanism of process loss, namely relational loss. Drawing from Steiner's (1972) model of individual performance, relational loss, a unique form of individual level process loss, occurs when support is less available in the team as team size increases. In the current study, a negative relationship between team size and individual performance is found. This suggests that relational loss, a unique form of individual level process loss, occurs when support is less available in the team as team size increases. This suggests that relational loss, a unique form of individual level process loss, occurs when support is less available in the team as team size increases. This suggests that relational loss, a unique form of individual level process loss, occurs when support is less available in the team as team size increases.

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Applied Economics, 2012, 44, 4313–4329

Board size and ...

INDIANA UNIVERSITY

**KELLEY**  
School of Business

[www.elsevier.com/locate/bushor](http://www.elsevier.com/locate/bushor)

## How to keep

Systems and SDA Bocconi School of

Researchers have long suggested that smaller teams perform better. This paper explains how large team size affects performance. It suggests four ways to keep teams small: (1) Create a core team and an extended team; (2) outsource contributions; and (4) keep members on the team.

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# Vision 2020

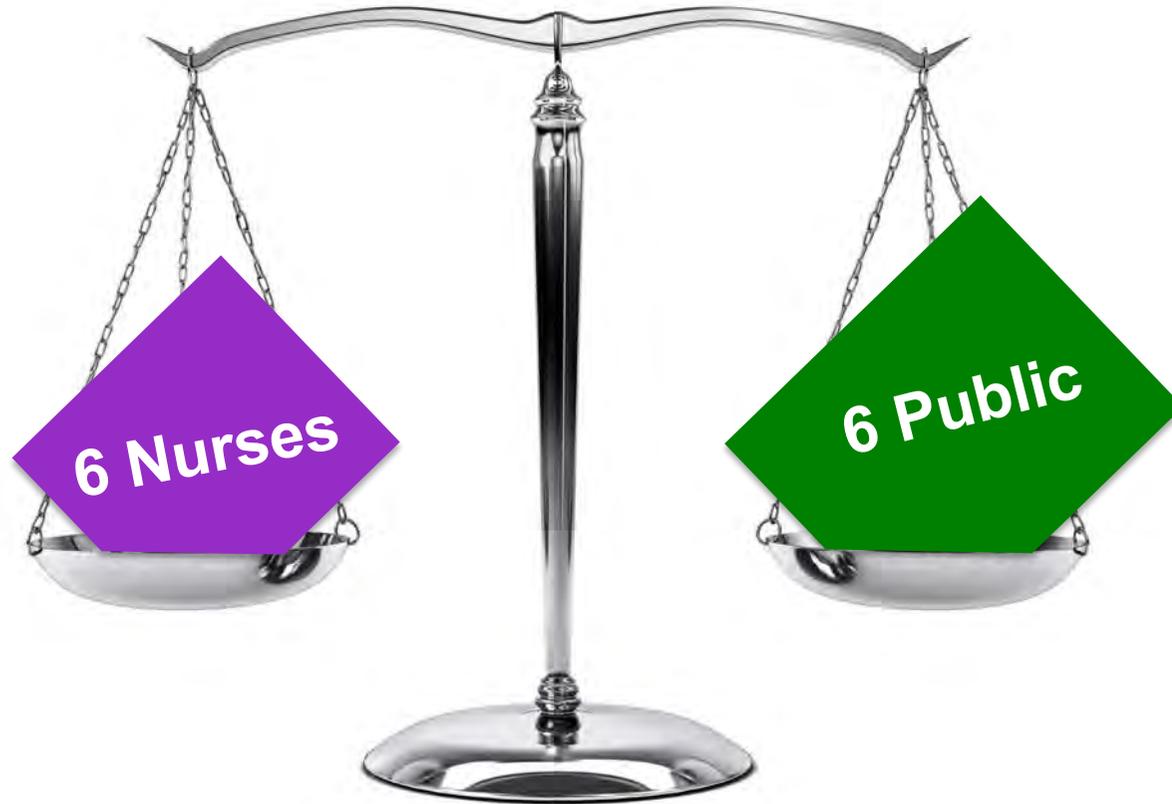
**Diverse perspectives**

**Advisory  
Group**

**Advisory  
Group**

**Advisory  
Group**

# Equal Numbers



# Competency-based Board



The current issue and full text archive of this journal is available at [www.emeraldinsight.com/1754-243X.htm](http://www.emeraldinsight.com/1754-243X.htm)

