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Boards that work: Effective Leadership for community media centers

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I. Welcome/introduction

Laurie has worked many years as an "Access Evangelist" with a background, and a degree in social work. Currently she is the Executive Director (ED) of GRCMC, in Grand Rapids MI. Previously she was the founding ED at Santa Rosa California, where she worked for 11 years.

Laurie did a quick poll to find out who was in the room. The audience included Board members, EDs their staff, and community Volunteer Producers.

Many of her informational handouts came from a popular management website, <http://www.managementhelp.org/boards/boards.htm>

II. Non Profit Boards and Models in Access

a. What is a board?

A corporation, whether for-profit or nonprofit, is required to have a governing Board of Directors. To explain, a corporation can operate as a separate legal entity, much like a person in that it can own bank accounts, enter into contracts, etc. However, the laws governing corporations require that a corporation ultimately is accountable to its owners (stockholders in the case of for-profits and the public with nonprofits). That accountability is accomplished by requiring that each corporation has a Board of Directors that represents the stockholders or the public.

Members of a governing Board have certain legally required (fiduciary) duties, including duties of care, loyalty and obedience.

Governing Boards can have a variety of models (configurations and ways of working), for example, "working Boards" (hands-on, or administrative, where Board members might be fixing the fax one day and strategic planning the next), "collective" (where Board members and others in the organization usually do the same types of work -- it's often difficult to discern who the Board members actually are), "policy" (where Board members attend mostly to top-level policies), "Policy Governance" (trademark of Carver Governance Design, where there are very clear lines and areas of focus between Board and the CEO), etc. All of these models are types of governing Boards.

b. To whom does board answer?

Short-hand answer is that the Board has to answer to itself, the public, organization members, and a city council or other funding partners and agencies.

At its most basic, accountability is having to report to a certain constituency (for example, to stockholders in the case of for-profits and to the public in the case of nonprofits) about what an organization is going to accomplish and also the status of achieving those accomplishments. Accountability is being responsible and accepting the consequences of the actions of the organization, whether those consequences are positive or negative. Progressive and socially responsible organizations take that definition of accountability even further and see themselves as being responsible to "stakeholders" -- to groups of citizens who have a direct or indirect interest in the operations and effects of the organization.

c. Board structures vary

There are at least three kinds:

Open – Members / users and is open to all citizens, board elected by “users”

Joining as a member gives you a vote on the BOD,

The Open Board system is thought of as democratic and open to all.

Problem occurs when member/producers try to run the organization to benefit themselves and their own uses of the organization for selfish private interest.

Closed membership-self perpetuating, whether elected or appointed Board members.

The board is the only legal members of organization, they decide who will be on Board.

The Closed type is often seen as self-serving, private club.

A key issues is that the Board members must have the objective “self-disinterest” to operate the organization in the public trust.

3. Hybrid board, certain number is appointed, and some elected or designated by specific community groups.

A special type of Board is the start-up or Convening board, which come together to create a new organization, often these members have to step down once the start-up is done.

III. Major duties and Responsibilities

Legally there are two roles, fiduciary responsibility accountable for actions, and setting the policy and broad direction of the organization. Typically a governing Board is not managing the day-to-day affairs of the organization, that is the Executive Director’s job.

Major duties of Board of Directors (BoD)

1. Provide continuity to the organization by setting up a corporation or legal existence, and to represent the organization’s point of view

2. Select and appoint a chief executive to whom responsibility for the administration of the organization is delegated, including

-Review and evaluate chief executive performance regularly on the basis of a specific job description, including executive relations with the board, leadership in the organization, in program planning and implementation, and in management of the organization and its personnel.

-Offer administrative guidance and determine whether to retain or dismiss the executive

3. Govern the organization by setting broad policies and objectives,

Policy setting to ensure stability of organization, and conduct effective organization planning

4. Acquire sufficient resources for the organizations operations

Maintaining financial stability often means participating in fundraising and ensuring that resources are managed effectively by setting vision, approve annual budget, monitor budget implementation, keep organization on financial track, report progress to members. Lead the fund raising effort by role-modeling and direct donation. This often means making personally significant cash donations.

