

Term Limits an Issue for Board Chairs, Too

What are the pros and cons of board-chair term limits?

Q Thank you for the insightful information on term limits for board directors in your Vol. 37, No. 2 issue. (See “Term Limits – Yes or No?” at NonprofitWorld.org.) My question is whether board chairs should be term-limited.

A Great question! I’m trying to eliminate “should” from my vocabulary – it’s hard – but we can talk about what others do and what the benefits and drawbacks are of each position. From there, knowing your board, you can determine if it’s a wise decision for your organization.

I’ll begin by sharing that, according to BoardSource’s *Leading with Intent: A National Index of Nonprofit Board Practices*, 71% of organizations have term limits for board chairs (the same percentage that limit terms for their directors). Of these, 38% serve a one-year term, 31% serve a two-year term, and 18% serve a three-year term. Only 4% serve four or more years. (Other surveys cite very similar results.)

Regarding the number of terms chairs typically serve, the most common is two consecutive terms, representing 35% of the BoardSource sample. Nineteen percent serve just one term, with the remaining 17% serving three or more consecutive terms.

For those who are curious, 61% of organizations have term limits for other officers. While the terms vary in both number of years and number of consecutive terms, they vary within mere percentage points. As with board chairs, most officers serve one year terms, and most can serve two consecutive terms.

Okay, just because others do something doesn’t mean it’s appropriate for your organization. So, let’s look at the relevant issues on both sides. A friend “in the biz” was recently reminiscing fondly about working with the same board chair for 10 years. This chair was a committed and competent individual who moved her organization forward in significant ways during her tenure. My friend was advocating for no term limits. And, in this case, I can see the benefit – especially if you don’t have people waiting in the wings to take on the top leadership position.

There’s always a flip side, though. What happens when that board chair is committed but not competent, competent but not committed, or neither committed nor competent? Without term limits for chairs, it becomes easier to



accept another term of mediocrity than work at keeping a leadership pipeline full. And, once an organization starts a downward slide – or even just remains flat for an extended period – it becomes much more difficult to turn that organization around. The need for ever-fresh ideas and different approaches is particularly relevant here.

To me, the biggest concern when organizations lack term limits for board chairs is the potential for closing off leadership development and opportunity. I used to work with an organization that was chapter-based. The majority of these chapters were very successful. They typically had chairs who were both committed and competent. However, a lot of these chapters had chairs for life. This resulted in few opportunities for other committed and competent individuals who wanted the chance to move up the leadership ladder. As a result, they usually ended up taking their skills and interest to other organizations. When the chairs in my organization got older and could physically no longer retain their positions, their chapters tended to fold. Rarely had someone been groomed to step in, because there was never an open slot. Even if someone had the appropriate leadership skills and the right temperament, that person was rarely willing to accept a position that was perceived to have no end date. Today, when it’s hard enough to get younger people to serve on boards, it’s virtually impossible to imagine a millennial willing to follow a board chair who had remained in the position for years and years.

While I think it’s obvious that I lean in the direction of term limits for chairs, I’ll throw your question back to you. What do you think *your* organization “should” do?

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