An Effective Board-Staff Partnership

Your SECRET WEAPON for Fundraising Success

A guide for nonprofit boards and leadership staff

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INSPIRED ACTION
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Introduction: Why is a Strong Board-Staff Partnership Important?

Do one or more of the following scenarios sound familiar to you?

As a Leader:

Your board shows up to the monthly meeting, and it's obvious that at least some of them haven't read the reports that you (the Chief Executive or other staff) have sent out.

After perhaps a few questions, they pretty much rubber-stamp every decision the staff has made.

And that's the last you hear from them until the next meeting.

At the other extreme, you have one (or more) board members who want to be part of every decision – from setting up your recycling bins to choosing the cafeteria menu. These kinds of members keep you so busy you can't get your work done!

As a Board Member:

You've been asked to join a small nonprofit board, told when and where the next meeting is… and that's it.

Since you haven't been given any orientation materials or heard from the staff, you assume that part of your first meeting will be taken up with new board member orientation. Instead, after you're welcomed, the board dives right in to the business at hand – and you have no idea what's going on.

You're part of a nonprofit board because you love the organization and its mission. As your organization is growing, though, it's becoming obvious that your Chief Executive isn't telling you everything that's going on. You can't get straight answers to your questions, and you're starting to wonder if something could be seriously wrong…

You're Not Alone

The above are just a few loose examples of the kinds of situations I've come across in over twenty years spent working with small nonprofit staffs and boards.

Board members who are barely "there," or else might as well move into an office because they're micromanaging every detail, board members who feel in the dark about their roles, leadership staff who aren't sure how to work with their board or perhaps never learned how to manage some of the tasks of their job – if you're facing any variation of these issues, you are not alone.

The good news is that ***these problems are solvable,*** and this eBook outlines how to do it.

Why is this so important?

Because the days of recruiting board members on the principle of getting warm bodies to fill seats are over. In the new normal, your nonprofit is competing for support from a shrinking number of people who are more careful than ever about giving their time, talent & treasure where it will do the most good.

That means that funders – foundations, government agencies, businesses and individuals – want to see proof that that yours is a well-managed, fiscally responsible, and effective organization. That's the (potentially) bad news.

The good news, though, is that having an effective, well-functioning board that does its job and acts as a partner with an organization's leadership staff is like a "secret weapon" it attracts the kind of support that could significantly increase your overall capacity.

How significantly? Obviously I can't guarantee exactly how well your particular organization will fare, but it's not unusual to experience a ***25% increase in revenues in one year*** by applying these principles.

All of my clients who have used the systems in this book have made substantial improvements to their bottom lines AND the effectiveness of their board and staff partnership.

If these are the results you're looking for, let's move on to ***Chapter 1*** and get started building an effective board!

Chapter 1: The Ideal Board Member

So, who is "the" ideal person to invite to join your nonprofit board? And if you're a volunteer looking to become a board member, what questions should you ask to see if a particular board (or board service itself) is right for you?

While there is no simple, one-size-fits all formula for "cooking up" the perfect board member, there are some general (and important) guidelines.

First and foremost, the person must care deeply about the mission of the organization. Someone who is passionate about your mission will contribute far more in time, talent and treasure, and gain more from the experience, too.

Just how much should someone care about a particular organization before joining its board?

This much: The organization should be in the top five (and preferably the top three) of that person's philanthropic interests. They should be people who will enthusiastically contribute their talents, whatever those talents are, for the good of the whole.

In addition, they should be willing to make a "stretch" gift every year – a gift that is financially significant to them.

Strive for Diversity

As a group, the ideal board (like any team) needs a strong balance of talents and a strong balance in terms of people including races/ethnicities, genders, and ages. If possible, your board should ideally include at least one of your constituents (people whom you serve) if yours is a human service nonprofit.

A diverse board is a strong board. Why? Because whenever you bring people together who have different backgrounds and experiences, you benefit from a range of fresh and unique ideas that will ultimately serve your mission. This is why younger people in particular are very valuable board members.

Look at it another way: one organization I worked with had a board that consisted entirely of fifty-year-old (and older) white men; men without an understanding of the constituents they were serving!

So there you have it.

The ideal board is made up of a diverse array of people who care passionately about your organization and are willing to give their time, talent, and money to see that you succeed.

> Believe it or not, it's not necessary to recruit rich people to your board! In fact, I'd rather work with a board member with sufficient means who shows up to every meeting, serves on a committee, and give what they can than a millionaire who's indifferent.

Right now you may be asking yourself where you're going to find these people. If you're a board member or candidate, you may be wondering how you could possibly find the time to be an ideal board member. The answer is a very pleasant surprise!

