Building and Leading Boards for Impact

TOM OKARMA

TOP-RATED AUTHOR OF

Breakthrough the Ick Factors
& Leading From the Inside Out

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AUTHOR

From the Inside Out: Leading Where it Matters Most
Break Through the Ick Factors of Nonprofit Leadership
WHAT IS IMPACT

Does everyone understand it...

and what makes it happen?
HOW A BOARD DRIVES IMPACT
YOUR ULTIMATE GOAL

“Get the right people on the bus, the wrong people off the bus, and the right people in the right seats.”

Jim Collins (Good to Great)
BOARDS THAT DELIVER IMPACT

BOARD OF DIRECTORS
BUILDING AN EFFECTIVE BOARD FOR IMPACT
UNDERSTANDS IT’S ROLE

- Governance and Operational Roles
- Mission Vision Values
- Legal and ethical integrity
- Enhances the organization’s public standing
- Protects assets/provides financial oversight
- Understands its Governance vs Operational duties
GUIDED BY IT’S STRATEGIC PLAN (NORTH STAR)

- Approves, (develops) and follows the strategic plan
- Is built around the strategic plan
- Ensures the organization has sufficient resources for its priorities
- Monitors program and financial results
SUPPORTS THE EXECUTIVE DIRECTOR

- Evaluates and assists executive director (and staff)
- Holds Ex Dir accountable with clear standards and objectives
- Insures roles and guidelines are clear
HOW EFFECTIVE BOARDS OPERATE

BOARD OF DIRECTORS
BOARD BEST PRACTICES

- Understands its strategic vs operational vs governance roles
- Maintains a bias towards action and results
- Carefully Stewards the financial resources
- Lives the MVV
- Has one employee—the executive leader
- “Strong” Board Chair
- Adopts best governance practices
- Creates and maintains a Board Policy Manual
Conducts effective meetings
- Board Chair and executive leader develop agenda items
- High-level agendas; limited operational items
- Use consent agendas
- Develop a Board Pouch in advance
- Dashboards-KPI’s
- Measure and track programs, operations, impact and results
Uses committees effectively

- Where most of the heavy lifting takes place
- Single focused purpose defined by board
- Appointed chairperson
- Off-line study and recommendations for board
- Specific expertise
GOAL ALIGNED MODEL

- Communication/Branding/Positioning
- Board Development/Governance/Processes/Metrics
- Partnerships & Collaborations
- Culture; Staffing/Training/Hiring Process
- Key Strategies; Smart Goals; Structure & Budget
- Values
- Mission
- Vision
SUCCESSFUL BOARD BUILDING

1. Identify
2. Develop
3. Engage
4. Evaluate
5. Decide
6. Invite
7. Gather
8. Discuss
This worksheet can be adapted to assess current board composition and plan for the future. The recruitment of board candidates should consider that an organization is legally bound to follow its bylaws, which may include specific criteria on board size, structure, and composition. Or the bylaws may need to be updated to incorporate and acknowledge changes in the environment and community that have made changes in the board structure necessary or desirable.

**BOARD PROFILE WORKSHEET**

1. Demographics
2. Skills
3. Connections
4. Geography
5. Resources
6. Experiences
7. Other

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**CURRENT MEMBERS**

<table>
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<tr>
<th>AGE</th>
<th>1</th>
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<th>3</th>
<th>4</th>
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**GENDER**

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<th>Female</th>
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**RACE/ETHNICITY/DISABILITY**

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<th>African American/Black</th>
<th>Asian</th>
<th>Caucasian</th>
<th>Hispanic/Latino</th>
<th>Native American/Indian</th>
<th>Other</th>
<th>Disability</th>
</tr>
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</table>

**RESOURCES**

<table>
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<tr>
<th>Money to Give</th>
<th>Access to money</th>
<th>Access to other resources</th>
<th>Available for active participation-solicitation visits</th>
</tr>
</thead>
</table>
WHAT MAKES A GREAT BOARD DIRECTOR?
CHARACTERISTICS OF AN EFFECTIVE DIRECTOR

- Demonstrates support for the mission
- Exhibits wisdom and discernment
- Embraces and performs in his/her primary role
- Understands board role and responsibilities
- A bias towards action
- Is engaged/proactive/prepared
- Is a “critical thinker”
- “Gets” governance/volunteer/participant role
## BOARD MEMBER EXPECTATION STATEMENT

### GENERAL EXPECTATIONS

1. Support XXXX’s mission, vision, values, goals, policies, and programs while knowing its strengths and needs.
2. Suggest possible nominees to the board who are men or women of achievement who can make significant contributions to the work of the board and progress of XXXX.
3. Serve actively on committees as requested by the Board President.
4. Provide input and feedback to the Board President on the performance of staff members and volunteers.
5. Attend activities and events sponsored by XXXX.

