

Registries Stakeholder Group Statement

Issue: **Draft Final Report of the NomCom2 Review**

Date statement submitted: **7 May 2018**

Reference URL: <https://www.icann.org/public-comments/nomcom2-review-2018-03-27-en>

Background¹

Since 2002, the ICANN Bylaws have required the formation of an ICANN Nominating Committee (NomCom) to recruit and select members of the ICANN Board of Directors, SOs, and ACs. While the members of the NomCom are appointed by the ICANN Board and other ICANN bodies, the NomCom was designed to be independent from the ICANN Board of Directors, SOs, and ACs.

The NomCom is responsible for selecting, in total, eight voting members of the Board of Directors, two directors of the PTI, three members of the GNSO Council (two voting and one non-voting), three voting councilors of the ccNSO Council, and five voting/non-voting members of ALAC. Within a given year, the NomCom will typically nominate three ICANN Board directors, two PTI directors, one or two GNSO Council members, one ccNSO councilor, and two or three ALAC members.

The NomCom has a maximum of 15 voting members and six non-voting members, each of whom serves a one-year term. Voting members can serve two consecutive terms, after which they must wait two years to serve on the NomCom again.

The NomCom Chair and Chair-Elect (selected by the ICANN Board) and the Associate Chair (selected by the NomCom Chair) lead the committee and are non-voting members. The other NomCom members are appointed by Constituencies within the SO/ACs. Although the Government Advisory Committee (GAC) can appoint one member, it has historically not done so.

The report makes 26 Recommendations, of which the authors highlight as principal:

- Implementing training for NomCom members on Board governance, leadership, and candidate interviewing and evaluating techniques;
- Extending NomCom members' term to two years and all allowing all non-leadership members to vote;
- Rebalancing the NomCom to more accurately reflect the larger ICANN community;
- Codifying NomCom processes and formalizing job descriptions for both NomCom members and appointees.
- Developing standardized evaluation approaches to make recruiting and evaluation processes more consistent;
- Clarifying the desire for and definition of independent Board directors.

In 2014 a Board Working Group on the NomCom posted 14 recommendations for implementation for the 2015-2016 NomCom (BWG doc <https://www.icann.org/en/system/files/files/bwg-nomcom-21aug14-en.pdf> and report on comments <https://www.icann.org/en/system/files/files/summary-comments-bwg-nomcom-26jan15-en.pdf>).

The RySG submitted comments on these proposed changes (21 Nov 2014) https://docs.wixstatic.com/ugd/ec8e4c_8331ce5524b34e63886e06ed8238fdb.pdf.

¹ *Background: intended to give a brief context for the comment and to highlight what is most relevant for RO's in the subject document – it is not a summary of the subject document.*

Registries Stakeholder Group (RySG) comment:

The ICANN Nominating Committee (NomCom) is critically important to the success of the multistakeholder model and the organization. The Registries Stakeholder Group (RySG) welcomes the opportunity to comment on the Draft Final Report of the NomCom2 Review.

Overarching comments

The RySG supports the report's general themes of: more training for NomCom members about how to review, select and interview candidates; more process documentation to encourage efficient transitions and knowledge transfer; improved documentation and communication about core competencies; and standardized screenings, evaluations, and interviews (to improve consistency). We look forward to contributing to the implementation details, as we think that's where the community will need to balance the goals and neutrality of the NomCom with the recommended improvements.

In a few places, the report makes recommendations without analyzing why things were done that way, what benefits might be gained from not disrupting the status quo, and what risks may arise from the proposed change. We highlight some of those areas where relevant below.

Additional Recommendations

The RySG supports the additional recommendation suggested by the RrSG to create a Standing Committee that exists in parallel to the annual NomCom comprised of ex-NomCom and/or ex-Board members and perhaps even the current NomCom Chair Elect or Associate Chair. Many of the recommendations described in the report are not the "one-and-done" variety that can be addressed once every 5 years by a Review Working Party. This Standing Committee could be given the responsibility for improving the productivity, transparency and accountability of the NomCom. Their mandate would include reviewing the recommendations in the NomCom's annual report and subsequently performing a feasibility study for those that are outside the scope or bandwidth of each year's NomCom. In reference to this report, their institutional knowledge and experience could be used to provide input on, amongst others, a) training for the NomCom, (Recommendations 2, 3 and 4); b) the NomCom budget and staffing resources (Recommendation 12); c) the process diagram (Recommendation 13); d) the marketing plan for targeting prospective candidates (Recommendation 19) and e) the standardised evaluation matrix and interview questions (Recommendations 21 & 22).

The RySG wishes to reiterate its 2014 recommendation that current or former NomCom members who have served on NomCom with individuals under consideration for Chair roles should be consulted during deliberations concerning their candidacies. Perhaps this could be through the more

transparent scoring and criteria-development process. We realize that this may require changes to guidelines concerning the confidentiality of NomCom deliberations in order to implement this recommendation. However, individuals who observed Chair candidates exercising NomCom responsibilities will provide essential perspectives in the fitness of candidates to assume leadership roles.

