

Board Members: Building a strong partnership with your Executive Director

Workshop leader: Gayle L. Gifford, ACFRE

Greater Worcester Community Foundation with support from The Kirby Foundation

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Topics

- What is Partnership?
- What the research tells us
- Creating a strong partnership with your Executive Director: Case Discussions
- Succession and sustainability planning
- Performance feedback as a two way learning opportunity
- Action

About the presenter

Gayle L. Gifford, ACFRE, is co-President of the consulting firm, Cause & Effect Inc.® A nationally respected consultant, writer and trainer, Gayle has over 30 years of experience in building nonprofit capacity in governance, strategic and business planning, fund raising, facilitation, program development, and communications. Gayle's work to strengthen nonprofits is fueled by her passion for a greener, more just and peaceful world.



Author of *How to Make Your Board Dramatically More Effective, Starting Today*, Gayle writes, blogs and tweets on nonprofit governance, strategy and fundraising. She is a contributor to multiple books on nonprofit management and governance. A graduate of Clark University (B.A.) and Antioch University New England (M.S.), Gayle is an adjunct instructor at Brown University and previously at Simmons College.

Gayle's nonprofit clients have ranged from the grassroots to international, including the Attleboro Area Council of Churches, Salem Athenaeum, the House of the Seven Gables Settlement Association, JHC Blackstone River Valley National Heritage Corridor Commission, May Institute, and PLAN International.

Gayle serves as Vice Chair of the board of WaterFire Providence and President of the board of Blackstone Academy Charter School. Gayle is one of the just 102 fund development professionals worldwide who have achieved the ACFRE advanced fundraising credential awarded by the Association of Fundraising Professionals.

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ACTIVITY 1: Partnership Reflective Questions

In the next five minutes, quietly jot down your responses to each of these questions:

What makes a partnership effective?

What does an effective Board-CEO partnership make possible for a public charity and its community?

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ACTIVITY 2: What should you do?

For the scenario you have been assigned, please develop an action plan for change. What role will you play?

Scenario One:

You are a member of the board of directors of a local environmental organization. Your Executive Director has been with your organization for 15 years. During that time, she has dramatically improved programming, community partnerships, government relations, staffing and revenues for your nonprofit. She sits on local and national committees and is currently pursuing an advanced degree. Six months ago, a highly regarded business executive, described as high-powered, was elected to serve as the Chair of your 15-member board. You have experienced this chair as dominating board meetings to the extent that participation and attendance has fallen off. You've heard rumblings that the chair is micro-managing the CEO. Most recently the Chair strongly reprimanded the CEO via email cc'd to the board for requesting that a committee investigate a promising opportunity without running it by the Chair first. You feel this situation cannot go on.

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For the scenario you have been assigned, please develop an action plan for change. What role will you play?

Scenario Two:

Your board recently hired a new Executive Director as a successor to the founder. Your \$1.5 million performing arts organization has four paid staff and a 20-member board of directors. Previously, the founder developed the agenda and prepared all materials for board and all committee meetings, attended and facilitated all of those meetings, and took the minutes. The board relied entirely on the founder to set the direction and focus of the organization, with little board oversight or input. Board and committee leadership relied on the founder for direction. Your new Executive Director has come to the Executive Committee to say he is overwhelmed by the amount of time and extent of responsibilities he is expected to assume for the board of directors and is asking for a remedy.

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ACTIVITY 3: Sustainability/Succession Planning

What must your board do to be prepared for each of these leadership transitions?

	Of your Executive Director	Of your Board Leadership
Unplanned absence (illness, sudden termination)		
Planned departure (job change, retirement, term limit)		
Planned absence (sabbatical, family leave)		

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ACTIVITY 4: Action Planning

On a scale of 1-5, where 5 is the highest, how would you rate your current board/ED partnership?

Name three actions to undertake when you return to your board to strengthen your partnership	Who will champion these initiatives?
1.	
2.	
3.	

