

THE NATIONAL CENTER  
FOR NONPROFIT BOARDS  
RESEARCH

# The Chief Executive's Role in Developing the Nonprofit Board

*A good board is a victory, not a gift.*

— Cyril O. Houle in  
*Governing Boards*



**L**ike the tango, the relationship between the chief executive and the board requires a strong sense of balance, a high degree of trust, a willingness to follow as well as lead, and an ability to communicate clearly, sometimes subtly, throughout the course of the dance. Partners must temper concentration on their own movements with an awareness of what is taking place around them. They also need to understand and respect the form. The tango is not the twist. Although there is room for originality and invention, there are a handful of conventions, traditions, and agreements that must be acknowledged and honored.

The relationship between the chief executive and the board is one of the most complex and perplexing relationships in the nonprofit sector. Who's in charge? Who does what? Who gets to lead and who gets to follow? The fact that the answer to these questions is often "it depends" does little to reassure the chief executive, whose success requires regularly arriving at the right answers.

Complicating the matter is the nature of the board itself. We speak of the board as though it were a fixed and tidy object in the life of a nonprofit organization. In fact, it is a very untidy organism. It has a nature, but so do all of its parts. Some are wise and some naive; some are energetic and some passive; some master all the steps and others have two left feet.

And the parts keep changing, as members and board chairs come and go. The chief executive must contend with these realities or find

himself or herself also going. Since this is an unhappy prospect, a good chief executive will work to minimize its possibility.

When the National Center for Nonprofit Boards surveyed chief executives about the time they spent on board-related matters in a week, the average was nine hours. Nine hours is a substantial block of time. Is it too much or too little? It depends. The real question is whether it is time well spent.

Combine this information with a chief executive's anxious knowledge about the one governance responsibility all boards appear to understand — the right to hire and fire — and the question of roles and relationships becomes much more than an abstraction. Again, like the tango, the elegance and balance of movement are heightened by the compressed tension between the partners.

Successful relationships between a chief executive and a board might appear to be more a matter of the director's managerial competence and leadership ability than anything else. But, while certainly important, ability is not always the strongest factor. Often the key to a successful relationship is the care with which the executive helps the board to be a good partner. In the unique calculus of the nonprofit sector, a stronger board does not automatically come at the expense of the chief executive. The more effort an executive makes to develop a strong board, the stronger the underlying relationship will be between the board and the staff, and the more confidence and respect the board will have in the executive's work.

Busy as the chief executive is, it is not unreasonable to place the additional burden of board development on him or her. Although the board has a basic responsibility to learn its job and do it well, it is in the executive's self-interest, and certainly in the organization's best interest, for the executive to be an active participant in building an effective and high-functioning board.

There are many ways in which a chief executive can approach the assignment of developing the board as part of the overall effort to build a strong working relationship. A lot will depend on the current state of affairs between the executive and the board. Like the tango and unlike the twist, the dance requires a partner, preferably a willing one.

Rather than feeling outnumbered by the board, the smart chief executive sees the board and its membership as a way to leverage talent, resources, and energy on behalf of the organization. Luckily, boards also prefer to see themselves as a source of these advantages

and welcome the chance to participate in a more meaningful capacity in the life of the organization.

When the chief executive views board development strategically and presents it in this way to the board, a range of activities can be placed in context, providing both clarity and a framework for measuring success. With a distinct sense of the specific ways in which the board adds value to the organization, it is possible to look critically at board function, board composition, the information and educational needs of the board, and the best structure for the board's work.

With the board's focus and capacity linked to the organization's goals, investing in board development becomes a necessity. Activities such as identifying, cultivating, and orienting new members have focus and urgency. Developing a job description for the board and minimum expectations for individual performance move from pro forma activities to fundamental agreements among board members about purpose and effectiveness. By sharpening the self-awareness of the board, the emphasis shifts from who does what to what needs to be done and how. Confidence is contagious, and overall leadership — not just the chief executive's and not just the board's — is enhanced.

