



BONNER CONSULTING

Growing organizations, teams, and leaders sm



**Recruit, Develop, and Engage the Board
Needed to Sustain and Grow Your
Organization**



About Bonner Consulting



Growing Organizations

- Strategic, Operational Planning
- Facilitating Meetings and Retreats
- Organization, Culture & Needs Assessments
- Employee Satisfaction & Engagement
- Succession Planning
- Navigating Change & Transition

Growing Teams

- Team Assessment and Development
- Teambuilding Retreats
- Senior Leadership Teams
- DiSC and MBTI

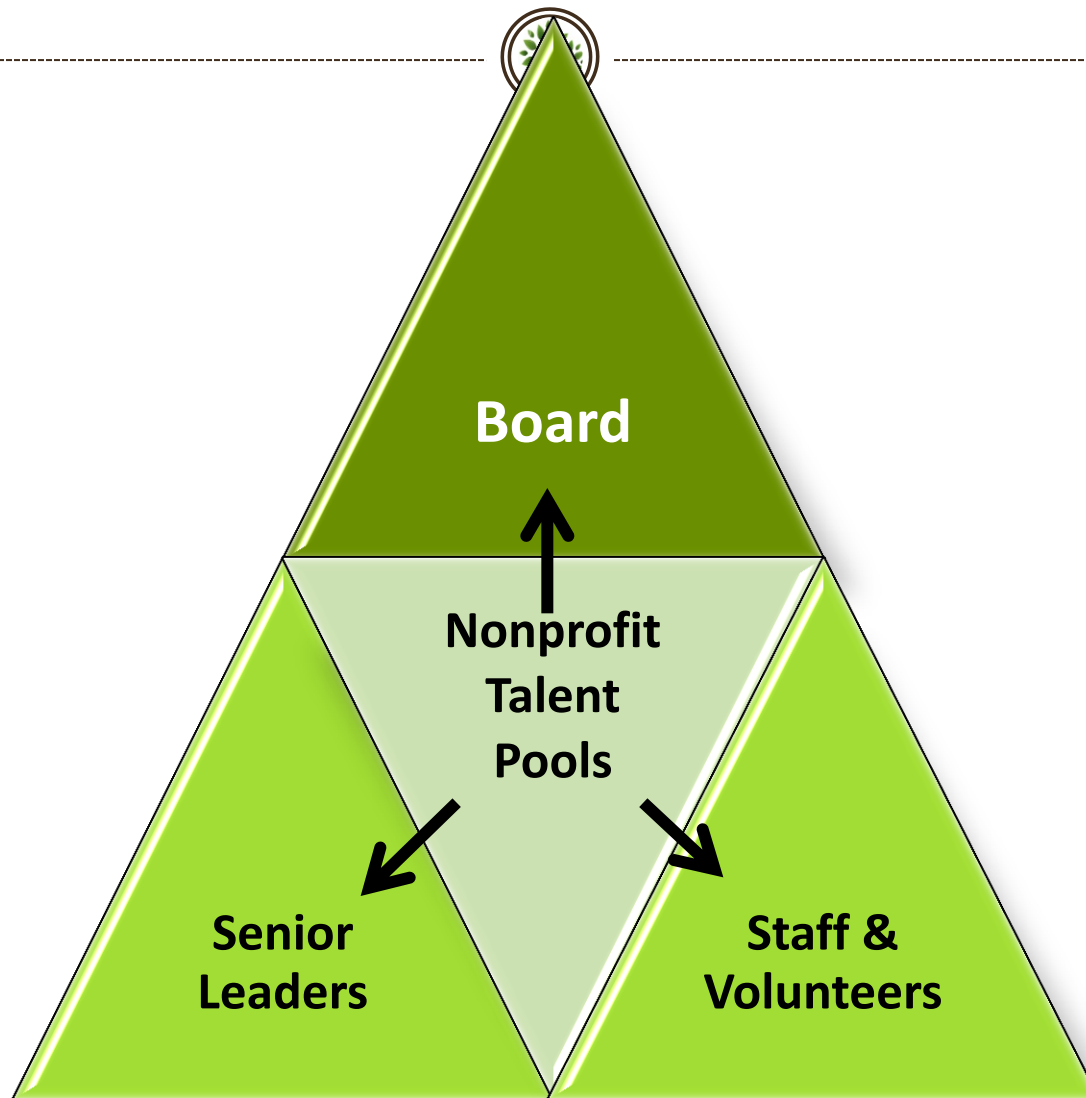
Growing Leaders

- Executive Coaching
- Management & Leadership Training
- Leadership Assessments
- Action Learning & Peer Coaching

