

Structuring a High Performance Board

(Purposeful Governance)



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Framing Questions

Discussion Points for this evening

1. What is the work that only a Board can do?

a. Why did you join the Board?

*(What work did you **think** you would be doing?)*

b. What if you didn't meet for 2 years-what wouldn't happen?

*(What does your Board do that **no one else** can do?)*

Discussion Points through this consultation

2. Why does Bike Walk CT matter?

*(Why should someone **invest** you?)*

4. What **does it mean to be a high performance Board?**

*(What do we need to do **more of** and **less of** to achieve priorities?)*

Context—10-year accomplishments

Organization (Professionalizing, Standardizing, “Organizing the Organization”)

Policies, procedures, systems and record keeping: membership, budget, banking, programs, risk management; Prioritizing resource allocation connected to strategic plan

Next Steps: Develop plan to pilot 1-2 chapters

Advocacy: (Shaped Advocacy Agendas for Laws, Policy, Funding)

Trails Funding (2016), Let’s Go CT Ramp Up Funding (2015), Bike Bill (2015), Vulnerable User Bill (2014), Complete Streets Scorecard (2014), Statewide Energy Plan (2013), Complete Streets Law (2009), 3-Foot Safe Passing Law (2008)

Next Steps: Implement 2016-2017 Advocacy Priorities

Education: (Developing programs to change the culture of transportation)

Summit Educational Programs, Bike to Work Days, Traffic Skills 101 Classes; Organized Complete Streets Forum; Facilitated Bikeway Design Guide training; Promote Bike to School, Walk to School Days

Next Steps: Implement 2016-2017 Education Priorities

You have accomplished a great deal in 10 years!

Context—10-year accomplishments

Governance (Formalizing and Professionalizing)

Clarified committees; completed skill grid; streamlined meetings; completed Governance training and baseline Board evaluation; clarifying roles and expectations

Next Steps: Evaluate roles, onboarding and structure

Sustainability (Developing consistent revenues and maintaining reserve)

Acquired 5-year contract/new partner. Brought metrics focus to membership/annual fund. Introduced business membership program, on-line annual appeal, Membership ()/Annual Appeal (\$); **Built \$200K Fund Balance; Discover CT Rides (\$40K) and Annual Dinner \$(10K)**

Next Steps: Evaluate strategic addition of staff to support events/grow fundraising

Positioning/Marketing (Rebranded/Professionalizing)

Significantly enhanced presence in news media-print, radio, tv. Created members group; built distribution list to 6372. Coordinate web and social media. Expanded to LinkedIn to emphasize professional advocacy org vs bike club.

Next Steps: produce digital annual report.

You have accomplished a great deal in 10 years!
So what's next? What do you need to do **more of** or **less of**?

Governance 101



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Definition of Governance

Governance is from the Greek word “kebernon,” to steer
(Means to steer, to control, and to influence from a position of authority)

*But what are typical
roles, responsibilities and best practices
of effective Boards?*



Legal Duties of Non-Profit Boards

- **Duty of Care**

(Care in making decisions as organizational stewards; read materials; participate and come prepared)

- **Duty of Loyalty**

(Loyal by acting in organization's best interest; speaking with one voice, never for personal gain; avoiding conflict)

- **Duty of Obedience**

(Obedient and trustful as mission stewards and in providing fiduciary oversight)

The Three T's of Board Roles

Traditional Roles of Board Members

- **Time:** You must donate time, unless you have lots of treasure—but time alone is not enough
- **Talent:** You must bring a skill that will help govern your organization
- **Treasure:** You must make a meaningful financial contribution

10 Key Board Responsibilities

Setting Direction Roles

1. Set Direction
2. Strategic Planning
3. ~~Executive Search~~

Providing Oversight Roles

4. Chief Executive Oversight
5. Fiduciary Oversight
6. Return on Investment-ROI—Mission Per Dollar-MPD
7. Risk Management/Transparency

Ensuring Necessary Resources Roles

8. Fundraising (*Friendraising*)
9. Ambassadors
10. Board Building

Your Mission is Your Compass

It defines **who** you are, **what** you do, **why** you exist, **for whom** and **where**

In different terms mission clarifies your **objective**, **scope**, **audience**, **advantage**



Your Mission: To change the culture of transportation through **advocacy** and **education** to make bicycling and walking safe, feasible, and attractive for a healthier, cleaner Connecticut.”

