

# Boardroom Bearings

Navigating to Board Excellence

November 2016



## Welcome Aboard, New Subscribers!

It's always energizing when Constant Contact notifies me that *Boardroom Bearings* has new subscribers. The first issue went to about 40 people; now there are over 140 subscribers.

This newsletter is intended to increase readers' knowledge about nonprofit board governance. Readers tell me they use articles to launch board conversations that improve practice.



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Past issues may be found [here](#). I encourage readers to suggest that all board members and executive staff subscribe. It's easy. And free. Click [here](#) and see the subscription box in the upper right corner.



Image courtesy of Stuart Miles at FreeDigitalPhotos.net

## After the Board Meeting

Meetings are where governance happens. Individual board members do not govern. That's why it's essential that leaders conduct meetings that engage the minds of board members and result in meaningful guidance for the organization.

This article is the last in a four-part series on meetings. Articles in July, August, and October presented information on agendas, meeting preparation, and during-meeting strategies to keep things lively. To read past issues of *Boardroom Bearings*, click [here](#).

Board meeting follow-up is the last step in the cycle of effective board meeting processes. Since most boards do not provide meeting minutes until they send the board packet for the next meeting, there are two simple things to do to keep the ball rolling:

1. At the end of the meeting, before adjourning, summarize action items: what needs to be done, by when, and by whom. Then, within a few days of the meeting, follow up with a short email to the full board to remind everyone about the actions they are responsible for. Bonus: when it's time to build the next meeting's agenda, you will have a head start.
2. Make it standard practice for someone to contact board members who did not attend the meeting. This follow-up person can be the board chair, board secretary, governance committee chair, or designated governance committee

## In This Issue

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member. The contact should be by phone - it's more personal. Let the absentee know that they were missed, provide basic information about the meeting, and make sure they know the date and time for the next meeting. This conversation is also a good time to get to know the individual better and gather their views about the board and the organization.

## Does Your Board Measure Up on Leading Governance Practices?

This article is the third in a four-part series on recommended governance practices:

- 8 Essential Practices in [August](#) and
- 8 (of 16) Leading Practices - things that exemplary boards do above and beyond the Essential Practices - in [October](#).

The remaining 8 Leading Practices are listed below with the Compliance Practices coming in the next issue.



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**Manage Conflicts of Interest:** Have a conflict of interest policy that defines what a conflict of interest is and how such conflicts are handled. Each year, board and senior staff should sign a conflict of interest agreement, disclose potential conflicts, and recuse themselves from discussions and votes when conflicts do arise.

**Personal Giving:** If the organization engages in fundraising, every board member should make a meaningful personal contribution according to his/her means.

**Board Retreat:** The board should include an annual retreat in its meeting schedule. In retreat sessions, the board can focus on large or complicated issues and build interpersonal relationships.

**Board Size:** The board should determine its optimal size based on factors that can change over time - factors such as committee structure, legal mandates, need for diversity, and manageability. Regardless of size, all members must be engaged because all are equally liable for the organization.

**Committees:** The standing committee structure should be lean, strategic, and limited to on-going activities. Use task forces for short-term, time-limited initiatives.

**Executive Committee:** If the board has an executive committee, its purpose and authority must be defined in the bylaws. Take care that the executive committee does not usurp the authority of the board.

**Governance Committee:** The board should ensure that board development is a continuous and deliberate activity -- assessing the board and board members, recruiting new board members, providing ongoing board education, developing leadership, and ensuring compliance with the bylaws.

**Form 990 Posting:** the organization should post its IRS Form 990 on its Web site. Form 990 is a public document and is one of the primary tools for transparency -- shedding light on the organization's finances, activities, and governance practices.

**Background:** BoardSource has decades of experience working with tens of thousands of board leaders and conducting extensive research on board practices in all kinds of nonprofit organizations. The organization has distilled 29 recommended governance practices that, when adopted and practiced by boards, lead to improved effectiveness. The 29 recommended practices are divided into three categories: 1) Essential Practices, 2) Leading Practices, and 3) Compliance Practices.

## National Study: Voices of Board Chairs



Image courtesy of Suphakit73 at FreeDigitalPhotos.net

Would you agree that a nonprofit organization's chair has a lot to do with the board's productivity, board members' engagement, and success of the organization? But surprisingly little is known about board chairs.

To fill the gap, the Governance Affinity Group of the Alliance for Nonprofit Management studied the preparation done by board chairs and how they see their role in relationship to the board and other stakeholders. They surveyed 635 board chairs representing local, regional, and national organizations in forty-two states.

The authors of the study said, "What we found was a pretty glaring picture of neglect, in that this is an area of organizational leadership succession that is often insufficiently thought through."

To download the survey report and recommendations, [click here](#) and scroll down to the download link.

## A Useful and Often Inspirational Resource

It is hard to imagine that anyone's life is without conflict. Sooner or later, conflict arises in practically every relationship: employer-employee, between spouses, among friends, in spiritual communities, and yes -- in boards of directors.

I find useful and often inspirational information in blog posts by [Tammy Lenski](#), an award-winning leader in the conflict resolution field. To subscribe to her blog, [click here](#) and scroll down.

## Happy Birthday to *Boardroom Bearings*

Three years ago this autumn, I wrote the first issue of *Boardroom Bearings*. When I started this newsletter, I was not sure where it might lead. All I knew then, and all I know now, is that I enjoy access to a WEALTH of information about boards and have a career full of governance experience that I wanted to share.



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Thank you for reading *Boardroom Bearings*. Knowing that you find the topics interesting and useful is the best reward!



## Question of the Month

**Q:** What should we do when board members have served the maximum number of terms?

**A:** First of all, celebrate their board service with appropriate recognition and gratitude. And don't sideline, discount, or overlook these valuable stakeholders! After serving the typical tenure of six years, make sure that retired directors receive more than mass mailings or requests for donations. Unless they tell you otherwise, do not assume that these individuals no longer want to serve the organization.

Here are some ways to keep them involved:

- Add a provision to the bylaws that allows a person to be re-elected to the board after a one year break.
- Add a provision to the bylaws for emeritus board members; they attend board meetings and participate in discussion, but do not vote and are not counted toward quorum.
- Invite the retired board member to serve on a board or staff committee.
- The board chair and/or chief executive can consult the former board member on issues where he/she has expertise.

- Form a board alumni group. This group can take on special assignments, help identify potential board members, support fund development initiatives, etc.

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**Please remember:**

You are invited to submit questions by emailing them to [kdw@centerpointinstitute.com](mailto:kdw@centerpointinstitute.com). And if you have a troubling governance issue and need someone to talk with, confidentially, at no charge, call 815-545-1300 or send an email.

**Boardroom Bearings...**

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