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Partnering for Success

A Conversation about Board Engagement: How does it drive non-profit organizational success?

In our work with non-profit organizations, we often hear the phrase “board engagement.” It is something that organization leaders care about, and yet it is an elusive concept. What does it really mean? We know that the topic of “board engagement” is an important one, and we had a perspective that engaging your board is a critical component for organizational success, but we could not find any consensus on what engaging your board really means. So, we set out to conduct a series of interviews with non-profit leaders to start the conversation. Our intention was to define board engagement, identify common pain points, and to compile a list of best practices around board engagement that we could then share in a white paper to continue the conversation.

As we conducted the interviews, we realized that **there is a vital connection between an organization’s board, its active contribution to the organization’s strategic planning, and its subsequent impact on the long-term success of the organization.** This synergistic effect between non-profit boards and organizational success is, for us, the true magic that makes for a lasting impact – and this synergy has become the focus of this white paper.

In this white paper, we will explain the interview process we used, and we will share the results of those interviews, including common trends, unexpected findings, and best practices. We will show how having a fully engaged board combined with effective strategic planning leads to long-term organizational success. We hope to continue this conversation beyond what we present in this paper – keep reading for more information about how you can join the conversation!



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Starting the Conversation

The Interview Process and Results

In order to start the conversation about board engagement, we conducted a series of interviews with a cross-section of non-profit executives (CEOs, Presidents, and Executive Directors) and board chairs. Most of the interviews were conducted in person, as informal conversations. When needed, we conducted interviews by phone. Our goal with the interviews was to solicit insights and best practices on the topic of board engagement. Please see the end of this white paper for a list of the organizations we interviewed.

We wanted to interview a sampling of organizations to uncover common trends and best practices, without trying to be statistically significant. Our intention was to talk with a cross-section of organization types, organizations of different sizes, and organizations with both local and national reach. The graphic below shows this mixture of organizations. Please note that, in a few cases, the person interviewed played the role of both the chief executive and the board chair. The graphic on the following page includes the questions we asked in each interview, and key data points from the responses.

“To me, board engagement means that the people on the board are familiar enough with the inner-working of the organization to responsibly make decisions.”

– Board chair of a local organization

PROFILE OF INTERVIEWEES



National



Regional



Local



Foundations



Membership-Based

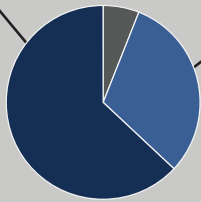


Cause-Based

Key Interview Data Points

How do you define board engagement?

63% indicated active hands-on participation either by managing a program or volunteering on initiatives



31% said providing some sort of financial support (whether direct or finding donors) is critical

How are board member contributions recognized?



69% recognize board member contributions verbally at meetings or through publications



62% recognize board member contributions at some type of award/event/celebration



31% of organizations provide some sort of tangible gift to recognize contributions

How do you engage your board?

The top three things we heard were:

1

By attending meetings of some sort (regular, monthly, annual, etc.)

2

With social events

3

They have to be on a committee

What criteria do you use to recruit board members?

44% are nominated by current members or a nominating committee

38% said having a diverse background is a solid criteria

31% said either can contribute/pay dues and/or set up fundraising

What are the expectations of your board members?

- ⚙️ To attend meetings
- ⚙️ To be on a committee
- ⚙️ To assist with strategic guidance
- ⚙️ To make a financial contribution and/or assist with fundraising

How are those expectations communicated?



56% through their board manuals/by-laws/orientation packets



19% more informally through emails or informal conversations

On a scale of 1-10 with 10 being "great," how engaged is your board?

Average score of 6

Across the organizations we talked to, we saw a variety of board engagement scores. It really had to do with whether or not they thought the board was making an impact on the organization.

6



If you could move the board engagement score by 1 or 2 points, what would be the value to your organization?