The Mission and Board Relationship

To be an effective Board member

Being passionate about the
mission is **essential**

BUT

It is **not sufficient**

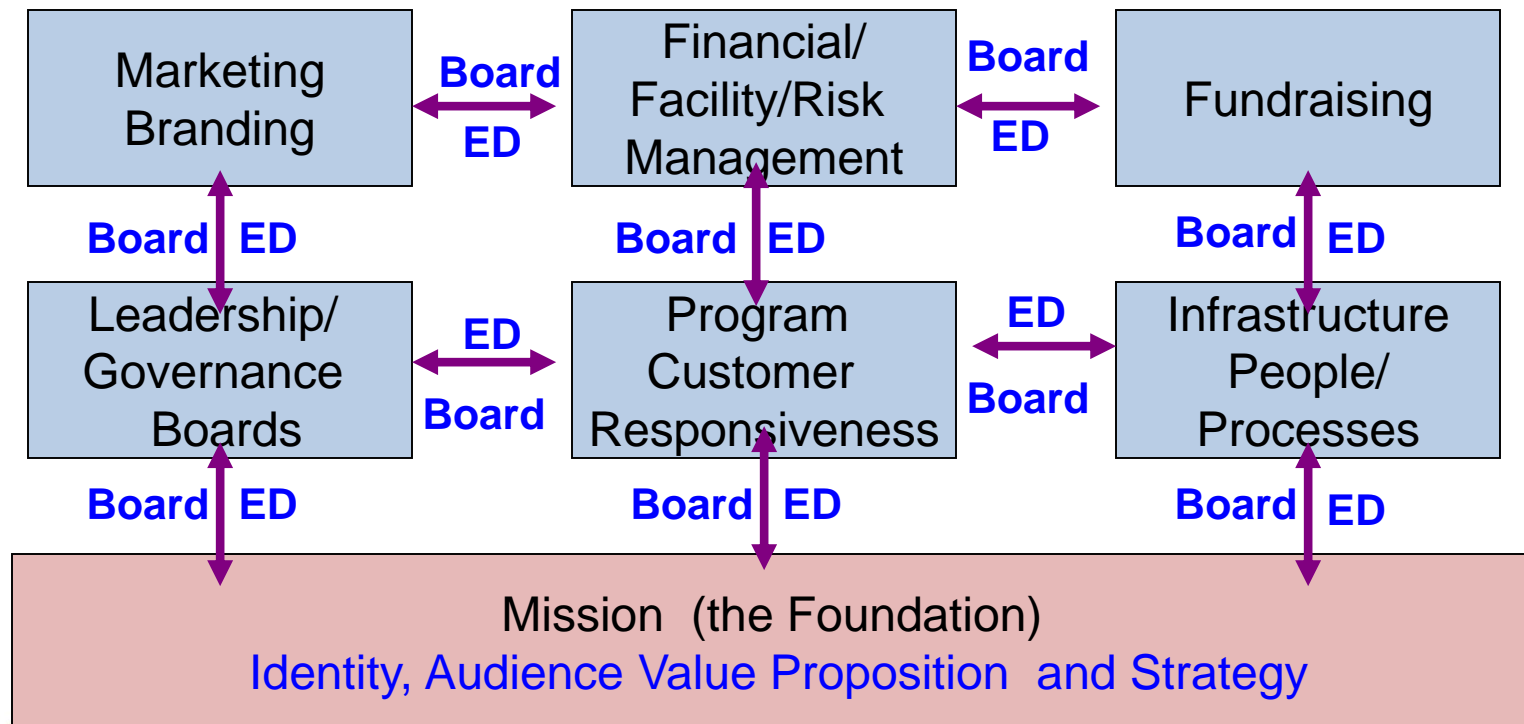
As Dorothy & her friends discovered in *The Wizard of Oz*

- To accomplish their individual missions meant more just meeting the wizard
- It meant **responding to** challenges and opportunities that presented en route with **available resources**
- In other words being on this Board means more than your passion for biking, because Boards are charged with **STEERING**—*responding to challenges and opportunities*

