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The Perfect Board Bob Harris, CAE

The Perfect Storm is a 1991 movie about an unusually intense weather pattern that catches some commercial fishermen unaware and puts them in mortal danger.

The film's title has evolved into a phrase – the perfect storm - to describe a combination of circumstances that create a critical state of affairs. If events are not managed, the confluence can result in significant negative outcomes.

The Perfect Board was published by Cal Clemons in 2005. The book describes the principles of good governance.

In a discussion with association and chamber executive directors, I asked them to describe the perfect board. Their ideal board would include these elements:

Mission Driven – The board understands its responsibility for advancing the mission. Nearly every conversation, action and decision should be framed by the mission; if not, then directors should ask, “Why not?”

Visionary – Board focus should be on the future, not resting on past accomplishments. “We don’t need to brag about our founder’s history but to set a vision that produces results,” said an executive. Successful programs and results take time, requiring directors to think beyond their term limits.

Role Clarity – It takes a partnership. A board should respect the distinct roles of governance and management. Directors should avoid micromanagement or doing the committees’ work at the board table. Lines of authority are followed on an organizational chart.

Business Acumen – Board members possess skills in their own work settings, for instance project management, fund raising and promotion. Directors should use their business knowledge to benefit the organization.

Innovation – “We don’t need a board that just brings problems to the meeting without a serious intent to develop solutions.” Directors should be innovative, making best use of resources and application of new technologies to respond to the pressing needs of members.

Disciplined – Board service requires focus. There will be distractions and temptations to talk “shop” rather than working the meeting agenda. “We need fewer good ideas and more attention to producing results.”

Deliberate – Achievements don’t happen by accident. Actions of the board should be deliberate. When goals are set, there are steps, decisions and performance that should be handled intentionally.

Right People – Having the right people on the bus is credited to the book *Good to Great*. An executive said, “The board table is not the place to position people who are not committed, have no time or interest in serving.”

Right Size – Most state corporate laws require a board to be composed of a minimum of one to three persons. Many boards have grown to 30 or up to 100 directors. While there is little correlation between board size and good governance, the IRS suggests that the size should allow for meaningful conversations at meetings.

Orientation – Knowledge transfer to volunteer leaders is key. Directors should join a board seeking information and how to best fulfill their roles. “It is not about leaving their imprint or legacy,” an executive offered. A good orientation and leadership manual boosts performance.

Meetings – The purpose of a duly called meeting is to conduct business, perform oversight and to advance a plan. “Our directors think it’s a lunch social hour.” Another executive said, “They meet monthly, whether or not there is a reason; it is wearing out the staff.”

Respect – Directors should be respectful of people and ideas. “We have plenty of good old boys on board but we tip toe around the reasons we have no minorities, LGBT or the youngest members at the table.”

There are multiple elements to the perfect board. From this list one can see much of it is culture and understanding, coupled with structure and practices. If any element is missing or askew the results are diminished. Every executive expressed a desire to sustain a high performing board of directors.

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Note: Bob Harris, CAE, provides free governance tips and templates at www.nonprofitcenter.com