

Digital Press Kit

Governance Solutions: The Ultimate Guide to Competence and Confidence in the Boardroom!

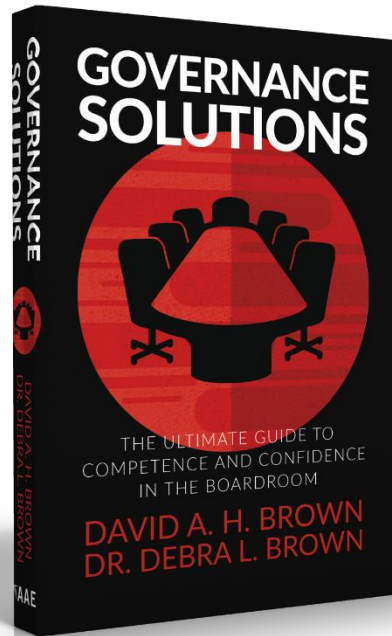
David A. H. Brown and Dr. Debra L. Brown – Corporate Governance Experts, Authors, Speakers



We know your time is valuable. We don't want to waste one minute of it. If you're interested in scheduling an interview please call us at 1-888-698-3971 or email us at info@governancesolutions.ca and be sure to include your phone number. Our team will contact you as quickly as possible.

—David and Debra

Oh yeah, once the interview posts, please send me all the relevant links. We'd love to send our traffic your way.



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About the Authors

David and Debra Brown are the founders of Governance Solutions Inc. Since founding GSI in 1991, they have developed it into a full-service firm providing governance consulting, research, training and tools, including [The Professional Director Education and Certification Program®](#), a world class, online director education and certification program.

Together they have authored dozens of nationally and internationally published works in corporate governance. They are perhaps best known for their series of Practical Guides and leading edge full length business reports on corporate governance published by The Conference Board of Canada. They consult to major private sector corporations and public/not-for-profit organizations around the globe in the field of governance and leadership, where they work at the most senior levels. Both of “the Browns” have a heart for lifelong learning and writing, and choose to make their home in Toronto, Canada. They are married with two children and six grandchildren. They passionately believe that governance matters and have dedicated their lives to changing the world, one board at a time.

About the Book

This is not just a book “about governance”, it tells you how to “do governance”.

Today's board members need more tools not more rules! This is the ultimate guide for board members and executives, a highly relevant resource whatever the jurisdiction in the world. Designed to build both competence and confidence, its principle-based approach allows any reader interested in governance to benefit from its solutions and tools.

Authors David A. H. Brown and Dr. Debra L. Brown deliver:

Proven Governance Solutions: It is a single source—the ultimate guide—for solving your governance problems.

1. Access: It includes almost 70 governance concepts and tools that are unique only to this book.
2. Competence and Confidence: It covers the broad spectrum of governance issues from governance structure and process, through boardroom leadership, culture and behaviour.
3. Answers! It tells you not only what works, but as importantly what does not work in governance.

This is the ultimate guide for board members and executives regardless of sector—private, public and not-for-profit. Whatever the jurisdiction in the world, this guide remains a highly relevant resource. Designed to build both competence and confidence, its principle-based approach allows any reader interested in governance to benefit from its solutions and tools.

Practical and comprehensive, everything you need to succeed in the boardroom can be found in this one place. There are principles, tools, and clear explanations of the board's role for all five levels of governance: strategy, risk, policy, people, and resources. And it includes profound insights into, and tools for, boardroom culture and behaviour—those less tangible but substantial aspects of effective governance, oversight and leadership.

This ultimate guide will deepen the governance understanding of even the most seasoned leader. Readers will understand the depth and breadth of how to add value and provide strategic oversight to any organization. From the role of the board in strategy and risk oversight, effective policy setting and compliance reporting, successfully navigating the board's relationship with the CEO, succession planning, and protecting and stewarding the company's financial and

other resources, to governance systems, committee structures and meeting processes, this book has solutions designed to help you succeed and excel.

Book Overview

What board members and executives need are more tools – not more rules – to gain the competence they need to confidently oversee the organizations they serve. This book gives them just that! It is THE ULTIMATE GOVERNANCE GUIDE. Everything they need to know about governance to be successful in the boardroom is in this book.

Boardroom dysfunction is rampant. At times CEO's and other C-Suite executives wish they could avoid board meetings like the plague. Boardroom bullies cause disruption and strained relationships. The board chair is either ineffective or in over their head. Board members don't know what they are supposed to do, feel overwhelmed, and try to do the job of management. Management almost unknowingly makes things worse by dragging their board into operations, all the while complaining about it.

