

What is a Board Member Richard Longsdorf

Introduction

Good nonprofit organizations have good boards. Good boards are a continual work in progress. The diverse talent required to make a good board must be searched for and even many times developed through training and experience.

What I hope to share with you today is basic board knowledge that I hope can help you to be a good board member. In 1st Tim. 3:1-13 we read what Paul had to say relative to the “Board” of the church. (Read) We can only conclude then that God is a God of order and this should serve as a great example for us even in secular organizations.

Identity

The first thing we need to do is determine what a board member should look like. The old adage that says;

“If it walks like a duck, swims like a duck, flies like duck, quacks like a duck, it must be a duck.”
But how do I know a board member when I see one? How do board members walk, talk, and actually what do they do? (Illustration of Engineer)

DNA

Just as we humans are most positively identified by our DNA, what’s the DNA of a board member? What are some of the attributes we’d like to have in a board member? If we went out on the street today looking for one, what would we look for? Would we recognize one if we saw one or talked to one?

Technical Description:

Technically, board members are the fiduciaries who steer the nonprofit organization towards a sustainable future by adopting sound, ethical, and legal governance and financial management policies, as well as making sure the nonprofit has adequate resources to advance its mission. (Fiduciary here would mean someone who bears the trust and confidence of the organization and has the interest of the organization at heart. It can also imply legal responsibility in some situations.)

So what are some things we should look for that might help us identify a prospective board member?

Suggested Attributes of a Board Member

Here are eight suggested attributes of a board member:

Energy - Look for go-getters, people who are willing to dive into a project. It's much easier to pull back on the rope than to push on it.

Enthusiasm - Look for someone who shares your enthusiasm for the mission, someone who has a mutual interest in the nonprofit purpose. (Example of the Rambler commercial.) The board must believe in the mission and live it. Be able to sell it and get donors to buy into it.

Finisher – Look for someone who has a history of completing projects, someone with a history of accomplishment. Some of the most talented idea people are lousy finishers. Look for the detail person who prides in accomplishment.

Dedicated – Look for those who will stay with you through the good times and the bad times. Some individuals cannot handle the pressure of adversity.

Decision Maker - You want board members who can make decisions, based on the available data and information and in the best interest of the nonprofit.

Honesty – Prospective board members must be trustworthy, steadfast, and dependable.

Spiritually Solid – This is especially true for church related nonprofits. I'd like to see someone with an active prayer life someone committed to his/her faith, someone willing to stand fast to that faith even in diversity. Someone who will be respected.

This is a sort of wish list. You will seldom find a candidate who has all these attributes, but the more they have the better the chances for having a strong board member. I've shared these to help us see just what a board member may look like. We haven't quite fully described the duck yet. So let's look a bit further and add some more descriptions to define this bird.

Skills

So what are some of the skills we'd like to see in a board member? This will of course depend somewhat on the nature of the organization and its mission. But as a rule of thumb you should include any of the following:

Financial – Of all the skill sets, this is one of the most desirable. Experienced investors, money managers, capitol investors, CPA's, and persons with other financial experience are valuable to a nonprofit board. Caution!! I don't recommend financial oriented people to handle operations type tasks. They tend to run based purely on financial status.

Management – It is always desirable to have management skills/experience. The board essentially runs the organization (through the staff). So good management skills are sought. CEO's and former CEO's, and even lower management experience is useful.

Development - Boards need all the help they can get in the raising of funds, writing of grants, and insuring that there is sufficient revenue to meet the mission of the organization. This often one of the most over looked areas of a board.

Entrepreneurs - Every worthwhile organization need some forward thinkers, future thinking / looking members who ask questions like, “ Where do we go from here?” What new programs, markets, or products should we consider? But a word of caution, don’t give these types too long a leash. (Example of RCA new product group.)

Public Relations/Legal - Individuals with people skills and legal training are much needed on nonprofit boards. There will be personnel issues from time to time and these are best handled with trained individuals. (Example of RCA protection of company patents, copy rites, secret processes, Turner situation, etc.)

Technology - Depending on the type of organization and mission, technically trained candidates can be an asset. They are typically well organized and good decision makers.

