Hand-outs for Board Governance Discussion

Nonprofit Management Certificate Course
Two Other Articulations of Board Member Responsibilities

Example 1:

- Missionary
- Visionary
- Steward

Example 2: Ten Basic Responsibilities of Nonprofit Boards (from BoardSource)

1. Determine the organization’s mission and purposes
2. Select the executive
3. Support the executive and review his or her performance annually
4. Ensure effective organizational planning
5. Ensure adequate resources
6. Manage resources effectively
7. Determine and monitor the organization’s programs and services
8. Enhance the organization’s public image
9. Serve as a court of appeal
10. Assess its own performance
A Comprehensive Board Development Process

- Examine existing skills, talents within the board
- Identify and prioritize needs within the board
- Identify prospective candidates who can meet the needs
- Recruit candidates (interview, select, nominate)
- Orient new members
- Train and develop all board members
- Assess performance
THE THREE HATS OF A NONPROFIT BOARD MEMBER

Board members wear three different hats as they make various contributions to their nonprofit organizations. The board will enhance its effectiveness and avoid confusion and conflict if all members are clear about those hats.

- **Governance Hat** – Worn only when the full board meets, proper notice has been given, and a quorum is present.

- **Implementation Hat** – Worn only when the board gives one or more board members authority to implement a board policy.

- **Volunteer Hat** – Worn at all other times, when board members are involved with organizational activities as volunteers.

Problems arise when board members and/or staff members confuse these hats or when board members assume that individual and collective board responsibilities are interchangeable. They are not. Much of the confusion has to do with authority. Here is how to distinguish the three hats for individual board members:

- **Governance Hat** – The board is the ultimate legal and moral authority for the nonprofit corporation. The government authorizes the board to be accountable to the public for running the organizations. An individual board member has no authority in governance. Governance is a group action.

- **Implementation Hat** – Occasionally the board delegates at least one of its members to act in its behalf – to represent the organization’s interests with another group, for example, or to negotiate the purchase of some item. Such authority is not automatic just because a person is a board member. It depends on the board’s having given its authority, acting by resolution in an official meeting.

- **Volunteer Hat** – As a volunteer, a board member has no individual authority simply by virtue of his or her position on the board. When wearing a volunteer hat, the board member is accountable to another person whether the CEO, the volunteer coordinator, another staff member, or a task force chairman.

The most misunderstood and abused principle of governance is the **requirement for group action**. The CEO and staff cannot serve two (or 22) masters. The full board sets policy; individual board members (who feel strongly about something and voice their opinions to the CEO) do not set policy. Board and staff members must understand and operate in a manner consistent with this principle. Otherwise, confusion and conflict reign and board effectiveness is diminished.
Creating a Personal Action Plan

Assessing the component parts in your organization:

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<th>Really needs work</th>
<th>Adequate</th>
<th>Meet our needs</th>
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<td>K = Knowledge</td>
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<td>P = Passion</td>
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<td>S = Structure</td>
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<td>C = Circumstances</td>
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<td>ED = Executive Director’s role</td>
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For those areas that need work ...

1. What are the specific issues that need to be addressed?

2. Which of these could be addressed more quickly and/or more easily?

3. Is there some awareness and/or energy already existing within the board for addressing any of these?

4. Which ones could be addressed with “inside people” (either board or staff)?

5. Which ones need outside support or expertise?
Please rank “needs” in terms of priority | What steps will I take to address these?
---|---
#1 | 
#2 | 
#3 | 
#4 | 
#5 | 
#6 | 