

interactive Board Self-Assessment

WHY?

Few Boards are satisfied with their current processes for Board Self-Assessment. Here's what we heard from:

Board Chairs & Governance Chairs	Board Members	CEO's	Corporate Secretaries
<ul style="list-style-type: none"> We're fed up with processes that drag on and don't produce results. Energetic dialogue among Board members is key to building a better board. "Paper-based" assessments allow people to "shade their answers", and it's very difficult to bring anonymous comments on questionnaires into open discussion. 	<ul style="list-style-type: none"> I want to contribute as much as I can. Give me a vehicle to raise concerns and issues, so that I can be fully engaged. The only thing worse than not being engaged, is putting effort into something and then nothing happens afterwards. Can't we have fun, while still respecting the seriousness of the topic? 	<ul style="list-style-type: none"> I want my Board more engaged in helping me advance the business. I want to see directors mobilize all of their unique perspectives, and to develop better skills and teamwork. The process must thoroughly engage every board member "real-time" – to build commitment to action plans that will improve, not only the Board, but also the company. 	<ul style="list-style-type: none"> The Board hates tedious things that drag on over several meetings. They are looking for an efficient approach – and preferably one that engages everyone and keeps them energized. The process should integrate the diagnostic, discussion, priority setting and action plans into one or two steps. No more "revisiting", meeting after meeting, losing the momentum.

Our response:

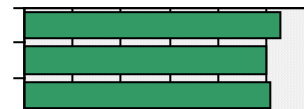
Using widely validated processes, and skills honed in over 100 facilitated governance and performance improvement workshops, we built an **Interactive Board Self-Assessment** process to address what we heard. It's customizable to the unique characteristics of each individual board, and addresses the shortcomings associated with questionnaire driven processes. It's fast, it's efficient, it's focused on action and, clients love it.

This interactive approach is outlined on the other side of this document.

So what?

You judge. Here are the evaluation results from a recent Interactive Board Self-Assessment session:

- *This evaluation session was worth the time I invested in it*
- *These processes were efficient*
- *I'd do the board evaluation this way again*



Who we are:

This Interactive Board Self-Assessment service is provided by the Gunns Group, a professional service firm led by Michael Gunns CA, CFE. Michael is former Chairman of the Canadian Institute of Chartered Accountants' Risk Management and Governance Board, which has recently published: *Crisis Management for Directors*; *Managing Risk in the New Economy*; *Guidance for Directors – Dealing with Risk in the Boardroom*; and a series of concise "20 Questions for Directors".

Michael draws on his experience from executive positions at Zurich Canada and Sun Life, and from conducting engagements in many parts of the world. He is a frequent speaker at conferences and a graduate of Harvard's Advanced Management Program.

The Gunns Group assists a wide range of businesses in designing and implementing risk management, corporate governance and facilitated self-assessment initiatives.

For further information:

905-893-3316
mgunns@gunns.com

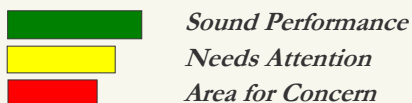


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HOW?

Diagnostics Dashboard

A key deliverable is the "Diagnostics Dashboard". One page highlights strengths and areas for attention. It quickly focuses participants on key areas for action and helps them identify root causes.



Here's an example of the results for one section of the diagnostic polling. "Drill down" to see the individual scores making up the result and the thinking behind them.

Anonymous Polling

The use of anonymous polling permits the comprehensive examination of topics with a minimum investment of time. It creates an environment that builds participant commitment to corrective actions. Individual polling results rapidly demonstrate areas of consensus, or where differing views need to be explored.

Dialogue

The facilitator guides participants through an energetic debate of the key issues raised by the results of polling, drawing out key strengths and areas for concern. The process prompts all participants to contribute their own unique perspectives and builds consensus around issues. An experienced co-facilitator captures a "real time" synopsis of participants' comments as part of the meeting record, and as a springboard for action plans.

Action Planning

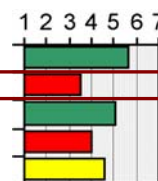
Boards we work with find that the most important deliverable from the Interactive Self-Assessment is the specific action plans that they formulate. The facilitator will use a variety of techniques to help the Board build consensus around a manageable number of priorities, and then guide participants through a process to establish concrete objectives, accountabilities and time frames for completion.



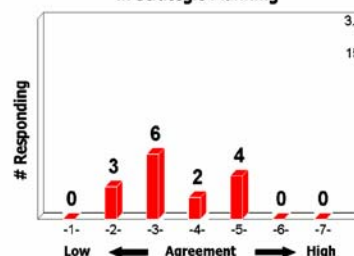
Diagnostic Criteria are customized to the unique characteristics of each individual board, while also reflecting the latest developments in governance policy and practices.

FORMULATING STRATEGY

- Sufficiently understand company's business
- Board participates effectively in Strategic Planning
- Understand Company's internal/ external risks
- Strategic Plan addresses opportunities and challenges
- Board unified in view of Company's future state



The Board participates effectively in Strategic Planning



Concerns: It's only recently that we've been involved, at all, in reviewing the strategic plan. We're not sure that we fully understand it yet, although we're pretty familiar with the company's business and risks, generally.

Consequences: We have responsibility towards the strategic plan, without being able to spot what may be serious deficiencies. Also, we'd like to contribute more.

What we will do: Establish a block of time specifically for this purpose. Add a Strategic Planning "day" to the August meeting – preferably "off-site". Chair, CEO and Corporate Secretary will establish details by May 31.

Here's a sampling of issues that Boards have successfully addressed as a result of performing an Interactive Self-Assessment:

- more timely, relevant and concise board information
- improved processes for populating committees
- quicker identification of impending strategic issues
- enhanced communication between the Board and its committees
- specific plans for director training and development
- improved reporting against industry benchmarks