Organization - People with good organizational skills are a real asset in helping get the most out the resources of the organization.

These are just a few of the basic skills you would like to have on a nonprofit board. The real task is finding a good mix of these skills to address as many of the needs required to help manage the organization.

So as a potential board member you need to assess your particular skills and get plugged in where you are comfortable and can contribute most effectively.

Now after all that let me ask a question, is there ever a time when “politics” is employed in the naming of a board member? Yes! Suppose you have a candidate who has close ties to a potentially heavy hitting donor. His most useful skill may indeed be cultivating that potential donor. Do I like this approach? No! Would I use it if I were in charge of development? Probably! The point I’m trying to make is, don’t get too hung up on the skills list, look at the needs of the board and what’s immediately available to help a particular need.

When I was in management and interviewing engineering candidates, most just out of college, I didn’t just look at the A students. When you ask questions that revealed their hands on experience, their drive in the pursuit of their education, you often found a good candidate among the C students. (Navy Example, Wally Watkins)

Okay! We now have a much better picture of what a nonprofit board member should/could look like. So if we caught one would we know what to do with it?

(Like the dog that finally caught a car. He asked himself, what in the world do I do with it?) It is just as paramount that we know what to do with a potential board member if we caught one. Would we know what to tell them to do? Is training necessary or at least a good idea? Have we

given the candidate adequate orientation to help them assess what the organization is all about especially the nonprofits mission and purpose. Perhaps training is a good option through seminars, etc.

(Example of writing course) So yes training and orientation to familiarize the candidate with the organization and to help see where the candidate might best be used. But that's another subject we'll cover later.

So let's move on now to some practical aspects for the current or prospective board member.

Called

So you have been called to be a board member or you may be currently serving on one. Where do you go from here? If it's a new assignment you need to ask some important questions. If you are currently serving on a nonprofit board you still need to ask questions but perhaps for a different reason. Perhaps you aren't sure what your assignment fully entails, or maybe you don't feel like you are being used to the best of your abilities.

I'm a hunter so let me use an analogy to hunting to illustrate.

Suppose I say to you, "Let's go hunting". (By the way I did some bow hunting with a friend who is now 90 and he's still hunting. Example of choosing a hunting partner.) What questions should you ask? Well of course we need to know what it is we're going to hunt. If I'm going for bear I shouldn't take my squirrel gun. Where will this hunting trip take place? Will I need a pass port, air plane reservation, hotel/motel room? What's the timing for this trip and how long will we be gone? What equipment will I need? (Clothes, camping gear, etc.). How much will this cost?

In the same way, when being asked to serve on a nonprofit board, start with some basic questions. First I'd want to know the mission of the organization. Is it one that I can relate to, have interest in and support? Would I be proud to be a part of this effort? Could I sell this mission to potential donors? Would I be a good ambassador for this organization? Second, I want to know the purpose of this nonprofit. Does this fit my personal outlook for life from a moral point of view and from a practical point of view? Is this something I want to devote considerable time and finances to?

Knowing this you can now begin to make decisions. Do I want to devote a considerable amount of time and financial support to this cause? If the answer is yes, then you are ready to explore further.

More Questions

What is expected of me as a board member?

How many meetings will I be expected to attend per year?

What will be my primary responsibilities?

What will this cost me? (Time wise and monetarily)

Is there legal obligation/consequence by virtue of this position?

When you have answers to questions such as these you will have a much better idea whether you want to proceed as a candidate. You will also have a clearer picture of just what you are about to become involved in. Is this where I want to donate a considerable amount of time and financial resources?

Responsibilities

We mentioned responsibilities required of nonprofit board members so let's take a look at a few suggested areas.

One author breaks it down like this:

Duty of Care – Help manage the nonprofit by ensuring prudent use of all assets including faculty, staff, buildings and grounds, financial holdings, programs, and operational funds. Provide oversight for all activities that advance the mission and purpose in an effective and sustainable way.

Duty of Loyalty – Make decisions in the best interest of the nonprofit to further the mission and purpose. Never in the self- interest of the board member.(Most likely there will be conflict of interest policies in place.)

