Building A Better Board

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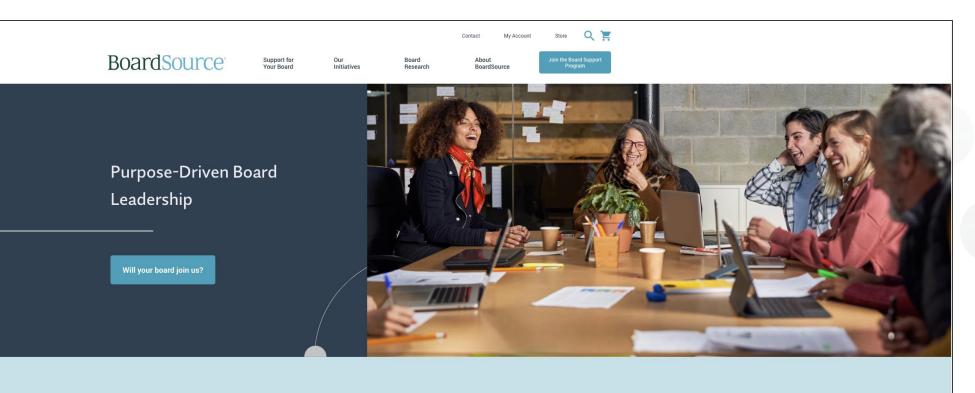
Building A Better Board

Board development and recruitment should be proactive and not reactive. It should be strategic, long-term, and intentional. Board development and recruitment is an ongoing and continuous process.

Armstrong McGuire

RETAINING & RECRUITING

Hint: It starts with clarity and transparency

SETTING THE STAGE

A General Overview of a Nonprofit Board Member's Roles & Responsibilities

GEARING UP

Attributes of an Effective Board & CEO

> " The board of trustees of a nonprofit organization has one responsibility: to keep the organization on a straight course for the long-term good of the whole. In other words, trustees exist to govern the organization—to monitor quality and to see to it that the organization fulfills its mission. "

Charting the Territory of Nonprofit Boards
Taylor & Chait, 1989
Harvard Business Review

> " The problems start when a businessperson walks into a nonprofit group's board meeting for the first time and thinks she has stepped into familiar waters. "

Don't Assume the Shoe Fits
F. Warren McFarlan, 1999
Harvard Business Review

When the Board and CEO Partner

- Setting mission, vision, and values

- Defining strategy (resource development, programmatic, outreach and engagement, advocacy)

- Developing the budget

- Recruiting and onboarding board members

When the Board Leads

- Hiring, supporting, monitoring, providing feedback to, and evaluating the CEO

- Developing individual knowledge and skills

- Training and mentoring board peers

- Assessing and ensuring accountability of the board

- Planning board and CEO succession

- Maintaining focus on strategy

When the Board Follows

- Volunteering (outside of board service)

- Providing operational support as requested

- Implementing resource development strategies

- Implementing programmatic strategies

- Implementing outreach and engagement strategies

- Implementing advocacy strategies

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" The key to improved performance is discovering and doing what we call the *new work* of the board.

The new work has four basic characteristics. First, it concerns itself with crucial, do-or-die issues central to the institution's success. Second, it is driven by results that are linked to defined timetables. Third, it has clear measures of success. ***Finally, it requires the engagement of the organization's internal and external constituencies.*** The new work generates high levels of interest and demands broad participation and widespread support.

"

The New Work of the Nonprofit Board
Taylor, Chait & Holland, 1996
Harvard Business Review

GETTING TO WORK

Roles & Responsibilities of the Board and Individual Members

Three Key Roles of the Board

1. Set Organizational Direction

2. Provide Oversight

3. Ensure Necessary Resources

ROLE #1: Setting Organizational Direction

Responsibilities:

- Participate in regular strategic planning
- Determine organization's mission
- Set the vision for the future
- ***Establish organizational values***
- Set major goals and develop strategies
- Approve operational or annual plans

ROLE #2: Providing Oversight

Responsibilities:

- Oversee financial management
- Minimize exposure to risk
- Measure progress against the strategic plan
- Monitor and evaluate programs and services
- Provide legal and moral oversight
- Formally evaluate the chief executive (annually)
- ***Evaluate itself (every two to three years)***

ROLE #3: Ensuring Necessary Resources

Responsibilities:

- Hire, oversee, and support executive leadership
- Ensure adequate financial resources
- ***Enhance the organization's public standing and advocate for the mission***
- Ensure the presence of a capable and responsible board

Legal & Moral Oversight

Ensure compliance with legal requirements

- Articulate and safeguard organizational values

- Avoid or, if necessary, manage conflicts of interest

- Hold everyone associated with the organization accountable
  - Paid staff and volunteers
  - Board and board members

Individual Board Member Responsibilities

- Act in Accordance With Legal Standards

Duty of Care

- Stay informed and ask questions

Duty of Loyalty

- Show undivided allegiance to organization's welfare

Duty of Obedience

- Stay faithful to the organization's mission

Individual Board Member Responsibilities

- Participate in the governance of the organization

- Work on committees and task forces

- Volunteer services to the organization outside of board work

- ***Serve as ambassadors to the community***

Individual Board Member Responsibilities

- Participate in Fundraising Activities

  - Make a personal financial contribution

  - Provide names of potential donors

  - Visit funders

  - Write thank-you notes

  - Attend fundraising events

  - Act as a resource to director of development and chief executive

Individual Board Member Responsibilities

Additional Ways to Serve: Ambassador

- Secondary importance to governance, but a critical role
  - Board members are in a better position to do this than others (more authority/clout)
  - Organizational sustainability is critical

- Examples might include giving presentations about the cause/organization, educating elected officials, and writing newspaper editorials

Individual Board Member Responsibilities

Additional Ways to Serve: Volunteer for the Organization

- Helps board members understand the organization

- Builds a positive organizational culture

  - Board members are merely volunteers in this role, not in charge, not possessing higher authority, not acting on behalf of the board

TAKING ACTION

Working Together

Conflict in the Boardroom

- What does the term conflict bring to mind?