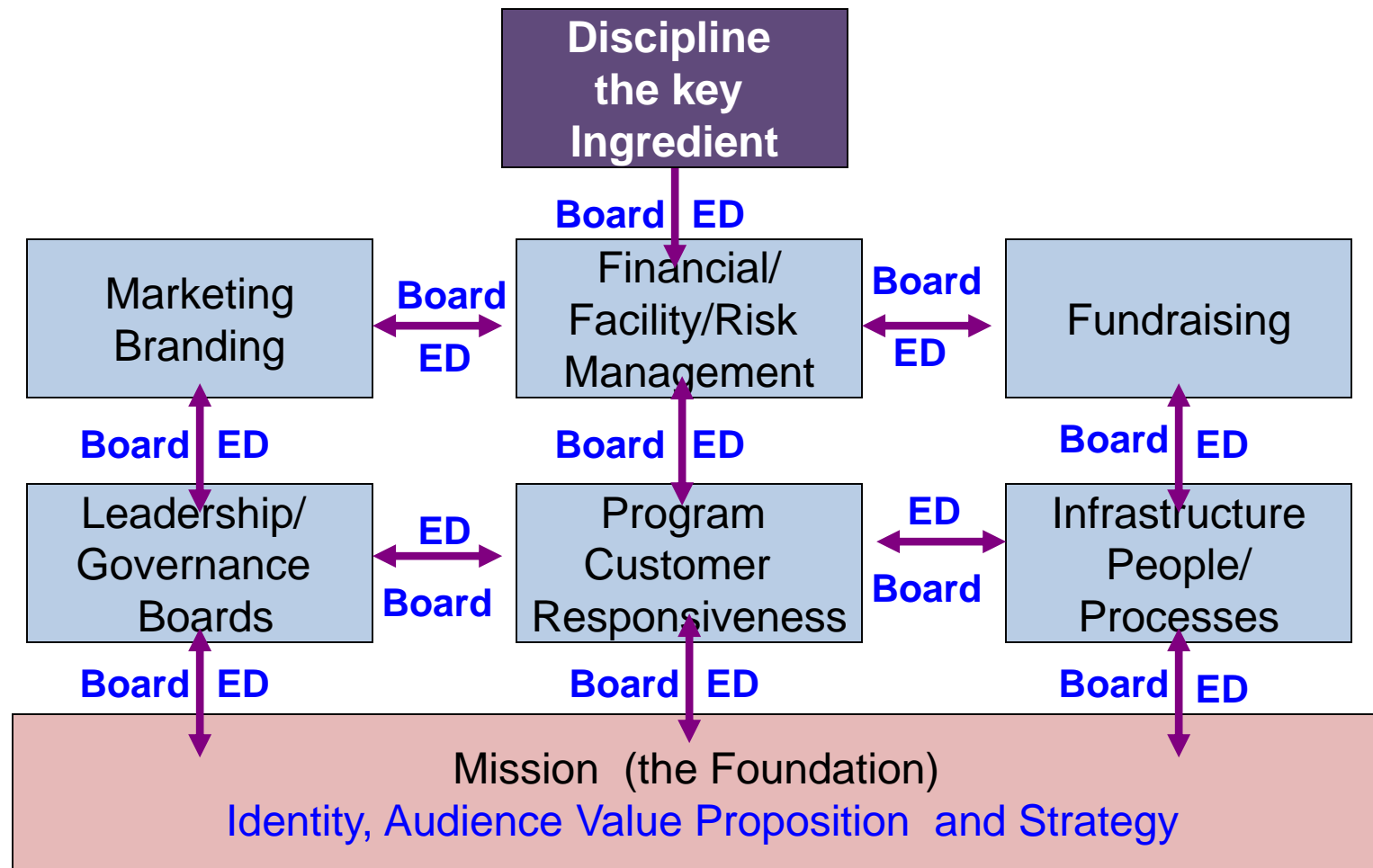


Where do you fit in as Executive Director/Board—your Role?

You help organize and connect the pieces



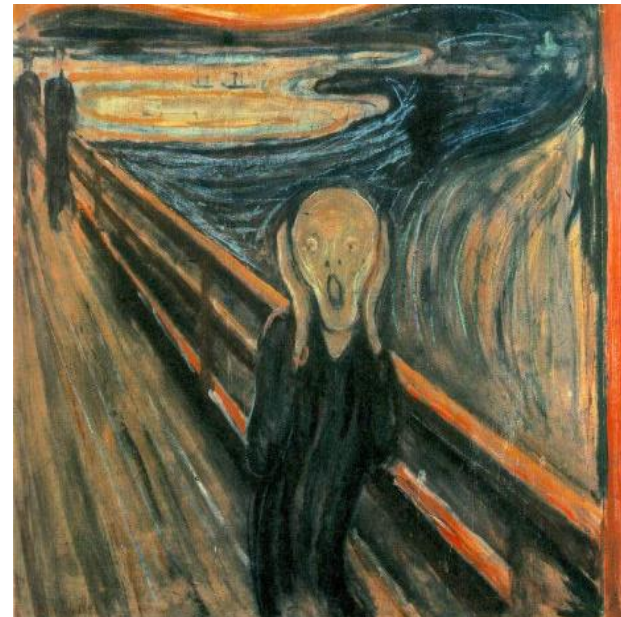
+ (Discipline) + The Key Ingredient



You and DISCIPLINE are the Connectors—the mortar and glue

Effective/disciplined management connect all the blocks—the glue that builds strong and sustainable organizations

But it's so much to manage—And on any given day, how do you decide which blocks to focus on?



