By Mitch Dorger

In the Board Room

Sometimes It Takes a Two By Four

To paraphrase General Norman Schwarzkopf, one of America's top war time leaders,

When you're dealing with very high ranking people, you have to get their attention. By virtue of their rank, they are used to having their own way and doing their own thing, and when it's necessary to all work together on something, sometimes you have to hit the mule between the eyes with a two by four to get its attention.

I think of that quote often when I am asked by colleagues and friends how they can get their board's attention and get them more committed to the hard work of governing the organization.

I actually faced this dilemma a number of years ago. The board I was dealing with at the time was (1) used to getting its own way, (2) very operationally oriented, and (3) not performing all of the governance responsibilities that an effective board should be working on. I struggled with how to best bring these shortcomings to their attention and get them moving toward correcting them. But as Schwarzkopf said, they were used to doing their own thing and felt like they did not need any advice on how to do their job.

One of techniques that I learned over the years in dealing with people is that it seldom makes sense to mount a white horse and go charging into battle. It is often best to look around and get a feel for the whole situation and find out if there are any bears in the cave before charging into it armed only with a stick.

In this particular instance I began by talking individually to some selected board members about how they felt the board was performing and how we might go about improving the governance of the organization. I found a few that were quite satisfied with the current situation, but I found a few others who had served on high performing nonprofit boards in the past who saw the shortcomings in the current system. I specifically solicited the help and guidance of one of these individuals who, as luck would have it, was slated to be the incoming chair of the board.

We agreed it would be best to use the vehicle of a board retreat shortly after the start of the new presidential term. We felt this retreat could be used to (1) educate the board on their responsibilities, (2) help them to realize that they were not doing all they should be doing as a governing board, and (3) energize and motivate them along the path of corrective action.

Did it work? The answer is yes! When we completed the session that day, the board was united in its understanding of the current situation and committed to improving it. Here is how we did it.

We first solicited the help of some outside experts. The first experts were a team of lawyers who routinely gave training sessions on the legal responsibilities of boards and board members and the possible adverse ramifications of not carrying out these responsibilities in a reasonable and prudent way. The second expert was a professor at a nationally known business school at a prestigious local university. The professor's special expertise was corporate board governance. We asked the professor to inform the group of what was happening in the world of board governance as a result of some national scandals, Congress' interest in improving nonprofit governance, and legislation such as Sarbanes–Oxley and the accompanying California law entitled the Nonprofit Integrity Act.

The outside experts played their role to perfections. The lawyers served two very useful roles. First, they were educators. They taught board members who were largely unfamiliar with the fact that nonprofit board members have legal obligations to the organization and to society. Second they served as my "two by four" by relaying stories of board members who had been held liable for organizational malfeasance around the country. While the instruction portion of their presentation was very good, they really woke up the group and got them straining forward to hear when they started talking about sanctions and potential personal liabilities they might even face as board members. Now we had their attention!

The business school professor then gave a wonderful presentation about what were the best practices in board governance with emphasis on how the whole business of governance was changing rapidly due to the external pressures and legal actions being taken across the country. The morning ended with a nice lunch in which there was a friendly and very informative informal dialogue between the board members and our experts.

The professor stayed after lunch and presented the board with a list of responsibilities that a major national nonprofit had adopted for itself. We then broke the board up into three groups and asked each to

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independently evaluate the list and to determine whether the list was sufficient to describe the responsibilities of our board or whether other duties should be added. Each group worked on its own for about 40 minutes discussing the list of responsibilities. Then each reported back independently to the full board. A couple of the groups suggested some additions to the list, and these suggestions were unanimously approved by the board as was the full list of responsibilities. So now we had a board that was motivated, informed of what the best board practices were and unanimous in their agreement on a set of responsibilities it was willing to assign itself. It was great progress, but we were not done.

The next phase was to break the group up into the same three groups and have them take the list of responsibilities they had just adopted and have them honestly evaluate their effectiveness as a board in carrying out these responsibilities. Having three independent groups working without the ability to dialogue between groups was important because it encouraged candor and honesty within the groups. No one wanted to be the one group to sugar coat their evaluation when the other two might be brutally honest.

Each of the groups then reported their findings. Remarkably virtually every group saw things the same way and the board presented a near unanimous picture of its strong points as well as numerous areas that needed improved ranging from minor tweaks to in some cases all new efforts. There was no dissent. As its final act of the day, the board commissioned an independent governance study to help work through the major initiatives and assigned other specific tasks to various board and staff members to fix the minor issues.

It was a remarkable day and one that “moved the needle” toward creating a better board and a better organization. Importantly there was no mystery to the process. It is repeatable in any organization. So if board indifference or lack of understanding of their responsibilities is a problem for your organization, you might want to use a similar two by four to solve the problem. Happy whacking!

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