Common Ground

A Publication of the N.C. Center *for* Nonprofits

What's Inside

Of Special Interest to Board Members

Are *You* a Good Board Member?
What Good Board Members Do — and Don't Do

You may be flattered when a nominating committee calls you about being elected or appointed to the board of directors. Sure, you've been on many boards. But are you a *good* board member? Have you truly contributed to the mission of the nonprofit(s) on whose board(s) you've served? Or, are you the worst nightmare of board chairs and chief staff executives?

Here are a few tips about leading through effective board governance. Some of these are written in the handbooks. And some are the unwritten lessons gleaned from working with more than a thousand nonprofit CEOs and board chairs over the last 25 years — the tips they want to tell you but don't. Following these can keep you from being the kind of board member who keeps nonprofit leaders up at night — and that practitioners tell me about every day.

What To Do

1 Be sure you understand what the responsibilities of a nonprofit governing board are. Board service is more than the old saw about providing "wealth, wisdom, or work." The truth is that board members now need to provide all three (but "wealth" just means that you make a personal financial contribution, whatever your economic capacity). See the box on page 10 for the basics for most boards.

2 Ask questions *before* you agree to serve. What major issues is the organization facing? How can you help? Why are they interested in you? What is expected of the board as a whole *and* of each board member? What are the strengths and weaknesses in the way the board deals with tough issues and works with staff? How and how often does the board evaluate its own performance, the chief executive's performance, and the organization's impact?

3 Before you agree to serve, communicate clearly what you can and cannot offer the organization. If you cannot both make a personal financial contribution (of any size based on your means) *and* raise money for the group, say so. You should probably decline to serve if you're not willing to do both of these.
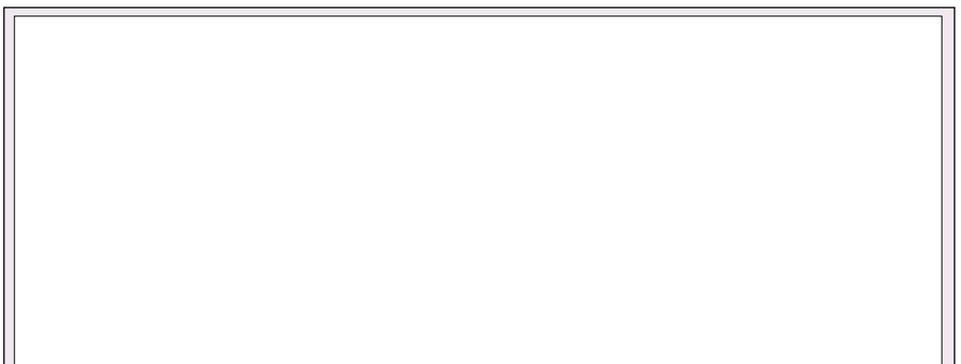
Don't miss out! The Center's 2003 Statewide Conference for North Carolina's Nonprofit Sector has lots to offer your board, staff, and volunteers. Read more on page 3. *Karen Tam*

Linking North Carolina's Nonprofit Sector

4 Attend the orientation for new board members and read the materials before every meeting. An unprepared board member wastes the organization's resources by wasting the valuable time of other board members and of staff.

5 Ask questions at board meetings. The only dumb question is the one you wanted to ask but didn't. As the board makes decisions, be sure you understand the history and context of an issue enough to exercise good judgment. If you don't understand the financial information, *say so.* And, be sure you recognize the differences between for-profit and nonprofit accounting.

6 If the board isn't evaluating itself, the organization's results, and the chief executive, volunteer to help establish and implement good practices for all three of these key board responsibilities.

7 Know the staff salary ranges and the policies for setting them. Be sure they reflect the education, experience, and responsibility levels required. The only actual salary you should review is that of the chief staff executive.

Responsibilities of the Board as a Whole

▼ Determine the mission and goals.
▼ Select the chief staff executive.
▼ Support the executive and evaluate her or his performance annually.
▼ Ensure effective organizational planning.
▼ Ensure adequate resources to accomplish the organization's mission and goals.
▼ Ensure effective management of resources.
▼ Monitor the quality of the organization's programs and services.
▼ Enhance the organization's public image.
▼ Assess its own performance as a board.

Adapted by the N.C. Center for *Nonprofits from* Ten Basic Responsibilities of Nonprofit Boards, *Richard Ingram, BoardSource (www.BoardSource.org).*

Responsibilities of Each Individual Board Member

▼ Attend all board meetings.
▼ Serve on at least one board committee.
▼ Make a personal contribution. The fact that each board member gives is more important than the amount given.
▼ In coordination with the staff and other board members, help make fundraising contacts with individual donors, foundations, corporations, and other funding sources.
▼ Represent the organization to your constituencies and in your community.
▼ Recruit new members and participants.

From the Board of Directors of the N.C. Center for *Nonprofits.*

Be sure that the salaries and the benefits package are adequate for adults who have families to support and mortgages and college tuition to pay. Inadequately compensated employees often can't afford to stay long, and high turnover is more expensive than good compensation. The board of a nonprofit that says its mission is to strengthen families is unwise — if not unethical — if it doesn't pay its own staff enough to support their families. Just like businesses, we in nonprofits must do our part to be responsible employers in the community.

