NEXUS LEADERSHIP

ASSOCIATION MANAGEMENT · BOARD & GOVERNANCE SERIES

The Governance Health Check

A seven-domain self-assessment for boards, CEOs and company secretaries.

For boards, CEOs and company secretaries of associations, professional bodies and member organisations.

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FROM ANNIE

Before you score anything, read this

Good governance is not a document sitting in a policy folder. It is a set of habits a board either practises or does not.

I have sat on both sides of the boardroom table. As CEO of five different organisations, and in fifteen years carrying that accountability, I have seen the same pattern play out more than once. Boards that assume their governance is sound rarely test that assumption until something forces the question, an ill-timed resignation, a regulator's letter, or a member complaint that turns out to be a pattern rather than an outlier.

This tool gives you an honest, evidence-based way to check which habits are actually in place. It is built on the principles that sit behind the AICD Good Governance Principles, the ASX Corporate Governance Principles, and the ACNC Governance Standards that apply to Australia's member-based and not-for-profit organisations.

Work through the seven domains with your board or executive team. Score each statement honestly, using the scale below. There are no marks for the answer that looks best. The value is in the gap between where you are and where you assumed you were.

> *"A board's governance is not what is written in its charter. It is what happens in the room when no one outside is watching."*

1	2	3	4
Rarely true	Sometimes true	Often true	Always true

01 Purpose, Strategy & Direction

The board can each individually articulate the organisation's purpose and current strategic priorities without referring to a document.

The strategic plan was set by the board, not simply presented to it for endorsement.

Board meeting agendas are weighted toward strategy and forward risk, not backward-looking reporting.

The board reviews progress against strategic priorities at every meeting, not only at an annual retreat.

Directors would each describe the organisation's three biggest strategic risks the same way.

Domain 01 total / 20

02 Board Composition & Renewal

The board has a documented skills matrix and actively recruits against its gaps.

Director terms, rotation and succession are managed deliberately, not left to chance or inertia.

New directors receive a structured induction covering governance duties, finances and current risks.

The board includes perspectives genuinely different from the executive's own, in background, sector experience or thinking style.

The board has a considered view on its own optimal size and has not simply grown by habit.

Domain 02 total / 20

03 Roles, Authority & the CEO–Board Relationship

The delegation of authority between board and CEO is documented, current and understood by both parties.	
The board governs and the CEO manages, and both sides can describe where that line sits.	
The Chair and CEO have a regular, structured conversation outside of board meetings, not just before them.	
The board formally evaluates CEO performance against agreed measures at least annually.	
Directors raise concerns about executive performance directly and early, not informally after the meeting has closed.	

Domain 03 total ______ / 20

04 Risk Oversight & Compliance

The board reviews a current risk register, not a historical one, at every meeting.	
The board understands its regulatory obligations relevant to the organisation's sector and structure.	
There is a documented plan for the organisation's three most significant identified risks.	
The board has tested, rather than assumed, the organisation's incident and crisis response.	
Conflicts of interest are declared and managed through a documented, consistently applied process.	

Domain 04 total ______ / 20

05 Financial Stewardship

Directors can each read and interrogate the financial statements without relying solely on the treasurer.

The board reviews cash position, reserves and financial sustainability, not only the profit and loss statement.

The audit or finance committee's questions to management are genuinely probing, not procedural.

The board has visibility of financial risk concentration, for example reliance on a single revenue source.

Budget assumptions are tested and challenged by the board before adoption, not after the fact.

Domain 05 total / 20

06 Member & Stakeholder Accountability

The board has current, reliable data on member or stakeholder satisfaction, not anecdote.

Member feedback and complaints are reported to the board as a pattern, not only as individual incidents.

The organisation's accountability to members is reflected in how decisions are explained, not only in the constitution.

The board can describe what members actually value, distinct from what the organisation assumes they value.

Key external relationships, regulators, funders and partners, are actively managed at board level, not left to operational contact alone.

Domain 06 total / 20

07 Culture, Conduct & Performance

The board has visibility of organisational culture through more than the CEO's own reporting.	
Directors model the standard of conduct expected of the organisation, including how they treat each other in the room.	
The board evaluates its own performance formally, at least annually, not only informally over time.	
Difficult conversations happen inside the boardroom, not in the corridor afterward.	
The board has a genuine, working understanding of the difference between healthy challenge and dysfunction.	

Domain 07 total ____ / 20

YOUR SCORE SHEET

01 Purpose, Strategy & Direction	
02 Board Composition & Renewal	
03 Roles, Authority & CEO-Board Relationship	
04 Risk Oversight & Compliance	
05 Financial Stewardship	
06 Member & Stakeholder Accountability	
07 Culture, Conduct & Performance	
TOTAL SCORE (out of 140)	

INTERPRETING YOUR RESULT

What your score is telling you

123–140	**Governance-mature** Your board is operating at genuine best practice. The discipline now is holding the standard as people, structure and risk change around you.
88–122	**Solid foundations, real gaps** The fundamentals are in place. A small number of specific domains are carrying disproportionate risk, and they are usually visible from this result.
53–87	**Reactive governance** The board is meeting its obligations on paper more than in practice. This is the band where a regulator's question, a member complaint or a leadership transition tends to expose the gap.
35–52	**Governance at risk** Foundational structures are missing or not functioning as intended. This is worth addressing directly and soon, not at the next scheduled review.

> *"A low score is not a verdict on any individual director. It is a starting point. I have taken more than one board from this band to genuine governance maturity, and the organisations that make that shift share one thing in common, they stop treating the gap as an occasional agenda item and start treating it as the Chair's and CEO's shared responsibility to close."*

Look for the pattern, not just the total. Two boards can land on the same overall score for very different reasons. Identify your lowest-scoring domain first. That is where your next board discussion should start.

TURN THIS INTO A PLAN, NOT JUST A SCORE

Where to take this next

A self-assessment tells you where the gaps are. Closing them is a different piece of work, and it is the work I do directly with boards and CEOs, through the Board Director Course, The Association CEO Course, and direct advisory work with Nexus Leadership.

> *"If your result raised more questions than it answered, that is the right reaction. I would be glad to talk it through with you."*

Book a conversation → nexusleadership.com.au

Explore the Board Director Course and The Association CEO Course at nexusleadership.com.au

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Annie Gibbins is a five-time CEO and Grand Stevie Award-winning business leader with fifteen years of executive accountability across Australia's association sector. She founded Nexus Leadership to bring evidence-based governance, leadership and business education to boards, CEOs and founders who carry real responsibility.