



Effective Governance Practices in BIDs

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Three research objectives

1. To understand the perception and expectations of the CEO's role and responsibilities
2. To understand the perception and expectations of the Chair's role and responsibilities
3. To discover if there is a correlation between a BID's maturity and good corporate governance practices





Sample size and context

Collective case study

10 BIDs

17 Interviews

Job Role / Term	FIRST	SECOND	THIRD
CEO	3	3	4
CHAIR	3	3	2





Analysis of the data set

Five themes emerged:

1. Recruitment
2. Roles and Responsibilities
3. Governance
4. Training and Competence
5. Relationship





Key Findings





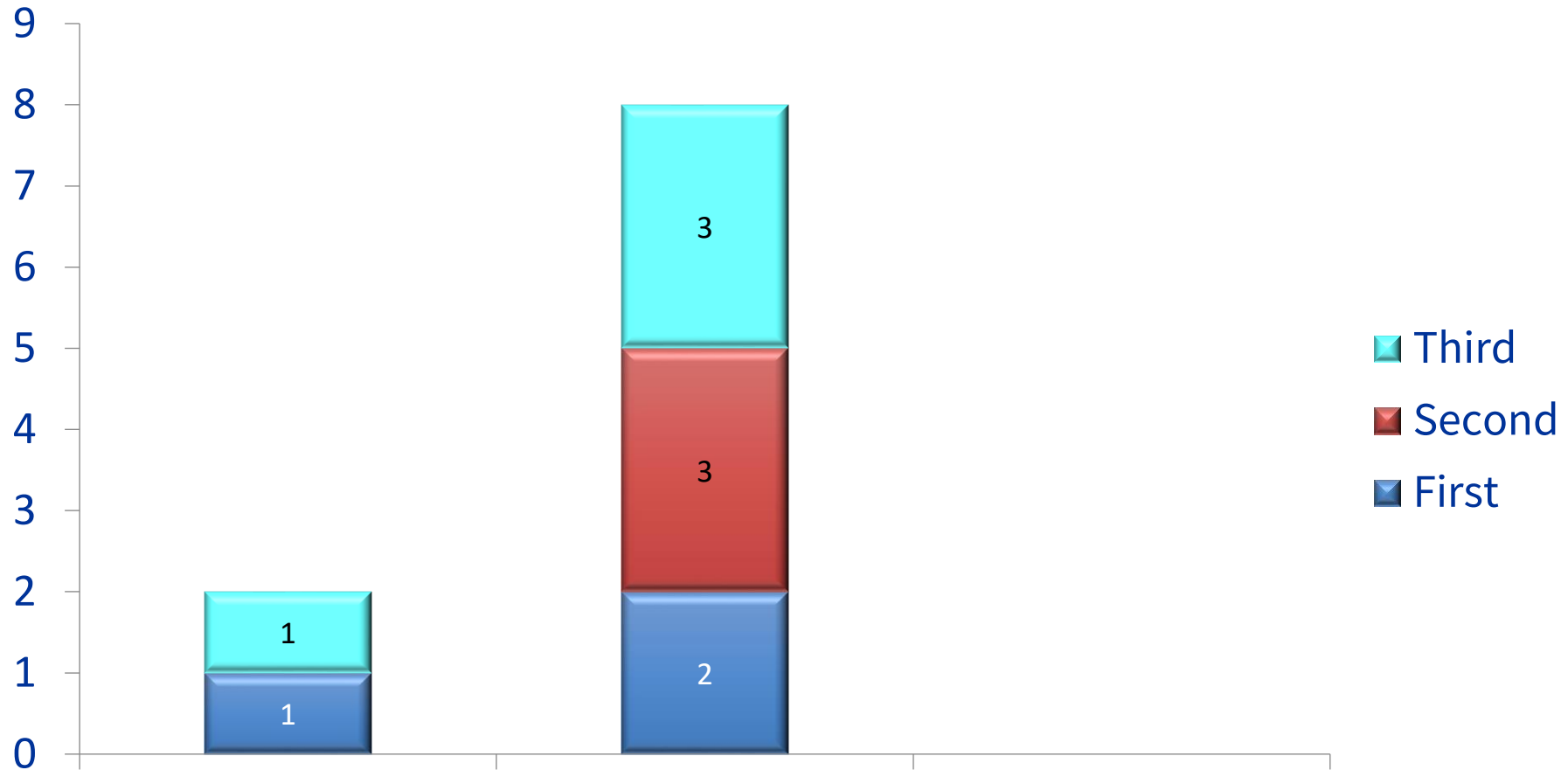
General acceptance of roles but some overlap...

