



Dorger Consulting



Building a Constructive Board-Staff Partnership



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A World of Corporations



- **An association of individuals created by law or under the authority of law, having continuous existence independent of the existence of its members, and powers and liabilities distinct from those of its members**
- **By law, the control of a corporation is ceded to a designated board of directors**

The Board



- **Board**: a collective group of selected individuals **legally** charged with representing the interests of the corporation’s “owners”
 - In for-profit corporations: shareholders
 - In nonprofit corporations: stakeholders
- **The board is where “the buck stops”**
 - Accountable under corporate law
 - State attorneys general enforce accountability
- **Board authority is collective, individual**



“Boards reserve to themselves the organizational oversight and policy setting, and delegate to the chief executive [and staff] responsibility for managing operations and resources.”

The Source: Twelve Principles that Power Exceptional Boards
Boardsource



Sounds Easy, Right?



Board-staff issues are some of the most frequent problems mentioned by both board members and staff leaders!

Creating the Right Partnership



- **Understand your organization**
- **Understand the difference between “governance” and “management”**
- **Understand organizational obstacles**
- **Understand personality obstacles**

Understand Your Organization



- **Various types of corporations**
 - For profit
 - Nonprofit
 - ✦ Grass-roots neighborhood organizations
 - ✦ Large national NPO corporations
- **Various stages of organizational development**
- **Varying degrees of capability and knowledge (both board and staff)**



Organizations Evolve



- **Board operate differently at different stages of development**
 - Workgroup Boards
 - Line Boards
 - Governing Boards



Stages of Organizational Development



Governing

Mature

Line

Developing

Workgroup

Infancy

Steps to Creating the Right Partnership



- Understand your organization
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Governance and Management



Not the same



Governance

Management

But both essential

Governance Versus Management



- **Governance**

- Strategic direction
- Policy development
- Resource allocation
- Oversight

- **Management**

- Program planning and execution
- Organizational administration
- Resource utilization
- Board support

The Goal



Exceptional boards govern in a constructive partnership with the chief executive, recognizing that the effectiveness of the board and the chief executive are interdependent.

The Source: Twelve Principles that Power Exceptional Boards
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Constructive Partnership in Practice



• **Board**

- **Respect the role of the ED**
- **Provide clear guidance on goals and policy**
- **Allow ED freedom to execute within guidance**
- **Support the ED**
- **Communicate**
- **Constructively evaluate the ED**
- **Motivate**
- **Treat fairly**

• **Executive Director**

- **Respect the role of the board**
- **Assist board in every way possible with governance mission**
- **Carry out policy decision and guidance**
- **Conduct assigned activities**
- **Maintain day-to-day external relations**
- **Manage staff**
- **Keep the board well informed**

Things Work Best When . . .



