



Enhancing Board Performance

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Session Objectives

Explore the ways you can improve performance from your volunteer board by understanding the functional structure of an effective board, engagement and recruitment.



1. The evolution of boards
2. Effective board governance frameworks
3. Recruitment
4. Engagement
5. Questions & other thoughts



What's on your mind?

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Poll: My Board is ...

1. A valuable strategic asset
2. Helpful
3. Okay
4. Gets in my way
5. Dysfunctional

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A ... or ... B



Flag (modified)



The Board needs to know how you are going to tap our growing entrepreneurial culture by Monday, we want to see your plan for increasing our Chamber's use of technology by Wednesday, and your budget plans by Thursday.

And, by the way, on the next board agenda we want to talk about why you aren't increasing membership and making a bigger impact on our community?

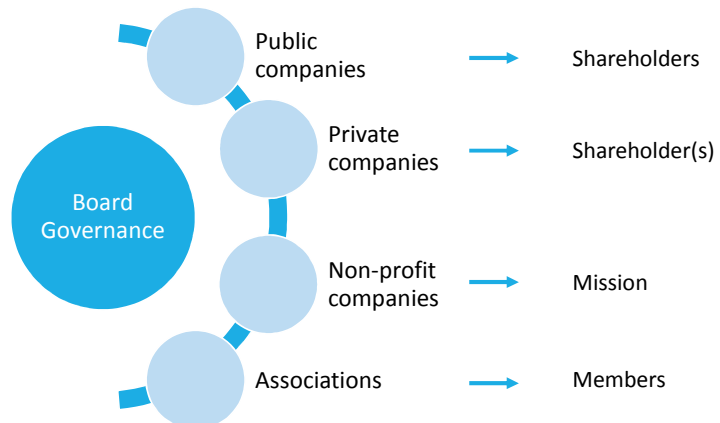


Board Governance

The practices and processes by which decisions are formed, implemented, monitored and assessed.

How the board demonstrates its accountability.

Leadership. (Ram Charan, Owing Up)





The Evolution of Boards

1. CEOs recruit “cronies”
2. Colossal collapses
3. Regulation
4. Compliance focused boards
5. Strategic focused boards



Effective non-profit governance is becoming increasingly important

Member-serving organizations looking at more effective governance practices

Value Creation for stakeholders

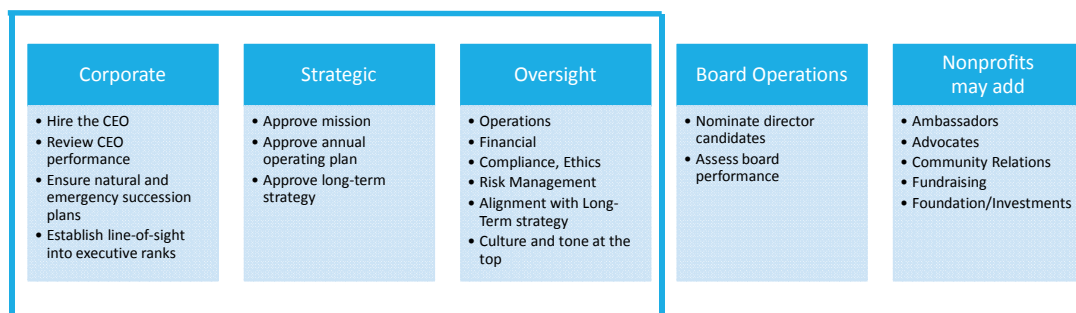


An Effective Board Governance Framework

1. Considers the carrying-out of fiduciary duties
 - Duty of loyalty
 - Duty of care
 - Duty of obedience
2. Defines responsibilities
 - Governance guidelines
 - Director expectations, responsibilities
 - Board leadership
3. Reviews operating procedures
 - Board meetings
 - Annual meetings
 - Committees
4. Offers continuous improvement
 - Orientation
 - Education
 - Board evaluation
 - Succession planning
5. No one right way



Board Responsibilities





Trends

1. Smaller boards
2. Greater interest in diversity
3. More communication/transparency
4. If someone is not contributing, “the conversation” is happening
5. More ad hoc committees, less standing committees
6. Executive sessions
7. More engaged boards





Engagement

1. Why
 - Fear factor, economic crisis
 - More fun
 - *Better boards enable CEOs and management to ensure successful companies = good for employees, shareholders, vendors, customers, communities*
2. Balance
 - Rowing vs. steering
 - Creative, collaborative partnership with CEO
3. Forward thinking boards
 - Willing to engage in “messy” discussions
 - Willing to push each other
 - Seek innovative solutions to emerging concerns



Ideas For Better Engaging Your Board

1. Periodic retreats/special meetings to
 - Seek involvement in strategic planning
 - Challenge assumptions – consider deviating from traditional ways of doing things
2. Board operations
 - Demand high participation
 - Give attention to board recruitment, development, succession
 - Develop a culture of board self assessment and accountability
 - Deal with ineffective or disruptive board members
3. Logistics
 - Shape the board agenda to include more regular strategic discussion, less compliance and past “stuff”
 - Better board orientations, more ongoing education
 - Give in-between meeting communications



Recruitment

1. Qualification and skills – use of the skills matrix
2. Size
3. “Fit” and culture
4. Diversity
5. Independence
6. Tenure



Technology

1. Web portals
2. Virtual meetings
3. Electronic voting



The most important question for boards to ask:

How are we doing?

And then following up.

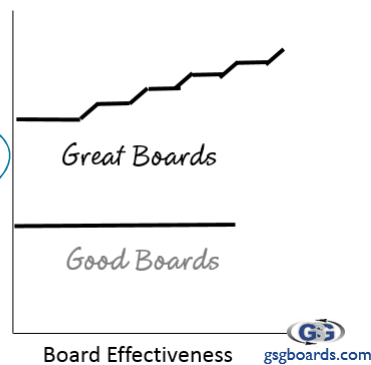


One Last Note

There's not one single
good governance metric.

Board governance is a
live process.


Self reflective boards that
ask "how are we doing,"
get better.





Really ... One Last Note

Recommended Reading:

1.  The Imperfect Board Member - Discovering the Seven Disciplines of Governance Excellence
 - By: Jim Brown
2. Owing Up - The 14 Questions Every Board Member Needs to Ask
 - By: Ram Charan
3. What Makes High-Performing Boards: Effective Governance Practices in Member-Serving Organizations*
 - By: Beth Gazley and Ashley Bowers

*Read a review, not yet the book, but seems on point.



Questions – Other Comments

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Helping directors increase board effectiveness.