Response	CEO	Chair
Delivery of business plan and projects	7	-
Strategy, decision-making and leadership	3	6
Director engagement and contribution	2	5
Line Management	-	1
BID Board are delivering	-	3
Supporting CEO	-	8



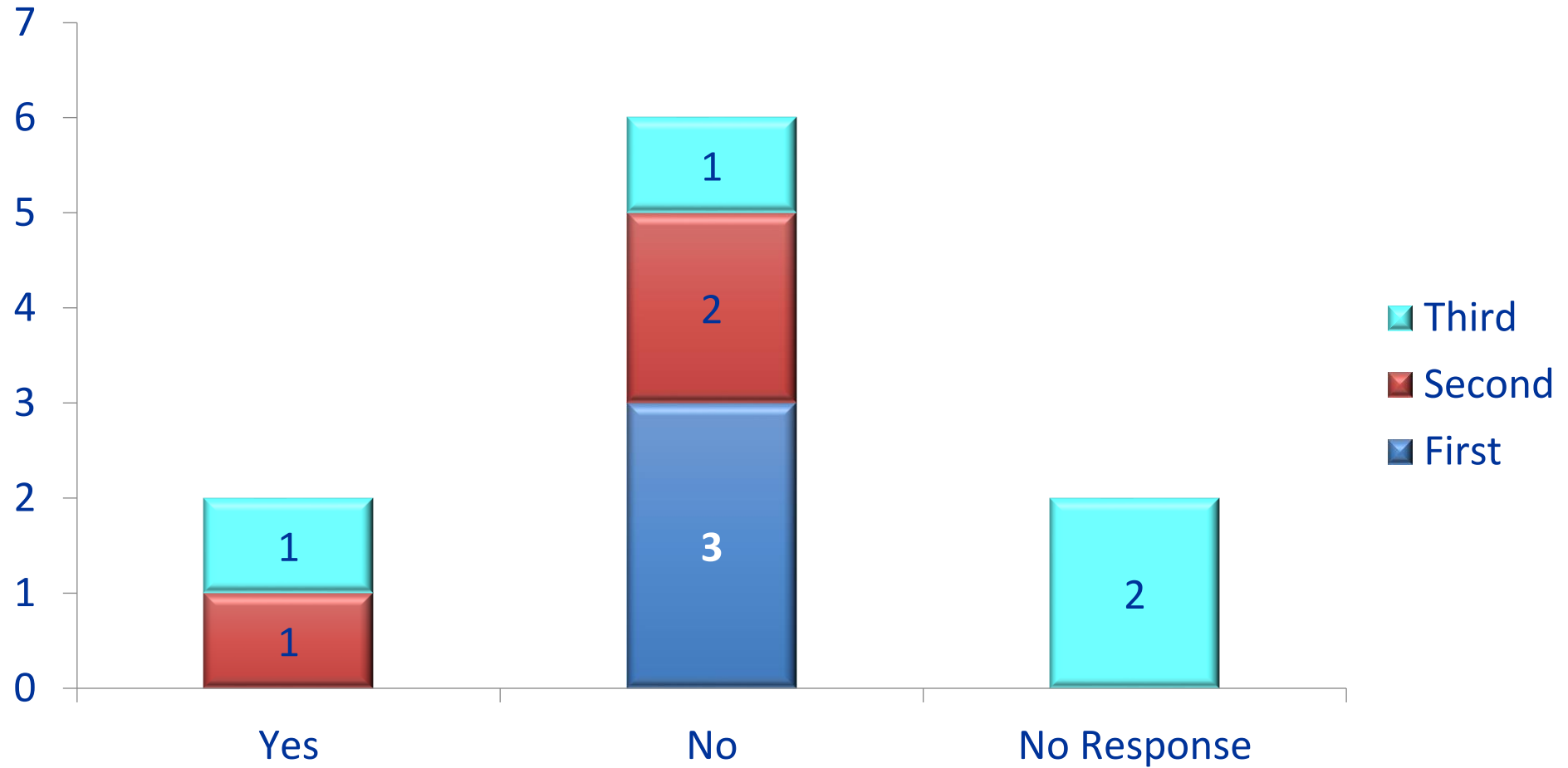


Chair's support does not equate to evaluating CEO's performance



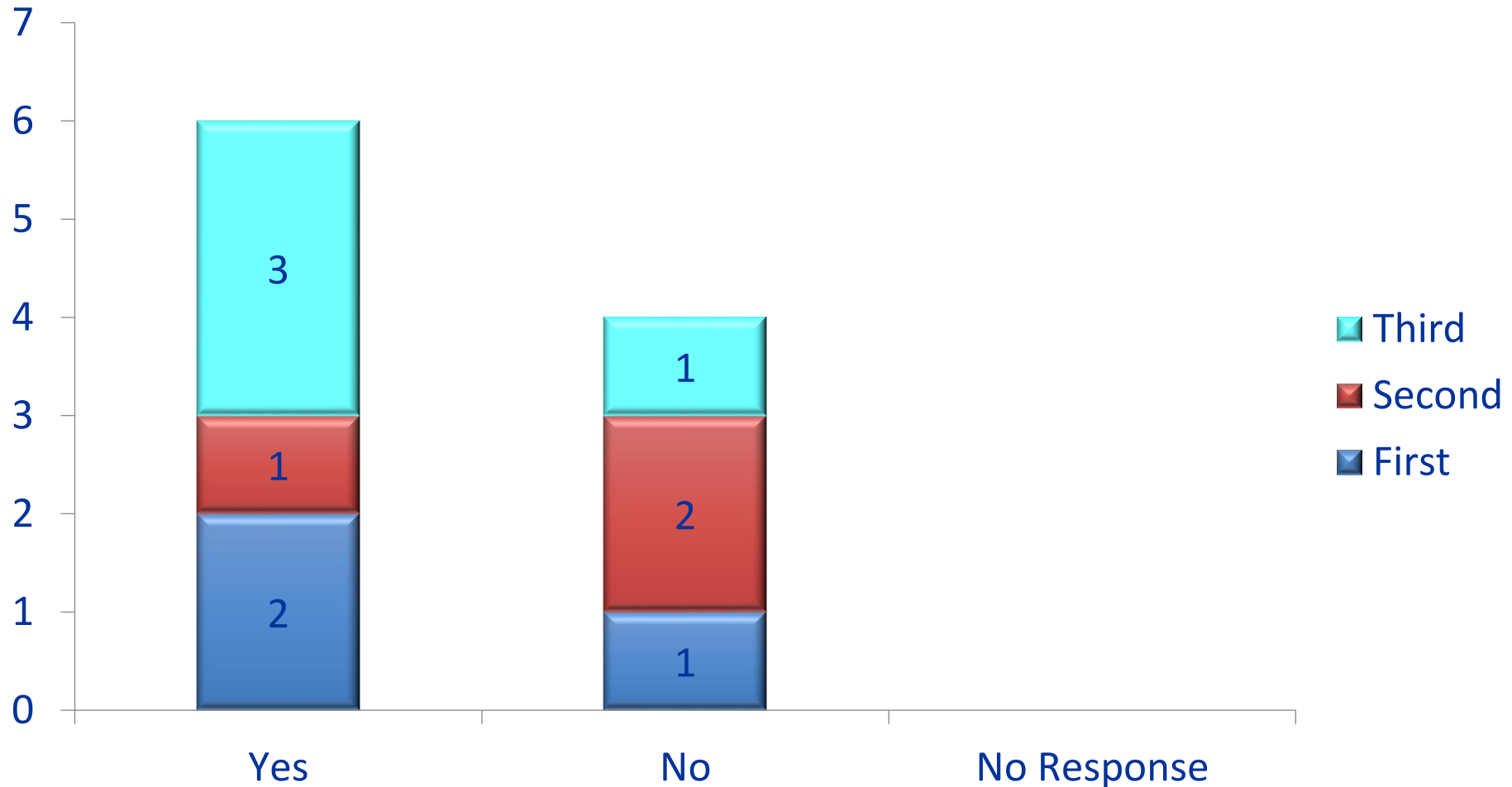


Chair and director recruitment process lacks formality



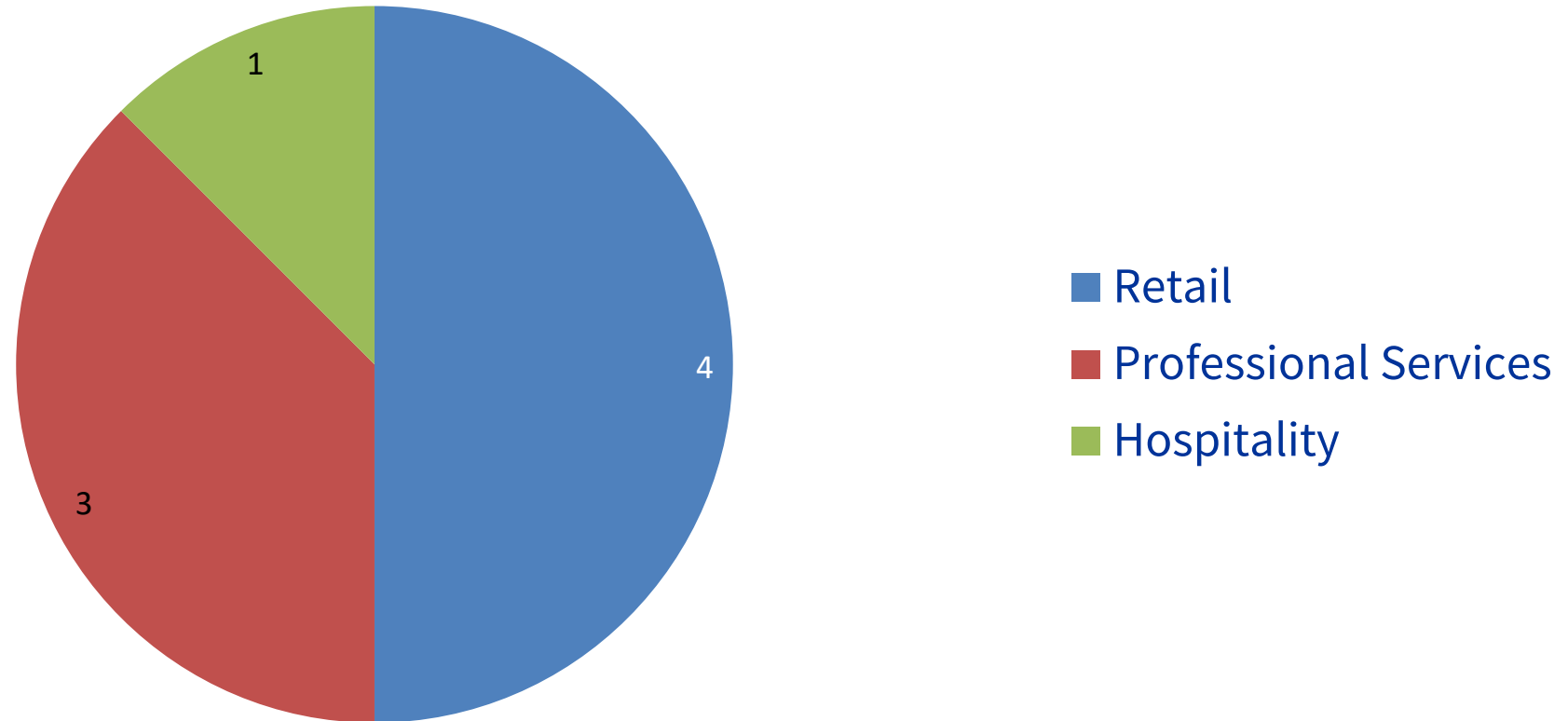