Board vs. Staff Roles

Board Roles

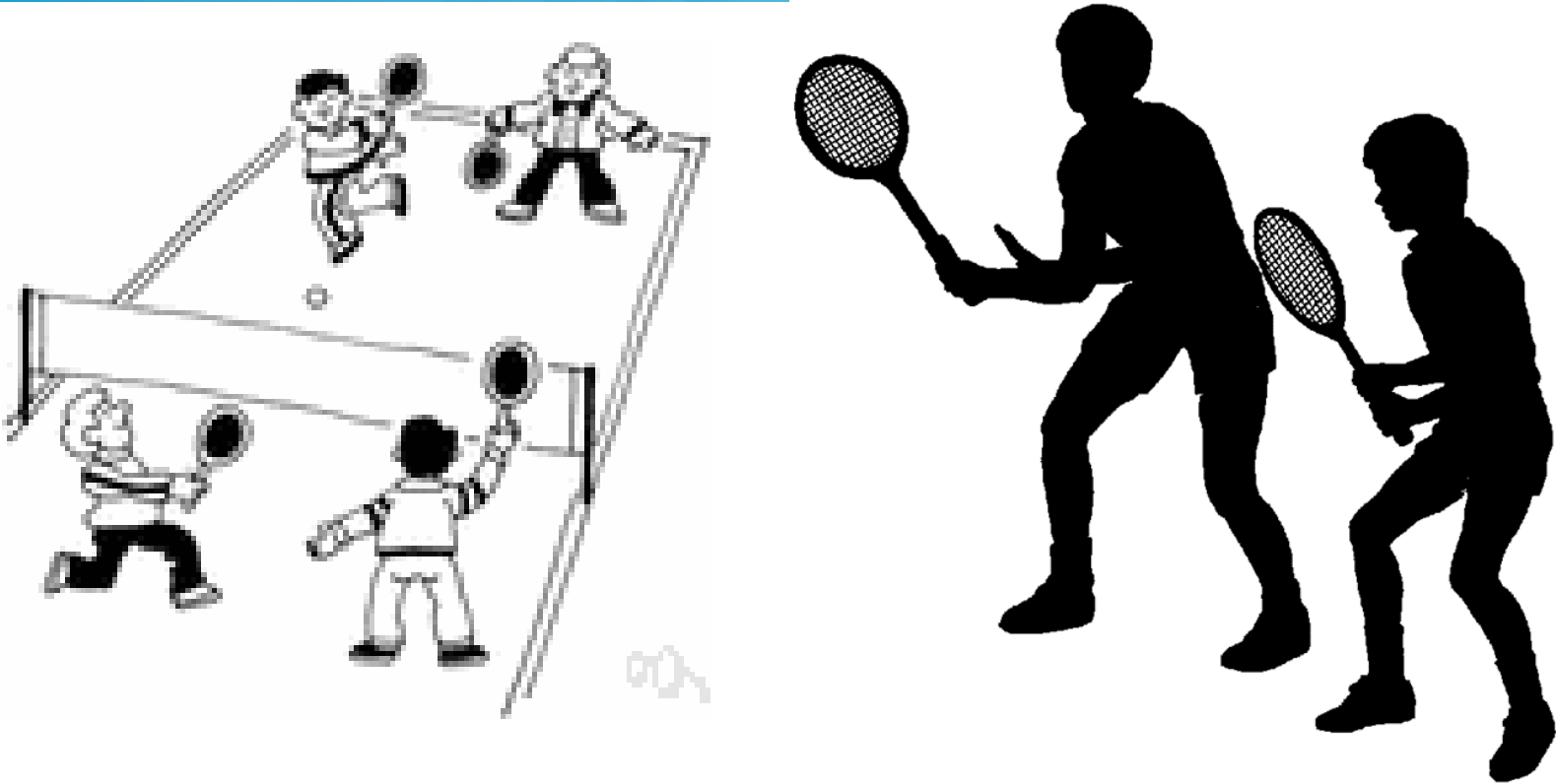
- **Set** policy (**connector role**)
- **Manage** ED/CEO: **not staff**
- **Monitor** Performance/**Impact** (financial/program **outcomes**)
- **Monitor** resource allocation
- **Approve** budget
- **Serve** on Board committees
- **Act as Ambassadors: not spokes-**
persons unless designated
- **Lead in Fundraising**

