

# Vision: Leadership Focus



July 2010

## Intentional Practices: Maximizing Board Structure, Time, and Talent

**Have I got a deal for you! Be more brilliant, produce stronger results, transcend common expectations.**

What if you could snap your fingers and:

- Increase your board's ownership of the organization and its current strategic priorities?
- Maximize the use of the board's talents and time?
- Progress at a faster rate with more efficient oversight and rewarding results?

In this issue, explore the 10th principle, "Intentional Practices," from the BoardSource book, *The Source: 12 Principles of Exceptional Boards*. It notes that exceptional boards **intentionally** structure themselves to fulfill essential governance duties and to support organizational priorities. But how? A review of current practices can be enlightening. Let's start with board meeting formats.

**It's magic. See if you can figure out how it's done.**

1. **True or False:** Our board has strategic, insightful board conversations, understands and monitors its financial conditions and is current with new accountability requirements, is implementing a major transition in the way it serves or invests in the community, approved dynamic messages about the new directions, and provides exceptional leadership defining priorities for the each annual workplace campaign... drum roll, please...in one-hour monthly board meetings! Really!
2. So, following up on the possibility that one-hour board meetings may be tight for handling critical United Way board work **select one choice:**
  - a. We're all happy here – no changes are needed. It has worked for a long time. Why change?
  - b. We've been thinking about possible changes, but we aren't sure what factors to consider.
  - c. We updated our board size, structure, and committee configurations to support our strategic priorities. We are thinking about using 90 minute meetings (plus occasional in-depth meetings, if needed) and annual board retreat to maximize our board's time and talents and be even more strategic.



### Fast Focus Tips

- Exceptional boards engage in action-oriented results-driven work.
- They develop member assignments aligned with the organization's priorities.
- They have an intentional and strategic approach to board operations.
- Exceptional boards reap full benefit of members' talents.

Find the book,  
\*[www.boardsource.org](http://www.boardsource.org)

**"There are two great days in a person's life - the day we are born and the day we discover why."  
-- William Barclay**

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**12 Principles of Governance That Power Exceptional Boards**

1. Constructive Partnership
2. Mission Driven
3. Strategic Thinking
4. Culture of Inquiry
5. Independent-Mindedness
6. Ethos of Transparency
7. Compliance with Integrity
8. Sustaining Resources
9. Results Oriented
- 10. Intentional Board Practices**
- 11. Continuous Learning**
- 12. Revitalization**

*Vision* features one 'power' principle in each issue. See past issues at [www.iauw.org](http://www.iauw.org).

## Board Structure and Size: Finding the Sweet Spot

Why is your board size the way it is? Consider periodic review to match board size and structure to the board's needs to ensure the best use of members' talents and stronger leadership. Many United Ways have larger boards to better represent wide geographic areas or to tap a range of expertise and other qualities. Whatever your board size, be sure its array of committees, task forces, and areas of work are clearly defined and focused. Here are some best practices:

- ➔ **Term limits are essential to infuse the board with fresh ideas and perspectives** and allow particularly engaged board members to take a break. Change is constant, so it's essential that the organization keep its pulse on new thinking and best practices. If some members are reluctant to let go, find non-board roles that will benefit from their expertise and dedication.
- ➔ **Use a Governance or Nominating Committee** to lead the recruiting functions. Ensure **an inspired and organized recruitment process** to tap the best and the brightest for new leadership roles. Lay out upcoming priorities to explore the skills and relationships needed to achieve them. Set goals for relationships the board would like to acquire. Ideally, all board members have a role in recruiting conversations using everyone's connections and insights. BoardSource notes an updated best practice: **look for strategic thinkers** – perhaps even more important than their geography, culture, expertise, or traditional connections.
- ➔ **A Governance Committee can ensure that accountability practices are current and recommend board training topics** or other opportunities. For example, if your board is considering a new initiative, be sure they have the training or briefings necessary to understand the commitment and steps to be successful. Often this can be achieved in several small installments until the board is comfortable. Finally, the committee may help document board practices for institutional memory and stable leadership and thoughtfully adapt them to changing circumstances.

<b>Responsible Boards x</b>	<b>The Source of Power =</b>	<b>Exceptional Boards</b>
Design board size, structures, and meetings to accomplish work of the board	Intentional and strategic approach to board operations	Engage in action-oriented results-driven work
Document practices, policies, and decisions	Flexibility in response to changing environment	Use board member time wisely
	Member assignments aligned with priorities	Reap full benefits of members' talents
	Executive sessions	Connect to the work of the organization

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## Who's the Boss? Executive Committee Best Practices

If used wisely, executive committees can be an important part of a board's structure and practices. An executive committee is simply a smaller subset of the board. It is the only standing committee that may have the right to make decisions on behalf of the full board. The board itself decides whether or not an executive committee is needed and what role it should have. The purpose is to help the full board do its job. The charge, roles, and boundaries must be clearly defined in the bylaws and may dictate who serves on the committee. It is often comprised only of board officers.