Okay, so perhaps these statements are an over-exaggeration for some. But, for many they ring far too true.

The solution to these and other boardroom issues is for board members, the CEO, and the rest of the management team to be clear on their jobs; to know where the bright red line between operations and governance is drawn. In other words, who does what in governance and how is it done?

What these leaders need are more tools not more rules!

Governance Solutions: The Ultimate Guide to Competence and Confidence in the Boardroom is chock full of governance tools that will build confidence and competence, make the complex seem simple and bring order to the chaos.

Divided into five sections, this book covers the full spectrum of board governance giving the reader deep insight into:

1. Governance and Strategy
2. Governance and Risk
3. Governance and People
4. Governance and Resources

5. Governance Culture and Behaviour

This is the ultimate guide for board members and executives regardless of sector—private, public and not-for-profit. Whatever the jurisdiction in the world, this guide remains a highly relevant resource. Designed to build both competence and confidence, its principle-based approach allows any reader interested in governance to benefit from its solutions and tools.

This is not just a book “about governance”, it tells you how to “do governance”.

Practical and comprehensive, everything you need to succeed in the boardroom can be found in this one place. There are principles, tools, and clear explanations of the board’s role for all five levels of governance: strategy, risk, policy, people, and resources. And, it includes profound insights into, and tools for, boardroom culture and behaviour—those less tangible but substantial aspects of effective governance, oversight and leadership.

This ultimate guide will deepen the governance understanding of even the most seasoned leader. Readers will understand the depth and breadth of how to add value and provide strategic oversight to any organization. From the role of the board in strategy and risk oversight, effective policy setting and compliance reporting, successfully navigating the board’s relationship with the CEO, succession planning, and protecting and stewarding the company’s financial and other resources, to governance systems, committee structures and meeting processes, this book has solutions designed to help you succeed and excel.

Authors David A. H. Brown and Dr. Debra L. Brown each has almost 30 years of direct and practical experience working full-time with boards. Comfortable and confident with both boards and executives, their mix of well-researched, experiential and conceptual insights uniquely qualify them to advise organizations on their governance. Both have served as CEOs, reporting to boards, and as board members of varied organizations, including as Board and Governance Committee Chairs. They can see governance issues from both sides of the boardroom table. They know what works and even more importantly, what does not!

Their depth and breadth of knowledge and practical, principle-based approaches will give the reader:

- Access to almost 70 governance concepts and tools that are unique only to this book
- Rich, broad, applicable governance knowledge
- Competence in their governance roles, responsibilities, duties and accountabilities
- Confidence in their boardroom leadership
- Success in overseeing the direction and control of the organization
- Tools for building strong relationships and a high-functioning boardroom dynamic
- Insight and clarity on how to create a healthy boardroom culture
- Personal satisfaction with their contributions to the organizations they serve

Part 1: Governance and Strategy - Have you ever wondered why boards exist? We begin by answering this fundamental question. Do they add value to the organization or are they purely there for show—like parsley on a plate?

We begin at the beginning - considering why boards exist from an economic point of view and explore Principal Agent Theory. You will learn how and why boards are the independent intermediary between the economic self-interests of the principals and those of the agents. In addition, you will explore how boards are expected to act in the best long-term interests of the organization and why they must consider the needs of all the organization's stakeholder groups.

In chapter two, we define corporate governance as “the system by which the organization is directed and controlled.”¹ As you explore what this system looks like you will learn about the key roles and responsibilities every board has. Together we unpack the tools which the board has at its disposal to carry these out.

In the third chapter, you will learn about the different models of governance that exist and we ask you to think about which governance model might be best for your organization given its maturity and operating environment.

¹ Sir Adrian Cadbury: Cadbury Committee, *Financial Aspects of Corporate Governance*, (UK: 1992), p.14.

You will discover how governance is optimized over the course of time; and that in a mature organization further along in its lifecycle, a reform governance model fulfills all the requirements for a board to be fully effective.

Chapter four unpacks director conduct and the duties of loyalty and care. You will review the statutory duties and the hierarchy of legal documents which directors must be aware of (statute law, common law, regulations, bylaws, policies, and procedures). And, gain insight into how those duties are easily fulfilled when viewed as values to be lived out in the boardroom.

You will take an in-depth look at the principle of empowerment, considering how to push decision-making authority as far down the organization as you can.

Governance is the servant; purpose is the master! That's why, in the final chapter of this section, you will look at the board's role with respect to strategy. Your strategy should drive your governance—it is not the other way around. Everything that happens in the organization should be the product of and aligned with strategy. We discuss in detail the board's role in establishing the organization's mission, vision, values, goals, objectives, targets, ranges, and weightings. And you will explore the tools that a board, together with management, can use in order to develop the optimal strategy for the organization.

