

CARVER GUIDE #1

BASIC PRINCIPLES OF POLICY GOVERNANCE

PRINCIPLE #1 – The Trust in Trusteeship

PRINCIPLE #2 – The Board Speaks with One Voice or Not at All

PRINCIPLE #3 – Board Decisions Should Predominantly Be Policy Decisions

PRINCIPLE #4 – Boards Should Formulate Policy by Determining the Broadest Values Before Progressing to More Narrow Ones

PRINCIPLE #5 – A Board Should Define and Delegate, Rather Than React and Ratify

PRINCIPLE #6 – Ends Determination Is the Pivotal Duty of Governance

PRINCIPLE #7 – The Board's Best Control over Staff Means Is to Limit, Not Prescribe

PRINCIPLE #8 – A Board Must Explicitly Design Its Own Products and Process

PRINCIPLE #9 – A Board Must Forge a Linkage with Management That Is Both Empowering and Safe

PRINCIPLE #10 – Performance of the CEO Must Be Monitored Rigorously, but Only Against Policy Criteria