8 Do what you say you'll do. Nonprofit executives resent spending their valuable time contacting — or cleaning up behind — their own board members who don't follow through.

9 Say something kind or courteous to the staff. Praise their work when they deserve it, and don't begin most of your sentences with "You should...."

10 Use humor and celebration. Nonprofit work is serious business, but putting the fun in activities like *fund*raising is a gift. Celebrate accomplishments and milestones in the nonprofit's development.

What Not To Do

1 Don't join a board because it looks good on your résumé or just because you're interested in the issue. While commitment to the non-profit's mission is a prerequisite for board service, a governing board deals mostly with *organizational* issues — goals, budgets, planning, etc. — rather than the direct content of the nonprofit's work. If you're interested in children, for example, be a volunteer in the organization's programs for children rather than a board member.

2 Don't try to manage the organization. One of board members' greatest sins is going beyond — or avoiding — their governance and policy role by meddling in management responsibilities. The board of a new group or one without paid staff often will do some types of administrative work as well, but remember when you do so that you're wearing a volunteer hat — not a board hat — at that time.

3 Don't get involved in personnel matters regarding staff other than the chief staff executive unless you do so as a member of a formal grievance committee of the board —

Jane Kendall shares the do's and don'ts of nonprofit boards.   *Karen Tam*

RU Wired?

Most of us agree that technology is a powerful tool, but we still face challenges to implementing new technology. One of the biggest challenges is *resistance to change.* Sound familiar? Try these tips to move through resistance to reap the benefits of technological change:

Have a clear vision and share it. Communicate the value of the technological changes and paint a picture of what improvements the change will achieve. Arrange for demonstrations and encourage communication with others who have implemented similar changes in their organizations.

Learn why those who are resisting change are fearful. Identify any cultural inclinations and biases — and get to the real fear or concern behind the resistance.

Establish readiness for the change. Reduce the fear factor and build trust through communication, education, training, and participation. Ask for everyone's input and involvement.

Make changes slowly and thoughtfully. Start with one technology project you can finish and show its benefits to your group's work.

Increase the technology comfort levels of your staff and board. Provide training on existing hardware and software to use both to their fullest potential. Then, show how technologies make things easier for everyone (e.g., posting staff directories online).

Implement changes first with those who are the most comfortable with technology and who demonstrate the least resistance or fear. These staff can then act as coaches and mentors.

Recognize that as one part of the system becomes more productive, it may strain another part. For example, if you implement a new client database, it may improve the ability of your staff to communicate with each other about clients, but it also may put additional strain on the administrative person who has to input the information.

Make sure that you have adequate resources to carry out the technological change. Consider staff, equipment, budget, and training.

Develop a schedule with clearly defined completion dates for each phase of the technology project. This provides an effective way to show everyone what needs to be done and the progress towards its completion.

Celebrate any and all accomplishments! ∎

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and then only if the grievance has followed all required procedures before it comes to that committee.

4 Don't assume that leading or managing a nonprofit is the same as in a for-profit business, a government agency, or one program within a larger institution. Nonprofits are significantly different in regards to their stakeholders, clients or constituents, accounting, law, communications, marketing, governance, accountability, resources, and bottom line. For example, a nonprofit's stakeholders typically are a complex matrix of the people served, volunteers, staff, board, individual donors, foundation and corporate funders, elected officials, government agency regulators (local, state, and federal), the local community, media, and taxpayers (because of the tax-exempt status). And, a nonprofit has *two* bottom lines — achievement of its mission and a balanced budget.

5 Don't confuse your roles. If you also serve as a volunteer in the group's programs, remember this is different from your board hat. As a service volunteer, you're directly accountable to a staff member or another volunteer for the quality of your work. As a board member, you are accountable to all the stakeholders listed in Number 4 above.

6 Don't assume you're an expert your first year on the board. Listen and learn first.

7 Don't stay on the board if you can't attend most meetings. The days of "in name only" boards are long gone. A nonprofit dealing with critical social issues cannot afford someone taking up a board seat who's not giving thought, commitment, and time.

8 Don't serve on more boards than you can handle responsibly. If you're on more than three or four *governing* boards, you're either a full-time volunteer or you need to resign from some. The standard of "due diligence" for board members means you show up, do your homework, and focus your energy on *that* organization. In addition to potential legal liability from poor attendance or from inattention to the board's financial responsibilities and others, you risk losing two of your most important assets — the respect you have for yourself and the respect others have for you.

By looking at nonprofits in other countries, I've come to appreciate the key role of the nonprofit sector in weaving the fabric of our civil society. Serving effectively on a nonprofit board can be one of the biggest challenges to your leadership skills. Serving wisely is a fine art and one of the true privileges of our democracy. Being a board member or trustee means you hold the organization's trust *and* the public's trust in your hands. Hold them with awe and care. ∎

— Jane Kendall

Jane Kendall is president and founder of the N.C. Center for *Nonprofits. She has served on several nonprofit boards and was previously executive director of the National Society for Experiential Education. This article also appears in the W.K. Kellogg Foundation's* Focus *publication.*