REBOOT YOUR BOARD

The 10 Commandments for an Effective Board
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- President of Hight Performance Group
- The nation’s member retention specialist
- Developer of the *Member Retention Kit* and the soon to be released *A New Approach to Tiered Membership*
- National instructor for the U.S. Chamber’s *Institute for Organization Management*
- Previously was Vice President of Operations for the Chamber of Commerce of Hawaii
- Serves on the Member Relations Council for the Austin Chamber
- Past-President of the Boulder Area Human Resources Association (BAHRA)
- Is a member of the:
  - Association of Chamber of Commerce Executives
  - American Society of Association Executives

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Session Objectives

• Explore current trends around board development and governance
• Discover strategies to increase engagement and accountability of your Board of Directors
• Leverage best practices on how to manage challenging scenarios with Board members
SMALL GROUP ACTIVITY

Why do you need to “reboot” your Board?
10 WAYS TO REBOOT YOUR BOARD

Strategies for Recruiting, Engaging and Governing an Effective Board
#1 Board composition should represent your membership

- Demographic representation
- Ethnic representation
- Industry representation
#2 Recruit and retain for essential skills and access

- Recruit those that are qualified to lead
- Consider those that have expertise, skills, and influence
- Use a Board Position Description
- Develop a Board Recruitment Packet
- Ask candidates to fill out a Profile for consideration
- Understand why they want to serve on the Board
- Ask the Board to consider strategic questions:
  - What are the three most important things for our board to accomplish over the next three years?
  - Do we have the right people on the board to make that happen?
#3 Effectively onboard new Directors

- Provide Board Orientation
- Directors learn about roles and responsibilities
- Provide a Director Interest Assessment
- New Directors read and sign By-Laws
- New Directors sign Conflict of Interest Policy
- Introduce them to existing Directors
- Create opportunities for Directors to get to know one another
LARGE GROUP ACTIVITY

What other best practices do you use to recruit the best Directors?
#4 Develop a Board Resources Committee

- Committee meets all year
- Chaired by an effective and respected Director
- Comprised of only Directors
- Assesses Board performance collectively and individually
- Evaluates the needs of the Board and develops profile of vacancy needs
- Recruits new Board Directors
- Ensures diversity on the Board
- Implements Board orientation
- Responsible for Board education

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#5 Create Board and Committee Alignment

- Maintain standing Board committees (Executive, Board Resources, Planning, Finance, Program, Development)
- Clear lines of reporting should be in place (Board or staff liaison)
- Committees should operate with a Charter
- Evaluate the effectiveness of committees
- Sunset committees and task forces, as needed
- Develop succession plans to recruit future leaders
PERFORMANCE MANAGEMENT

Yes, you can hold Board members accountable!
#6 Evaluate Board and individual performance

- Ask Directors to self-evaluate their performance annually
- Ask Directors to evaluate the effectiveness of the collective Board
- Recognize outstanding Directors

<table>
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<th>Assign points to category</th>
<th>TOTAL SCORES</th>
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<th>Board Members</th>
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<td>10 points maximum</td>
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<td>100-110</td>
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<td>80-99</td>
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<td>Consider Replacing</td>
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<td>Attendance</td>
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<td>Attended 75-100% of meetings in 12 mos.</td>
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<td>Committee Participation</td>
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<td>Actively participate on at least 1 committee</td>
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<td>Speeches, events, fundraising</td>
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<td>Understanding</td>
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<td>Is informed on agency business &amp; direction</td>
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<td>Personal Support</td>
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<td>Actively took part in organization's events</td>
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<td>Brings needed technical skills to board</td>
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<td>Name</td>
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<td>Name adds credibility to the organization</td>
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<td>Leadership</td>
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<td>Served as officer, committee chair, major task</td>
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<td>Commitment</td>
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<td>Is committed; enthusiastic; recruits members</td>
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<td>Demeanor</td>
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<td>Is productive and focused</td>
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#7 Ensure that Directors know roles and responsibilities