Comments on the recommendations

Recommendation 1: Formalize a job description for NomCom members that emphasizes diversity and independence and provide that description to the SO/ACs.

The RySG supports job descriptions for NomCom members.
The report lays a good foundation for why this is necessary.

Recommendation 2: Implement and formalize training to further NomCom members' understanding of the roles and responsibilities of Board directors and the practices of high-performing Boards at other nonprofit organizations.

The RySG supports training for NomCom members and leadership.
The report lays a good foundation for why this is necessary.

Recommendation 3: Implement and formalize training for NomCom leadership to further their understanding of their roles, authority, and responsibilities, and confirm or appoint next Chair earlier in the cycle.

The RySG supports training for NomCom members and leadership.
The report lays a good foundation for why this is necessary.

Recommendation 4: Formalize training for NomCom members in the candidate evaluation process.

The RySG supports training for NomCom members and leadership.
The report lays a good foundation for why this is necessary.

Recommendation 5: A professional recruiting consultant should continue to be involved in the role of identifying potential Board candidates. The role of the recruiting consultant should be clarified and published.

The RySG supports both the use of a professional recruiting consultant and that the role and purpose of the consultant should be published. The RySG further supports the 2016 NomCom's recommendation for a sub-committee to research alternatives to the incumbent firm. We would like to see the NomCom periodically and transparently review the firm's effectiveness using some of the metrics discussed later in the report and develop a cadence for re-bidding the contract (as a general good business practice).

Recommendation 6: A professional evaluation consultant should continue to be involved in the evaluation process for Board candidates. The role of the evaluation consultant should be clarified and published.

The RySG welcomes more transparency on the role of an evaluation consultant. We are cautiously optimistic that a consultant could provide significant assistance to the NomCom so long as the consultant makes no decisions, uses criteria defined by the NomCom, and the

consultant is periodically and transparently evaluated for effectiveness. The report provides thoughtful suggestions, which the RySG supports.

Recommendation 7: NomCom members, except for leadership positions, should serve two-year terms, but be limited to a maximum of two terms.

The RySG stands by our comment of Nov 2014 and ‘does support the recommendation for two year terms. Nomcom service is a complex responsibility and the additional year will provide necessary experience and continuity.’ We maintain the strong opinion that ‘no representative should serve two consecutive terms in order to avoid allowing members to be involved in selecting Board members over three consecutive cycles.’

We support maintaining the one-year terms for leadership positions (Chair, Chair-Elect and Associate Chair).

Recommendation 8: Maintain the current size of NomCom.

While the RySG supports maintaining the current size of NomCom based on our own understanding, the report provides no information to allow any reader to be fully informed of the risks or benefits of supporting or opposing the recommendation. We highlight this is one of the areas that is substantively weak on analysis.

Recommendation 9: All NomCom members should be fully participating and voting members, except for NomCom leadership.

The RySG is neutral on allowing RSSAC and SSAC NomCom appointees to vote (with term limits that match other voting members), but doesn’t see how the GAC appointee could vote unless the NomCom break the confidentiality rules for that member so they can get instruction from the GAC. The RySG is aware that the GAC itself has never participated on NomCom and is currently discussing if it sees any way it could participate.

Again, however, the report is scant on analysis. The report does not articulate why the NomCom was structured this way (no voting, no term limits), what the benefits are, and what the drawbacks are. It does not include any analysis of what benefits or risks might arise from this recommended change. The report appears to rely on the argument “that’s not how other boards work.”

Recommendation 10: Representation on the NomCom should be reviewed every five years, and, if necessary, re-balanced.

The RySG supports establishing a cross-community working group to investigate how well the NomCom represents the community. Given the staggering number of projects ICANN has underway, and the likelihood that any recommendation to re-balance the NomCom is likely to be a significant effort, we do not support establishing a five-year cadence without evidence as to why that number was selected.

Recommendation 11: The senior staff member supporting NomCom should be accountable to and report to the office of the CEO.

Some important decisions are made by ICANN staff without consultation or involvement with NomCom members and in advance of their convening (i.e. on the NomCom budget).

Therefore having the senior staff member supporting NomCom to be as accountable by reporting to a senior office in ICANN is a good idea. We agree with the suggestion also made by the RrSG that given that the NomCom's role is primarily one of recruitment, the VP of Human Resources should be considered as an alternative to the CEO office. The Standing Committee should also be involved with ensuring the NomCom receives adequate support from ICANN staff.

We observe an analytical disconnect between the finding that the NomCom is understaffed and the recommendation is that the senior NomCom staffer should report to the CEO. We interpreted this recommendation to mean if the NomCom budget gets higher visibility in the ICANN org, then such issues as staffing might be addressed, but it would have been helpful for the report to have made that connection.

Recommendation 12: NomCom leadership should have input on the NomCom budget and staffing resources.

The RySG supports allowing NomCom leadership to review the budget and identify the NomCom's needs and financial priorities.

