



## **Skills-Based Director Qualifications Guide**

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This guide describes the skills, core competencies and attributes that the Bereavement Authority of Ontario (BAO) requires for its Board of Directors (Board). Having this knowledge disseminated among Board members will allow the BAO to draw on specific skills and experience as they are required

The matrix of skills below will ensure that qualified, balanced and high-performing Directors are appointed to the BAO Board. Please read the following pages to gain a full understanding of what constitutes basic, good and strong levels in each category. The BAO Board of Directors application includes a section for you to self-rate your experience level in each category, as defined in this guide.

### Skills-Based Matrix

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**1. BOARD AND GOVERNANCE EXPERIENCE**

To achieve this competency, Directors should demonstrate an appropriate level of knowledge and understanding of the tools and methodologies for monitoring and developing the performance of the organization and of the CEO.

<b>Competency Level</b>	<b>Board and Governance Experience Competency Attributes</b>
<b>Basic</b>	<ul style="list-style-type: none"> <li>• Explains the reporting relationship between the Board and the CEO.</li> <li>• Explains the appropriate approach regarding performance management, feedback, and communications with the CEO.</li> <li>• Monitors the organizations performance and ensures delivery on its mandate.</li> <li>• Assists with directional, procedural and tactical planning.</li> </ul>
<b>Good</b>	<p><b>Basic PLUS:</b></p> <ul style="list-style-type: none"> <li>• Ensures CEO succession planning.</li> <li>• Assists with the development of organizational policies and committee terms of reference documents.</li> <li>• Establishes committees as required.</li> </ul>
<b>Strong</b>	<p><b>Good PLUS:</b></p> <ul style="list-style-type: none"> <li>• Ensures that the CEO performance criteria and compensation are aligned with the strategic plan and key objectives.</li> <li>• Encourages other Board members to communicate effectively with the CEO.</li> <li>• Identifies and addresses skills/performance gaps on the Board and/or CEO.</li> <li>• Understands how to use objective measurement criteria to determine strengths, deficiencies and areas for improvement of the organization, the CEO and the Board.</li> </ul>

## 2. FINANCIAL LITERACY

To achieve this competency, Directors should demonstrate an appropriate level of financial knowledge and understanding and can interpret financial reports and statements, and monitor corrective action to ensure financial goals and regulatory requirements are met.

Competency Level	Financial Literacy Competency Attributes
<p><b>Basic</b></p>	<ul style="list-style-type: none"> <li>• Reviews financial reports, financial statements and operational plans &amp; budgets prepared by management.</li> <li>• Seeks clarification of those areas that are not understood.</li> <li>• Understands basic budgeting process and financial objectives and budgets.</li> <li>• Understands the fiduciary duty of a Director.</li> <li>• Understands basic financial statements, e.g. balance sheet and income statement.</li> <li>• Reviews financial reports presented by management and asks appropriate questions.</li> </ul>
<p><b>Good</b></p>	<p><b>Basic PLUS:</b></p> <ul style="list-style-type: none"> <li>• Understands basic financial analysis concepts and tools.</li> <li>• Can explain the nature and purpose of all financial reports prepared by management, and the purpose and uses of key financial ratios, financial trends, performance benchmarks and system/group comparison reports.</li> <li>• Identifies variances between actual financial performance and established financial budget and targets and understands the nature and extent of recommendations to address material variances.</li> <li>• Ensures additional explanations and information is provided for any material variances including action plans.</li> </ul>
<p><b>Strong</b></p>	<p><b>Good PLUS:</b></p> <ul style="list-style-type: none"> <li>• Interprets financial results and reports and ensures the Board conducts sufficient oversight and discussion on recommended strategies to address and material variances.</li> <li>• Investigates any significant issues or “red flags” that may arise or to validate the organization’s financial policies, plans, controls and procedures where material weaknesses persist.</li> </ul>

### 3. RISK MANAGEMENT

To achieve this competency, Directors should demonstrate an appropriate level of knowledge and understanding of the risk management framework for identifying, measuring and managing significant risks and events that may impact the organization’s objectives.

Competency Level	Risk Management Competency Attributes
<b>Basic</b>	<ul style="list-style-type: none"> <li>• Understands the areas of risk to which the organization may be exposed.</li> <li>• Explains the role of the Board in risk management oversight.</li> </ul>
<b>Good</b>	<p><b>Basic PLUS:</b></p> <ul style="list-style-type: none"> <li>• Explains and describes the nature of risks and risk management activities related to:               <ul style="list-style-type: none"> <li>➤ Governance</li> <li>➤ Capital management</li> <li>➤ Operational risk management</li> <li>➤ Structural risk management</li> </ul> </li> <li>• Understands criteria for measuring risk.</li> <li>• Understands the Board’s risk assessment tools and risk management reports.</li> <li>• Monitors risk management activities.</li> <li>• Identifies areas of significant risk exposure in management reports.</li> </ul>
<b>Strong</b>	<p><b>Good PLUS:</b></p> <ul style="list-style-type: none"> <li>• Assesses the organization’s risk appetite and tolerances.</li> <li>• Provides direction to management on implementation of an enterprise risk management system.</li> <li>• Integrates all elements of enterprise risk management into the strategic risk management process.</li> <li>• Confirms the capacity of the organization to withstand risk exposure levels.</li> <li>• Interprets risk and recommends changes to mitigate excessive exposure.</li> </ul>

