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Building A *Strong* Board of Directors

One of the most important challenges facing executive directors, administrators and development officers of not-for-profit organizations today is building a competent, committed, *powerful* management team, capable of insuring the financial, programmatic and administrative integrity of the institution.

Author Harold J. Seymour, *Designs for Fund Raising* (McGraw-Hill 1966), and considered by many the father of modern philanthropy, said in this classic book, "*nonprofit institutions require two kinds of leaders—the competent, loyal professional staff who manage and serve* [behind the scenes] and the powerful, successful, capable business person with the ability to act, advocate, give and get the resources needed to do the job, leading the organization via its board of trustees."

The Council for the Advancement and Support of Education (CASE) urges its member institutions to build boards having five essential attributes: *wealth, "wallop," work , wisdom* and *wit.* They advocate, convincingly, every board member should have three of these five attributes. We believe the management team should have *"clout "(power), affluence, influence, outreach, credibility, respect* and *business expertise*. Whichever criteria you prefer, one thing should be clear: There are *qualifications* for serving on a board, just as there are for filling a paid staff position. Putting anyone on your board simply because he/she is *available,* without a clear sense he/she meets or exceeds your organization's qualifications does a disservice to them, to your institution and to those you serve.

Individuals capable of providing strong leadership seldom show up knocking at your door. Nor do they respond to ads seeking board members.

~ RESEARCH ~

You get leaders by recruiting them! And before you recruit successfully, you must *do the necessary research.* After all, there *are* leaders out there who are *not* generous and *not* team players, attributes you don't need or want on your board!

Research probably is the most overlooked aspect of fund development, especially among organizations outside private institutions of higher education. To succeed, you must gather and analyze as much information as you can, both on your current board members and donors, *and* your community's business and civic leaders. It is essential to your success you learn who is within your immediate reach given what you have to work with. You must ask yourself: *who* do we *know*, to whom do we have *access*, with whom do we have *influence* and on whom, if anyone, do we have *leverage*? Understanding relationships among people is essential to your success.

~ RECRUITMENT ~

If volunteer leadership is the lifeblood of the not-for-profit institution, *recruitment* is the heartbeat. Recruitment is a *continuous* building process, following research, in carrying out a successful development program. And to succeed in building a powerful board, capable of getting the needed resources, you must recruit *vertically*, not laterally. Recruitment is a staff *and* volunteer function, but the executive and development officer *must* initiate and implement it. Your volunteer leaders will respond and look to you for direction. Left to their own devices, most [untrained] volunteers will recruit negatively—or at best *laterally*—because it's easier to do. Staff must insist on setting high standards and qualifications for service. Staff who understand "pride-of-association" is a powerful tool—and the second most important reason why people serve on boards—will seek to build a group of individuals who enjoy working with their peers.

Why *do* people serve on not-for-profit boards? There are many individual reasons, but the four most important are *the right person asked* (#1 reason), *"pride-of-association"* (with whom they serve), *responsible concern for community* (enlightened self-interest) and *the cause*.

With these points in mind, here are several suggestions for staff to consider:

- Consider hiring the best professional you can find to do a planning study survey (research) with an eye toward identifying and qualifying new leadership and conducting a special needs campaign to secure financial support from current and prospective board members.
- Know your constituency, whether it's "closed," "open" or something in between.
- Have specific qualifications for service included in written job descriptions for trustees and *every* position in your voluntary leadership hierarchy.
- Always recruit face-to-face, *never* by letter, telephone or "want ad."
- Always prepare your volunteers ahead of time. Never go in unprepared.
- Always recruit two- or three-on-one, not one-on-one—it's harder to say "no" to two or three people than one person.
- Try to use people your prospect would have the hardest time saying "no" to. (One of the *main* reasons to do a planning study is to learn who can best influence whom, at what level and for what reasons, while overcoming any objection or concern your prospect may have.)
- Always provide staff support to your volunteers who are recruiting, but maintain a low profile. It's your job as staff to help your leadership be successful.
- Keep paperwork to a minimum. Don't overwhelm someone with a lot of material. A mission statement and job description should complement a good verbal recruitment. Don't rely on videos! (They're fine for groups.)
- Make a *rational-emotional* case for support. Emphasize the importance of the job and their being the best person to meet the challenge. Don't forget about pride-of-association. Use it if you have it!
- Utilize a year-round functioning nominating committee to *identify*, *qualify* and *prioritize* prospective leadership for the board after determining institutional needs and leadership qualifications. (This is the *most important* committee in your organization!)
- Recruit leadership as though it's a *privilege to serve* and an *honor to be involved* with your institution. The more successful you are in promoting your board and cause as prestigious, the more successful you'll be in getting the kind of people you need to meet the challenges facing your institution.

~ ORIENTATION ~

Newly recruited volunteers must be oriented as soon as possible, preferably within 30 days of their agreeing to serve. We recommend your orienting a new volunteer face-to-face in your institution's offices, rather than his/her home or office. While it can be very effective to have volunteers involved in orientation of new volunteer leaders, orientation essentially is a staff function.

