

Indian Standard on ‘Guidance on Good Governance’

Organizational governance is the system by which an organization is directed and managed in pursuit of its objectives. All organizations make and implement decisions within a governance system, having formal or informal processes and structures.

Through the process of governance, organizations aim to meet the owners’/promoters’ aspirations and societal expectations. Good governance is backed by the fundamental belief of maximizing value for all stakeholders, transparency in functioning, and respect and mutual trust amongst all constituents of organization and stakeholders. It is a culture that guides the Board, management and employees to function towards best interest of all stakeholders.

IS 16010:2012 ‘Guidance on Good Governance’ provides guidance on good governance practices by an organization irrespective of its size, type, location or nature of activities. It is intended to provide assistance to organizations engaged in Public Private Partnerships (PPP), having varying governance structures.

This standard is generic and is not intended to enforce uniformity of practices or overwrite the existing rules and regulations as they would vary from organization to organization depending upon its structure, policies, objectives, products and services, processes and specific practices employed.

This standard specifies principles that any management should adopt for a value based approach, namely, integrity, accountability, transparency and ethical conduct & values besides legal compliance. It also specifies governance structure for corporate and others like the role, duties, responsibilities, authorities and accountability of its Board and Board members including their liabilities. It is intended to provide assistance to organizations engaged in Public Private Partnerships (PPP), having varying governance structures. It also talks about the varying maturity model that the organization can adopt while going up the ladder towards implementation of the good practices and principles of governance.