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The Work of your Nonprofit Board

Board Responsibilities/ Functions	I. Community Betterment/ Mission Achievement	II. Wise Stewardship/ Organizational Health	III. Quality Governance/ Intentional Practice
Definition of Success	Our Board has identified our vision of our ideal community and what difference our organization will make to reach that vision.	Our organization has built the resilient capacity, resources and commitment that will achieve our mission objectives now and in the future. We are wise stewards of our resources.	We define what excellent governance looks like. We deliver on our commitments with integrity, respect, competence & ethical behavior.
Questions that every board must answer	What does our community look like and what are the changes we should plan for?	What competencies, knowledge, skills and leadership qualities do we need in our CEO?	What values are we unwilling to compromise?
	What does our community [or our clients] need? What is the gap we are filling?	What capacity do we need now to execute results? What capacity will we need in the future?	How does this board add value to this organization – what are we responsible for as a group and as individuals?
	What good are we trying to accomplish? For whom? By when? At what price?	What does health look like for our organization?	What skills, knowledge, attributes, & competencies do we need in our board and its leadership to govern effectively? How do we ensure that?
	What is our theory of change? What strategy will achieve our desired results?	What are we accountable for? To whom? How will they know?	How will we make decisions and structure our work?
	How do we know that we are accomplishing what we set out to achieve?	What level of commitment do we have?	How will we ensure the uncompromising honesty & integrity required of us? How will we hold ourselves accountable?

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What the research tell us

Leadership Transitions in New England (TSNE 2015)

- 51% of Massachusetts NPO leaders are very happy in their jobs; another 36% have more good days than bad days.
- Two-thirds of leaders plan to leave their jobs in five years, 30% in two years. Yet 60% of organizations have no succession plans.
- Top three conditions to make leaving-in-two-year leaders stay include higher performing board, fundraising support and higher pay and better benefits.
- Leaders are overwhelming white (87%) and female (68%)

Governance

- Governance is the systems and processes concerned with ensuring the overall direction, control and accountability of an organization. (Conforth 2004, 2012)
- Governance is a function, and a board is a structure. (Renz 2014)
- Effective governance, like NPO effectiveness, is a *social construction* and *situational* – there is no silver bullet. (Renz 2002)

Effective Teams (Google Study 2015)

- First and foremost, demonstrate psychological safety
- Are composed of dependable members
- Have clear roles, plan, goals
- Do meaningful work that matters and creates impact

Effective CEOs vis a vis the Board (Herman and Heimovic 1981, 2005)

- Board/CEO role is one of interdependence
- Facilitate interaction in board relationships
- Show consideration and respect toward board members
- Envision change and innovation for the organization with the board
- Provide useful and helpful information for the board
- Promote board accomplishments and productivity

Effective Boards (Axelrod 2005)

- Actively work to achieve role clarity (e.g. performance assessment; job descriptions)
- Ensure all members are oriented and trained for their role (orientation, retreats, workshops etc.)

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- Seek to build team and motivate all members to work toward goals (e.g. team-trust building etc.)
- Emphasize full and clear communication on issues brought to the board (e.g. general and specific issues)
- Focus on performance by asking tough questions and using evidence to support decisions (e.g. being strategic, organizing around what matters etc.)

Antecedents to Board Engagement (Brown, 2014)

- Values congruence – align personal priorities with organizational objectives
- Task ownership – directors understand and accept what is being asked of them
- Perceived ability – directors believe they have skills, knowledge, abilities to fulfill their role
- Trust and safety – Positive expectations and safety in showing oneself
- Engagement is also Influenced by situation constraints and group dynamics

Effective Board Chairs (Harrison and Murray, 2012)

- Do not distract the board from goals
- Create a safe climate where issues can be discussed
- Look for and acknowledge the contributions people make to the board and organization
- Confront and resolve inadequate board performance in a respectful way
- Open to new ideas and information
- Are seen as fair and impartial
- Provide the right amount of autonomy and independence for the board and CEO
- Make people feel like a valuable member of the team