Staff Roles

- **Implement** Policy
- **Manage** staff
- **Manage** processes & operational plans/**Impact**
- **Manage** resource allocation
- **Manage** Budget
- **Staff** Board committees
- **Act as Ambassador: ED is the**
only spokesperson
- **Support in Fundraising**

Board and staff lines are sometimes blurred
Both Board and Staff are **ambassadors & fundraisers**
Boards mostly **Monitor**—they **only Manage ED**

It's a Partnership—As in Tennis Doubles



**ED and Board are playing together as a team;
responding to a constantly changing environment--
your opponents**

Your Organizational Cycle

Stage 1 Boards

- Founders dominate board
- Limited sources of funding
- **Unclear Board roles or term limits**
- Lack of future vision or planning
- **Small, passionate Board involved in day-to-day/program delivery**
- Limited programs-often Board driven
- Informal Board driven committees/TF
- Informal nomination process
- Word of mouth; informal marketing
- Limited Board fundraising expectation

Stage 2 Boards

- Staff hired to support director
- Diversified funding base
- Clear Board expectations enforced
- Focused future vision
- **Board focuses on critical issues planning and developing policies**
- **Staff driven programs**
- Committees/task forces in place
- **Governance committee in place**
- Directors chosen on merit/skills
- Formal marketing plan
- Board involved in fundraising,

How do you evolve from stage 1.5 to stage 2?
Is this even what you signed up to do?

Factors Influencing Non-Profits & Boards

- Expected charitable giving trends
- State, Local, Federal Budgets—decreasing \$\$\$
- Era of Accountability/Transparency--SOX
- **Increased sector competition and growth**
 - More than 1.5 million non-profits in US;
 - 500,000 created in last 10 years—you are one of them
 - **21,000** in CT; **1,300** in 25 mile radius of Hartford

This means increased competition for dollars, donors and Board members

Responding to a Competitive Environment

Requires Purposeful Governance— The Governance Committee's 5 Responsibilities

- Board Roles (clarifying of purpose)
- Board Composition (nominating based on skills)
- Board Knowledge (orienting and training)
- Board Effectiveness (evaluating and engagement)
- Board Leadership (succession planning)

The Governance Committee is becoming the most important
Board Committee—replacing the
Nominating Committee and functions of the **Executive Committee**
But good governance is so much more....

Board Notes and Trends

1. **Less committees and more Task Forces—avoid committees that mirror staff structure—zero based committees**
2. **Governance Committee replaces nominating and takes on some Executive Committee functions**
3. **Limited use of Executive Committee—handle emergencies and review CEO**

Caution: there is no one size fits all; when you have seen one board you have seen one board.

Purposeful Governance

Nominating Committee

1. Nominates people like you
2. Works sporadically
3. Don't tell people all involved **before** they join the Board
4. A small group or CEO does the work