#### 4. STRATEGIC DIRECTION AND PLANNING

To achieve this competency, Directors should demonstrate an appropriate level of knowledge and understanding of the strategic planning process and contribute to the development of the strategic direction, core values and the strategic goals and objectives for the organization.

Competency Level	Strategic Direction and Planning Competency Attributes
<p><b>Basic</b></p>	<ul style="list-style-type: none"> <li>• Understands how to develop a vision, mission and core values for a new organization.</li> <li>• Understands how to develop a strategic plan for a new organization.</li> <li>• Has experience reviewing, monitoring and discussing strategies and action plans.</li> <li>• Seeks information about the strategic management process and related management reporting.</li> <li>• Understands the organization’s performance measurements.</li> </ul>
<p><b>Good</b></p>	<p><b>Basic PLUS:</b></p> <ul style="list-style-type: none"> <li>• Applies knowledge of corporate goals, strategies and objectives to evaluate reports and recommendations presented by management.</li> <li>• Uses independent and objective oversight when evaluating reports and recommendations presented by management.</li> <li>• Collaborates with fellow Directors to build a consensus on strategic plans and initiatives.</li> <li>• Participates in the development and communication of the organization’s vision, mission, and corporate values.</li> </ul>
<p><b>Strong</b></p>	<p><b>Good PLUS:</b></p> <ul style="list-style-type: none"> <li>• Seeks information related to the organization’s concerns, the competitive environment and industry trends and standards.</li> <li>• Recognizes and promotes potential strategic opportunities.</li> <li>• Weighs the risk/benefit of the organization’s strategic initiatives and can identify their impact and priority.</li> <li>• Identifies and communicates the indicators and measures for success for the organization.</li> <li>• Analyzes capacity and competencies in staffing and financial resources for strategic initiatives.</li> </ul>

## 5. GOVERNMENT AND REGULATORY ENVIRONMENT

To achieve this competency, Directors should demonstrate an appropriate level of knowledge and experience collaborating with government, and understanding the regulatory environment.

Competency Level	Government and Regulatory Environment Competency Attributes
<p><b>Basic</b></p>	<ul style="list-style-type: none"> <li>• Explains and describes the:                             <ul style="list-style-type: none"> <li>➢ Role of the Ministry of Government and Consumer Services</li> <li>➢ Role of other Ontario based DAAs</li> <li>➢ Responsibilities of the Board and Directors with regards to policy development and monitoring</li> </ul> </li> <li>• Understands the role of a regulator and the regulatory environment.</li> <li>• Knowledge of the regulation amendment process.</li> <li>• Promotes regulatory compliance.</li> <li>• Knowledge of Provincial government organization in general.</li> </ul>
<p><b>Good</b></p>	<p><b>Basic PLUS:</b></p> <ul style="list-style-type: none"> <li>• Identifies gaps in the BAO’s policies and practices, related to regulatory compliance.</li> <li>• Initiates direction to address policy gaps.</li> <li>• Knowledge of issues affecting the bereavement industry in Ontario.</li> </ul>
<p><b>Strong</b></p>	<p><b>Good PLUS:</b></p> <ul style="list-style-type: none"> <li>• Explains the application of relevant policies and the principles upon which they are built.</li> <li>• Explains the rationale for Policy changes and the impact of such changes to the organization’s compliance and sound business standards and practices.</li> </ul>

## 6. STAKEHOLDER RELATIONS

To achieve this competency, Directors should demonstrate an appropriate level of knowledge and understanding of how to build third-party networks that can develop credible, united voices about issues, products, and/or services that are important to the organization.

Competency Level	Stakeholder Relations Competency Attributes
Basic	<ul style="list-style-type: none"><li>• Identifies the key stakeholders and stakeholder groups.</li><li>• Good interpersonal and communication skills and the ability to work effectively with a wide range of constituencies in a diverse community.</li></ul>
Good	<b>Basic PLUS:</b> <ul style="list-style-type: none"><li>• Ability to facilitate the stakeholder engagement process.</li><li>• Identify the legitimate concerns and interest of key stakeholders.</li></ul>
Strong	<b>Good PLUS:</b> <ul style="list-style-type: none"><li>• Design a process for dealing with stakeholder concerns.</li><li>• Good presentation skills (verbal and written), careful listening, problem framing and use of presentation technologies.</li><li>• Ability to use independent judgment and to manage and impart information to a range of internal and external organizations and constituencies.</li></ul>