## Board Development Practices and Competent Board Members: Implications for Performance

William A. Brown

This study explores underlying assumptions about board development practices in nonprofit governance. Specifically, a model was developed to determine if using recommended recruitment, board member orientation, and evaluation practices result in more competent board members and if the presence of these board members led to better board performance. The sample consists of 1,051 survey responses from CEOs and board chairs representing 713 credit unions. As member-benefit nonprofit organizations, credit unions rely almost exclusively on voluntary board members in an oversight capacity. Results support the contention that board development practices lead to more capable board members, and the presence of these board members tends to explain board performance. The study advances the understanding of nonprofit board development practices by further defining the concept and proposing an empirically tested assessment strategy. Furthermore, the findings support using specific recruitment practices that should strengthen nonprofit boards.

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Keywords:

## Attributes of 'Experienced' Board Members

NEVAN WRIGHT  
AUT UNIVERSITY  
NICOLA DEACON  
MANAGEMENT CONSULTANTS

**Abstract:** A grounded theory approach was used to explore the term 'experienced' board members expect of board members. A content analysis of board member emergence attributes is that the experienced Board members contribute

## The case for professional boards: an assessment of Pozen's corporate governance model

Thomas A. Hemphill and Gregory J. Laurence  
*School of Management, University of Michigan-Flint, Flint, Michigan, USA*

**Abstract**  
**Purpose** – Robert C. Pozen, Chairman Emeritus of MFS Investment Management and a long-time scholar of corporate governance, has proposed a model of professional board directorship that responds to the three main factors he believes underpin ineffective board decision making: the large size of boards; the lack of specific industry expertise; and inadequate director time commitment. The paper aims to discuss these issues.  
**Design/methodology/approach** – The authors critically evaluate the efficacy of Pozen's proposed corporate governance model, addressing the three main factors underpinning ineffective board decision making.

**Findings** – A professional board consisting of retired executives with industry-specific expertise is vulnerable to a groupthink mentality, as well as to the availability of such individuals for board directorship seats. Moreover, while industry-specific expertise is a desired attribute of an independent board director, there are other attributes that firms are looking for, including international, regulatory/governmental, risk, technology, and marketing expertise. Lastly, Pozen's recommendations to reduce board size to seven members, as well as increasing the number of hours that independent directors spend on board-related activities (and commensurate compensation received), should be seriously considered as potential value-adding, corporate governance improvements.

**Originality/value** – The authors critically evaluate a corporate governance model that, based on director-related issues arising from the recent global financial crisis, has resurrected the concept of a "professional board" of directors. The authors utilize state-of-the-art academic literature from the fields of corporate governance and organizational behavior to evaluate the merits and demerits of the proposed corporate governance model, and present their findings (and recommendations) for improvements in corporate governance practices.

**Keywords** Corporate governance, Board size, Director compensation, Grounded theory, Time commitment  
**Paper type** Conceptual paper

**T**HE BOARD is a critical asset for every nonprofit organization. Herman and Renz (1997) and others (for example, Brown, 2005; Jackson and Holland, 1998) have found that effective boards are associated with organizations that tend to perform better in terms of both fiscal performance and perceptual performance.