- Why do you think we are talking about this topic?

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Unproductive Conflict

- More about <u>how</u> things are said/perceived vs. <u>what</u> is being said

- Is most often a clash in communications styles

- Can be driven by real or perceived power dynamics

- Can move the conversation from the issue at hand to focus on personalities and behaviors

- Results in lower morale, greater absenteeism, and disconnection

"Conflict is inevitable. Combat is optional."

Roger Dean Duncan
<u>Productive Conflict is Not An Oxymoron</u>

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Productive Conflict

- Remains focused on the issue at hand

- Creates a safe environment that allows all voices to be heard

- Promotes an open exchange of ideas

- Encourages listening

- Facilitates growth and innovation

- Results in action

"Successful leaders manage conflict; they don't shy away from it or suppress it but see it as an engine of creativity and innovation."

Ronald Heifetz and Marty Linsky
Harvard University Faculty, Authors

Productive Conflict

- Identify your ideal conflict culture

- Be solution focused

- Understand one another's conflict styles

- Show the value in difference of opinions

- Find a mutually agreed-upon solution

- Allow each person to express their ideas

- Keep emotions in check

Adapted from *7 Tips to Create a Culture of Productive Conflict*
Alexandra Hewko, July 2022

" When you have a conflict, that means that there are truths that have to be addressed on each side of the conflict. And when you have conflict, then it's an educational process to try to resolve the conflict. And to resolve that, you have to get people on both sides of the conflict involved so they can dialogue. "

Dolores Huerta
Labor and Civil Rights Activist

" Whenever you're in conflict with someone, there is one factor that can make the difference between damaging your relationship and deepening it. That factor is attitude. "

William James
Philosopher

RECRUITING

You cannot know what you need, until you know what you have

Board Inventory/Matrix

- Who is your Board?

- How long have they served?

- How many times have they served?

- Are they representative of the place you call home?

- Are they representative of the population you serve?

- What are their strengths?

- Where are their areas of weakness?

- Do they have content expertise?

- Do they have community connections?

Source: Board Source

The Intangibles

- Are they committed to the mission?

- Do they like each other?

- Are they resilient?

- Are they supportive? Pamlico County

- Do they communicate?

- Do they roll up their sleeves and work?

- Are they fully present?

- Do they laugh?

Source: Board Source

Taking Stock (Examples)

- Demographics
  - Age
  - Gender
  - Race/Ethnicity
  - Geography
  - Education
  - Socio-Economics

- Connections
  - Population Served
  - Corporate Partners
  - Faith Communities
  - Government
  - Education
  - Business

Source: Board Source

Taking Stock (Examples)

- Personal Attributes
  - Entrepreneurial
  - Leader
  - Detail Oriented
  - Communicator
  - Team Builder
  - Strategist

- Financial Resources
  - Access
  - Resources
  - Faith Communities
  - Government
  - Education
  - Business

Source: Board Source

Governance or Nominating Committee

- Does your nonprofit have one/both?

- What is the difference?

- Who should be included:
  - Committee Chair
  - Committee Members
    - Engaged
    - Connected
    - Innovative
    - Experienced
    - Committed
    - Relational

Recruitment

- **Identify:** What you have & what you need

- **Cultivate:** Identify your pool & start building relationships

- **Recruit & Engage:** It should be a conversation, not a sales pitch

- **Discuss w/ Candidate:** Include committee chair, board chair, and CEO/ED

- **Discuss w/ Full Board:** Governance/Nominating present candidates to full board for consideration, discussion, and nomination

Source: Board Source

Recruitment: Things to Consider

- **Think Outside the Box:** Be aware of the network feedback loop

- **Talk to Your Partners:** Do they have candidates? How do they recruit?

- **Youth and Young Adults:** How are you engaging them? Making room for them at the table?

- **Social Media:** LinkedIn, Facebook, etc.

- **Talk to Funders:** Ask them what they are seeing? What are the funding?

- **Client Base:** Are they included at the Board table? Can they be?

- **Advisory Committees**: Do you have them? Do they include external, non-board members?

CASE STUDY: Food Pantry (Pamlico County)

Current Operating Budget: $250K per year but facing $25K deficit (will pull from reserves)

Funding: 40% local churches; 25% individual; 25% philanthropic; 10% corporate

Staff: 3 FT/1PT/ 25-50 volunteers per week

Expansion: Board has voted to expand unused warehouse space for an after-school mentoring and food insecurity program. ED is researching grant opportunities.

Board: 9 current board members (by-laws allow up to 12); 3 members on 3-year flights.

Board Demographics: 6 males/3 females; 2 AA, 6 C, 1 A; Average age: 68. Youngest Member: 53.

Geography: 2 NB, 3 Oriental, 2 Arapahoe, 1 Alliance, 1 Bayboro

Profession: 2 retired, 1 FT pastor, 1 stay-at-home, 1 teacher, 1 small-business owner, 1 realtor

Giving: Average board gift is $250 per year; High is $1k and low is $50

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LEADERSHIP DEVELOPMENT

What's a nonprofit board got to do with it?