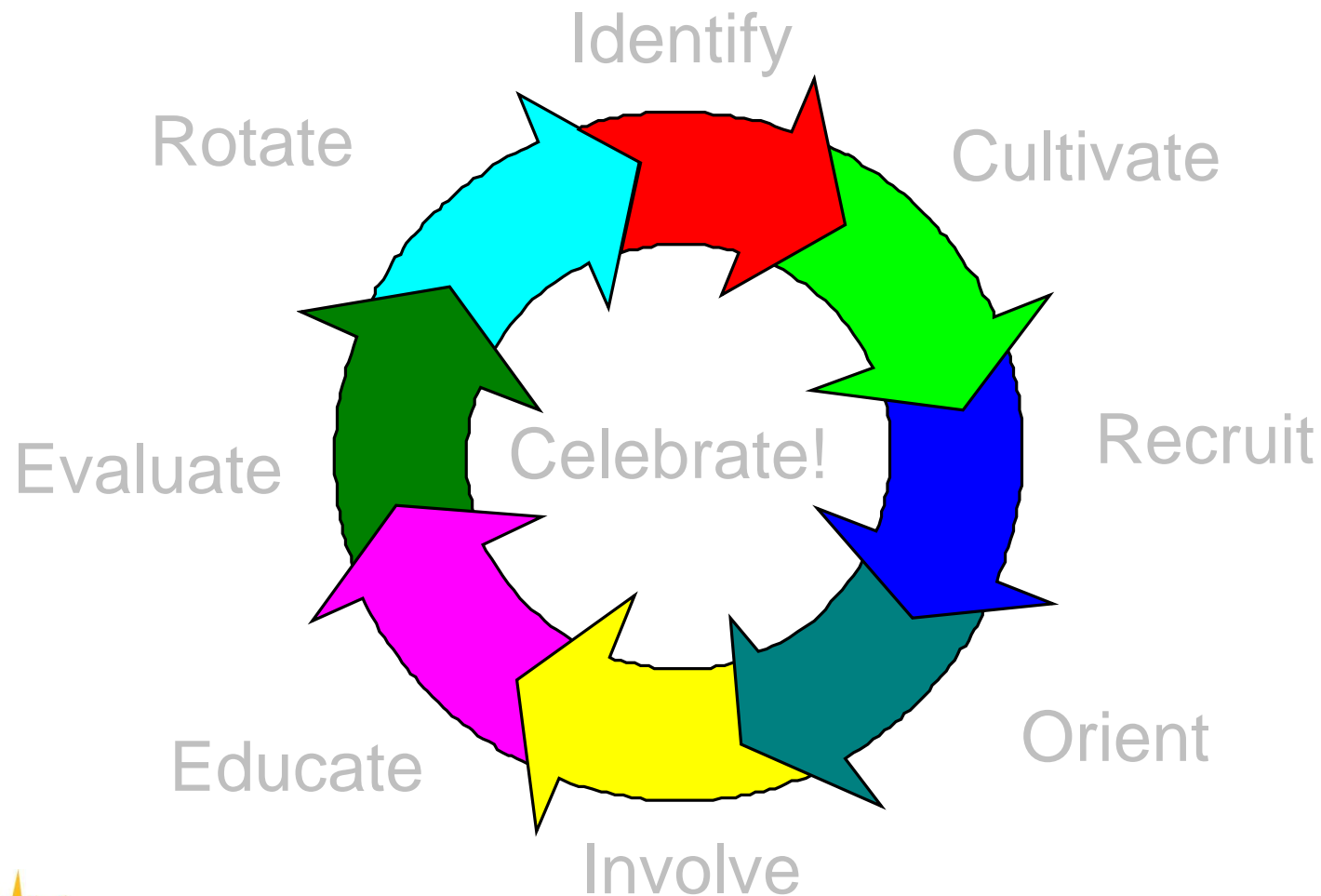
Governance Committee

1. Develops a recruiting plan
(based on needed skills)
2. Works throughout the year
3. Is open, honest, transparent
(tells what is really required)
4. Involves the entire board/
staff *(they are a recruiting team)*

Concept developed by Chuck Loring—Senior BoardSource Consultant

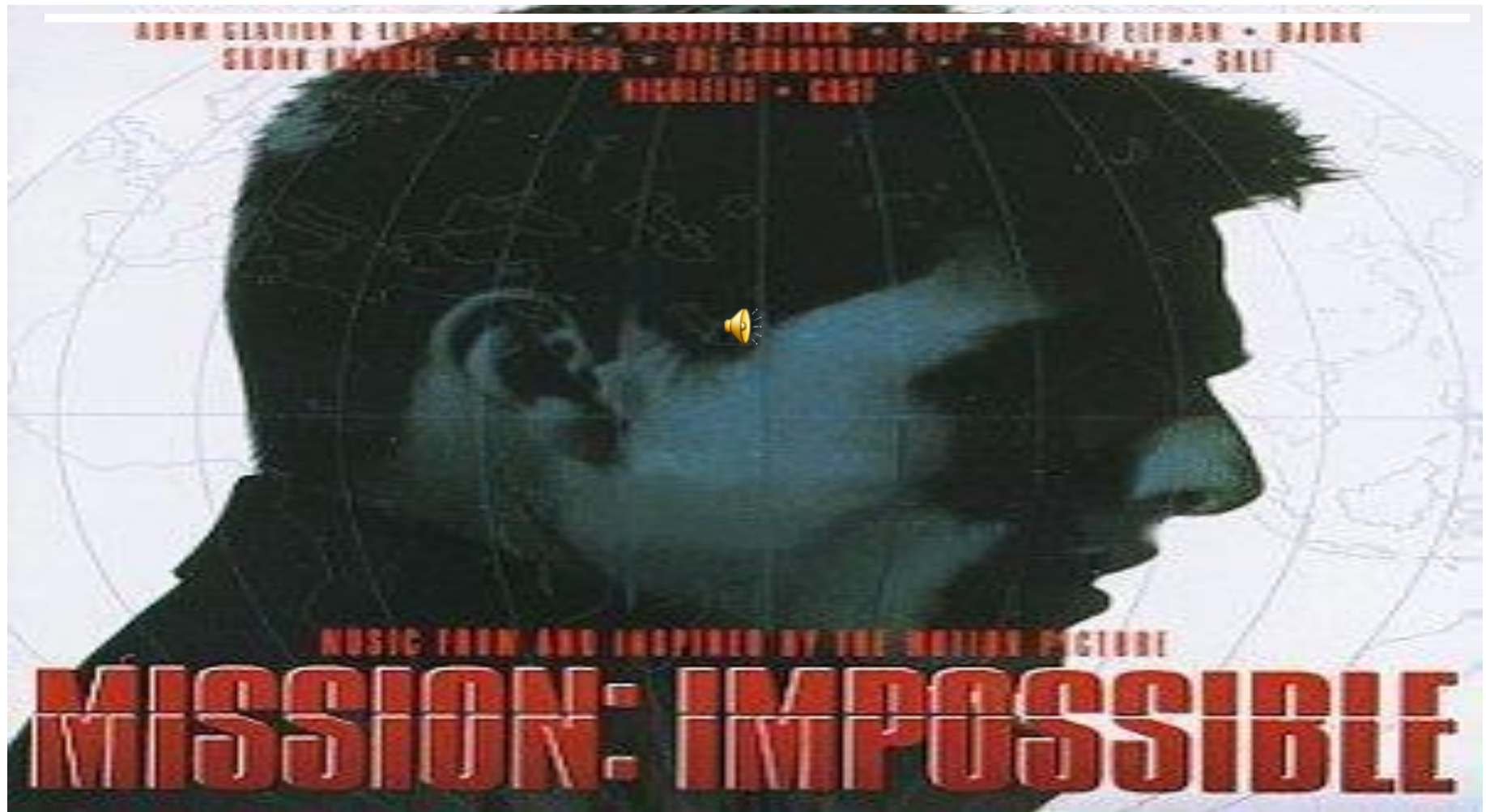
Purposeful Governance is a professional year round activity *rather than* a sporadic event managed by the executive director/CEO