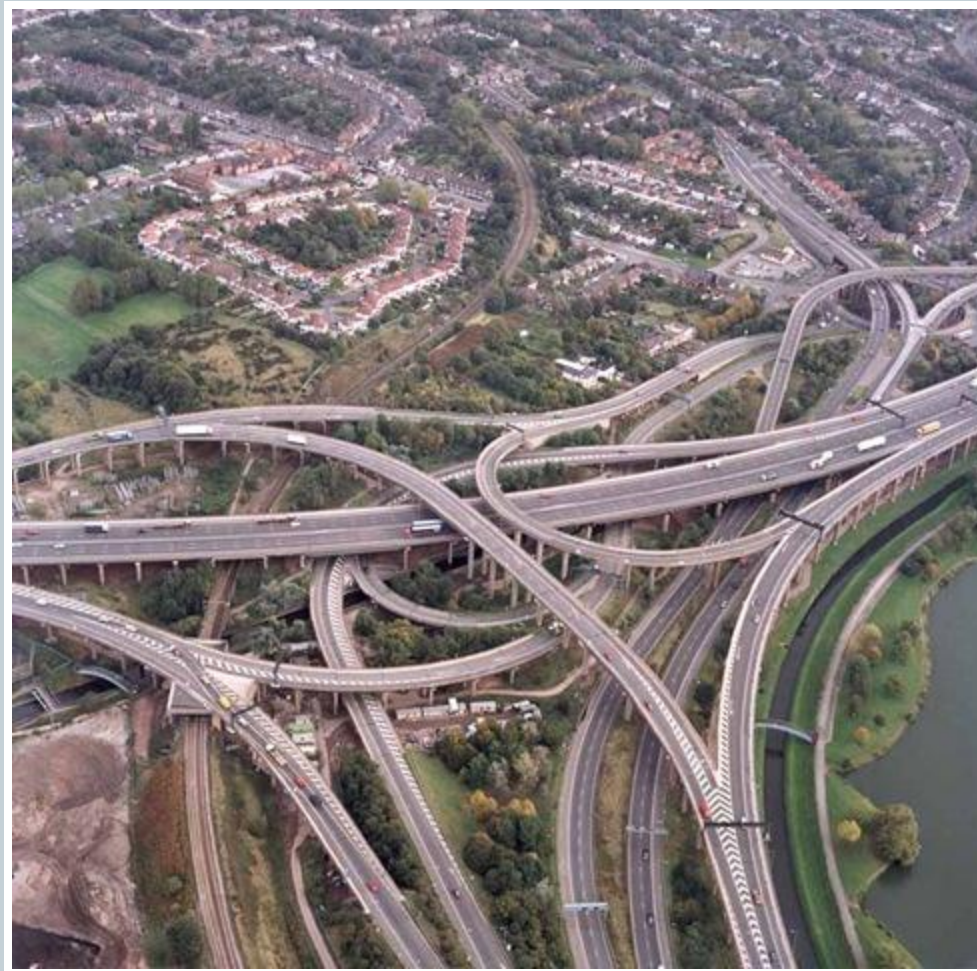
Roles are respected



If You Don't . . .



Not Always Easy!



Governance or Management?



Function	Board	Staff	Joint
Task A	X		
Task B			X
Task C		X	

Note: board members serving on operational committees are considered staff

Determination of Mission & Vision



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Task Staff Members



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Executing the Budget



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Approving Extraordinary Budget items



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Approve Salary Plan



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Execute Contracts Within Budget



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Approve Contracts/Commitments Outside Budget



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Sign Checks



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Implement New Programs



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Approve Strategic Alliances or Mergers



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Plan Methods of Service Delivery



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Monitor Program Effectiveness



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Change Bylaws



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Recommend Policies



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Determine Organization's Goals



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Fundraise for the Organization



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Establish a New Staff Position



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Reprimand Staff



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Monitor Progress Toward Goals



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Recruit New Board Members



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Hire Auditor



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Responsible for Meeting Legal Requirements



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**

Developing Meeting Agendas



- 1. Board**
- 2. CEO/Staff**
- 3. Joint**



**Are there others we
should talk about today?**

Steps to Creating the Right Partnership



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Organizational Obstacles



- **Small staffs cloud distinction**
 - Multiple hats for board members
 - Different hats, different relationships
- **Undefined roles and responsibilities**
- **Inadequate orientation programs**
 - Both sides
- **Lack of communications**
- **Key personnel transitions**
- **Wrong people in key jobs**
 - Cultural misfits



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Personality Factors



- **Founder involvement**
- **Personal egos**
- **“Doer” mentality**
- **Fear or distrust**
- **Personal frustrations**
- **Resentment**
- **Personal relationships**



Putting the Pieces Together



Thoughts and Hints



- **Acknowledge the potential for board-staff issues**
- **Recognize the symptoms**
- **Develop defined roles and responsibilities**
 - **And review annually**

Caution

The existence of specific policies on roles and responsibilities is not a guarantee of success, but the absence of such policies will almost always result in problems and conflicts.

Thoughts and Hints (Cont.)



- **Establish clear organizational goals and expectations**
- **Monitor progress**
- **Consider culture in key personnel selections**
- **Respect lines of communication**
- **Develop an environment of disclosure and trust**
 - **Insist on “no surprises” from management**
- **Mutually agree on board agenda**
- **Disagree constructively**
- **Conduct annual assessments**
- **Demonstrate appreciation for contributions of all**
- **When issues arise, talk about it!!**

Elements of a Constructive Partnership



- **Delegation of management responsibility**
- **Clear ceo/staff job descriptions**
- **Selection of an open and honest chief executive**
- **Respect for each others' roles and division of labor**
- **Establish trust and candor both ways**
- **Open communications; sharing good news and bad**
- **Facing and resolving problems early**
- **Complete and insightful information, analysis and suggestions**
- **Annual evaluations and corrective actions**
- **Fair and competitive compensation**

Questions