### MEETINGS

1. Prepare for and participate in board and committee meetings, including appropriate organizational activities.
2. Ask timely and substantive questions at board and committee meetings consistent with personal conscience and convictions, while supporting the majority decision on issues decided by the board.
3. Maintain confidentiality of the board’s executive sessions, and speak for the board or XXXX only when authorized to do so.
4. Suggest agenda items periodically for board and committee meetings to ensure that significant policy-related matters are addressed.

### AVOIDING CONFLICTS

1. Serve XXXX as a whole rather than a special interest group or constituency.
2. Avoid even the appearance of a conflict of interest that might embarrass the board or XXXX, and disclose any possible conflicts of interest to the board in a timely fashion.
3. Never accept or offer favors or gifts to or from anyone who does business with XXXX.

### FIDUCIARY RESPONSIBILITY

1. Exercise prudence with the board in the control of funds.
2. Faithfully read and understand XXXX’s financial statements and otherwise help the board fulfill its fiduciary responsibility.

### FUNDRAISING

1. Make an annual gift to XXXX according to personal means, but no less than the minimum amount established by the board for its members and with a realization of the leadership role the board must play in fund development.
2. Assist XXXX by implementing fund raising strategies through personal influence with others.
3. Participate actively in all XXXX fund raising special events, programs, and activities.

*Adapted from *The Board Building Cycle* by Hughes, Lakey & Bobowick, 2003
ORIENTATION & TRAINING

1. Why
2. Roles
3. Operations
4. Funding
5. Impact
BOARD MEMBER
ANNUAL AFFIRMATION
STATEMENT

MY COMMITMENT (Circle Yes or No)

1. I affirm support for the board and staff leadership and continue to believe in our mission and programs and will invest my time, talent, and treasure to the best interests of the organization. Yes No

2. I affirm I will continue to be an active board member, participate with a positive attitude, maintain confidentiality, about board deliberations, and publicly support whatever decisions the board makes after good discussion. Yes No

3. I affirm I am highly committed to preparing for and attending the scheduled meetings of the board and committees, unless I notify the chair in advance of a major conflict. I understand that the cost of transportation will be my responsibility. Yes No

4. I affirm that during my term on the board I will donate to Bright Hope in a meaningful way, according to my circumstances, recognizing that major donors, foundations, and others have expectations that board members will be significantly committed to the cause. Yes No

5. I affirm that I have read and agree to abide by the organization’s Bylaws, Conflict of Interest Statement, and the Board Policy Manual. Yes No

6. I affirm that if I am unable or unwilling to continue to serve, attend meetings, and execute my responsibilities as a board member, I will resign my position so the board can have the benefit of the full support and committed time, talents and treasures of an active board member. Yes No

My signature below signifies that I have read and affirm my agreement with these expectations and my intention to comply.

Signed: ___________________________ Date: ___________________________

Best Practices from The Good Governance Toolbox www.TheAndringaGroup.com
“TOM-ISM’S”
FOR IDENTIFYING & RECRUITING AN ALL-STAR BOARD

Strategically recruit to fill specific skills

Look for life/work experience which complement board needs

Look for straight-talkers who hold nothing back
“TOM-ISMS”

FOR IDENTIFYING & RECRUITING AN ALL-STAR BOARD

Identify candidates to fit specific needs

Look beyond friends/big donors/relatives/neighbors

Avoid too many like-minded candidates
"TOM-ISMS"

FOR IDENTIFYING & RECRUITING AN ALL-STAR BOARD

Don’t “settle”

Good volunteers ≠ good directors

Major Donors ≠ good directors
FINAL THOUGHTS

Ask yourself…

• If you were starting your agency today…brand new…what would your board need to look like to increase Impact?

• Describe what your board would be like if its founder served on it.

• Is your agency’s structure, board selection, agency operations, and your budget tightly aligned around your mission, visions and values?
THANK YOU

TOM OKARMA  CCNL

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