### Common Duties or Tasks:

- Determine executive compensation. Some meet only for executive performance appraisals.
- Provide a sounding board requested by the executive director on a sensitive or hot button issue or best practice.
- Make emergency decisions when it is impossible to convene the full board.
- Some meet in conjunction with every board meeting to assist with agenda development. Some never meet.
- May play an important interim role when the executive director position is vacant.

### Caution! Executive Committees Meeting Too Often:

- Creates a risk that the full board is not aware of or approving items that are its legal responsibility.
- Can lead to taking away power and ownership from the full board.
- Creates a risk that the Executive Committee becomes an elite faction, alienating the rest of the board.

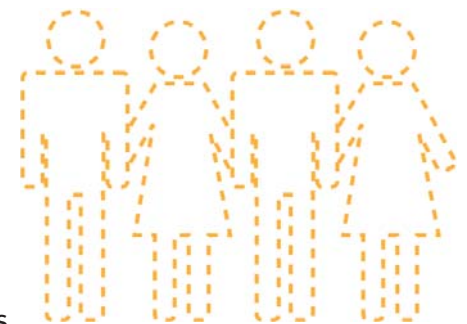
### Advantages and Options:

- For a very large board an executive committee can help handle some tasks more easily. Can be an effective way to make decisions in true emergencies.
- Review the full board size and meeting times to be sure they work for the organization's needs.
- Use conference calls on a regular schedule or for specific decisions. If formal votes are taken, the conference call practice may need to be stated in the bylaws.
- Can assist with monitoring effectiveness of the board's work.

## Appreciative Corner: The Incredible Disappearing Committee

Without question, the trend is toward letting standing board committees go where a task force or ad hoc committee could work with more flexibility in a timely manner. So, what committees are still important enough to be "standing"? Let's look at possible board conversations for revising the Executive Committee role or updating overall committee structures.

1. Meetings convened around a shared, clearly-defined focus in support of priority goals draw higher attendance and produce stronger results. Does each standing committee, task force, or ad hoc committee have a clear charge? How does each committee or task force contribute to the life-giving force of the organization or play a key role in the organization's forward momentum?
2. What does "less is more" look like for us? Are there committees that have run their course? What **functions are vital** such as nominating/recruiting, audit/finance, and the campaign committee? Are there tasks or responsibilities that can be handled with care without a committee or with occasional oversight? What number of meetings, conference calls, or email exchanges will produce optimal performance and results?
3. Are committees comprised of skilled members chosen specifically for the work at hand, including non-board members as needed, and refreshed often for new views?



Indiana Association of United Ways...Bringing Indiana United Ways together to help them create a successful future.

**Community - Building a network of local United Ways/Funds in Indiana to increase their learning and collective achievement**

- 61 member organizations
- 1010 matching grant program
- Roundtables and collaborative assistance
- Vision Leadership Focus newsletter

**Performance - Creating and delivering tools and resources increasing members' capacity to serve their communities**

- State Leaders Conference and recognition programs
- 1010 grant technical assistance and training
- Regional conferencing and national program hosting
- Software user groups
- Indiana Nonprofit Resource Network
- NP&AS, Nonprofit Processing & Accounting Service
- Emergency Food and Shelter Program (EFSP)
- [www.iauw.org](http://www.iauw.org) and other Web site features

**Advocacy - Representing United Ways to external audiences that contribute to United Way effectiveness and presenting education, income, and health learning and practice to members**

- Partnerships and strong relationships with Indiana University Center on Philanthropy, Indiana Coalition for Human Services, Indiana Voluntary Organizations Active in Disaster
- Public Policy
- United Way Council of States and other national involvement
- Indiana 211
- Youth Philanthropy Initiative of Indiana
- Indiana Afterschool Network
- United Way of America

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**Give it a Try: Make Meetings Matter with Themes**

Exceptional boards have dynamic board meetings. They translate challenges and opportunities into board agendas that allow them to make meaningful decisions in a timely manner. One way to infuse meetings with substance and momentum is to schedule theme-based discussions as priority agenda items. Here are some great meeting tips:

- ◆ Ensure your strategic priorities lead your agenda and connect to mission.
- ◆ Allow time for creativity, wisdom, and tapping board talents.

- ◆ Select meaningful discussion themes such as:
  1. A 2-3 meeting series on new accountability requirements
  2. The Governance Committee's report on refreshing the bylaws
  3. Quarterly, review a different major goal area to monitor or refine
  4. A one-year focus on a major initiative or transition (such as a new issue area or developing community outcomes) including mini-training segments on best practices and principles
  5. Term limits and recruiting practices
  6. A board self-assessment every 3 years

**laUW Supports:** laUW can assist with conversations about structuring to make room for the most vital and current work of the board. Visit [www.iauw.org](http://www.iauw.org) in the members' area for sample Board Manual sections on board job descriptions and executive succession planning ideas. Mark your calendar for the State Leaders Conference, March 10, 2011, Indianapolis, and take home new ideas. Contact your Indiana Nonprofit Resource Network regional director for any aspect of board training or strategic planning at [www.inrn.org](http://www.inrn.org).