Lack of corporate governance and chairmanship experience



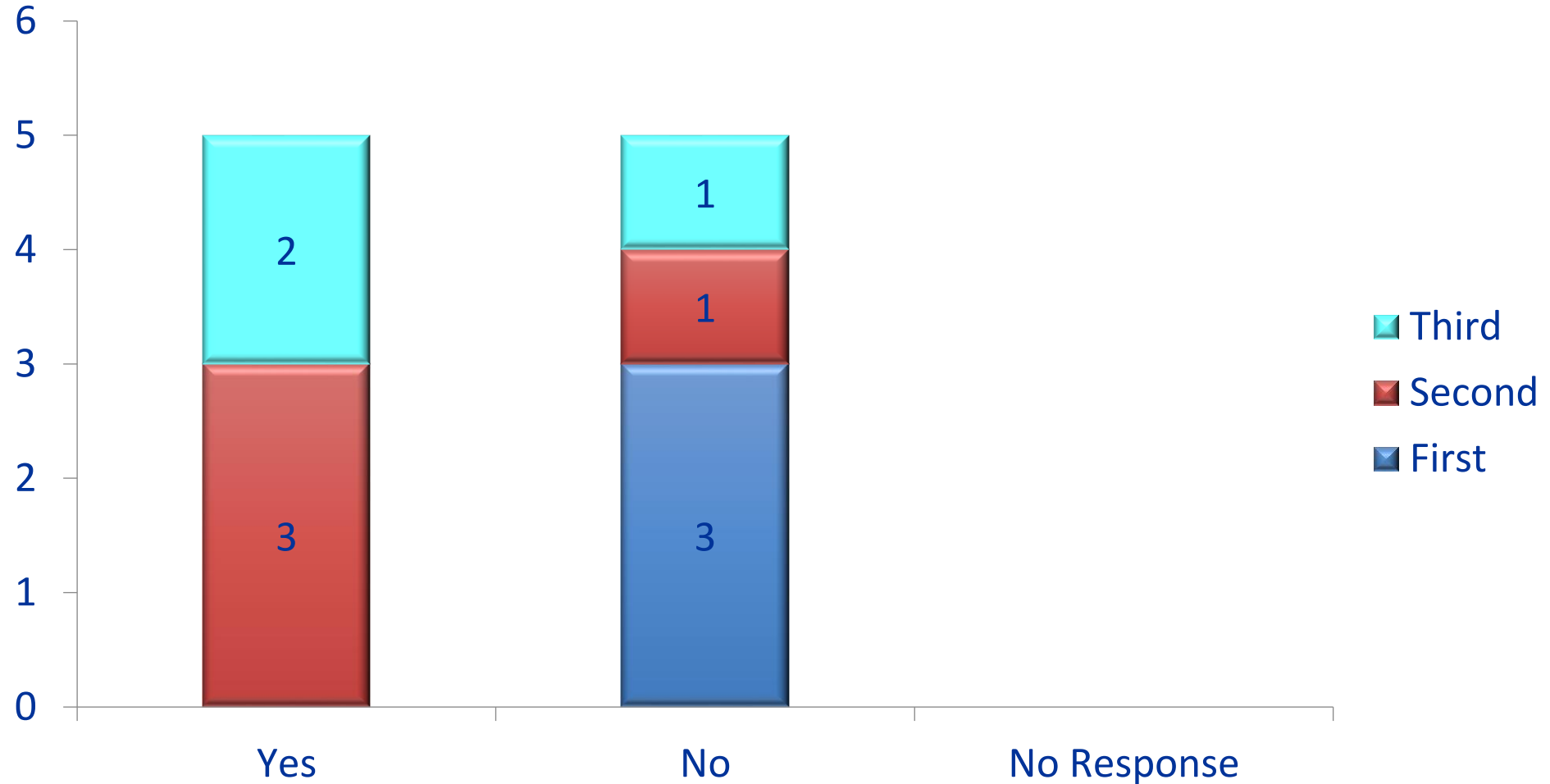


And perhaps the day job of a Chair matters





Inconclusive results whether a CEO should separate their liabilities from the Board





Recruiting a cross-section of directors to ensure variable demography is important

	14	15	16	17	18	19	20	21
First	1	-	-	2	-	-	-	-
Second	-	1	-	1	-	1	-	-
Third	-	-	1	-	1	1	-	1
Total	1	1	1	3	1	2	0	1