The Board Building Cycle

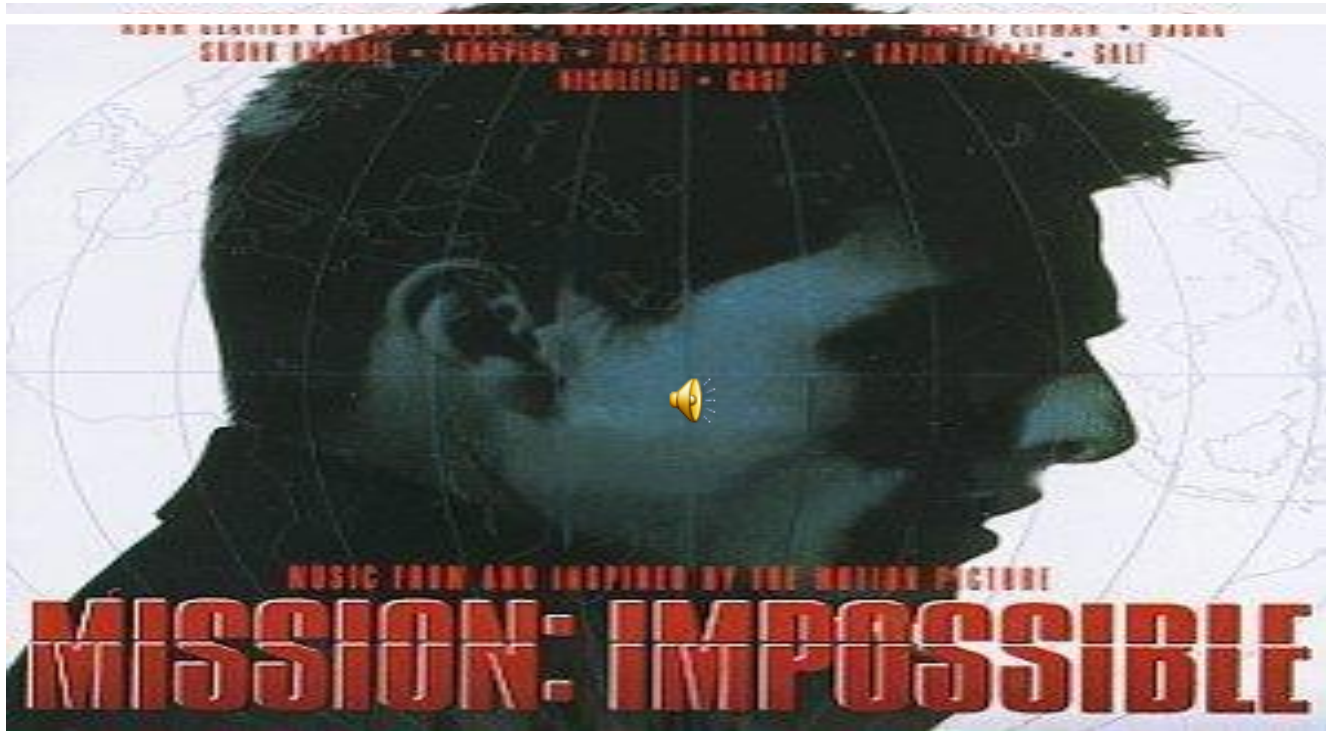


Is it Mission Impossible or Possible?