62% believed it would lead to more member engagement and overall productivity increase with initiatives

44% felt it would aid in increasing funding

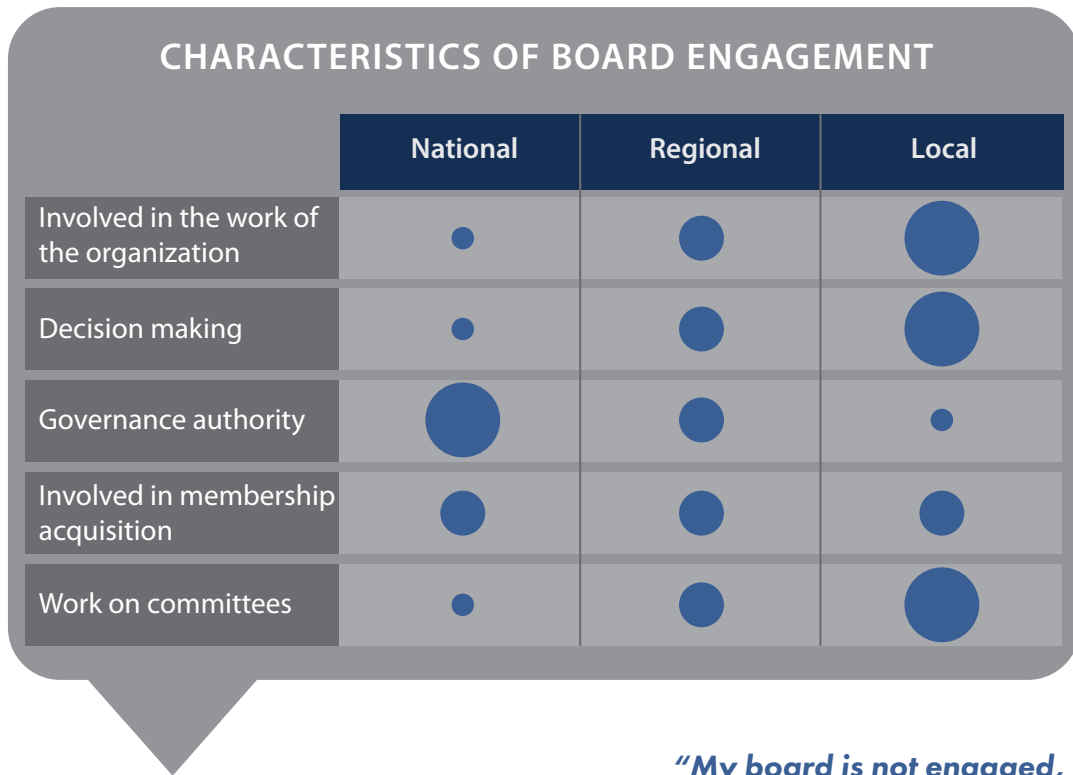
38% said it would improve their brand, visibility, and/or prestige within the community

NOTE: These two questions were asked in an intentionally open-ended manner, without numerical score definitions. Keep reading for more on these two responses.

Please note that we are only reporting key data points in this graphic. These figures are not intended to add up to 100% or be statistically relevant – they are meant to represent the key themes only. We also asked: What interplay is there between board members and staff? We found no valid or consistent data here.

Common Trends

As we conducted these interviews, we uncovered some interesting trends. We identified five common characteristics in how organizations engage with their boards, and also found that these ways to engage vary depending on the type of organization. The graphic below shows these trends.



“My board is not engaged, they are informed. I tell them everything I do after I do it.”

– CEO of a local chapter of a national organization

Unexpected Findings

In addition to the board engagement characteristics represented above, we also discovered a few unexpected items. We don’t pretend to represent a statistically-valid sampling with our interviews, but across our random sampling of organizations, these interesting data points also emerged:

A minority of the executives in the organizations we interviewed don’t WANT their board to be more engaged – they see their board as standing in their way and would rather not work on engaging their board.

People tend to think that a smaller board would be more engaged, but we found no correlation.

There also seems to be no correlation between how the board was selected and the defined level of engagement.

Across the organizations we interviewed, we were surprised by the lack of consistent activities to set board expectations, orient new board members, and recognize board contributions.