Part 2: Governance and Risk – Risk and opportunity are two sides of the same coin. Without risk-taking, opportunities are lost. Learn in this part of the book how to take organizational risk in a way that is robust yet empowering, making the most of opportunities.

This section of the book deals with what happens once the strategic plan is in place and how the uncertainties and volatility of the real world impact the organization. You will look closely at the board's role in dealing with these real-world issues.

Chapter six links strategy, risk and reporting—how does the board gain reasonable assurance that the organization is “in control”? With all the data available in a modern organization, you will focus on “climbing wisdom mountain” by learning how to select and utilize the right information in order to develop knowledge and make informed (wise) decisions. The chapter focuses on seven

principles the board can use to decide what information it needs to gain reasonable assurance that the organization is going and can be expected to continue to go substantially in the direction it approved.

Chapter seven focuses on the board's role in risk governance and oversight, which is distinct from risk management. You will explore where the board's role with respect to risk begins and what aspects are not part of the board's mandate. You will read about the risk myths and common pitfalls and gain practical tools and tips in order to effectively optimize risk.

In chapter eight, you investigate the governance aspects of corporate social responsibility (CSR) and how CSR might lead to sustainable business practices and ultimately benefit your organization in the long run. You explore the broad group of external stakeholders that are impacted by your corporate actions and think about environmental stewardship. In addition, see how these dimensions broaden and deepen your performance dashboard and scorecard.

Chapter nine explores communications governance, which involves the direction and control of the organization's communication and engagement strategies. Learn the importance of having an intentional stakeholder engagement strategy, the five R's of communication, and the distinct roles that the board and management each have with respect to external communication. Unpack the concept of the participation spectrum and look at the different engagement tools at your disposal. The question of "When should we be proactively and reactively communicating?" including emergency or crisis communication is an important part of this chapter. You will also think about the "disclosure dilemma" and finding the balance between transparency and fiduciary duty.

Part 3: Governance and People - You may have recognized that the main sections of the book largely parallel the five levels of direction and control framework that we weave into so much of our work; it's a systematic yet simple framework that highlights ten areas where a board plays a vital role in governance and fulfills its duties and responsibilities.

This part of the book focuses on the third level of direction and control—people. Your board has put in place a corporate governance system; approved a strategic

direction with performance and risk targets and tolerances; and cast the net widely in a “meta-materiality” look at stakeholders, reputation, and communications.

Now it’s time to “get the right people on the bus,” as Jim Collins famously writes.

You will begin broadly by looking at the board’s leadership role. You will review various paradigms that researchers, academics, and theorists have created in order to help us understand what great leadership looks like. And you’ll learn the practical implications of these for the boardroom.

Then you’ll take a closer look at the chair of the board and at committees of the board. How might you best use these to optimize the effectiveness of the board and the organization itself? How do you structure and select the best people to serve in these important positions? You will read about some “do’s” and “don’ts” we’ve learned from our years of experience.

There are two different teams of people that the board needs to concern itself with in governance. The first is the CEO and human resources beyond her or him. The second is the board itself.

The next couple of chapters unpack the board’s relationship with the CEO—first its “direction” role—CEO succession, selection, and delegation—then its “control” role—CEO evaluation and compensation. Here we merge the “why” with the “how,” weaving governance guidelines with proven practices.

Finally, you’ll turn to the board itself. From agendas to minutes, how do you achieve the most effective, informed, and energized meetings that you can? What about the right—and wrong—uses of “in-camera” and executive sessions? Why and how might you best evaluate, orient, profile, and renew the board and its members? You will get answers to all of these questions!

We show you how to take the brilliant but still lifeless mission, vision, goals, performance targets, risk tolerances, and CSR of the organization; breathe them into your leadership team on both sides of the boardroom table; and watch them take life and soar!

Part 4: Governance and Resources – Show me the money! Rightly or wrongly, for many, the main concern in governance is the bottom line. As a steward of the resources of the organization, the board has significant roles and responsibilities in financial governance—the direction and oversight of the financial integrity of the organization. This part of the book will help you understand how to do this.

In chapter 20, you will begin by examining the board’s first role in financial governance—setting financial direction and budgeting. Here you will take an in-depth look at your responsibility for overseeing and approving both the operating and capital budgets and ensuring that the financial direction ties in with your strategic direction. You will also look at the importance of examining cash flow projections alongside the operating budget and how to evaluate capital expenditures and their financing.