Is this a mission you choose to accept?



What mission are you willing to accept?



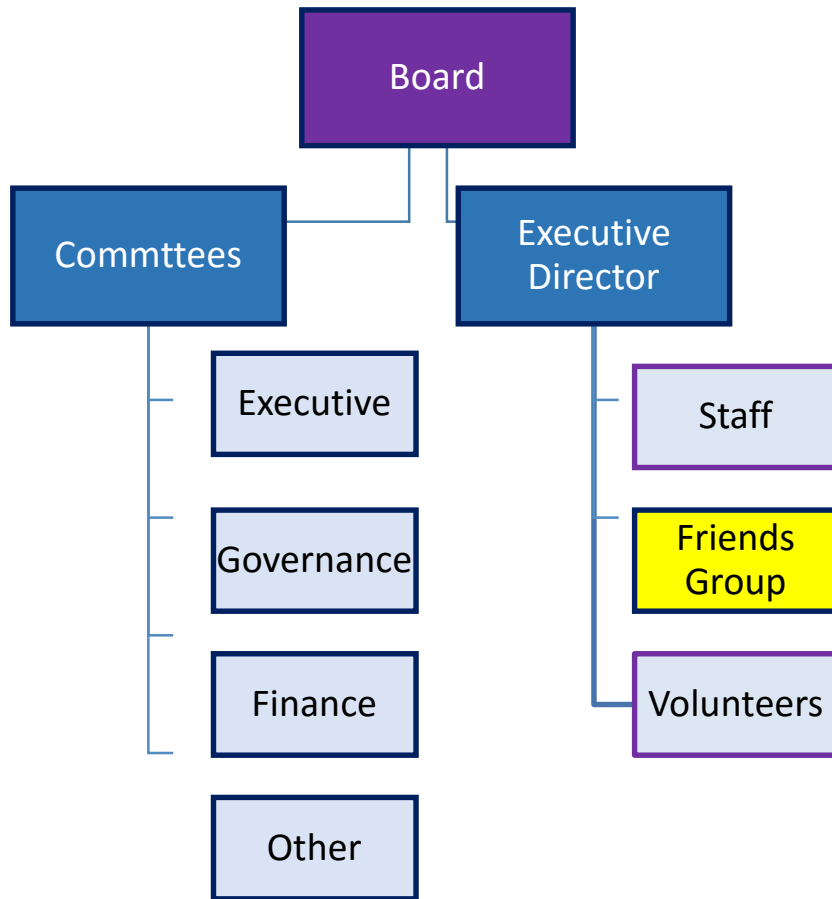
Do you want to **steer Bike Walk CT? OR**
Are you more interested in **planning events ?**
(There is no right answer—There is a meaningful role for you)

2 Framing Questions

1. Should you restructure and add a “friends/pacemakers group” that focuses on events?
2. How do you get more mission and resources from your events?
 - Events should help people **understand** your work, **experience** what it means to change the culture of transportation or help **fund** your mission work of **education** and **advocacy**

Let's examine implications of question 1
What might RESTRUCTURING mean?

What Restructuring Might Look Like



Board Purpose

*Set strategy; provide oversight;
ensure resources—the 10 duties*
Meetings: bi-monthly

Potential Friends Group Purpose

To plan events, support and
raise visibility for our mission
Meetings: monthly

DISCUSSION: YOUR THOUGHTS?

Summing Up: Boards Matter

Passion for the mission and organizing events is not enough.

That **is not the Board's Mission**

Passion For and Commitment To **Steering
is the Board's Mission**

- Setting Direction
- Providing Oversight
- Ensuring Resources

10 Key Board Responsibilities- **revisited** through a questionnaire

Setting Direction Roles

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Oversight Roles

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Board Questionnaire

A baseline to indicate how you are doing as a Board

Next Steps

- **Plan next steps based on structure conversations and questionnaire**
- **Work with executive director and planning group to set goals for Board discussion and next steps**