Best Practices

As a result of both these interviews and our work with non-profit organizations, we compiled a list of best practices around board engagement to share:

On Recruitment:

Recruit board members based on their ability to supply one or more of the “3 W’s” – wealth, wisdom, and work.

Seek diversity – in every sense of the word – in your board (e.g. social, demographic, occupational, and geographic).

Confirm that a new board member’s personal values are aligned with your organization’s values.

Look for people who care deeply about your cause.

“A willing heart and helpful hands is all you need.”

– Board chair of a local organization

On Roles and Responsibilities:

Clearly define the relationship between board members, staff/volunteers, and membership.

Closely coordinate and ensure a clear understanding of responsibilities and roles.

Keep the board focused on governance, not busy work or work that should be the responsibility of the staff.

“Normal boards set policy and regulate the organization. We are different – we also micro-manage projects. We are setting ourselves up for failure because we don’t have time for both.”

– President and board chair of a local club of an international organization

On Participation and Recognition:

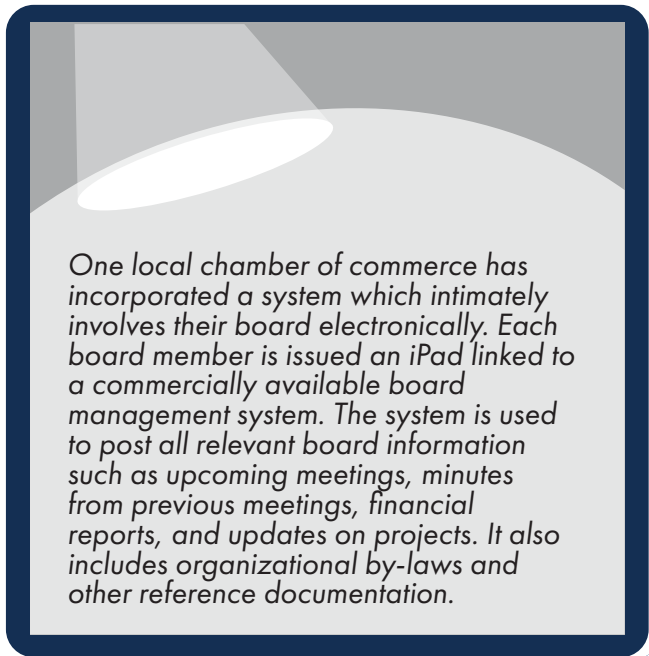
Be creative with how you recognize your board members’ contributions – consider recognizing board members at events, in newsletters, and on your website, as well as with personal notes of thanks and token gifts. Never forget that recognition is a powerful motivator.

For the CEO: Keep on your “board member hat” when in board meetings – focus on the big picture, but be ready to report on the operational issues and obstacles.

Leverage the unique strengths of each board member. Discover what specific talents or connections each board member brings to the table and capitalize on those individually.

“We engage our board by identifying the strengths of each individual and enhancing those.”

– Executive Director of a local organization



One local chamber of commerce has incorporated a system which intimately involves their board electronically. Each board member is issued an iPad linked to a commercially available board management system. The system is used to post all relevant board information such as upcoming meetings, minutes from previous meetings, financial reports, and updates on projects. It also includes organizational by-laws and other reference documentation.

Continuing the Conversation

Connecting the Dots: A Critical Piece of the Puzzle Board Engagement to Board Impact to Organizational Success

The interviews we conducted with the nonprofit leaders allowed us to start the conversation and uncover some interesting findings and best practices. We also discovered a critical and unexpected insight: Although we were asking questions about board engagement, the real discussion is about board *impact*. When it's all said and done, an engaged board creates a unique building block for overall organizational success. The last question we asked, "If you could move the board engagement score by 1 or 2 points, what would be the value to your organization?" is THE question that drove our discovery of the *impact* that an engaged board has on the overall success of an organization. An engaged board impacts an organization's ability to:

- Grow and retain membership
- Increase productivity and success for critical initiatives
- Improve its brand, visibility, and prestige within the community
- Drive success in fundraising



"If we could move our board engagement score by 1 or 2 points, it would mean diversity of revenue streams and would elevate the brand."