Volunteers who aren't oriented properly will hang up their brains with their hats as they walk in your door. They can become part of the problem rather than part of the solution. Don't overlook orientation. Here are some tips we think will be helpful:

- Orient face-to-face.
- Walk your new leadership through your institution and introduce them to the staff.
- Use your audiovisual materials as appropriate.
- Encourage department heads or senior staff to give a brief overview of what they do to carry out your institution's mission. Make it both rational and emotional. Tug at their heart strings if you can.
- Keep handouts to a minimum. Experience shows people don't read most of what they're given. On the other hand, a job description which includes the job title, purpose of the position, major responsibilities, to whom he/she reports, who the staff advisor is and the qualifications for service (including thoughtful, generous and proportionate giving).
- Review your organization's case/mission statement together.
- Meet with that person's volunteer "boss," if possible, to discuss tasks and objectives.
- Review your organization's structure, financial picture, programs and fund development activities together.

~ MOTIVATION AND INVOLVEMENT ~

One of the major roles played by professional staff is to *motivate volunteers.* Enthusiasm and energy are contagious. If we're "turned on" by our cause, our volunteer leadership will sense our enthusiasm. And if we're doing some of the other things right, our volunteers will become enthusiastic too.

It is important for staff to remember volunteers, as everyone else, seldom are motivated by information alone. An orientation session alone won't do it. Orientation really is a long-term process, involving staff who seldom miss an opportunity to inform or involve. Informed leaders—involved in decision-making, providing advice and counsel, taking action on your behalf—is what you want!

We encourage you to use handwritten notes, letters, telephone calls, meals, office visits, etc., to communicate regularly with each of your volunteer leaders. The more frequent and personal your communication, the greater is the opportunity to develop a professional trust relationship.

And don't forget special occasions! Sending your trustees Thanksgiving, Christmas, birthday and "get-well" cards will help build positive, supportive relationships. Letting volunteers know they're important to you as *people* —as well as resources to your cause—will help develop their loyalty and commitment. Learn what their needs and interests are as people, outside of your professional concerns. Such knowledge can be of immense value to you as you cultivate their involvement and discover what motivates them.

While all these personal cultivation efforts are important, they do *not* overshadow one of the two most important motivation and involvement techniques available to staff—building *pride-of-association*. Volunteers will seek to be involved *if they like who they are interacting with* and can relate to them as social and business peers. Being aware of *pride-of-association* is <u>essential</u> to successful board development.

Finally, be aware of time and how you use it. What amounts to a full-time job for you and me is but a fraction of the volunteer's time frame. *Use their time wisely!* The more effective they feel, the more time they will give. But if you waste their time—with meaningless meetings, three-hour board meetings or rambling, pointless visits and discussions—you will *lose* them. Their time is money, both yours and theirs. Don't waste it!

~ COMMITMENT ~

There is no other more accurate measurement of your volunteer's commitment to the cause than *personal financial giving.*

Giving that is *thoughtful, generous, proportionate,* and for board members a bit *sacrificial,* is both a measurement and a key indicator of commitment. Generous giving supersedes thoughtfulness, work, energy and time given. And though these contributions also are very important, they can't replace money. Without money, everything else is academic, because without it, there would be no program and or organization.

Board giving represents the volunteers' investment in "the company" (the cause). Essentially, they are "buying stock" and contributing to the future financial integrity of the organization and its programs. Having made an investment, they have something at risk. No one wants to see money they have invested wasted or misused.

We believe there's *no greater expression of hope, loyalty* and *commitment than thoughtful giving.* And there is no stronger statement that can be made to your constituency or the general public which builds credibility and public trust than an influential board which generates a substantial sum of money each year for institutional needs.

A financially committed board also is important because it sends a clear message to your prospective donors (individuals, foundations, businesses) as well. It can be argued, effectively we believe, if your leaders do not support your institution, why should anyone else? If board members make token commitments, why should anyone else feel compelled to do more than they do? Why should anyone else care if those closest to the heart of your institution don't care?

If your leaders don't give, your cause is suspect to the trained eye. Maybe it's not run very well. Maybe a lot of money is wasted. The very suspicion weakens your cause and erodes your credibility and inhibits people from making investment-level gifts.

As staff, we know getting volunteers to give time is difficult. Time is precious to everyone. Yet, over the years we have observed volunteers who have given serious money to their institution tend to be willing to give more time as well. It seems people's hearts *do* follow their pocketbooks—we care more about those things in which we've invested than things in which we have *not* invested. And it seems logical to assume the more someone gives, the more that person will care and want others to do the same. Eventually, we begin to create a "culture of giving," an expectation that giving is the right thing to do, it's the price one pays for the privilege of serving (and being able to decide how to spend everyone else's money!).

If you stop and think about what we have shared with you, it's not terribly unusual or radical at all. One need only look at the real world to see directors of corporate boards are, almost without fail, significant stockholders in their corporations. Those making the decisions and leading the organization must have a vested interest in seeing the company grow and prosper. Clearly, they have a financial risk if they don't perform their jobs well. The logic should be no different in the not-for-profit world. A financially-committed management team is far more likely to have a quality product—and quality staff—than a board which is financially *un*committed.

If it's not yet obvious from what we have said, the responsibility for developing volunteer financial commitment rests *first with the executive and development staff of the institution.* And of all our staff responsibilities, this one is central to the well-being of our institutions.