5. Account to public for the products and services of the organization and expenditures of its funds, and enhance organizations public image.

6. Monitor programs and services, serve as a court of appeals to overrule staff decisions if needed, assess the board’s performance and report progress to members.

Seven characteristics of financial healthy non profit organization: cash reserve, income based spending, realistic income projections and realistic costs, annually keep positive cash balance, cover deficits from reserves, and manage reserves. The Board holds themselves responsible for organizations financial health.

IV. Boards as Ambassadors

A director may wear the hat of *ambassador*, actively introducing the organization to potential funders and supporters in the larger community. Many boards expect directors to fund raise aggressively and bring potential new partners to the organization. Trustees who are ambassadors, however, may view themselves more as cheerleaders than fiduciaries who objectively assess the strengths and weaknesses of the nonprofit and take action to improve it. Board members who are fiduciaries also support the entire organization and do not fall into the trap some ambassadors do of supporting a pet project that may or may not be consistent with a nonprofit's mission.

V. Organizing the Boards work

It's common for Board members to be organized into Committees. Some Board models, including the Policy Governance Model (a registered trademark of John Carver), minimize or avoid committees altogether. Some Committees are increasingly popular, including the Audit Committee and Compensation Committee in for-profits and the Board Development (or Board Governance) Committee in nonprofits.

Advisory Boards (or Advisory Committees or Advisory Groups) are increasingly common. They can be used as formalized means to get highly focused advice and recommendations about certain topics or even to attend to specific activities, such as researching an issue or overseeing the construction of a facility. Sometimes these groups are formed merely to "park" people who have served admirably on the governing Board or to associate "big names" with the organization. Frequently, these types of unfocused groups result in confusion and frustration for its members. For the organization to get the most value -- and for the members of the group to get the most satisfaction -- the advisory group should be almost as carefully planned, organized and monitored as the governing Board itself.

One way to organize, focus and activate Committees is by associating a work plan with each. A work plan usually includes specific goals, objectives and deadlines for achievement. Often those goals are aligned with goals in an overall strategic plan. In Board meetings, each Committee reports status on implementing its work plan.

The following descriptions are intended to portray various functions often conducted by standing board committees, i.e., committees that exist year round. Note that the following list is not intended to suggest that all of these committees should exist; it's ultimately up to the organization to determine which committees should exist and what they should do.

Potential Standing Committees	Their Typical Roles
Board Development	Ensure effective board processes, structures and roles, including retreat planning, committee development, and board evaluation; sometimes includes role of nominating committee, such as keeping list of potential board members, orientation and training
Evaluation	Ensures sound evaluation of products/services/programs, including, e.g., outcomes, goals, data, analysis and resulting adjustments
Executive	Oversee operations of the board; often acts on behalf of the board during on-demand activities that occur between meetings, and these acts are later presented for full board review; comprised of board chair, other officers and/or committee chairs (or sometimes just the officers, although this might be too small); often performs evaluation of chief executive
Finance	Oversees development of the budget; ensures accurate tracking/monitoring/accountability for funds; ensures adequate financial

	controls; often led by the board treasurer; reviews major grants and associated terms
Fundraising	Oversees development and implementation of the Fundraising Plan; identifies and solicits funds from external sources of support, working with the Development Officer if available; sometimes called Development Committee
Marketing	Oversees development and implementation of the Marketing Plan, including identifying potential markets, their needs, how to meet those needs with products/services/programs, and how to promote/sell the programs
Personnel	Guides development, review and authorization of personnel policies and procedures; sometimes leads evaluation of the chief Executive; sometimes assists chief executive with leadership and management matters
Product / Program Development	Guides development of service delivery mechanisms; may include evaluation of the services; link between the board and the staff on program's activities
Promotions and Sales	Promotes organization's services to the community, including generating fees for those services
Public Relations	Represents the organization to the community; enhances the organization's image, including communications with the press

VI. What about the new Board

The question of finding potential board members is just like the question of finding funding. If you're new, how do you attract folks who can help? Fortunately, the answer is the same for both. And that answer comes long before you file your 501(c)(3) papers. It comes long before your first grant request. It starts with a feasibility study.

