



Workbook 2: Structures & Practices of a Nonprofit Board of Directors

Worksheet Part One: Homework

Take the Quiz.

Thinking about your board of directors, reflect on how you would answer each of the following statements. Use the space between the statements to jot down any comments you have. Discuss with your fellow board members.

- The ED & board chair work well together Yes No

- The board chair leads effective meetings Yes No

- All board members sign an agreement upon joining Yes No

- We review the board composition matrix regularly Yes No

- All board members are financially literate Yes No

- All board members set personal goals annually Yes No

- Committees set annual goals & review them Yes No

Read the Attached Summary: The CEO/Board Chair Relationship

<https://nonprofitkinect.org/wp-content/uploads/sites/133/2023/01/CEO-Board-Chair-Relationship.pdf>

After reading the summary, answer the following questions:

- How would you describe the relationship between your CEO and the Board Chair?
- Are the roles of the two positions clear to everyone?
- Is communication between the two positions clear, frequent, and respectful?
- Do the two positions support each other and work well together as a team?
- Do the two positions develop and educate the board?
- Does the board have a plan for leadership transition for these two positions?

Read the Articles

Read these four articles and discuss with your fellow board members.

<https://www.nonprofitkinect.org/article/11041-recruit-your-best-nonprofit-board>

<https://www.nonprofitkinect.org/article/10689-how-to-conduct-an-effective-board-assessment-for-your-nonprofit>

<https://www.nonprofitkinect.org/article/9740-secrets-for-planning-and-conducting-a-brilliant-nonprofit-board-meeting>

<https://www.nonprofitkinect.org/article/4146-exploring-the-critical-relationship-between-a-nonprofit-s-ceo-and-board-chair>

Worksheet Part Two: Partnership Practice—Board & CEO

The partnership between the board of directors and the nonprofit's chief executive is the most important partnership of all. The executive director is the board's one and only employee and both the board and the executive have their own function or role to play. The CEO reports to the board as a whole—not to individual board members.

The board as a whole is responsible for hiring, supporting, and evaluating the chief executive. The CEO's main functions include leader of the staff, voice to the community, oversight of programs and business, and support to the board.

When everyone clearly understands their particular functions, the organization can run like a well-oiled machine. Two important ingredients to enable this are mutual trust and respect and clear and frequent communication.

Both the board and executive must consistently work on these two responsibilities by continuously checking in with each other, giving updates, asking questions—keeping everyone engaged with no surprises.

Read this Case Study and Discuss with your Fellow Board Members.

Let me tell you about one organization I worked with that didn't adhere to these guidelines. Here's what happened:

A disgruntled staff member wrote a letter to a board member whom she knew wanted to spend more time in the weeds. He liked trying to give his opinions to staff about their work and getting involved in operations.

The staff member complained about the way the CEO had organized the reporting staff structure. This staff member wanted to report to someone different than her designated supervisor. She thought that since the CEO reports to the board that individual board members could intervene on her behalf.

When the board member received the letter from the staff, he thought he had the perfect opening to get more involved with staffing issues. He also thought this must be part of his responsibility as a board member since the CEO reported to the board.

The board member enlisted the support of two other board members who were friends of his. They met with the CEO to tell her how she needed to alter the reporting structure for this particular staff member, and they wanted to review the entire reporting structure.

Below are some of my observations but discuss with your fellow board members what they think is wrong with this scenario and how it should have been handled differently.

- Clearly those three board members did not receive adequate training on their role as individual board members as opposed to the board as a whole. An individual board member does not have the authority to contradict the CEO regarding staffing issues. The whole board could address the issue but doing so in this situation would be inappropriate micro-managing by the board. Staffing matters are strictly the purview of the CEO.
- As soon as the board member received the letter from the staff member, he should have told the staff member to take the issue up with the CEO—explaining that the board does not get involved in operational issues.
- It is also clear that the staff member did not receive adequate training on proper communication with board members. Either that or she just liked causing trouble despite the rules.
- If the staff member had a complaint, she should have taken it directly to her supervisor and possibly to the CEO, depending on internal protocol.

Worksheet Part Three: Partnership Practice—Board Chair & CEO

The partnership between the Board Chair and the Executive Director is critical to the success of the board and the organization. The chair and the executive should be in sync with each other on every issue. They should meet regularly to plan board meeting agendas, discuss any upcoming situations, and lay the groundwork for future planning. There should be no surprises for either party. Consistent communication will ensure this is a reality

The Board Chair does not act as the CEO's supervisor but rather as a partner and sounding board. The Board Chair oversees making sure that all the board's work is done properly, conducting effective board meetings, ensuring that the CEO receives an annual evaluation, and overseeing the various committees as ex-officio.

Discuss how this information fits with your board after reading this description of the relationship between the Board Chair and the CEO.

Worksheet Part Four: Partnership Practice—Board & Staff

It is customary for certain board members and staff members to work closely together from time to time. For example, the board treasurer may meet regularly with the staff accountant to review financials and plan for the finance committee meetings. The board member does not operate as supervisor of the staff person since that individual reports only to the CEO.