Chapter 2: The Board's Responsibilities – Less Than Ten Hours a Month Makes the Difference

Here is a list of the responsibilities of every member of a nonprofit board:

- ✓ **Be actively informed about your organization.** That means attending every board meeting, reading the information provided by staff (and asking questions!), and generally keeping up to date.

- ✓ **Act as an ambassador.** In other words, talk about the organization with your colleagues, friends, and family. Open doors to your organization's fundraising efforts by making occasional introductions to people you know who have the capacity to make a gift. In addition, attend at least one (and preferably two) organizational event/s a year to mingle with your nonprofit's supporters.

- ✓ **Serve on a committee.** (See the sample board and committee chart at the end of this eBook.)

- ✓ **Hiring and review.** Take part in the hiring and review process for your organization's Executive Director or CEO.

- ✓ **Review policies and procedures.** Regularly review organizational policies and procedures, including staff job descriptions.

Board Member Time Commitment

So how does all of this break down from a time-commitment standpoint?

- ✓ Monthly board meeting: . . . . **Approximately 1.5 hrs. / month**
- ✓ Monthly committee meeting: . . . . **Approximately 1.5 hrs. / month**
- ✓ Two events per year: . . . . **Approximately 3 hrs. / event**
- ✓ Reading organizational materials/meeting prep: . . . . **Approximately 1-2 hrs. / month**
- ✓ Making introductions to potential donors writing thank you notes (or to donors, attending a donor meeting, or taking part in a fundraising training):. . . . . **Approximately 15 min. – 1 hr. / month**

Most members of well-functioning nonprofit boards spend an average of five to six hours per month on thei responsibilities, and roughly eight hours during months when they attend an event. *(Committee chairs may spend as much as ten hours a month, as they also need to arrange for meetings and keep in touch with their committee's members.)*

As you can see, the role of board members is to be involved in the "big picture" of the nonprofit, including setting yearly goals and determining policies.

Your board is also responsible for the financial health of the organization – but ***not*** to the extent of financing everything themselves!

Facilitating Your Board – Tips for Staff

It's important to remember that your board is comprised of busy people and that no one likes to waste their time. Work with the chair to ensure the board or committee member have complete and accurate materials at least a few days in advance of meetings. It may also be your responsibility to ensure someone is on hand to take each meeting's minutes, and to distribute any action items to your members within a day or two afterwards.

Putting it All Together

Now that you understand the profile of the ideal board member, the responsibilities of board members, and the staff's role in making sure the board can do their jobs, it's time to talk about the "magic glue" that takes all of these individuals and bonds them into an effective governance and fundraising machine.

That glue is called ***effective delegation*** and the s***hared leadership model.***

Chapter 3: Effective Delegation and the Shared Leadership Model

Below you'll find the text of a handout I use when working with my clients. The handout summarizes concepts I've developed and refined over more than 20 years **as a consultant** – and believe me, they work.

Why is delegation and the shared leadership model so important?

One organization I worked with was in the midst of a capital campaign to purchase and outfit a new building. Once they purchased the building, I urged them to use it as a fundraising tool – to take prospective donors on a tour so they could be inspired by the progress we'd made so far.

To do this, the organization needed to purchase an insurance rider. No problem – the rider only cost $100; a fraction of what we could expect inspired donors to give.

However, there was just one (not so minor) issue… *the CFO didn't have the authority to write that check.*

Of course, I could write an entire book on these concepts alone – but this outline should be enough to get you started. And of course, feel free to contact me with any questions!

Outline: Effective Delegation and the Shared Leadership Model

❖ Consensus Decision Making

Consensus decision making is essential for professional practice. Strong leaders work through a consensus process rather than relying on positional power and making decisions by themselves.

Consensus exists when the group agrees on a single best alternative and each member can honestly make these three statements to every other member:

1. I believe you understand my point of view.
2. I believe I understand your point of view.
3. I believe the decision has been made in an open and fair manner, and I am willing to support the group's decision whether or not it's my preference.

❖ Delegation of Authority

Creating effective shared leadership requires a balance of the following elements:

- ✓ **Responsibility** - The clear allocation and acceptance of responsibility so everyone knows who is responsible for what and when. This responsibility reality needs to be visible within the organization.

- ✓ **Authority** - The right to act in the area for which one has accepted and is held responsible. Authority must be exercised commensurate with responsibility.

- ✓ **Accountability** - The retrospective review of the decisions or actions taken to determine if they were appropriate, so that if they weren't, corrective action can be taken (which must never be punitive).

del·e·gate

1. to commit (powers, functions, etc.) to another as agent or deputy.
2. to send or appoint (a person) as deputy or representative.