Recommendation 13: Publish a "Process Diagram" and codify key elements of the NomCom process. Each year, the NomCom should be required to highlight and explain process changes to the ICANN community in an open session.

The RySG supports additional transparency and codification of NomCom processes.

The report lays a good foundation for why this is necessary.

Recommendation 14: Formalize communication between the NomCom and the Board, SO/ACs, and the PTI Board in order to understand needed competencies and experience.

The RySG supports better communication about competencies and experiences.

The report lays a good foundation for why this is necessary.

Recommendation 15: The NomCom should continue the practice of publishing detailed job descriptions for the Board, SO/AC, and PTI Board positions. The job descriptions, in combination with specific needed competencies identified each year by the NomCom, should form the basis for recruiting and evaluation efforts.

The RySG supports the continued publication of detailed job description and additional transparency and codification of required competencies. The report lays a good foundation for why this is necessary.

Recommendation 16: Implement and codify a system for providing feedback to the NomCom regarding the contributions and participation of members up for re- appointment by the NomCom.

The RySG supports establishing a transparent and repeatable system for providing feedback to the NomCom regarding members up for re-appointment. We look forward to participating in implementation, though some members have reservations about making information like Board 360 scorecards available as it could compromise confidentiality. We also support gathering and recording public participation metrics, for instance via the scorecard recommended by the report, that can help support a decision for re-appointment or not.

Recommendation 17: Maintain current diversity requirements for NomCom appointees.

The RySG supports an overall goal of pushing forward with as much diversity and inclusion as possible. We highlight that this is another example of where the report discusses what some interviewers thought, but then made a recommendation with little to no analysis. The recommendation here is unsupported by any rationale for why a goal to increase diversity will be unproductive. Diversity can be achieved through more than quotas. Secondly, we observe that the findings section seems to imply that NomCom must choose EITHER high-quality OR diverse candidates. We believe that the NomCom and its consultants can do better to achieve candidates that are BOTH high-quality and diverse.

Recommendation 18: Publish a candidate communication schedule and codify a communication process with candidates.

The RySG supports establishing and publishing a communication process with candidates to improve the candidate experience. The report lays a good foundation for why this is necessary.

Recommendation 19: ICANN staff and the recruiting consultant, along with NomCom members, should leverage the detailed job description and desired competencies and experience to develop a marketing plan to better target prospective candidates.

The RySG supports better marketing for candidates. The report lays a good foundation for why this is necessary. However, the report doesn't go far enough, implying that simply notifying candidates of openings will numerically increase diversity (geographic, gender, and ICANN-experience). We suggest that, in implementing Recommendation 1, NomCom should select a vendor based on their reputation for drafting job descriptions that recognize and account for hidden bias against diverse candidates, and who have special expertise in outreach to diverse pools of candidates, thereby reducing the likelihood that they will self-select out.

Recommendation 20: The evaluation consultant should do a preliminary screen of all Board candidates and provide blinded assessments to the NomCom to assist the NomCom with reducing the pool of candidates to the deep-dive shortlist.

The RySG supports the report's concrete recommendations to set out clear assessment, evaluation, and interview criteria. The report lays a good foundation for why this is necessary.

Recommendation 21: The NomCom should use a standardized matrix to evaluate and prioritize candidates, based on desired competencies and experience.

The RySG supports the report's concrete recommendations to set out clear assessment, evaluation, and interview criteria. The report lays a good foundation for why this is necessary.

Recommendation 22: The NomCom should provide consistent interview questions and an interviewer evaluation form for the candidates interviewed during the deep-dive phase and the final face-to-face interviews.

The RySG supports the report's concrete recommendations to set out clear assessment, evaluation, and interview criteria. The report lays a good foundation for why this is necessary.

Recommendation 23: The NomCom should publish additional data on the candidate pool and the recruiting source of candidates.

The RySG supports more transparency on NomCom processes, including aggregated metrics on the candidate pool and recruiting. The report lays a good foundation for why this is necessary.

Recommendation 24: Inform assessments of the NomCom by assessing the performance of the Board.

While we are supportive of an ICANN Board that is critical of its own effectiveness and performance, and agree that sharing information about what competencies currently exist and what potentially need to be filled with the NomCom could be helpful in the search for candidates, some RySG members are concerned that sharing the results of a Board self-assessment outside the Board with the NomCom may be ineffective and risks breaches in confidentiality.

Recommendation 25: ICANN should investigate advancing its nominations process into a Leadership Development function.

The RySG theoretically supports further Leadership Development, but is also concerned that this would negatively impact ICANN's budget and believe this work should be deprioritized in light of other, more pressing options listed above that are likely to result in a greater positive impact.

Recommendation 26: Provide clarity on desire for independent directors and designate three specific seats for "Independent Directors."

This recommendation is too vague for the RySG to either support or oppose. We would like more information on why the report recommends a quota of Independent Directors and where did "3" come from? Previously the benchmark was "high-quality" candidates (Recommendation 17). Perhaps instead a scorecard could be used to prioritize evidence of independence in all candidates, if that is a desired outcome.
