

# Board Effectiveness Evaluation

**2013-14**

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# 1 Background

Successful Boards improve their organisation's performance, therefore ensuring the Board is a cohesive and well functioning unit is of vital importance to an organisation. Public sector Boards must conduct an annual performance appraisal. A tool that is helpful to examine and improve a Board's effectiveness is the board evaluation.

When undertaken properly, board evaluations provide a vehicle for Directors and Non-Executive Directors to review and reinforce appropriate board and management roles and ensure that issues that may lie below the surface are identified and addressed promptly. Evaluations give the board an opportunity to identify and remove barriers to improving performance

## 2 Introduction

The HSCIC Board effectiveness evaluation was undertaken in late January and early February 2014. An anonymous questionnaire was distributed to the current Non-Executive Directors, Executive Directors and Directors who sit on the HSCIC Board.

It was considered particularly important to undertake the evaluation in the context of the forthcoming changes to the HSCIC Board membership, to enable lessons learned and the experiences of current Board members to be visible to the new Board post April 2014. The evaluation of effectiveness will contribute to the on-going development of the Board.

### 2.1 Key Principles

Boards obtain the most value from a board assessment that is shaped by the following:

- **The Board has clear objectives for the evaluation.** The arrival of a new CEO and the change in the composition of the Board shape the priorities and objectives of the assessment. The assessment occurring amid the CEO transition can help build an understanding between the CEO and the board about expectations and accountabilities.
- **A Board leader drives the process.** Essential to a successful evaluation is having a board leader champion the assessment process. This could be a Board member (not usually the CEO or Chair), someone senior independent from the Board from within the organisation, or an external facilitator.
- **Board Commitment.** Board members commit to reviewing the results of the assessment together and address issues that emerge.

## 3 Methodology

A total of twenty-four questions were included on the questionnaire, twenty questions were scored as well as commented on with four supplementary questions for comment only. The questionnaire was based on a former NHS Information Centre Board evaluation document; it was updated and amended to ensure its suitability for the HSCIC Board. The questions covered a range of areas (see appendix A for a copy of the questionnaire).

The scores were on a 5 point scale where 1 was the lower end of the scale and 5 was the upper end of the scale, as below:

- 1 = Hardly Ever/Poor
- 2 = Infrequently/Below Average
- 3 = Sometimes/Average
- 4 = Mostly/Above Average
- 5 = Always/Fully Satisfactory

A total of 13 completed questionnaires were received, there were 2 non-responders.

- 5 questionnaires were received from Non-Executive Directors
- 7 questionnaires were received from Executive Directors and Directors

There were three missing scores from the completed questionnaires two for question 10, and one for question 19. This meant there 257 scores submitted out of a possible 260. This was considered too small a number to detract from the overall results.

## 4 Results

The average of the scores is presented in the accompanying results section (see Appendix B). Non-Executive Directors scores are in Column 1 and Director's scores are in column 2.

- Where the average score is below 2 these are shown as red
- Where the average score is between 2 and 3.5 these are shown as amber
- Where the average score is over 3.5 these are shown as green

The variation between the average scores of the NEDs and Directors is shown in the third column.

- A difference between the average scoring of over 1 is shown as red
- A difference between 0.5 and 1 is shown as amber
- A difference of less than 0.5 is shown as green

The fourth column shows the overall average score when the results from the 13 questionnaires were combined.

It is problematic statistically to make significant inferences from a small population However, taken in context alongside the comments a useful picture of the Boards effectiveness is demonstrated.

## 5 Next Steps

1. If deemed necessary, identify a Board leader to direct the next steps.
2. Develop an action plan to address the areas that require attention.
3. The results to be made available to new Board members post April 2014, and to feed into the Board induction process.
4. Results to be considered in the update of the Corporate Governance Manual and Terms of Reference for the Board.

## 6 Actions Required of the Board

To comment on the results and to agree the next steps.