

Boardroom Bearings

Navigating to Board Excellence



January / 7 / 2014

Board Development Step 4: ORIENT

The feature topic in this issue is board member ORIENTATION. Even if your new board members aren't elected until later in the year, the Governance Committee can evaluate and upgrade the orientation program now.

The when, why, who, and what of orientation

When: If previous steps in the board development cycle have been executed well, some orientation has already been done. But after the election, a more formal orientation is needed - ideally before the new board members attend their first board meeting.

Why: CEOs and Board Chairs need to remember that board members come from different sectors and have different experiences. They may have never been on a board before and, at the very least, they have never been on YOUR board before. To enable them to contribute to board deliberations confidently, an orientation is essential.

Who: The expectation that all new board members attend orientation should have been emphasized in the run-up to the election and in all communication following the election. On-going board members may also attend and, if you assign a "mentor" to the new members, those mentors should also attend. Board orientation is planned and conducted by the governance committee along with the board chair and the chief executive.

What: Many boards have a board manual that they give to all new board members in advance of the formal orientation; others have the information available and regularly updated on a secure page of the organization's Web site. See BoardSource's "Suggested Contents for Board of Directors Handbook" located [here](#). (Listed alphabetically).

More What: Click [here](#) to see BoardSource's "Board Orientation Chart" for ideas about what to include in a board orientation program. These ideas are also useful in refreshing the knowledge of the entire board on selected issues including:

- Program
- Finances
- History

In This Issue

Board Development Step 4:
Orient

The when, why, who, and
what of orientation

Orientation is shown to
improve board performance

Governance Committee or
Nominating Committee?

Trends and predictions

Question of the month: How
big should the board be?

Re-cap

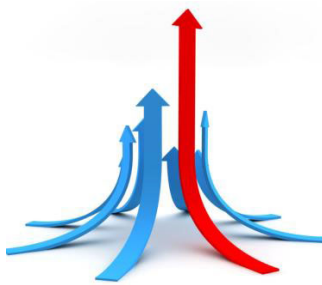
About Boardroom Bearings

- Strategic Direction
- Organizational Structure
- Board Roles
- Board Member Responsibilities
- Board Operations
- The Board as a Team
- Skills.



Orientation improves board performance

Every two years, BoardSource conducts a comprehensive national survey of nonprofit board members and CEOs. The survey provides the most up-to-date picture of nonprofit governance practices.



Data collected in the [Nonprofit Governance Index 2012](#) "...show a sizable percentage of boards with limited knowledge of their basic roles and responsibilities" (page 21). The study also shows that "...boards with a formal orientation process that is effective in bringing board members 'up to speed' are more likely to have knowledgeable board members. More than 70% of chief executives with a structured board orientation process describe their board members as 'very well informed' or 'well informed.' Only 43% of chief executive without a structured board orientation process describe their board as 'very well informed' or 'well informed'" (page 21).

informed" (page 21).

What's the difference: governance committee or nominating committee?

A strong trend in nonprofit governance is the move away from a "nominating committee" that has the singular job of nominating new board members and toward a "governance committee" (or board development committee) that has a more comprehensive scope of work.

While most nominating committees function only a couple of months in advance of elections, governance committees are standing committees with a year-round calendar of responsibilities.

The governance committee is generally in charge of:

- Continuously identifying and cultivating potential board members
- Planning and conducting the formal board orientation
- Making sure that all board members are engaged in the work of the board
- Creating regular opportunities for board education
- Assessing board performance
- Keeping the board fresh and contributing
- Celebrating board service.



Trends and predictions

What is a New Year for if not for spotting trends and

making predictions? The nonprofit sector has no shortage of these observations this year. Here are a few:



The **Nonprofit Quarterly** has published 10 trends that emerged in 2013 and 10 predictions for the coming year. One of the trends relates directly to an underlying theme of these governance newsletters: transparency and dialogue as "core capacities of a twenty-first century organization."

The [article](#) says that the speed of communication and widespread use of social media present both a threat and an opportunity:

- "Nonprofits that are tone deaf to their constituents and critics are putting themselves at risk in new and increasingly showy ways."
- "The engagement that organizations can engender among their constituents can be useful in untold numbers of ways."

And a **Forbes** article by Tom Watson, "Looking Ahead: Trends and Collisions that Will Challenge the Social Sector in 2014," offers a similar "privacy vs. transparency" prediction including the probability that "the nonprofit sector will have its own Edward Snowden in 2014, a leaker who blow the lid off the finances and practices of either a major national nonprofit or foundation or social venture in stunning detail..." Read the article [here](#).

Readers interested in fundraising might like this [article](#) from **The Chronicle of Philanthropy**: "What Nonprofits Should Stop Doing in 2014: Advice From the Experts."

Readers interested in social media may enjoy this [item](#) from the **Bill and Melinda Gates Foundation**: "8 Social Media Predictions for Nonprofits in 2014."



Question of the Month

Q: How big should the board be?

A: According to the BoardSource [Governance Index 2012](#), "Average board size has remained stable in recent years, with a mean between 16 and 17 members since 2004, after decreasing from about 19 members in 1994-1999" (page 9). The report,

however, goes on to emphasize that each board needs to determine the optimal board size for its organization.

Of course the legal requirement must be met -- state laws vary, but most set the minimum number of board members at three. Beyond that, the board needs to be big enough to get the work done and not so large as to be unwieldy or leave board members wondering why they are there. Smaller organizations generally have smaller boards -- around 8-10 members while larger organizations tend to have larger boards - around 15-18 members.

Advantages of small boards: greater sense of ownership among members because they know their participation is vital; able to achieve consensus more readily; communication is less complicated; relationships can be more personal; board expenses are more manageable.

Disadvantages of small boards: insufficient diversity of background, experience, and perspectives to address critical issues; possibility of resistance to bringing in new people; and burn out if too few are asked to do too much.

Advantage of large boards: can be more representative of a large, widespread, or diverse constituency.

Disadvantages of large boards: tendency to rely on an executive committee which results in rubber stamp boards and members skipping meetings because they aren't part of the inner circle; CEO unable to form personalized relationships with board members; communication can be difficult; and large boards can be expensive, especially when travel to national meetings is required.

Re-cap

Since choosing board members has powerful implications for the future effectiveness of the board and the success of the organization, we are running a 9-part series on building an effective board of directors. The first three newsletters addressed how to IDENTIFY, CULTIVATE, and RECRUIT potential board members. Previous newsletters may be accessed [here](#).

Boardroom Bearings...

...is written by Katheryn Wiedman, Ph.D., Centerpoint Institute, a BoardSource Certified Governance Trainer. Click [here](#) for a list of customizable governance workshops. You may reach Katheryn at kdw@centerpointinstitute.com or at 815-545-1300.



Boardroom Bearings is published monthly. To subscribe your organization's board chair, board members, CEO, or other staff, please forward the newsletter with a suggestion that they subscribe. A subscription box is also on our [website](#).

Forward this email

[Forward this email](#)



Try it FREE today.

This email was sent to kdw@centerpointinstitute.com by kdw@centerpointinstitute.com | [Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).

Centerpoint Institute | 2419 Suffolk Lane | Joliet | IL | 60433