- Executive Director of a national organization

Board Impact and the Connection to Strategic Planning

Through our work with non-profit organizations, we have come to believe strongly that a successful organization is a product of an engaged board with a strong organizational plan. When board members immerse themselves in planning and play an active role in developing that plan, they truly become engaged in the success of the organization. **There is a symbiotic relationship between board engagement and strategic planning. By engaging in strategic planning, the board not only contributes to the future success of the organization, but also the organization gains committed, engaged board members.**



Several years ago an international service organization began to emphasize strategic planning to its over 34,000 clubs in over 200 countries worldwide. Every club installs a new president each year and each president might have a new emphasis based on their own vision for the good work to be done in the community and the world. For example, one year a president might want to raise money to support college scholarships for high school seniors – the next president might want to build a well for a village in remote Africa. Presidents commonly referred to it as “their year” as opposed to the club’s year. As this emphasis on strategic planning became a reality, things changed. There was greater board involvement and that provided for greater membership involvement. Projects became longer in scope, providing greater benefits in the community and worldwide.

“In the strategic planning document, we target one major issue each year.”

- Executive Director of regional organization

Most organizations have strategic plans, and many conduct strategic planning activities with their boards. When we say “strategic planning,” we are referring to the complete cycle of planning: defining or revising an organization’s vision, mission, and values, setting annual organizational goals, and assigning timelines and responsible parties to execute on those goals. We offer these strategies to effectively engage your board in strategic planning:

Make the board responsible for the highest level pieces of the plan: the vision, mission, and values – not just informed of a plan completed by staff or a consultant.

Plan a dedicated time for the board to wrestle with vision, mission, and values. The discussion around these critical pieces is as important as the final words of vision, mission, and values. It’s the thoughtful discussion that gets everyone engaged and committed.

Provide a forum for board members to, at a minimum, provide insights and input into the annual goals for the organization; clearly define if the goal setting responsibilities belong with your board or with the organization’s staff.

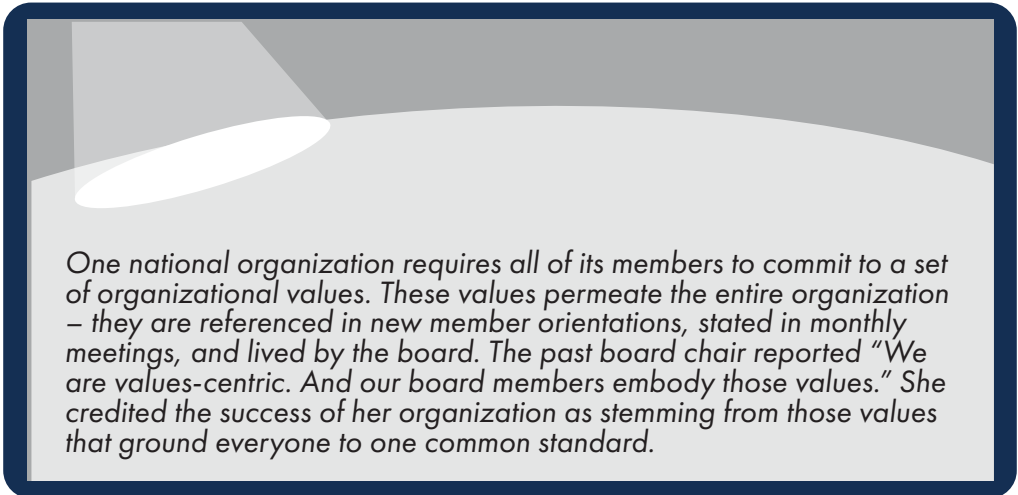
Place ownership of the strategic plan, and accountability for the strategic plan, with the board. Even if your current board didn’t develop the plan, they play a critical role in ensuring that your organization makes progress against that plan. Consider sharing a progress scorecard with your board.

