

# The Principles of Good Governance



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## Principle of Good Governance

## Example of the Principle of Good Governance in Practice



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### **Participation, Representation, Fair Conduct of Elections**

A social enterprise should clearly define and work by the methods to which governors or trustees are selected and organised.

### **Responsiveness**

If governance of the enterprise is under question by a whistle-blower, then timely and adequate response should be given to all stakeholders.

### **Efficiency and Effectiveness**

Governors meetings can be regularly timetabled and appropriate meeting remits prepared with minutes of meetings published promptly after meetings.



### **Openness and Transparency**

Governance successes, failures, practices, protocols and processes can be published at an annual review or posted regularly for public review.

Source:pixabay.com

### **Rule of Law**

Clearly defined statements that compliance to legal requirements is mandatory and legal compliance checks are carried out regularly.

### **Ethical Conduct**

The governing body could produce its own Ethical Conduct Policy and also approve Ethical Conduct Policy for the social enterprise.



### **Competence and Capacity**

Governors should be able to demonstrate their competence to carry out their role and availability to attend meetings, to research and prepare reports.

Source:freepik.com

### **Innovation and Openness to Change**

The governing body of a social enterprise should have mechanisms in place to identify factors affecting change and issues impacting on the organisation and prepared to accept the need for change.

**Sustainability and Long-Term Orientation**

Investment decisions should consider the ability to fulfil current demands and provide for business continuity and be risk based.

**Sound Financial Management**

Financial protocols should be adhered to and a basis of financial planning, implementation and control should lead to financial improvements.



Source:freepik.com

**Human Rights, Cultural Diversity and Social Cohesion**

Policies and procedures should be in place and approved by the governors to ensure all rights are met.

**Accountability**

Who is accountable for what should be documented in policy statements. In general, an organization is accountable to those who will be affected by its decisions or actions as well as the applicable rules of law.