# No more election



# Governance:

oversight, insight, foresight

- **unique role**
- **accountabilities**
- **competencies**



# Eliminate

**need for Executive Committee**

## Board of Directors

**Role = governance**

**Standing**

**Committee**

## 3 Standing Committees

**Finance**

**Directors and  
External Members**

**Governance**

**Directors**

**Nominating**

**Directors and  
External Members**



# Ongoing

**improvement**

**Appointments education**

**Promoting ongoing learning and  
development**

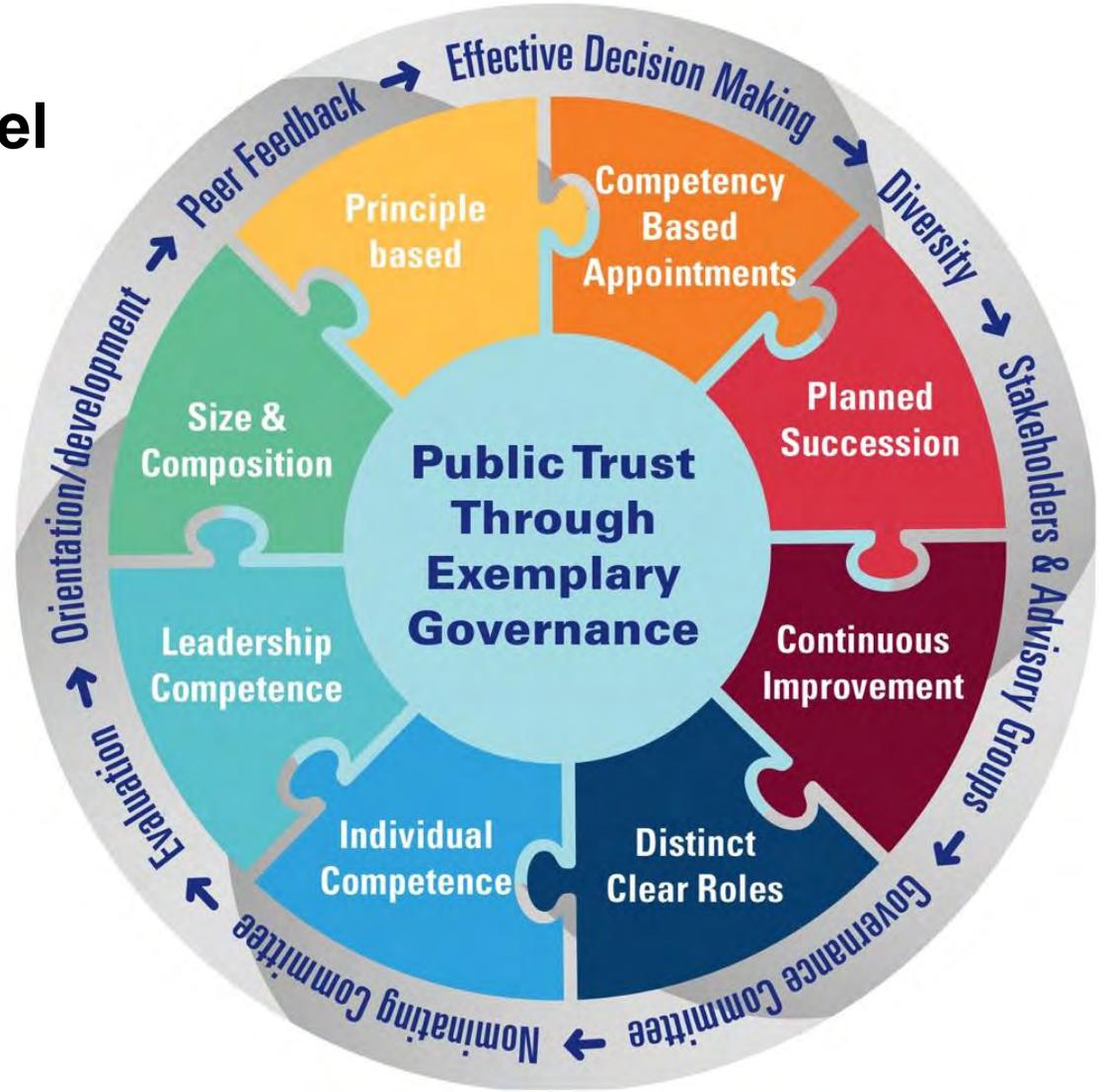
**Evaluation is also a best practice**

**every three years**



# Integrated

model



# Reflect

on the model.