There is another dimension to this view of board development. To see the board and its development as valuable requires at a minimum that the executive find among its members people he or she appreciates the chance to work with. At the heart of good board and staff relations is a genuine pleasure in working together. The pleasure is not just personal but linked to the sense of satisfaction that comes from a job well done, and done together. The natural by-products of this collegiality are the basic trust and goodwill needed to do complicated business in challenging times.

For the chief executive willing to be a partner who brings out the best in others, there are a few principles worth adopting.

### **Understand and exercise your own authority.**

Within the nonprofit sector, we have developed a very useful description for boards that overstep their role and meddle in management and administrative matters: micromanagement. This practice is regularly deplored, particularly by chief executives. The field has been slower to coin a phrase that captures as neatly the problem presented by uncertain or tentative management.

Before denouncing a board's tendency to meddle or micromanage, it is useful for a chief executive to understand the impulse. For a new chief executive, the board may be compensating for a predecessor's shortcomings and its own past inattentiveness to details both large and small. Out of an unhappy relationship with one executive will sometimes come overcautiousness with the next. In these circumstances, a chief executive is wise to show a little tolerance for the board's behavior while working simultaneously to build the board's trust in his or her judgment and to present no more temptations to meddle than necessary.

Another understandable reason for the impulse to meddle is the specificity and familiarity of management tasks. They are concrete and measurable, and often do not require much of an attention span. Good governance, on the other hand, requires a capacity to deal with abstractions and hypotheticals, not to mention the courage to make big decisions — decisions with consequence. To focus on the big picture requires that some detail be sacrificed to encompass a larger field of vision. To maintain that focus requires discipline on the board's part and strategy on the chief executive's part.

The budget and financial reports are a good litmus test — so much detail and so many implications. Which is easier to grasp? Without some direction, the details, of course! The key is the chief executive's ability to direct the board's attention to the implications of financial information and away from unnecessary and distracting detail.

Boards work on what is in front of them, and chief executives have a lot of discretion over what is put before the board. If the chief executive brings management and administrative issues to the board, the board assumes they are its own to work on. When this happens, it is disingenuous to complain down the road that the board is micromanaging.

Assuming the board has hired the right person for the job, chief executives help themselves and their boards by having the confidence to do their job. Some of the confusion about who does what might be resolved if executives were clearer in their own minds about what they have been given the authority and therefore the responsibility to do.

In addition to confidence, it helps for the executive to have a clear and current job description and an annual performance appraisal that clarifies expectations and rationalizes evaluation. It is also very helpful to have among board members someone who periodically questions the board's involvement in a decision and redirects it to the

staff. If no board member has this natural talent, the executive can coach the board chair in this direction.

### **Build a strong relationship with the board chair.**

A chief executive has no stronger ally on the board than the chair, and no more potent advocate for the value of ongoing board development. In fact, the relationship with the chair sets the tone for the chief executive's relationship with the board and serves as a model for the behavior of other board members toward the chief executive and the staff.

Ideally, the board chair offers a safe place for the chief executive to seek advice and raise concerns. Although sainthood is not a prerequisite for serving as the chair of a board, the job does require a high degree of integrity, objectivity, and garden-variety decency. The chief executive needs to trust the chair, and the chair, in turn, needs to trust the chief executive.

Given the typical turnover in the position of chair, a chief executive needs to be ready to accommodate the different working styles of those who take the position and develop ways to make the most of the relationship. The executive is also well advised to consider making the job of chair one that others are willing to do when the time comes. This means helping the current chair have a productive experience and, by extension, making the assignment easy for qualified successors to say yes to. As frustrating as it may be to have to readjust working arrangements every few years to accommodate a new chair, it is more frustrating to work for too long with a challenging chair, or to have a series of chairs who have been pressed into service whether they show a talent for the role or not.

A critical element in the working relationship with the chair is the willingness to establish strong lines of communication. They can be formal, such as a standing phone appointment or breakfast meeting, or informal, but they need to be regular and carefully thought through.