A feasibility study will answer the big questions that most board members AND funders will want to know.

Should this organization even exist?

Is there demand for the service we want to provide?

Is there already something like this in our community?

Could we find similar efforts to collaborate with, to make the whole stronger than we could ever be alone? If so, who would they be? And what should we know about them?

What could our organization accomplish that maybe we haven't even thought about?

Who would be likely to help us?

And lots more - you are probably thinking of more questions right now!

VII. Recruitment and Retention

There are various reasons why people are interested in joining a board.

It's very important to keep the perspective that your board deserves highly skilled and participative board members. Don't erode your goals and believe that you are lucky to get anyone at all.

When you set out to recruit new members, the most important consideration is know what kind of skills are currently needed by the board. Consider the nature of issues and goals currently faced by the organization, for example, if you're struggling with finances then seek a member with strong financial skills.

If your organization is like most, you spend more time, money and energy recruiting for clerical and janitorial positions than for the position of board member.

When we recruit board members, we forget that we are "hiring" folks to do a job - one of the most critical jobs in the whole organization: leadership and governance.

So how can we improve the recruitment process? The first step would be to make sure you actually have a process!

What are you looking for?

You can't find the right people to lead your organization if you don't know what you're looking for. Step One, therefore, is to establish criteria for selecting board members, so you'll know when you've found the right people!

Look for qualities that will help the board function better, do its job better.

Some examples may be:

Understanding of our community and its needs

Passion for our cause

Willingness to commit time for board meetings, committee meetings, planning sessions, special events

Team player - works well in a group

Someone who listens well, is thoughtful in considering issues

The list will differ for each organization, and will change as the organization changes.

In cases where specific talents are needed, those talents should be considered IN ADDITION TO the qualifications you create for all board members. For example, the Finance Committee may be looking for someone who is financially savvy.

VIII. Staff/Board relationships

As a general rule of thumb, it is said that in a nonprofit organization, boards primarily govern and staff primarily manages. This means that a board provides counsel to management and should not get involved in the day-to-day affairs of the organization. In this model the ED carries out the mission and vision of the Board.

The three primary players in the governance of an organization need to be assessed...the overall performance of the board as a whole, the performance of individual directors, and that of the chief executive officer or executive director. Governance is a team effort that brings together the perspectives and skills of these players focused on advancing the mission of the organization and collaborating on achieving its more specific goals and objectives.

Where do we start?

One good way to start is with a well-designed Board Book, which should be a one-stop-shop for a new Board member to understand the organization they serve.

Board effectiveness is best gauged by performance along six dimensions: a) *Job descriptions for the board and committees*; b) *A board work plan* ; c) *Board Structure* (how the board is constructed and the parameters it establishes for its operation); d) *Board Culture* (board dynamics and organizational context); e) *Board Responsibilities* (functions, or the "what" of governance); and, f) *Board Processes* ("how" governance functions are exercised).

All nonprofits, in this time of heightened concern about governance, ought to have written descriptions for the role of the board, board committees, individual directors, and the CEO

IX. Special request discussions based on concerns of attendees

Q. How to respond to changes due to state-wide cable de-regulation. Esp. due to exhaustion of staff/Board.

Maintaining regular and effective communication among Board members is crucial. Conducting an annual Board retreat is a way to achieve strategic planning and to maintain effective interpersonal communication among Board members.

Q. Lack of Term limits? One long-term member can control direction of organization.

A. There should be term limits to serve as an officer of the Board as well as for individual Board members. Typically a full Board term might be 3 years and two terms (6 years) would be the maximum time a person could serve as a Board member. Limiting terms for officer roles depends on length of Board terms, but typically a Chair may only serve in that roles for two terms.

Material taken from lecture notes and supported by material from various Websites, including;

<http://www.managementhelp.org/boards/boards.htm>

<http://www.help4nonprofits.com>

<http://charitychannel.com>