

# Building a better board

Gaining a government contract to provide drug and alcohol rehabilitation services for severely compromised addicts was one of the catalysts for the Nova Trust board to re-evaluate its governance practices.



Stu Myles, Nova Trust Director

**T**he Substance Addiction (Compulsory Assessment and Treatment) Act 2017, which came into force earlier this year, enables the compulsory assessment and treatment of severe drug and alcohol addicts, including the ability to detain them for treatment for up to eight weeks.

Nova Trust's Christchurch facility is the only provider in the country mandated by the Ministry of Health to treat these addicts. Before the new legislation, Nova Trust had predominantly worked with local health boards. Now it also works directly with the Ministry of Health.

"We were conscious we needed to ensure that, not only were we meeting our obligations from a services perspective, from a governance perspective we had

the necessary skill set and capabilities around the board table," says Nova Trust director Stu Myles.

"It was important that we took the time to identify any gaps that we had, and that individuals on the board had an independent appraisal of their own skill set that also identified areas that perhaps they might need to work on in terms of upskilling."

Nova Trust hired a new CEO, Steve Rossell, from the UK last year. "Again, that was a recognition that the business was changing and that there was a need to have some really strong leadership in the organisation," Myles says.

Once the CEO position was filled, the board started looking at its own needs. "We had some gaps in terms of numbers so we started talking about what we needed in the board to fill those gaps, both in terms of numbers and capabilities. That was the start of the conversation."

"We decided we should be looking at the board as a whole. Given the nature of our new relationships due to the new legislation, we would be under much greater scrutiny, not only from the Ministry but anybody we're associated with. If we were going to be involved in public funding or government funding then we needed to ensure we were up to the task at a governance level."

Once it was decided that a board-wide review was needed, conversation turned to whether to get an external consultant or an organisation like the Institute of Directors (IoD). "I was keen

to use the IoD as the services they provided were completely independent, wholly professional and would be able to give a view that wasn't coloured in any measure by any particular board member."

The decision was made to undertake a BetterBoards evaluation process through the IoD, with both individual board member assessments and a whole-of-board report.

There was a mixture of apprehension and excitement from the board before the evaluation. "But the apprehension was more because going into it we didn't really know what it entailed. In some ways the process was confronting because you not only have to assess yourself, but you're also assessed by your peers," Myles says.

"The reports were confidential to each individual in terms of their own assessments, except for the chair, whose report was made available to all of us. The whole-of-board report was also circulated to all of us."

Once the reports were completed, the board opted to have an independently facilitated session to look at the results of the whole-of-board report and talk through how to take the results forward.

"All the way through this process it was about rebuilding and refocusing the Nova board and what we do," Myles says.

There has been a subsequent refresh on the board – although Myles says that's not necessarily a direct result of the evaluation. "Our chair has decided after 15 years on the board to step off the board. >>

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I think other board members have indicated where they are at in terms of their position on the board. I think it’s been a refreshing thing for everybody.

“The beauty of that whole process is that, as a board, we can now look at that report and say ‘these are our skills gaps around the table’. It makes us a lot more informed in terms of what we then go out to market for in terms of additional trustees/directors.”

Myles says insights gleaned from the evaluation and facilitation have also led to better governance structures and practices. “We thought our board meetings were well structured and that we were covering off the necessary things when in fact we found out we had a long way to go, that there were a number of key elements we were missing as a board and the structure of our board meetings wasn’t as good as we thought it was.”

The Nova Trust board sees the evaluation and report as a starting point in its fresh focus on governance.

“What we’ve said is that this is not a one-off and then we park it. This is an ongoing part of how we look at ourselves and how we look at the board. I guess you could say we’ve got the platform now to launch forward, but we couldn’t have done that without the BetterBoards programme and without the self-analysis of directors. It was also about us being mature enough as an organisation and being able to acknowledge that we were in a time of change, and needed to take those steps.”

The board is committed to ongoing reviews. “Every couple of years we will come back and do a health check about where we’re at relative to the report. We’ll probably do that in a facilitated session, using the whole-of-board report and following on from our first facilitated session.”

If you think your board might benefit from an evaluation, and to find out more about BetterBoards, contact the IoD’s Board Services team at [boardservices@iod.org.nz](mailto:boardservices@iod.org.nz) 



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