Duty of Obedience – Ensure that the nonprofit obeys all applicable laws and acts in accordance with ethical practices, adhering to its stated corporate purposes, and that these activities advance the mission.(Example of doing government work and keep all aspects of the contract.)

In addition to many such board duties, you will most likely be asked to serve on one or more standing committees.

As such these duties reach beyond the formal board meetings. Nonprofit boards usually have standing committees to address specific tasks and needs of the board. Typically they consist of some or variations of the following:

Executive Committee The primary duty of this committee is the support of the executive director (president) in carrying out the mission and purpose of the nonprofit. It usually consists of the officers and the chair persons of the standing committees. It may also include several members at large from the board such as past officers, etc.

Development Committee This committee is primarily responsible for the planning and execution of fund raising campaigns and ensuring that adequate financing is available for carrying out the mission of the nonprofit. It may also be involved in the planning of and promotion of new programs to expand the mission.

Personnel Committee This could include responsibility for all staff, management and other personnel involved where personnel issues are to be established, protected, or resolved.

Finance Committee - The finance committee is responsible for the budget, compliance with the budget and ensuring that the tax exempt status of the nonprofit is not compromised. Annual audits of the treasurer's books are also a task of this committee.

Trustee Committee - This committee is primarily responsible for the evaluation of the individual members, the chief executive and the continual search for future board members. This committee is also in many instances responsible for establishing a slate of officers as needed.

Good committees are the work force of the board. Board meetings can be primarily a time of committee report approvals when committees are functioning effectively.

Expectations

Well we now know what a board member should look like and we have done our homework regarding the nonprofit we are considering becoming a part of but what does this organization expect of me as a board member?

Many nonprofits use the "W's" to help define expectations.

Wisdom – Most boards look for those who are capable of and available to staff in an advisory capacity when called upon and offer suggestions to the CEO. Discernment for the resolution of difficult day to day situations.

Work – Candidate should be willing to help with fund raising, a program event, be a mentor to a staff person, use your skills where needed.

Wealth – Need to go beyond easy giving to be a model of sacrificial giving.(Example of how accrediting agencies view importance of board member giving.)

Witness – Talk the talk and walk the talk of the mission in your daily life. Look for opportunities to make the organization known. Be proud that you can be called a board member of this organization. Spread good will regarding the organization.

Wallop – Always think, what one thing could my position and network accomplish that others could not? How can I make a difference?

These are a mere over view of some of the structure of a nonprofit board.

There are other pertinent questions you would want answered.

More Questions

Who appoints committees, committee chairs, and for what terms?

Are committees roles defined?

When can ad hoc task forces be utilized? How established?

Review board reports and minutes.

Board expenses

How are members recruited, oriented, trained, selected and evaluated?

These can help clarify your understanding of what's expected of a board member.

Orientation and Training

Why is orientation and training needed?

Here are some of the benefits:

- It will help reduce frustration and miscommunication
- It can reduce the time for board members to become productive
- It can reduce the potential for tension between the board and staff
- It helps create an atmosphere where good people want to serve

So who should be responsible for new member orientation and on-going training?

- Do not depend solely on the president or CEO
- Involve a board committee such as Trustee or Development committee

What should orientation and Training cover? Here are just a few to illustrate.

- What's the role of the board and staff as a team?
- How mission, values, goals are determined and monitored?
- What role does staff have on board committees?
- What's the process for identifying, selecting, orienting, evaluating, board- members?
- What conflict of interest policies are in place?
- What is the role of the standing committees?
- How is the budget process and related audits handled?

Summary

Now that we have determined what a board member should look like and what might be required of one, we can now hopefully determine whether this is an activity we want to

become involved in. If you are a current board member I trust it has been a help in clarifying your role and expectations on your board.

Board membership should never be taken lightly. It's more than just a prestigious title to help bolster your resume. It can be a helpful experience as you network with diverse talented people. It can be a rewarding experience knowing you had a part in the development of a nonprofit organization which through its mission benefited individuals and possibly an entire community.