

Does the Carver Policy Model Really Work?

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Challenging John Carver's Policy Governance Model

In 1990, John Carver's *Boards That Make a Difference* began to make a difference in Canadian nonprofit boardrooms. This articulated and formulaic policy governance model responded to a growing concern about the capacity and function of boards.

Although a formal evaluation of the policy governance model has yet to be done, a 1996 study by Professors Vic Murray (University of Victoria) and Jeff Brudney (University of Georgia) found that it was more important for an organization to have used any model than to have used Carver's model, and that "Carver users were no more satisfied with their board changes than the users of any other model or combination of models".

Model Rigidity

This leads me to challenge Carver's insistence that his model will work best only when it is adopted in its entirety. Models are at best two-dimensional "representations" of reality. As such, they offer insights and analysis which guide practitioners working within messy three-dimensional realities that generally do not follow model logic.

Carver's prescriptive formula and his perspective of "one size fits all" restricts creative modifications to the theory. Modifications of theoretical models ensure practicality and create the next iteration of a model. The policy governance model is rigid and not open to improvements.

One Size Fits All

Life cycle stages of organizations have an effect on governance needs.

A newly created organization focuses on building its foundation: creating operational systems, policies (at all levels) and procedures. These activities take much board and staff energy, and are antithetical to the policy governance model's separation of means (staff) and ends (board). Once the foundation is laid the organization can focus on its strategic agenda. The board attends to its vision and mission by allocating resources strategically. At this second stage, the board can remove itself from the "operational" foundation building and function like a policy governance board.

Once the organization reaches its third stage and has experienced the results of its strategic agenda, it can begin to form external alliances and transcend its organizational boundaries to influence the system. At this stage, boards fit the policy governance model in developing board-to-board linkages.

At the fourth stage, boards should be exploring innovative organizational forms to assist the organization in adapting to unknowable challenges. At this stage, the policy governance model provides more of a trap than a springboard into the future.

The model encourages boards to enshrine processes and structures in its policies. Although policies can be changed by boards, many boards and CEOs use these policies as a stabilizing mechanism. This is helpful for stages two and three of an organization's life cycle but does not facilitate stages one and four.

A "one size" model does not fit organizations at all stages of development.

A Process Problem

Carver says "Board difficulties are not a problem of people, but of process". His model features a well-designed system and ignores human nature. Despite the well-crafted policies, the clear role separation, the focus on ends, board effectiveness can be made or destroyed by individuals and their behaviours, skills, motivations.

After separating the leadership roles of board and CEO, some CEOs have been openly discouraged from bringing anything "operational" to the board table. Some boards have taken their leadership role so literally that they do not consult fully with staff on important issues.

Board self-management ought to cure these ills, but action depends on leadership and leadership depends on people. CEOs must often spend 25% of their time on board matters; hardly a sign of board/staff separation. After separating the roles, the model does not reconnect board and CEO as critical partners in building governance capacity.

Ownership

The concept of organizational ownership is a central theme in Carver's model. If shareholders can own commercial enterprises, why can't citizens "own" nonprofits? Superficially, the concept is appealing. At a deeper level, it causes discomfort. Owners plan and make decisions based on their interests and needs. They consider the present more than the future when worrying about actions that may expose them to risk and legal liabilities.

I use "stewardship" instead of "ownership". "Stewardship" complements the values of the nonprofit sector. Stewards are guardians of vision, resources and policies. There is a

moral obligation to add value when the organization is in a steward's hands.
"Ownership" distracts us from our sector values.

Disconnected

After implementing Carver's model, boards and staff often feel disconnected from each other.

Because the model downplays program information and discourages committees, connections are lost. Boards and staff in the past often worked together on committees. Board members had a better understanding of programs when information included program details. The model does not address how board/program/staff connections can be maintained or whether they should be. Board members often feel that strategic decisions suffer if they are not grounded in programs. Staff can be resentful or dismissive of board decisions when they perceive the board as remote and without understanding of "a day in the life of staff".

These unintended consequences can have a damaging effect on two key stakeholders as the CEO tries to be that important and lonely official link.

Evolution

For the most part, boards have benefited from the proliferation of the policy governance model, with its increased focus on governance and greater self-examination in the board room.

Where to from here? We must evaluate the effectiveness of our governance functions and processes. What works and why? We must share our made-in-Canada versions through writing, presenting and research.

Models are most effective as springboards to further evolution. There is no one best way to design governance.

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