Growing Nonprofits

- Board Assessment & Development
- Succession Planning, Developing Emerging Leaders
- Executive Director & CEO Coaching
- E.D. Performance Evaluations
- Nonprofit Management

Talent, Capacity or Human Capital in a Nonprofit



The Untapped Lever for Sustainability



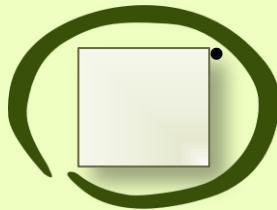
Reduce Expenses

- Cut programs/staff



Increase Funds

- Raise more \$ from individual, corporate and foundation donors
- Find earned revenue sources
- New government grants and funding??



GROW TALENT at all levels so we are more productive, efficient, agile and innovative to weather the storm

- Develop leadership and management
- Develop Board
- Increase Employee Engagement
- Healthy Organizational Culture

Nonprofit Talent Management is...

Organizations that decide to "manage their talent" start with an analysis of their current people processes. Quite often, organizations adopting a TM approach will focus on coordinating and integrating:



- 
- Recruitment - ensuring the right people are attracted to the organization **and board**
 - Retention - developing and implementing practices that reward and support employees **and board**
 - Employee **and board** development - ensuring continuous informal and formal learning and development.
 - Leadership Succession and Development - specific development programs for existing and future leaders **and board**.
 - Performance management - specific processes that support performance, including feedback and measurement of staff **and board**
 - Culture - development of a positive, progressive and high performance "way of operating".

Board/CEO Balance

STRONG

CEO Engagement

**CEO displaces
board**

**Governance =
rubber
stamping**

**Board/CEO
collaborate**

**Governance =
Effectiveness**

**Going through
the motions**

**Governance =
Uninspiring
meetings**

**Board displaces
CEO**

**Governance =
Micromanaging**

WEAK

Board Engagement

STRONG

**Whose job is it to
recruit, develop, and
engage the Board in
a nonprofit?**

Recruit, Develop, Engage - Whose Job Is it?



Among executive directors of nonprofit organizations, stories abound about poor board performance: board meetings where time is wasted on unimportant issues; board members who fail to attend meetings; boards that avoid fundraising; boards that do not understand their roles and responsibilities; and so forth. Frustrated executive directors would like their boards to change.

"Unfortunately, [boards] rarely change because the executive director wants them to."

- Technically it is the Board's job...
- But it is in the E.D.'s best interest to be heavily involved.

The recently released Daring to Lead study



Percentage of Executives Reporting Significant Board Support by Area



How would you rate your Board's performance?

Poor

Outstanding

1

2

3

4

5

How many hours a month do you spend on Board Issues?

- ☐ Less than 5
- ☐ 5-10
- ☐ 10-20
- ☐ More than 20

Executive time invested in working with boards of directors was notably low. Sixteen percent (16%) of executives reported spending fewer than five hours per month on board-related activity, yet nearly half of these executives described themselves as spending the right amount of time. The largest group of executives (39%) spend between five and 10 hours per month—just 6% of their time overall—and half of these executives said this was the right amount of time. Other studies have found that executives who spend 20% of their time on board-related activity have high rates of satisfaction with board performance. Similarly, among these respondents, executives at the low-end of the time investment spectrum were the least happy with their boards' performance.

Board Engagement

From
**“Daring to
Lead 2011”**



Daring To Lead 2011

Key Findings about Board

While executive directors tended to give boards relatively high marks when asked about overall performance, their responses to more specific questions often contradicted that assessment—and suggest that boards are neglecting critical governance responsibilities.

Despite these board performance challenges, most executive directors are not spending a significant percentage of their time working with and supporting their boards.

Executive directors who spend more time working with their boards demonstrate higher satisfaction with board performance.

Board Building Cycle



**How do you engage
your Board Members?**

Board Development



- **Step 1: Identify the needs of the board:** the skills, knowledge, perspectives, connections, etc., needed to implement the strategic plan. What do you have? What is missing? Identify sources of board members with the desired characteristics.

- **Step 2: Cultivate potential board members.** Ask current board members, senior staff, and others to suggest potential candidates. Find ways to connect with those candidates, get them interested in your organization, and keep them informed of your progress.

- **Step 3: Recruit prospects.** Describe why a prospective member is wanted and needed. Explain expectations and responsibilities of board members, and don't minimize requirements. Invite questions, elicit their interest, and find out if they would be prepared to serve.