Chapter 21 turns to the board’s second major role in financial governance—to evaluate and approve the organization’s financial statements. You examine how the board gains reasonable assurance as to the integrity of the financial statements and the financial reporting of the organization.

With this in mind, you first explore the role of the audit committee—one of the committees considered essential in the reform governance model. You look at how the audit committee fulfills its due diligence by relying on “three lines of defence”—line management, risk and control, and auditors (both external and internal).

While it is not our intention to turn you into an accountant, all board members must have a certain level of financial literacy to be competent in overseeing the organization’s performance and therefore management. In chapter 22, we unpack nine basic accounting principles and how an understanding of these is an invaluable tool to help board members to navigate the increasingly complex technical world of financial accounting. This leads you to where the numbers come from to create the financial statements and what the myriad of notes to the financial statements really mean.

In chapter 23, you review the board’s role in disclosure once it has approved the financial statements. Going beyond purely financial disclosures to encompass other board-related disclosures, you take an in-depth look at the “why” and “how” of governance disclosures, management discussion and analysis (MD&A),

the “disclosure dilemma,” and the emerging importance of continuous disclosure—ensuring that there is a level playing field for all your stakeholders.

Chapter 24 turns to the board’s third role in financial governance—having approved the financials, you now become the first user of the financial statements, using these to monitor the performance of the organization and management. You explore the concept of control, which simply means gaining reasonable assurance that the organization is going substantially in the direction that you approved.

Building on concepts introduced earlier in the book on performance indicators, scorecard, and dashboard, we briefly outline the six main types of financial ratios that boards—and analysts—use to monitor performance and what questions each is designed to help you answer. You look at variance analysis and learn how we encourage board members to not only focus on unfavourable variances but not to ignore favourable variances.

Part 5: Governance Culture and Behavior – You can have the world’s best governance structure articulated into a lovely leather-bound governance manual or fancy board portal, but if people misbehave in the boardroom or your boardroom culture is dysfunctional, your structure is a waste of words!

Boardroom dynamics can be viewed as the interplay between three aspects of governance: structure, culture, and behaviours. Much of this book has focused on governance structure; and in this closing section of the book, you will explore boardroom culture and behaviour in ensuring effective governance.

Beginning with defining culture, you will study the various aspects of culture and their application to the boardroom. You will read about a boardroom culture tool that will help your board understand their distinct culture using eight dimensions and four power preferences. You will also take an in-depth look at four different boardroom cultures and their strengths and weaknesses. Consider what the optimal performance-based board culture might look like and how you can work towards developing an optimal culture specific to your organization.

Boardroom behaviour is the next topic you will explore in this section. Inappropriate behaviour can make a board that looks good on paper completely

dysfunctional in reality. Healthy boardroom behaviour is recognizable. Discover how the board can establish a culture of appropriate behaviour, and how this culture becomes the foundation for trustful and growing board relationships.

Asking specific, clear, and strategic questions can provide the board with detailed insight into issues and opportunities facing the organization. You will think about how to ask great questions, explore when to use both open and closed questions, how to use follow-up questions to gain deeper insight, and the importance of respectfully listening and reflecting on the answers to your questions.

Director liability is a topic which many prospective board members want to know about. We discuss director liability due to individual acts of negligence or neglect as well as the possibility of statutory or common-law liability of the corporation which a director may indirectly become liable for. To lessen their exposure, we discuss director liability as it relates to statutory duties. The concept of indemnity and the need for directors to have appropriate liability insurance are also touched on.

Boardroom integrity is about more than being a person of integrity. Boardroom integrity goes far beyond the people in the room to encapsulate integrity—wholeness—across and throughout the governance system. In the second to last chapter, you learn how to apply many of the learnings from throughout this book as we unpack and integrate the concepts of integrity of character, power, structure, process, and relationships.

The book draws to a close as you will be encouraged to reflect on the four C's of great directors—courage, competence, character, and calling.

[Link to Look Inside the Book](https://www.amazon.com/gp/product/B0832LB6DF?pf_rd_p=2d1ab404-3b11-4c97-b3db-48081e145e35&pf_rd_r=GQF897C1NBJ88YRQQRH1)

https://www.amazon.com/gp/product/B0832LB6DF?pf_rd_p=2d1ab404-3b11-4c97-b3db-48081e145e35&pf_rd_r=GQF897C1NBJ88YRQQRH1

What People Are Saying About the Book

With so many spotlights trained on corporate boards, there could hardly be a better moment for hands-on, cutting-edge guidance on how directors can power success—and avoid traps. David and Debra Brown are world-class experts; their new book earns a place on director desks everywhere.