Involve key staff members in the planning discussion – this is a unique opportunity to bring board and staff together and create alignment across the organization.

Develop three to five critical areas of focus for the organization that will truly move the bar towards achieving your vision, mission, and values. Getting to clarity on these areas of focus is a step often skipped in strategic planning – and a step that ensures that your plan creates a unified focus for the organization (and not just a set of operating goals).

Develop organizational goals and actionable work plans towards achieving those goals – this turns your strategic plan into a living, actionable document, connects the dots between the organization’s future success, and provides the roadmap for the organization to follow. In some cases, the goals/actions may be developed by staff rather than board members.

Conduct scheduled periodic reviews and revisions of your strategic plan – this ensures continuity across changing board members and allows new board members to “plug in” to your organization.



One national organization requires all of its members to commit to a set of organizational values. These values permeate the entire organization – they are referenced in new member orientations, stated in monthly meetings, and lived by the board. The past board chair reported “We are values-centric. And our board members embody those values.” She credited the success of her organization as stemming from those values that ground everyone to one common standard.

**Join the
Conversation!**

Applying these Ideas to Your Organization

Our intention was to have a conversation around board engagement by asking questions of a group of non-profit leaders, and then to share our insights. Now it's your turn to join the conversation! What have you learned that you can apply to your organization? Consider these top five recommendations:

#1: Find a way to actively involve your board in your next strategic planning process. By actively, we mean that you schedule time to ask the board to thoughtfully consider the future of the organization, to evaluate the current state and the organization's operating environment, and to work side-by-side with key staff to develop the critical long-term focus and goals for the organization. And, regularly review annual goals and progress against goals in board meetings. This provides accountability to the operational side of the organization.

#2: Implement a consistent periodic review of your strategic plan, perhaps tied to your board member rotation cycles, in order to imbed the organization's vision, mission, and values into the fabric of your board and entire organization.

#3: Review the ways that you recognize your board members' contributions and reward their service. Can you reenergize those efforts as a way to celebrate the critical role that your board plays in the success of your organization?

#4: Consider how you can creatively engage each individual member of your board in terms of wealth, wisdom, and work. How can your board help increase the revenue of the organization, contribute knowledge and expertise, or actively engage in the work of the organization?

#5: Scan your current board membership and ask yourself, "what is missing?" Actively recruit new board members who can change the dynamic of your existing board and who can bring energy and passion to the work of the board.

The Impact of a Board on Organizational Success

We started by talking about "board engagement." We want to continue the conversation about how your board can have a lasting impact on the success of your organization when you engage your board in effective strategic planning. We have shared our insights and best practices – which are you going to start using within your organization to drive your success?



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RLS Focused Solutions – Our passion and purpose is to partner with individuals and organizations to help them achieve higher levels of success. We help them better understand their current situation, define their future vision, develop a process for growth, and participate in that process. We view ourselves as partners for their success.

We proudly collaborated with another organization in conducting the interviews and writing this white paper. More information about this organization, Springboard International, can be found below.

Springboard International is a business advisory organization that helps its clients build, maintain, and grow high-performing businesses. Through analysis of existing practices and guidance in three key areas: Organizational Effectiveness, Leadership and Coaching, and Performance and Learning, Springboard helps leaders excel and surpass business obstacles.

Participating Organizations:

Alliance for Aging Research
Carolina Association of Rehabilitation Facilities
Clemson Community Care
College of American Pathologists
Kay Yow Cancer Fund
North Carolina Association of Health Underwriters
North Myrtle Beach Chamber of Commerce
Philanthropic Educational Organization
Phoenix Employment Ministry
Rotary Club of Clemson
Society for Women’s Health Research
Southeastern Association of School Business Officials
The Giving Circle
Triangle Community Foundation
United Way of Oconee County
Wilmington Area Rebuilding Ministry

We want to thank every organization that agreed to be interviewed as a part of this project, and our clients for their ongoing contributions to our work. We continue to learn new things and get great ideas from our work with non-profit organizations and their boards.

RLS Focused Solutions possesses skill sets in the following practice areas:

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