If there is mutual trust and a clear understanding of roles among staff and board, this arrangement can work smoothly; otherwise, it can be problematic. The CEO should always be apprised of meetings between board and staff members out of courtesy.

Discuss with your fellow board members whether this is a common practice in your nonprofit.

Worksheet Part Five: Board Meetings

Board meetings should occur on a set timeline so that board members can plan their calendar and allow appropriate time for each meeting. The Board Chair and the Executive Director should plan the board meeting agenda together at least a week prior to the meeting. The agenda should be distributed to the board and senior staff several days before the meeting.

- I remember a time when I served on a board, and we never knew when the next meeting would be. Members would spend several minutes at the end of each meeting trying to find a date and time that would work for everyone. Of course, people who weren't present didn't have input, so it was always disorganized, and meetings were not well attended as a result.

Once the agenda is set, it is the Board Chair's responsibility to keep the meeting on track. Only items appearing on the agenda should be discussed at a meeting. If a board member tries to bring up an additional topic, the chair should simply explain that since it's not on the agenda it will be added to the next meeting's agenda. It is also the chair's responsibility that the meeting keeps to the agreed upon time limit by discouraging unnecessarily long discussions.

- I have attended board meetings where the chair kept everything on track and all the board members appreciated that because they knew they could count on the chair to keep everyone focused.
- I have also attended board meetings where the chair did not take the reins of the meeting and let the meeting go on and on, lasting too long and never dealing with all the agenda topics. People tended to find excuses not to attend and seemed to dread attending the meetings.

Discuss among your fellow board members how your board meetings are handled.

- Do they stay on track?
- If not, what is causing the disconnect?
- How can your board meetings be improved?

Worksheet Part Six: Practices--Evaluations

The board should engage in an annual evaluation of its work. This evaluation can be very simple or more complex depending on the board's preference. Look at how well the board, as a whole, accomplished its goals, worked together, and maintained appropriate focus.

It is also good practice for each board member to have an evaluation. This practice starts with each board member setting some goals for himself such as the number of meetings s/he will attend, fulfilling specific board roles (like committee chair), and how the member fared in being a good ambassador for the organization. Each board member can rate themselves. Some organizations invite input from the Board Development Committee for a higher level of objectivity.

Please discuss the following questions with your board members.

- Does your board engage in an annual evaluation of its work?
- If so, how successful is the evaluation in improving your board's effectiveness?
- How can it be improved?
- Do each of your board members complete a personal evaluation?
- Do you think this is helpful in improving board member performance?

Worksheet Part Seven: Practices--New Board Member Recruitment

The practice of conducting an intentional recruitment process for new board members is a critically important practice. It is multi-faceted and ongoing.

This essential practice begins with the Board Governance Committee preparing a matrix to identify the various competencies, skills, and traits the organization needs to have a well-balanced and effective board. This committee also creates a protocol for the recruitment process, so everyone is clear about their role.

Once the board has clarified the types of board members they want to recruit and they have a clear protocol, they can begin to cultivate potential members that may qualify. Developing and deepening relationships with people who might be interested in serving on the board and cultivating them over time can be done by all board members as well as the executive director.

When searching for potential new board members, remember the importance of board diversity. By maintaining a board membership that is diverse in gender, race, culture, age, experience, and sexual orientation your board will make better decisions about how to live out its mission because it will relate to a broad group of people within the community.

Achieving and maintaining a high level of diversity can be difficult because board members tend to look for people like themselves. Therefore, you will have to explore several avenues. For example, you may want to inform local banking executives and other business leaders that your board is interested in finding potential new members. They can be helpful in communicating this to their junior staff leaders. You can also speak with leads clubs like Provisors or Young Professionals. You may be surprised about the eager response you receive.

Be sure to let these potential new members know that you will be providing basic board training since yours may be the first board they have ever served on.

Once a candidate is identified their name and resume should be given to the committee members. After the committee endorses a potential new board member, that person will be presented to the board for approval.

After formal board approval, the new board member should receive a thorough orientation from the staff and committee members as well as complete basic board training. It is important that

each board members clearly understands expectations. A carefully prepared and presented orientation and training will create a consistent level of expectation for new members and allow them a forum for asking questions.

Discuss your board's process for new board member recruitment.

- Does everyone understand the process?
- Is your recruitment process successful?
- What changes would your board like to make in its recruitment process?

Worksheet Part Eight: Structure—Board Training

Regular and consistent board training will create a common culture for your organization's board of directors. Even if new members have served on other boards and feel they know all about board service, it is still important for them to engage in training so that everyone has a common understanding of their roles, responsibilities, and expectations of the organization.

Each nonprofit board does things a little differently. So, it is unwise to assume that prior board service is sufficient. It is recommended that your board engage the services of an outside consultant to conduct regular board training sessions. This can happen at an annual retreat and/or on a regular basis during board meetings.

Discuss your board's training practices.

- Is the training required for all members?
- Does the training happen on a regular basis?
- Are there ways your board training can be improved?