The one discussion that must never be neglected is the review of the agenda before a board meeting. The chair is not a bit player in the meeting, but the manager of it. To fill that part successfully, the chair needs to go over the agenda carefully with the chief executive, and the chief executive must be sure that there is sufficient support, written information, or access to senior staff to prepare the chair. The more confident the chair's management of the meeting, the more effective and confident the board will be.

Even in the most productive relationships, there will be moments when tensions or disagreements arise. While tension in a stress-filled life is usually better avoided, periodic tension between an executive and the board chair is natural and often a healthy sign. Blessed with a good chief executive, a board can become complacent and give up its responsibilities in the face of the executive's reassuring competence. A chief executive needs to accept that disagreements with the chair are likely to come up, and that these moments shouldn't be avoided. The impulse to underplay bad news, selectively present information, or fail to raise important issues to avoid rocking the boat with the chair may work in the short run. Over the long term, it undermines the confidence that the chief executive and chair must have in each other. The "no surprises" rule is always in effect.

### **Cultivate leadership among board members.**

Continuity of leadership and performance matters not only at the staff level but also at the board level. The pattern of strong staff leadership and gradually weakening board leadership may look useful to a shortsighted chief executive, but it harms the organization and handicaps the director when the moment inevitably arises that calls for a strong board. Good executives grow weary of rubber-stamp boards and usually find them as difficult to work with as good board members find them difficult to serve on.

An important consideration in building leadership among board members is that the chair of the board does not typically spring full blown from the head of Zeus. Ideally, there will be willing and able candidates when the time comes for a change. In most organizations there is a leadership path that makes the process of identifying new chairs fairly evident. If leadership within the board is broadly cultivated, the path will yield strong candidates. The most common problem is getting good people to say yes to the opportunity to serve.

In addition to being a visibly good partner to the current chair, chief executives can make the invitation more appealing by regularly tapping the abilities of effective board members, both as informal advisors and resources on particular issues and as members and leaders of significant board committees. This strategy is also useful in the less specific but equally important task of making board members feel that their board service is worthwhile and that they make a difference. Many board members fall away from active participation

because they are never called upon to contribute what they feel they have to offer.

### **Participate in board recruitment.**

The chief executive needs to take an active and appropriate role in identifying, cultivating, and recruiting new board members. He or she must place a high value on the importance of having an active and vigorously led nominating committee, and encourage the chair to do the same.

The composition of the board needs to be viewed strategically with an eye to the organization's needs and goals. What are the critical issues that should be addressed in the next few years — credibility in the community, access to funders, political clout, business or program strategy? What can the board contribute individually and collectively to those issues or concerns? Who needs to be brought on board?

The nominating or board development committee needs the full support and encouragement of the chief executive, including a regular stream of suggestions about potential candidates and enterprising approaches to cultivation. The careful cultivation of prospective board members is an investment not only in the quality of the board but also in the quality of the chief executive's relationship to board members. The cultivation process allows for some screening of a board candidate's talents, capacity for teamwork, and appetite for the mission. It gives the executive a chance to see the candidate in context before any commitments are made.

Board members usually serve long enough to make a careful selection process worthwhile. A two- or three-year term will seem like a life term to the executive and other board members if candidates are chosen without thought or preparation.

### **Structure a complete orientation program.**

Orientation helps board members feel smart and welcome. Both are important goals for the process. Even when the nominating committee does its work well, new board members have a lot to learn about their role, their new peers and colleagues, the inner workings of the organization, and the expectations of board service. Although the nominating or board development committee has the responsibility to structure



and oversee an orientation process, the chief executive should be an active participant and behind-the-scenes manager.

Every board member should have in hand a basic compilation of written material — bylaws, minutes of recent board meetings, board rosters, program and budget information. If one assumes that board members rarely read this material closely, the supplementary activities that make up orientation become even more important. It is always a good idea to bring board members into direct contact with the programs and services of the organization and give them a meaningful way to meet staff and volunteers. This firsthand experience does not necessarily have to be a group experience. It may be a requirement that is completed within the first six months of board service.