**With a partner identify one key implementation challenge, and two possible solutions for managing the challenge.**



# Implementation



# Implementation

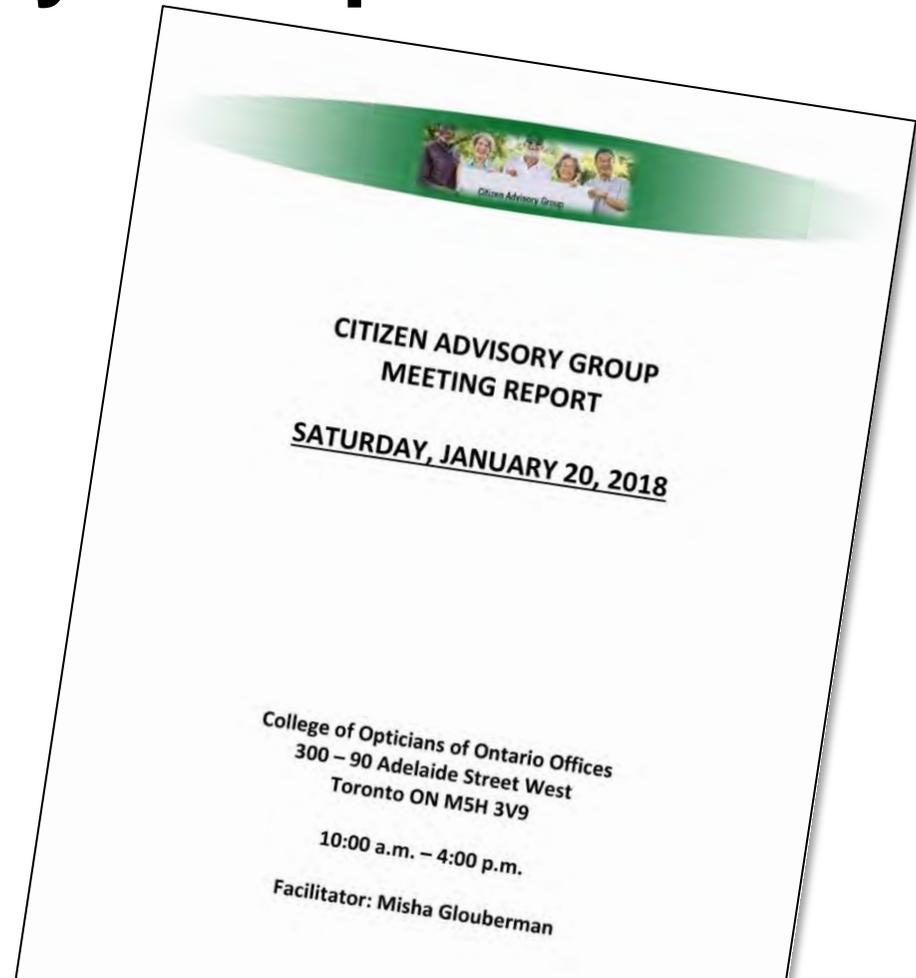
activities (2018)

- 1. Implement a Public Advisory Group**
- 2. Identify competencies and attributes**
- 3. Change committee appointments process**

# 1. Public Advisory Group

## Partnership Opportunity

- Informed
- Arm's length
- Transparent
- Cost-effective
- Immediate
- Collaborative



# 2.

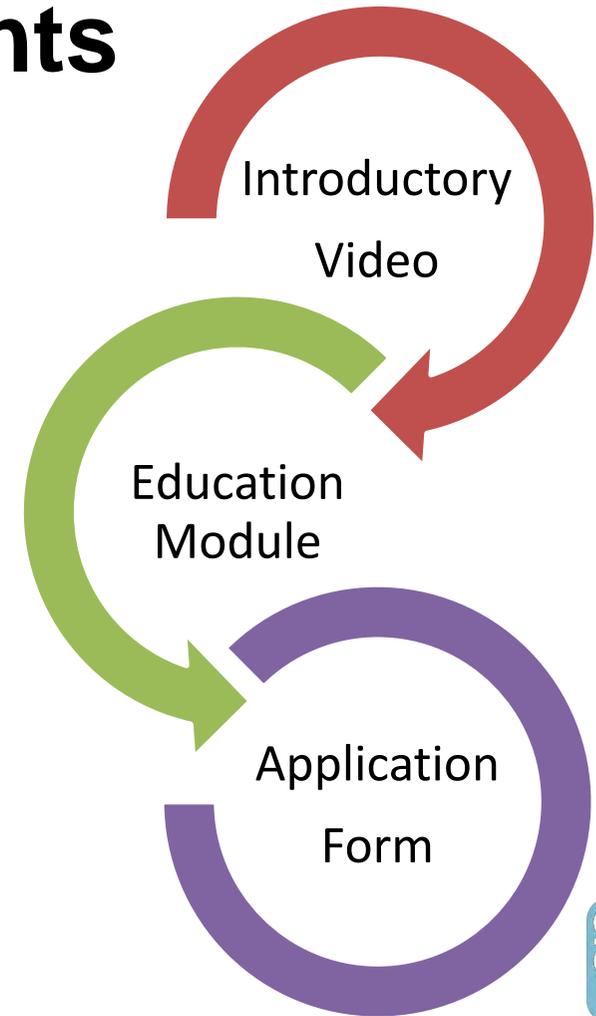
## Competencies & attributes



# 3. Committee Appointments

a) Before applying, complete education:

- Accessible
- Informative
- Engaging



# 3. Committee appointments

## b) Competencies and attributes

- **Self-assessment (application questions, resume)**
- **Validation (reference checks, interviews, peer assessment)**



**TOUGH  
DECISIONS  
AHEAD**

# References

**Governance Literature Review, available at: [cno.org/council](https://cno.org/council)**

**Governance as Leadership: Reframing the Work of Nonprofit Boards**

Richard P. Chait; William P. Ryan; Barbara E. Taylor



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