

Good Governance

1 minute read

What this guide is and who it's for

This guide is designed to help community organisations govern themselves in a way that best suits their needs and those of their community.

What is governance?

Governance in the context of community organisations refers to rules, norms, structures and values that influence the way decisions are made. It is a complex multifaceted "catch all" that refers to a wide range of qualities that the community organisation has.

Governance can therefore include a consideration of:

- Vision, mission and strategic aims and delivering to them
- Values and culture
- Legal structure
- Organisational structure and the differentiation of roles interface between executive and non-executive
- The robustness of its policies, procedures and processes
- How it adheres to external regulation
- How and whether it is accountable and representative of the local community
- How it involves beneficiaries in the design and delivery of its services
- How its resources are safeguarded
- How meetings are run and decisions are made
- How conflict and disagreement is managed
- Attitude to risk and how it manages risk
- How it manages any conflict of interest
- How well it reacts to internal and external changes
- How it balances community need against commercial considerations
- Its relationship with partner organisations

...and more!

What is good governance?

“Good governance” is doing all the above really well, and ensuring that this translates into a strong, stable and effective organisation which meets the needs of the community it serves. But this should not translate into an over bureaucratic focus on internal systems, processes and paperwork. Good governance is extremely practical and fluid, and things like attitude, values and culture are more important.

Governance is often thought of in terms of the organisation’s board. But as the list above demonstrates, aspects of governance permeate all levels of the organisation and can also relate to how leadership is distributed and allowed to flourish at every level.

The board however, certainly has a very important part to play and there are three main aspects to their role:

- Representational – based upon accountability to the community
- Managerial – based upon skills, expertise and experience
- Stewardship – protecting organisational values and ethos

An effective board will provide good governance and leadership by:

- Understanding their role
- Ensuring delivery of organisational purpose
- Working effectively as individuals and as a team
- Exercising effective control (operational and financial)
- Behaving with integrity
- Being open and accountable
- Being outward and forward looking
- Understanding and manage risk
- Responding well to change

Need more help?

Locality has vast experience in this area and can help you to improve your organisation’s choice of legal structure. For more information about our support services contact us at info@locality.org.uk or on 0345 458 8336