Stephen Davis, Ph.D.
Associate Director and Senior Fellow
Harvard Law School Programs on Corporate Governance and Institutional
Investors

“A major benefit of this book is that it applies to any board member, in any sector, in any country! Truly an internationally relevant piece of work!”

Spencer Cameron
Deputy Editor, Ethical Board Group | Ethical Boardroom

“This insightful book brings governance to life in a practical and helpful ultimate guide. The level of wisdom and common sense shared is a real difference maker!”

Michael J. Soligo, M.A.Sc., P.Eng., C.Dir.
President & CEO, RWDI

“Experience matters. Debra and David Brown have it. They have long been key figures in Canadian corporate governance and in governance generally. Their knowledge in the areas of governance, leadership, and business management is estimable. Read their book and you will see that for yourself.”

Hoffer Kaback
Former Lead Columnist, Directors & Boards Magazine, Former Director of U.S.
Public Companies and Not-for-profit Organizations

Every reader will come away from this book with deeper insights into corporate governance, including an appreciation of the need for excellent practices in the boardroom. This book is particularly relevant given new challenges confronting corporations, ranging from cyber security threats to stakeholder activism and increased scrutiny from regulatory authorities. The Browns have produced a high quality reference for benchmarking and improving corporate governance.

Gordon van Welie
President and Chief Executive Officer, ISO New England

The line between board and management just became crystal clear for all of us! The board governs—management manages—the organization flourishes. That’s why boards exist! Fantastic book!

Norman Loberg
Corporate Director, Chair of the Board, Alectra Utilities

There has never been a time when good governance was needed more than it is today. The rapid pace of change, the enormous potential of technological innovation, the vast opportunities around the world, the almost unquantifiable consequences of risk make this book perfectly timed for a such a perfect storm!

Dr. Michael Hartmann
Principal of the Directors College,
Executive Director, EMBA in Digital Transformation
Co-Director, Health Leadership Academy
DeGroote School of Business
McMaster University

I am so impressed with this book. It covers all the right things and does it extremely well. Everything any board member needs to know to do their job is in this guide.

Gary Seveny
Corporate Director; Chair of the Board, Yorkville Asset Management; Retired
CEO, Alterna Bank

Governance Solutions has proven to be a literal “Godsend” for our ministry. I have, on occasion, been able to spend time with other CEOs of similar-sized non-profits (and even many much larger), and, when the topic of Boards and governance comes up, I realize just how fortunate we have been to work with Debra and David Brown. EE has a clearly articulated and commonly shared mission and vision, a simply amazing Board of Directors, and an organization with the tools necessary for positive direction and control, which ultimately means less waste in time, talent, and resources, and more accomplished by the Ministry! During EE’s transition after the loss of our founder, Dr. D. James Kennedy, the ministry not only survived, but thrived and in no small part due to the assistance of Governance Solutions.

Rev. John B. Sorensen, D.D., D.H.L.
President/CEO
Evangelism Explosion International

The Browns certainly have not disappointed with this ultimate guide. I have read their articles and periodicals with extreme interest over the years and this time they have more than outdone themselves! The governance gurus have given us the ultimate in *Governance Solutions*.

Dan Swanson
President, Dan Swanson and Associates, Ltd.

"This is an impressive book! Current, relevant, practical and readable! I highly recommend this book to any board member or executive wanting to dramatically increase their competence and confidence in the boardroom!"

Roberta S. Brown
President, Sassafras River Associates, Retired Utility Executive, Former Board Member and Nominating and Governance Chair, ISO-New England, Former Board Member, IESO

This is not Board Governance for Dummies. This is a smart, easy to follow guide for anyone who is considering standing up a board for their business, joining a board for the first time, or who is assessing the effectiveness of an existing board of directors. David and Debra Brown employ their considerable expertise to guide us through the steps required for an engaged board to be fully knowledgeable about their role and provide the most effective oversight for any type of organization. As the CEO of a highly regulated institution, this book provides my institution a comprehensive guide for board self-assessment.

Brenda Frank
President and CEO, Yankee Farm Credit

Sample Interview Questions

1. Why this book and why now?
2. What do you consider the most important part of your book?
3. What problems can Governance Solutions solve?
4. You say, “board members and executives need more tools – not more rules.” Why is that?
5. There are 30 chapters in this book – each covers a big governance topic – If your reader could only read one chapter, which one is the most important and why?
6. In the interview we can talk about:
 - Why board members need a guide to improve their competence and confidence in the boardroom?
 - How CEO’s and other C-suite executives will benefit from this book?
 - The almost 70 governance concepts and tools that are unique to this book and how they can improve competence in the boardroom.
7. Where can we find this book?

Press Photos