- Directors lead and govern the Chamber
- The Board partners with the staff to plan the long-term direction
- The Board approves the strategic plan, annual budget, and hiring of additional staff
- The Board protects the organization (e.g., risk management, antitrust, financials and audits, public records, endorsements, By-Laws, Articles of Incorporation, Sarbanes Oxley)
- The Board reviews and updates the By-Laws
- The Board reviews and updates Policies and Procedures
- The Board hires and fires the CEO, but not other staff
- The Chair evaluates the performance of the CEO, but not other staff
- The CEO evaluates the performance of the staff
- The CEO hires and fires other staff
#8 Deal with under-performing Directors and conflicts

- Start with clear expectations when recruiting and onboarding Directors
- The Board Resource Committee creates a policy to follow and the full Board approves it
- Conduct self and Board evaluations each year
- Identify common challenges, the root causes, and how other chambers/nonprofits deal with these situations
- The Board Chair and CEO are responsible for meeting with under-performing Director to discuss issues with Directors:
  - Disengagement
  - Micro-management
  - Lack of accountability
- Yes, you can “fire” Directors, even if they are volunteers!

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LARGE GROUP ACTIVITY

What other best practices do you use for Board accountability and governance?
#9 Hold effective and engaging Board meetings

- Provide information a week prior to meetings
- Use a consent agenda to streamline standard agenda items
- Develop a Board Dashboard to communicate current performance
- Implement a Board education program throughout the year (e.g., trends, legal, community knowledge/issues)
- Hold discussions on strategic topics that allow for increased participation
- Provide information Directors can’t get without attendance
- Conduct an annual Board Retreat that includes more than strategic planning
- Provide opportunities to network before or after Board meetings
#10 Implement strategic thinking activities

- **Silent Starts** – First 2 minutes of a meeting, have board members anonymously jot down the most important questions they feel the Board should address. Identify top issues.

- **One Minute Memos** - At the end of each discussion item, board members take 1 minute to jot down what they would have said if there was more time. Collect for review by the chair and chief executive.

- **Future Perfect History** - Each breakout group develops future-perfect narratives of how the Chamber moved from its present state to its envisioned state. Compare story lines, pathways and detours.

- **Counterpoints** - Randomly designate 2 board members to make the most powerful counterarguments to initial staff recommendations.

- **Role Plays** - Ask board members to assume the perspective of different constituent groups likely to be affected by the issue at hand. How would they frame the issue and define a successful outcome? What would each group regard as worst-case scenario?

- **Surveys** - Prior to discussing a major issue, board members take an anonymous survey that includes questions like:
  - What should top our agenda next year?
  - What are we overlooking?
  - What is the most valuable step we could take to be a better board?
  - What are the most/least attractive and worrisome aspects of the proposed strategic plan?
LARGE GROUP ACTIVITY

What other best practices do you use for Board engagement?
Resources (ask to receive more samples uploaded to a Dropbox folder)

- British Columbia Chamber’s Governance 101 Toolkit: http://www.bcchamber.org/members/governance%20toolkit.html
- Association of Fundraising Professionals’ Building an Effective Board of Directors: http://www.afpnet.org/files/ContentDocuments/5%20Building%20an%20Effective%20Board%20of%20Directors-1.pdf
- Board Source: https://www.boardsource.org/eweb/
- Bob Harris’ Non-Profit Center: http://www.rchcae.com/
- The Non-Profit Alliance—Board Chair and Board Member Best Practice Packet: http://www.nonprofitalliance.org/system/res/25/original/Board_Member_Packet.pdf

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Session Summary

• Leading and managing the Chamber is a partnership between the Board of Directors and you
• “An ounce of prevention is better than a pound of cure”
  – Ensure you recruit and retain the best Board members possible
  – Have the right policies and procedures in place
  – Take action earlier than later
• Board members want to succeed and have the best intentions (99% of the time)
• Seek out the advice of your peers, don’t go it alone!
To Your Success!

- Strategic realignment initiatives
- Onsite and virtual staff training
- Board and staff retreats
- Strategic planning sessions
- Membership retention plans
- Conference presentations and workshops
- Books, webinars and articles on our website: www.hightperformance.com
- Contact us at (512) 354-7219 or at cathi@hightperformance.com