❖ Levels of Delegated Authority

When exercising delegated authority, be sure both parties to the delegation are clear about the level of authority being delegated and accepted:

Level 1 - Data gathering only

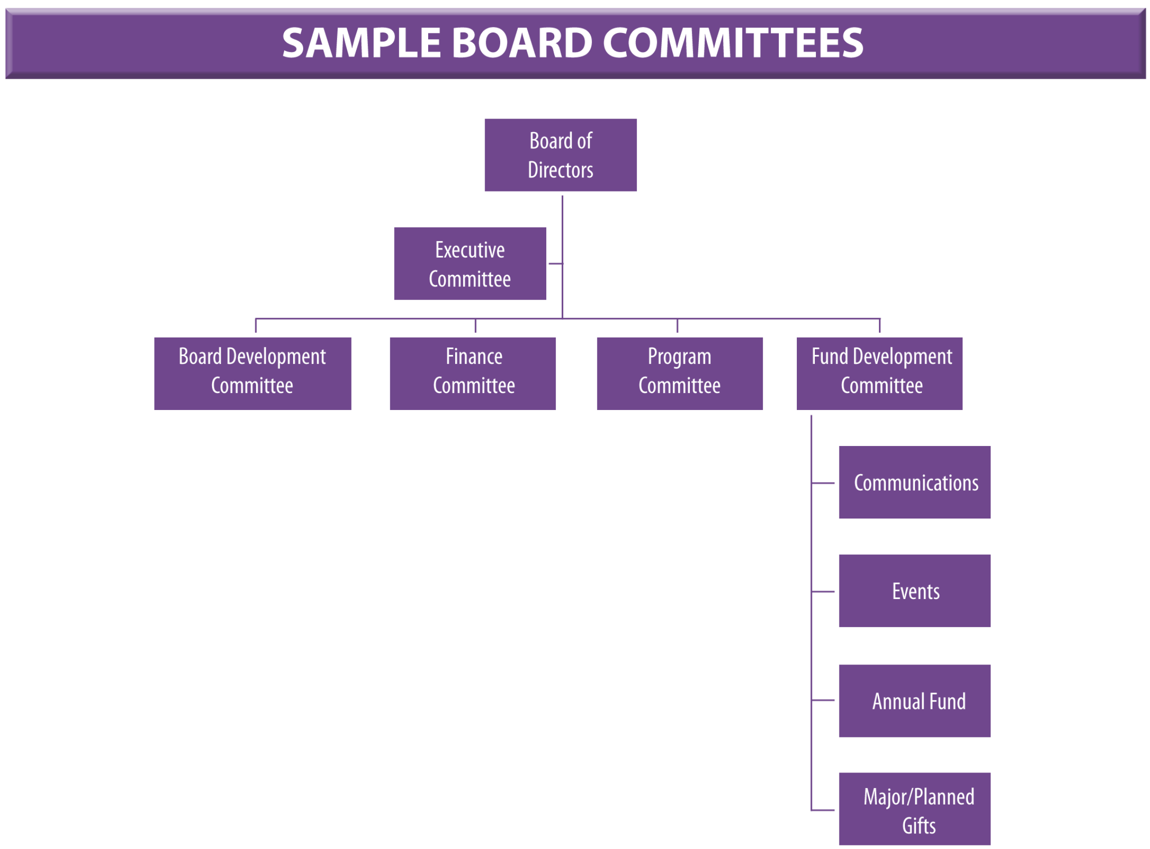
Level 2 - Gather data and come back to me/group with recommendations, only

Level 3 - Gather data, recommend, negotiate, act on my/the group's behalf

Level 4 - Gather data, consider options, act on my/the group's behalf

Appendix: The Essential Committees Your Board Needs

Creating an organizational chart for your board may sound difficult, but that's really not the case. To make things easier, I've included a quick chart that you can customize to fit the needs of your organization.



About the Author

With more than twenty years' experience in nonprofit fundraising, strategic planning, and organizational development, to Barbara Gallen, Principal of Inspired Action Coaching & Consulting, has guided non-profits through everything from capital campaigns to merging with other organizations.

Nonprofit Leadership — A former chief development officer for nonprofits including the Community Hospital of Lancaster Foundation, the Susquehanna Valley Chapter of the American Red Cross, and the Housing Development Corporation MidAtlantic, Barbara has developed a unique style of hands-on consulting that includes working step-by-step with her clients to achieve fundraising and development success.

Board Leadership — In addition to her professional work with nonprofit fundraising, Barbara has also served on several nonprofit boards including the boards of the Central PA Chapter of the Association of Fundraising Professionals (AFP); Hospice of Lancaster County; the Lancaster YWCA; the National Multiple Sclerosis Society; United Cerebral Palsy, and as President of the Rotary Club of Lancaster.

Barbara's consultation services include in-person consulting throughout Pennsylvania and northern Maryland, as well as telephone consultations and coaching with nonprofit professionals and board members throughout the United States.