

How Effective Is Your Board? Rate Yourself, & Take Action

Use these tools to measure your board's effectiveness.

By R. James Young, Jr.



It takes a lot of focused effort for a board to be truly effective. It starts with well-intentioned, caring, and committed board members. But great boards have more than good people. They have certain traits and practices that elevate their effectiveness:

- **They're more strategic, less operational, and more focused on their appropriate board roles and responsibilities** versus the roles and responsibilities of the staff.
- **They're better trained, more productive, more team-oriented,** and more likely to use effective governance processes to do their work.
- **They have a working relationship with the executive director and staff** that's based on respect, trust, and open communication.
- **They're energized, engaged,** open to opportunity, collaborative, cohesive in their view of the organization's future, and well prepared for the issues they face.
- **Their mission and objectives are in sharp focus** each and every day.

How can you achieve such a board for your organization? You need to help board members understand how to do their work and continue to improve themselves. To do so, follow these three steps:

“The first step is for the board to assess itself.”

Step 1: Diagnose the Board

The first step is for the board to assess itself. A consultant can be helpful in this process. Here are the steps:

- **Interview board and staff members.** Ask them how well they think the board is executing its responsibilities and how the board might be improved.
- **Create a survey, and give it to all board members.** Your survey questions should focus on key result areas for board members, such as those shown in Figure 1.

When you compile the results, you'll have answers to these key questions:

- **How well** is the board performing?
- **What are the board's major strengths** and weaknesses?

- **What opportunities** should the board pursue?
- **What threats** should the board be wary of?
- **What issues** must the board face to become more effective?
- **What actions** should the board take to improve its performance?

Step 2: Create an Action Plan

Use the information you gathered during the diagnostic stage to develop a detailed plan for the board's growth and development. This action plan, put together by board and staff leaders, should be tailored to the board's unique needs and resources.

How do you create this plan? The best way is to arrange a one-day or half-day retreat. You can hold the retreat off-site or in your own board room. The important thing is to get people together to discuss the results of the surveys and interviews.

Be sure to include all board members and key staff in the retreat. An outside facilitator can be invaluable at this stage.

At the retreat, discuss the results of your research, and focus on the areas people identified as needing improvement. The goal in selecting actions is to first pick the ones that have the most chance for some improvement.

Your action plan will become the roadmap for enhancing board effectiveness. It will vary depending on your organization's needs. You may need to strengthen your governance processes, such as committee structures and meeting planning. Or you may need more work on team dynamics or individual responsibilities.

Once you've chosen your most important goals, break them down into smaller objectives and clear-cut steps. Assign people to follow through on these action steps.

Step 3: Implement Your Plan

The board retreat will create excitement, motivation, and a sense of team commitment. Don't let those high spirits ebb. Continue the momentum.

There are several ways to keep that energy level up:

- **Communicate** often. It's fine to touch base via e-mail and phone, but be sure to pencil in some face time. Real motivation comes from face-to-face meetings.

“Pick the actions that have the most chance for some improvement.”

“Real motivation comes from face-to-face meetings.”

- **Measure** your progress. Celebrate each stride forward. Early successes help gather excitement and keep people committed to the work.
- **Be realistic** about what can get done and when. Don't take on too much too quickly.
- **Have fun**, and don't let bumps in the road wear you down. Knock down barriers so the work can proceed.
- **Be patient**. It will take time to get where you want to be. Keep focusing on your goals, and take it one step at a time. 

RJ Young is a board member with the Executive Service Corps (ESC) of Chicago (esc-chicago.org), a nonprofit that has had the opportunity to work with hundreds of nonprofit boards every year. ESC volunteer consultants come from long-time successful careers as executives and leaders in the corporate, education, and nonprofit sectors. Many have served on both private and nonprofit boards. They have accumulated years of board experience, either by directly serving on boards or by working with boards as volunteer consultants at ESC. These consultants help nonprofit boards assess themselves so they can be the best that they can be.

Turn Goals into Action

Use these *Nonprofit World* articles from the Society for Nonprofits' Library (www.NonprofitWorld.org/members) to continue your journey of board improvement:

Leading and Managing Governance Change (Vol. 26, No. 3)

Five Golden Rules for Board-Exec Retreats (Vol. 26, No. 1)

How to Create a Strong Board-CEO Partnership (Vol. 27, No. 1)

Improving Boards: What Works and What Doesn't (Vol. 15, No. 3)

Three Magic Questions for Your Board (Vol. 27, No. 2)

I've Been Thinking about the Board-Exec Relationship (Vol. 29, No. 5)

How to Assess and Improve Your Board's Performance (Vol. 24, No. 1)

Also see Learning Institute programs on-line: Board Governance (www.NonprofitWorld.org/LearningInstitute).

FIGURE 1: BOARD SELF-ASSESSMENT

Rate the board's performance in the following areas (10 for *Agree Completely* and 0 for *Disagree Completely*).

Mission and Programs

- _____ All board members support the current mission statement.
- _____ The current mission statement is appropriate for the next two to four years.
- _____ The board's policy decisions reflect the mission.
- _____ The organization's programs and services reflect the mission.
- _____ The board is knowledgeable about the organization's current programs.
- _____ The board has an effective process for tracking program performance.

Strategic Planning

- _____ The board has a clear understanding of its market.
- _____ The board has a strategic vision of how it should be evolving over the next three to five years.
- _____ The board periodically engages in a strategic planning process that helps it consider how it should meet new opportunities and challenges.
- _____ The board has identified key indicators for tracking progress toward the strategic goals.

Oversight of Fiscal Resources

- _____ The board receives and reviews financial reports on a regular basis.
- _____ Financial reports are understandable, accurate, and timely.
- _____ Management has instituted appropriate financial controls.
- _____ The board oversees an annual audit and considers all recommendations made in the independent auditor's report and management letter.

Relations between Board & Staff

- _____ Board and staff members understand their roles.
- _____ A climate of mutual trust and respect exists between the board and executive.
- _____ The board gives the executive director enough authority and responsibility to lead the staff and manage the organization successfully.
- _____ Board members understand the roles of board committees as well as the roles of staff assigned to work with each committee.

The Board's Organization & Operation

- _____ The board has an effective process to recruit potential board members.
- _____ The board's composition reflects the diversity of background, expertise, and other resources needed by the organization.
- _____ The board provides new board members with a comprehensive orientation program. This orientation covers board responsibilities as they relate to the organization's programs and finances.

Effectiveness of Board Functioning

- _____ The board adequately reviews its policies and procedures from time to time.
- _____ Each board member respects the confidentiality of board executive sessions and decisions.
- _____ Board discussions focus on long-term and significant policy issues rather than short-term operations.
- _____ Board members receive clear, succinct agendas before board and committee meetings. They receive these agendas and supporting materials far enough in advance so that there's plenty of time to review them before the meeting.
- _____ Board members have adequate opportunities to discuss issues and ask questions.