

What Makes an Excellent Board?

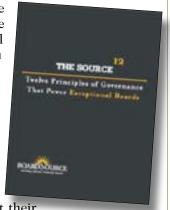
Two books reveal ways to raise your board to a whole new level.

By Terrence Fernsler

The Source: Twelve Principles of Governance That Power Exceptional Boards

By BoardSource. 25 pages. Softcover. BoardSource, www.boardsource.org.

hat's the difference between responsible and exceptional boards? The difference lies in thoughtfulness, engagement, knowledge, and communication. Responsible boards are competent stewards; exceptional boards passionately pursue mission, constantly search for solutions, and seek to add value.



This pithy, useful book shows how boards operate at their

highest, using the best of their members' abilities. It provides 12 principles of conduct that make exceptional boards, based on the many years of in-depth board development work at BoardSource.

Excellent boards make sure that mission, vision, and values complement one another. They welcome diversity of opinion and embrace continuous learning from multiple sources. They make sure that board members evaluate themselves and that assignments are aligned with the organization's priorities.

The Source explains what an excellent board is and does. Its brevity makes it an easy reference. Those who want their board and organization to be the best they can be will want to have this book handy and use it frequently.

Exceptional boards passionately pursue mission.

Governance As Leadership: Reframing the Work of Nonprofit Boards

By Richard P. Chait, William P. Ryan, and Barbara E. Taylor. 224 pages. Hardcover. BoardSource, www.boardsource.org.

re nonprofit boards still relevant as governing bodies, or have too many become rubber stamps for executives? Advice about how to govern is abundant, but there's little discussion about what governance

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actually is. Nonprofit boards add tremendous value to an organization when they govern by leadership.

The authors contend that the role of boards has changed. First, boards were fiduciaries, balancing the budget and raising funds. Success depended on the organization's self-evident virtues and unique purpose. Then changes in the environment made strategic planning necessary to succeed.

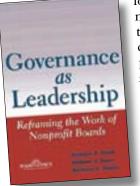
Both types of governance—fiduciary and strategic—are crucial, and, taken together, comprise the current state of the art in trusteeship. But to be effective, organizations must add another role for boards—that of generative thinking.

A generative thinker decides the framework in which issues are viewed. In most nonprofits, framing issues is the job of managers. For organizations to be most effective, boards and executives both must participate in this innovative type of thinking. Board members must oversee generative work, much as they do with strategies executives recommend. They must probe how executives arrive at their sense of an opportunity or problem, and then help identify other ways to frame the issue.

Together, the fiduciary, strategic, and generative roles raise board members to leaders. To fulfill this leadership promise, you must look anew at the capital that directors bring to your board. In the past, it was enough for a board member to be an expert in a specific field. Increasingly, however, board members must bring intellectual, political, and social capital to the organization.

The authors offer exercises to help a board reach this more comprehensive leadership role. When boards learn to reframe governance as leadership, they'll per-

form better in all three governance modes. Understanding the changing ways nonprofits do business will enhance board performance and make organizations excellent.



Terrence Fernsler has been a nonprofit professional for nearly 30 years.