

Board Governance 2023



Board Governance

1. Comparisons

2. Change Over The Years

3. Culture

4. Qualifications & Responsibilities

1.

Comparisons: Two Types of Boards

Managing Board

Policy Governing Board

Managing Board

- Board members assist the CEO in day-to-day operations and administrative decisions
- Board members perform administrative tasks
- Board agenda is largely focused on day-to-day operations
- Board members have access to staff

Policy Governing Board

- Board members fully empower the CEO in day-to-day operations
- Board members operate with a clear distinction between governing and managing
- Board meetings are primarily focused on oversight, creating policy to guide operational decisions, and strategic planning
- Board members access to staff is limited



2.

How Boards Have Changed Over The Years

***Traditional* Board**

***Modern* Board**



Traditional Board

- Connections, wealth, and notoriety often drive recruitment
- Focus on achieving a majority
- Has explicit term limits
- Often large membership on the board (average 16 people)

Modern Board

- The selection is driven by a well defined matrix
- Strives for consensus
- Process to remove poorly performing Board members
- Small membership on the board (9-11 people)

3.

Board Culture



Culture of Disfunction

- Lack of mutual respect and trust between Board members and administration
- No accountability for poor attendance and performance of Board members
- Individual Board members acting as a “board of one”
- Members avoid raising concerns about sensitive issues

Culture of Excellence

- Mutual respect and trust between Board members and administration
- Regular reviews of Board and Board member performance
- All Board members embrace the “one voice” concept
- Participation and discussion is encouraged and conducted in lively and respectful ways



4. Qualifications & Responsibilities

Board of Directors
CEO

Board of Directors

- Hire the CEO
- Create Mission and Vision
- Approve the organization budget
- Approves/creates a strategic plan
- Responsible for one employee (CEO) and creates clear performance expectations

CEO

- Is the CEO
- Create plans/programs around Mission and Vision
- Manages within the limits of an established budget
- Implements the strategic plan
- Hires and manages all other employees



Desirable Characteristics of an Excellent Board Member

- Understands and embraces the organization's mission statement
- Familiar with the organization's products and services
- Adds value in definable and specific ways
- Able to invest through meeting preparation and attendance
- Willing to grow through mentoring and education
- Engaged, responsive and involved during board meeting
- Understands and respects the agreed upon governance model



Desirable Characteristics of an Excellent Chairperson

- Knows and enforces the organization's governance model
- Listens to board conversation:
 - for full participation
 - for consensus
 - for timely deliberations
- Manages the Board, not the CEO
- Represents the Board to the CEO



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