Don't discount the value of inviting current board members to participate in any part of an orientation program. Sometimes information or an experience becomes more useful when the context is better understood or the perils of ignorance more obvious. This is also true of more technical information that new board members may need to acquire and current board members may need to reacquaint themselves with — for instance, how to read the financial statements or how the membership and development programs work.

Personal relationships between the chief executive and individual board members can present interesting issues. Board members need to reserve the right to ask difficult or challenging questions and to disagree with — even disappoint — the chief executive on occasion. These options become limited if friendships are at stake. In more highly charged circumstances, the executive risks having board members who are seen as close friends appear to be partisans or advocates, acting in the interest of the executive and not of the organization. While an executive needs to reach out to make new members feel welcome and part of a team, the risk of upsetting delicate balances also needs to be considered.

### **Make the most of board meetings.**

In many respects, boards don't really exist outside the meeting room. Until it comes together to discuss and decide the policy and governance issues of the organization, a board is at rest. However useful and powerful board members may be in their individual capacities, it is only the board's collective purpose and power that counts.

With this in mind, it matters what boards do when they come together formally to work. What they spend their time on matters, and so does the quality of their deliberations. Meetings should not be perfunctory events, ritualized and empty of content or, worse, full of the wrong kind of content. Of all the areas where the chief executive has the most direct influence and control over both the quality of the board's performance and the quality of the board-staff relationship, the board meeting is the most significant.

It is usually possible to map out most of a year's board meetings by looking at recurring events — the budget approval process, the election of new members and officers, program or chief executive evaluation, the annual board retreat. Planning ahead allows the chief executive to budget his or her time and keep staff notified of deadlines for developing meeting materials. It also allows for an assessment of current meeting habits. Are board meetings held often enough? Too often? Are meetings too short? Interminable?

The worst but unfortunately the most common meeting planning technique is to look at the calendar; sigh; roughly calculate how long it will take to bring the meeting to order, approve the minutes, and present the executive's report; and then begin to wonder how to fill up the rest of the time. This is the moment when airtime is filled with administrative or low-level matters that leave the chief executive frustrated and board members wondering why they come to meetings.

The content of each meeting must be about things that matter to the organization — things that, because of their strategic significance or consequence, legitimately qualify for the board's consideration. The executive needs to help board members focus appropriately on agenda items and support their deliberations with information that provides insights into the issues under review.

As meetings are planned, the chief executive needs to consider the value of using the meeting to build the board's deeper understanding of the organization's work and the context in which it takes place. What is the history of the program? What influences its development — resources, the needs of clients, the talents of particular staff? What *should* influence its development? How does it fit with the mission, the use of resources, or the achievement of results? Boards that are given an opportunity to be knowledgeable and reflective develop an appetite for working in this manner. It influences not only the substance of

their work, but also their ability to communicate enthusiastically about the organization before the community, funders, and policy makers.

When people praise a board they belong to, they are not just talking about the quality of the other board members, or the worthiness of the organization, or the brilliance and dedication of the staff. They are also talking about the sense of excitement and meaning they draw from their participation on the board. These feelings should derive in substantial measure from the board's meetings and the ease with which the work in that setting connects with the larger work of the organization. The structure and content of meetings are too good an opportunity to build powerful relationships and maintain board effectiveness for a chief executive to squander.

### **Learn to communicate with the board.**

The one indisputable advantage the chief executive will always have over the board is access to information. Insecure executives misuse this advantage to control and limit the board's engagement in issues. Between sharing too little and sharing too much, the chief executive can leave a board struggling to gain a foothold on a topic or swamped in a sea of facts and figures.

Sometimes the problem is not insecurity but a general inability on the part of a chief executive to differentiate between information that tells a story and background noise. Information is useful only if it leads to insight and, ultimately, knowledge. For a chief executive, this is a skill worth developing, not just in relationship to the board, but it may take practice to master. The chief executive should spend time with staff exploring what information tells a meaningful story either over time or in juxtaposition with other data, and learn to present it clearly. Good communication is a minimalist's art, aided by the endless resources provided by the computer age.