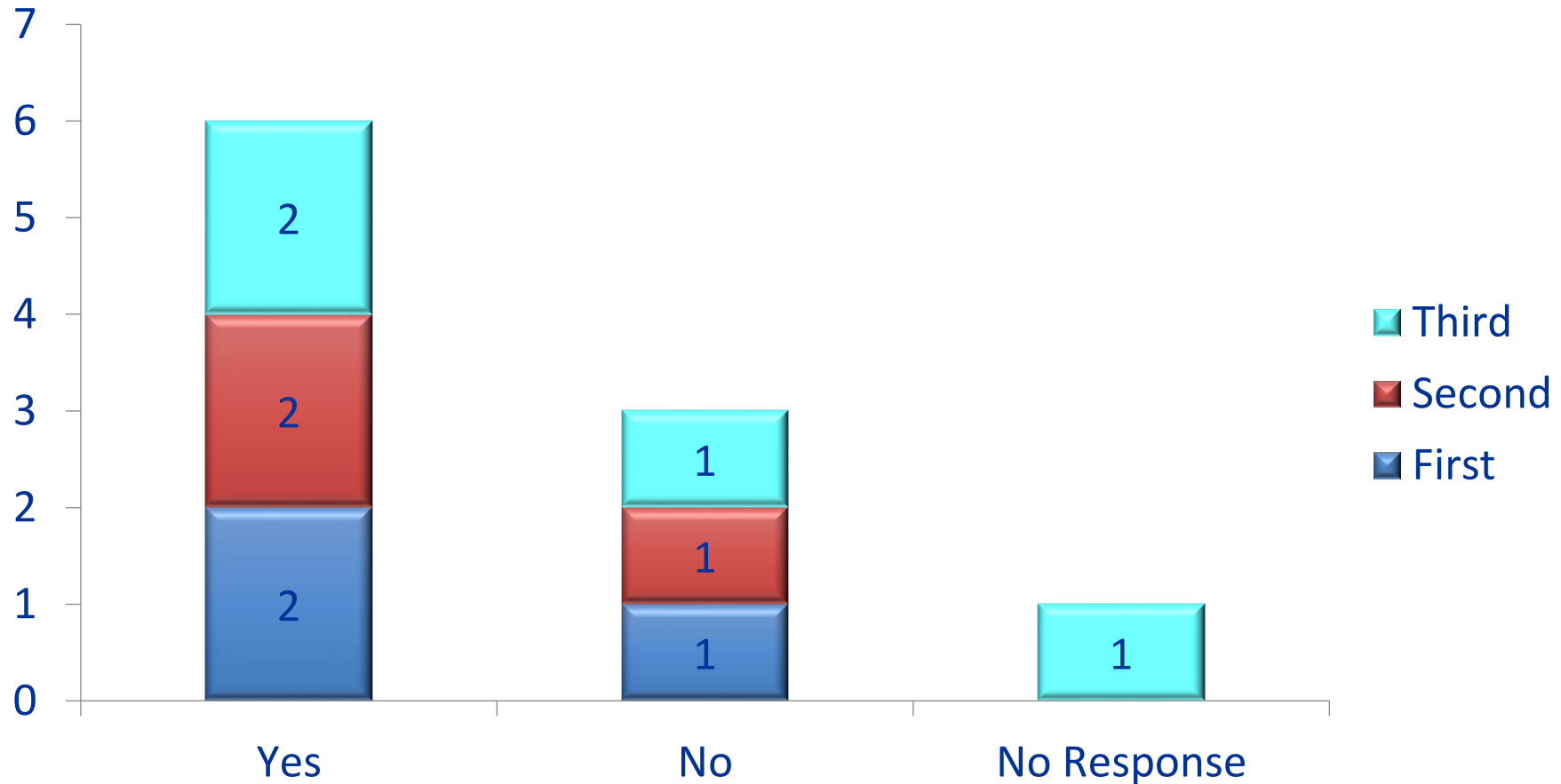
Frequency of meetings doesn't have an impact on good corporate governance practices

	Monthly	Every Other Month	Quarterly	Other
First	1	-	2	-
Second	-	2	-	1
Third	1	1	1	1
Total	2	3	3	2





Absence of a structured tenure rule equates to no succession planning and disengagement from levy payers





CEOs and Chairs should meet regularly but caution should be adopted to ensure the partnership stays professional

Interviewee	Response
CEO 1, First Term	“We get on really well both personally and professionally.”
CEO 4, Second Term	“I would call our relationship friendly, but we’re not friends. I have a very strict personal policy about being friends with board directors outside of the BID. I think it is important to have that separation.”
Chair 5, Second Term	“I think I have a good working relationship with the CEO; we do not have a social relationship.”
CEO 7, Third Term	“I’ve known the Chair, longer than my teenage son. They gave me advice with my family.”
CEO 8, Third Term	“We’re good friends...I feel I can confide in them.”





Recommendations



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Implement a tenure rule of the directorship including the Chair role





Formalise recruitment of directors by implementing an application process





Create a job description for the Chair





Review corporate governance structures regularly





Assess why and whether the CEO should be separated from the directorship





CEOs and Chairs should meet regularly

