

# ATRT2 Recommendation 3 Implementation

Board Performance and Work Practices

31 December 2015

## Implementation 3 Timeline



February  
2016

## Recommendation 3 Implementation Description

Recommendation 3 states: The Board should conduct qualitative/quantitative studies to determine how the qualifications of Board candidate pools change over time and should regularly assess Directors' compensation levels against prevailing standards.

The implementation of this recommendation is partially tied to the implementation of Recommendations 1 & 2.

In order to evaluate the qualifications of Board candidates over time, a Board self-assessment questionnaire was developed. This questionnaire has been completed by all current Board Members and will be completed by new Board members when they join the Board. These individual questionnaires will help identify and propose tailor-made training programs for individual Board members, as well as inform any general training for the full Board that might be beneficial.

Staff is working on putting in place a development/ongoing training program aimed at building new skills and knowledge among the Board to enhance performance of Board members in specific areas of expertise.

In February 2016, the Board approved the initial set of KPIs and agreed to continue to develop of more comprehensive, richer set of KPIs and other relevant metrics with which the Board can measure its effectiveness and improvement over time – see [Board resolution](#) for more details. The tracking and analysis of these metrics over time will help to measure progress and identify areas needing adjustment, as part of ICANN's continuous improvement effort.

## Status of Deliverables

	Responsible	Re-plan Date	Original Due Date
Develop a Board self assessment questionnaire	Staff		✓
Ensure that the Board completes self-assessment questionnaire	Staff		✓
Develop Post Training Skills Assessment	Staff		✓
Operationalize regular assessment of Directors' Compensation	Staff		✓
Initial set of KPIs including training efficiency and Board Performance documented and vetted with the BGC and the Board in preparation for operationalization	Staff	February 2016	June 2015
Recommendation Complete/Operationalized	Staff	February 2015	June 2015



Complete

Planned/In Process

Behind schedule, expected to recover within original plan

Behind schedule, original plan to be adjusted

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### Project Status

This project had both short term and long term components. ICANN staff mapped out specific tasks, milestones, deliverables and dependencies to implement all aspects of the ATRT2 Rec 3. The following short term improvements have been realized:

- The Board self-assessment questionnaire has been developed and completed by each Board member. Newcomers to the Board complete this questionnaire immediately upon appointment.
- A first set of KPIs based on best practices in non-profit public benefit corporations and on ICANN's Bylaws has been developed. Additional KPIs are in the process of being developed and will be regularly reviewed and evaluated by Board Governance Committee (BGC). The BGC has approved an initial set of KPIs to help measure the effectiveness of the Board's improvement efforts and the Board's Performance. The BGC has recommended that the Board adopt this initial set of KPIs to allow for operationalization.

In addition, note that the process for benchmarking Directors' compensation has been operationalized for several years. Since 2009, the Board has regularly directed staff to carry-out studies on ICANN Board members' compensation and approved the appointment of an Independent Valuation Expert to advise the Board regarding compensation arrangements. (See <https://features.icann.org/2009-09-30-study-icann-board-compensation> and <https://www.icann.org/resources/board-material/minutes-2010-02-04-en>).

The initial efforts lead first to approving compensation for the Board Chair in August 2010 (See <https://features.icann.org/2011-08-25-process-steps-consideration-board-remuneration>). This effort was followed up by the approval of compensation for the other Board members in December 2011, following ATRT1 Recommendation 5 (See <https://features.icann.org/2011-12-08-atrt-recommendation-5-board-compensation>). The most recent benchmarking of Board member compensation took place during the first half of 2014, as identified in the July 2014 resolution on Board compensation (See <https://www.icann.org/resources/board-material/resolutions-2014-07-30-en#2.b>). The independent valuation report on Board compensation that led to this resolution was posted for public comment on 30 April 2014. (See <https://www.icann.org/en/system/files/files/board-compensation-considerations-30apr14-en.pdf>.) As indicated in this Report, the commitment is to review Board member compensation regularly, and the current plan anticipates every two years, if feasible and practical.

### Implementation Notes

This process is closely tied to the work on Recommendations Nos. 1 and 2, and all three Recommendations (Nos. 1, 2 and 3) are being worked on by the same cross-functional team, which will help with the integration of these implementation efforts. Note that the assessment of the Board candidate pool is limited to the successful candidates, as access to information about the qualifications for all unsuccessful candidates is not available for this purpose.

To the extent there is non-confidential information relating to Board member candidates available, it can be found through links on the ICANN Nominating Committee page at <https://www.icann.org/resources/pages/nomcom-2013-12-13-en>. The Board will suggest that Nominating Committee consider adopting some changes in response to ATRT2 recommendation,

Outside of the execution of the tasks for Recommendation Nos. 1 and 2, impacting directly Recommendation No .3, there is nothing else that needs to be completed for this Recommendation.