ATRT2 Recommendation 3 Implementation
Board Performance and Work Practices
Recommendation fully implemented as of 3 February 2016

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.

With respect to the first part of this recommendation, it is not in the Board's remit to affect Board candidate pools. This falls within the remit of the Nominating Committee as well as the community groups that nominate individuals for the Board. However, to be responsive to ATRT2, the Board offered to discuss this topic with the Nominating Committee in a joint meeting during which the Board usually provides input regarding required skill sets.

In order to evaluate the qualifications of Board members over time, we developed a Board self-assessment questionnaire. This questionnaire has been completed by all current Board members and will be completed by new Board members when they join the Board. This will help identify tailor-made training programs for individual Board members, and provide general training for the full Board.

Staff put in place a development/ongoing training program to build new skills and knowledge among the Board to enhance performance of the Board and its members in specific areas of expertise.

In February 2016, the Board approved the initial set of KPIs and agreed develop more comprehensive, richer KPIs and other relevant metrics with which the Board can measure its effectiveness and improvement over time – see Board resolution for more details. With regard to ATRT2, the recommendation has been met and can be considered closed.

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	✔	
Recommendation Complete/Operationalized	Staff	✔	

☑ Complete
🟩 Planned/In Process
🟨 Behind schedule, expected to recover within original plan
🟥 Behind schedule, original plan to be adjusted

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Recent Update:

A second set of more substantial KPIs on Board Performance as well as the process by which the Board will conduct ongoing measurement, tracking and evaluation based on the agreed upon KPIs is currently being drafted for assessment by Board Governance Committee (BGC) in the second semester 2016. This continuous evolution of the Board's KPIs goes beyond the scope of what was recommended in ATRT2. The Board thanks the ATRT2 Review Team for expediting its plan to develop the tools so it can measure its own effectiveness on an ongoing basis. For the purposes of ATRT2, the recommendations have been addressed and can be considered closed.

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 ATRT2 Recommendation 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 assessed by BGC in the course of the second semester 2016. They will regularly be reviewed and evaluated by 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 lead 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.

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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, this Recommendation has been addressed and can be considered closed, see Board resolution: https://www.icann.org/resources/board-material/resolutions-2016-02-03-en#2.g. Further, the BGC met with the Nominating Committee in a closed session in Marrakech to begin discussion of this resolution.

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