- **Step 4: Orient new board members** both to the organization — explaining the history, programs, pressing issues, finances, facilities, bylaws, and organizational chart — and to the board — describing committees, board member responsibilities, and lists of board members and key staff members.

- **Step 5: Engage all board members.** Discover their interests and availability. Involve them in committees or task forces. Assign them a board "buddy." Solicit feedback. Hold everyone accountable. Express appreciation for work well done.
- **Step 6: Educate the board.** Provide information concerning your mission area. Promote exploration of issues facing the organization. Hold retreats and encourage board development activities by sending board members to seminars and workshops. Don't hide difficulties.
- **Step 7: Rotate board members.** Establish term limits. Do not automatically reelect for an additional term; consider the board's needs and the board member's performance. Explore advisability of resigning with members who are not active. Develop new leadership.
- **Step 8: Evaluate the board as a whole,** as well as individual board members. Examine how the board and chief executive work as a team. Engage the board in assessing its own performance. Identify ways in which to improve. Encourage individual self-assessment.
- **Step 9: Celebrate!** Recognize victories and progress, no matter how small. Appreciate individual contributions to the board, the organization, and the community.

From Board Source

Creating a Human Capital Plan is similar to strategic and other planning

Aligned to Strategic Plan



Process Step	Organizational Strategic Plan	Board Development Plan	Leadership Development Plan	Human Capital Plan for all staff
Assessment	SWOT	Board Assessment	360 degree feedback	Employee Engagement or Cultural Survey
Analyze and Prioritize	Report and Discuss	Report and Discuss	Report and Discuss	Report and Discuss
Set few measurable goals	Board and Staff Set goals	Board sets goals	Leader sets goals	Sr. Leadership with help from others sets goals
Create and Execute action plan	Create and Execute action plan	Create and Execute action plan	Create and Execute action plan	Create and Execute action plan
Check progress Accountability	Check progress Board	Check progress Board	Check progress Leader/Coach	Check progress CEO and/or Board



Daring to Lead 2011

Call to Action 1

Invest Time in the Board

The findings in this study suggest that a significant number of executives are spending too little of their time supporting and working with their boards of directors—and that executives who invest more time in the board are more satisfied with board performance. Executives should:

- Recognize their own essential role in helping to improve the performance of the board.
- Invest time, in partnership with the board, in identifying and cultivating new board members.
- Build their own financial management skills, and provide information and context to help the board better fulfill its role in both financial oversight and ensuring financial sustainability.



**Daring to Lead
2011**

Call to Action 2

Implement Board Practices Widely Recognized as Effective

As noted elsewhere in this study, despite decades of research and a growing body of literature about effective practices for nonprofit boards, many boards are not fulfilling their most basic responsibilities or taking even simple measures to improve their performance. Some basic steps all boards should take include:

- Creating a job description or list of responsibilities for the board as a whole, and recruiting board members who have the skill sets needed to help the board fulfill those responsibilities.
- Creating a statement of expectations for individual board members, and conducting an annual or periodic assessment to determine whether board members are meeting those expectations.
- Conducting an annual performance review of the executive director.
- Conducting periodic training for board members on how to read the organization's audit and financial reports.
- Engaging in financial or business planning to better understand the organization's financial sustainability.



**Daring to Lead
2011**

Call to Action 3

Develop New Strategies for Strengthening Boards

Beyond changing the behavior of executive directors and boards, other stakeholders—including funders and organizations that work in capacity-building—have roles to play in advancing knowledge about board effectiveness and improving the performance of boards. These include:

- Developing improved systems for placing and training board members that can address the huge, ongoing demand for skilled and engaged board members.
- For funders, increasing the attention paid to boards and becoming more explicit in their expectations around effective governance—along with increasing the funding available to help organizations strengthen their boards.