In addition to what to communicate, there is the equally important question of how often. The central communication event in the life of the organization is the board meeting, but chief executives are wise to think beyond and around this event. Board members will complain if they receive voluminous and frequent packets of information that absorb too much of their time. Too much paper leaves board members in charge of deciding what's important to read and what isn't, seriously

undermining a chief executive's intentions, particularly if board meeting preparation is the victim.

While a lot depends on the size and complexity of an organization's programs and the frequency of board meetings, the chief executive should think through how the organization communicates with the board to make the most of the board's time and attention. At a different level, the chief executive needs to have a more focused approach to direct communication with board members. It is important to stay in touch with both the board as a body and board members as individuals. Luckily, technology has provided the phone and e-mail, tools that make informal but reassuring communications possible without unreasonable investments of time.

### **Encourage reflection and learning.**

At regular intervals, the board needs to have an opportunity to fine-tune its own work (its structure, size, or composition, or the quality of its performance, for instance) and learn something useful for its service to the organization. Reflection and learning are important tools. They can happen during a regular retreat that takes the board away from its usual topics and allows it to work in depth on difficult or intriguing matters. Or they can emerge from a joint leadership evaluation that includes the performance appraisal of the chief executive and the self-assessment of the board.

Learning can also be a way to look outward to the wider world of pressures and influences that need to be acknowledged and understood if the organization is to remain relevant and vital. It is useful for the board to hear about public policy developments with an impact on programs, changes in the economic environment, new developments in theory or methodology that influence service delivery, or an inspiring success story from another organization.

The commitment to learn continuously and to place an organization's work in context not only feeds the intellectual needs of the board but also makes strategic thinking and decision making second nature to the board's point of view.

## **Conclusion**

A prevailing myth about nonprofit governance is that doing it comes naturally. If someone has the experience or stature to be invited to join a board, it must follow that he or she is in possession of the complete board tool set and instruction manual. The result of this widespread assumption is thousands of boards and board members making it up as they go along. Working from instinct, talent, what was done on other boards, and goodwill, boards struggle to do a good job and in the process often waste time, lose heart, and frustrate the staff.

In theory, all it takes to dance is an ability to count — usually no higher than four — and to differentiate the right side of the body from the left, particularly the feet. But the practice is much harder. Boards and board members need the chance to do good work and the opportunity to think about how it can be accomplished. They need to understand the theory of their role as stewards and be given ample opportunities to practice its art.

The chief executive has a unique opportunity to support the development of the board and collaborate in building its effectiveness. There are very few drawbacks for the board, the staff, or the organization. Certainly, for the chief executive, the rewards of being a good partner are quickly evident.

**From Theory to Practice:  
10 Steps to Building an Effective  
Board and an Effective  
Relationship with the Board**

1. Use one board meeting a year or a special retreat to clarify issues that need to be addressed by board and staff in the next 12 months. Incorporate the board's role into any action plans.
2. Make sure the nominating committee has strong leadership and strong staff support. Expand its role to include overall responsibility for board effectiveness.
3. Examine your own work habits for sources of role confusion. It may be lonely at the top, but sometimes it should be.
4. Meet with the chair regularly between board meetings.
5. Engage the chair in discussions about his or her successor.
6. Ask current board members how their first year of board service might have been improved.
7. See orientation as an incremental process occurring throughout the first year of service.
8. Review the agenda and minutes for the preceding year's meetings. Critique the quality of your performance, the productivity of the meetings, the successes and the failures.
9. Map out a year's worth of board meetings. Schedule critical governance matters: budget approval, board election, CEO evaluation, program evaluation, planning. Use this framework to identify opportunities for educational activities, single-focus meetings, field trips.
10. Review the information being presented to the board. Is it concise? Easy to read? Does it show significant trends? Can board members ask good questions based on it?