Lead Strategically



Board's Work

- Create a shared vision for the organization
- Ensure connection to mission
- Generate commitment to action in service to the mission
- Know what good you're doing for whom
- Monitor and evaluate regularly
- Require robust meetings

Organization's Work

- Create a shared vision for the organization as a whole (Board & staff)
- Relate the mission to what you bring to the board
- Orient, train, and regularly review the strategic plan with board members
- Bring appropriate levels of discussion and action items to the board

Ensure Financial Stability



Board's Work

- Fulfill yearly filing requirements of Federal and State
- Get an auditor's perspective
- Ensure appropriate financial policies are in place
- Ask for appropriate level financial reports
- Recruit people with financial skills to the board

Organization's Work

- Complete the yearly federal and state filing
- Suggest the board invest in an auditor
- Bring budgets and financial statements to the board in draft form with questions and recommendations to promote discussion
- Request and perhaps, draft, financial policies

Ensure Fundraising Resources



Board's Work

- Determine how board members should participate in fundraising (provide names, host events, bring people to events, participate in solicitation meetings)
- Work to be able to say “100% of our board supports the organization financially”
- Cultivate relationships

Organization's Work

- Meet with individual board members to find out how they can best participate in fundraising
- Utilize board members in fundraising
- Provide staff support for the board's fundraising efforts
- Provide opportunities for the board to make financial contributions

Be An Ambassador



Board's Work

- Know your mission
- Know your organization and key programs
- Create talking points
- Tell a success story about your organization wherever you go
- Host events to introduce people to organization
- Support strategic alliances and collaboratives

Organization's Work

- Give opportunities for the board to practice giving their “elevator speech”
- Provide success stories at every board meeting
- Enlist board members in public relations opportunities
- Educate the board on your key partners and allies

Supervise and Support the Executive Director



Board's Work

- Ensure timely and effective reviews
- Work the Executive Director and Board relationship as a partnership
- Manage search for new Executive Director, if needed
- Set the tone for the organizational climate

Organization's Work

- Ask for and arrange timely and effective reviews
- Work the Board-Executive Director relationship as a partnership
- Give the board notice and input when it's time to search for a new Executive Director
- Arrange for times for the board and staff to get acquainted

Ensure Healthy Governance



Board's Work

- Have an active Conflict of Interest policy
- Seek diversity of composition, opinion, style
- Raise questions, confront issues/concerns about Board behavior and practices
- Analyze board composition: what skills, talents, style, constituencies do you have/need?
- Develop a process, and follow it, for bringing people on to the board (interview, orientation, etc..)

Organization's Work

- Remind board to annually review and sign a conflict of interest policy
- Feed the board "Governance Best Practice" information
- Scout for potential board members and get them involved in the organization -
- BUILD the commitment
- Be a partner in the process for bringing people on to the board
- Suggest board development topics

Trends in Governance



Traditional Models

- Large board size
- Influential members, may not be active
- Numerous committees
- Show and tell = Committee staff reports

Evolving Models

- Smaller board size (avg. 15 members)
- Actively involved members
- Fewer standing committees, more ad hoc task groups
- Give and take = Consent Agendas

BoardSource

Other Board Trends



- From operational to strategic
- From how things are done to outcomes
- Use of information technology for Board Work
- Sensitivity to diversity and inclusion
- Trend toward smaller, more productive boards (Tend to be better able to govern)
 - More important each member is to board
 - More opportunity to contribute to policy discussions
 - Easier to get consensus

FOUND & FRAME

Formal governance structure created, homogenous, small, passionate board of directors, working board

GROUND & GROW

Expansion of the board size, first “outsider” on board, reactive rather than strategic. Expansion of board for expertise rather than passion

PRODUCE & SUSTAIN

Frequently an obstacle preventing movement to this stage is the board too involved in day to day and not enough involved in governing. Board In its prime = Few founding board members remain, board discussions broadly focused, well developed committees, board role is to ensure well-being and longevity of the organization, true governing – strategic planning, board-staff roles are clearly defined.

REVIEW & RENEW

Turnover of board membership and leadership, development of formal linkages with other organizations, clarification of board roles and responsibilities

The Five Life Stages of Nonprofit Organizations: Where You Are, Where You're Going, and What to Expect When You Get There



Sample Board Matrix

Board Member Name		Mary Smith	Devon Canale	Other Delegate
Years on Board				
Relationships	Access: Community leaders and groups			
	Access: Grassroots leaders and groups			
	Access: People with money			
Area of Expertise	Public Relations			
	Financial Management			
	Fundraising			
	Human Resources			
	Legal			
	Planning			
Sector	Business			
	Faith-Based			
	Public Sector			
	Education			
	Philanthropic			
	Neighborhood/geographic location			
Ethnic Diversity	Caucasian			
	Native American			
	African American			
	Latino / Latina			
	Asian or Pacific Islander			
	Other			
	Over 65			
	51-65			
	36-50			
	20-35			
Age				
Sex	Female			
	Male			

Identify areas of expertise needed to provide proper oversight for the type of work you do

Diversity is important to bring various points of view and insights. It is also important to have a board representative of your constituents.



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