Board Chair Preparation (Beck, Burns, Freiwirth, Hiland, Gifford, 2016)

- 51% of chairs did nothing special to prepare for that position
- Serving as committee chair was a more common preparatory experience for chairs than any other board officer role.
- Observing the prior chair or asking for his/her advice was seen as most helpful
- Chairs wanted mentoring, training, peer networking and resources available as needed.
- 56% of chairs had been on the board three years or less
- Anecdotally, board leadership succession, even when planned, is fraught with unanticipated changes

A big thank you to Yvonne Harrison, for contributing much of this research and allowing me to share it with you.

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Conducting a CEO Performance Review

When confronted by conflict, confusion or criticism, ask yourself: Where is the gift in this? Adapted from The Tao of Personal Leadership

What's good for the goose is good for the gander

- Boards should conduct their own self-evaluation, and solicit feedback from the Executive Director as part of that evaluation.

Reasons to do a formal performance evaluation, even though everyone hates doing and receiving one.

- According to *Dare to Lead*, just 45% of Executive Directors had a review in the last year.
- Executive Directors want feedback and most are interested in learning.
- Boards are sometimes delusional about their CEOs as managers and leaders.
- Getting input from multiple constituents is valuable.
- At least there is once a year where feedback is exchanged.

Re-orient to collaborative learning.

- Flip the power dynamic – CEO as active participant, if not the leader, of their own feedback loop.
- Establish objectives in advance, through Job Plan.
- Use a dashboard based on key organizational performance indicators year round
- Exchange feedback, regularly and year round.
- Incorporate coaching.
- Eliminate rating numbers.
- Design toward inquiry.
- Analyze results with an eye to future performance.
- Incorporate review agreements into a revised Job Plan.

Create a Job Plan

- Written by the CEO, discussed with and approved by the board annually.
- Linked to your strategic plan and other vision documents.
- Establishes standards for success in outcomes, key relationships, and leadership qualities.
- Becomes the standard for asking for constituent feedback.

See www.ceffect.com/tools-for-change for a Sample Job Plan

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Some questions for self-evaluation

From *Appreciative Inquiry Commons*

1. How am I doing? Considering all of my objectives, what am I proud of, what have I accomplished, what am I doing that works?
2. What contributed to my successes? What enabled me to do my best work?
3. How have I changed over the last year? What has helped me improve?
4. What do I want to do more of, do better or do differently in the coming year to be more effective? Which of these are my priorities?
5. What is it that I want to accomplish? Which of these are my priorities?
6. **What do I need from the board? How is the board doing in this regard?**
7. What support do I need from within or outside our to achieve my goals?

Collecting performance feedback

- Consider different collectors, at different times. e.g. Leadership Practices Inventory, employee climate survey.
- Decide if 360
- Identify the who – e.g. Executive director, board, staff, community leaders, donors
- Co-design what you want or need to know
- Use online surveys, interviews to collect data

Areas with more “objective” measures:

- Financial management
- Revenue development success
- Program objectives
- Adherence to policy
- Internal controls
- Assigned task completion
- _____
- _____

Ask for outside help when

- You don't have any experience in the board or have no time to manage the process.
- When you need legal advice, e.g. in advance of an adverse action.

You can find more on completing an **Executive Director performance review** at www.ceffect.com/tools-for-change

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To start your own learning:

Board Governance

How to make your board dramatically more effective, starting today. By Gayle L. Gifford.
Available through www.contributionsmagazine.com.

You and Your Nonprofit Board, edited by Terrie Temkin, PhD. Charity Channel Press.

Governance as Leadership, by Chait, Ryan and Taylor. BoardSource.

Nonprofit Governance. Innovative Perspectives and Approaches, edited by Cornforth and Brown.

Boards that Make a Difference or Reinventing your Board by John and Miriam Carver. While controversial, Carver offers an excellent description of delegation and policy making.

Some blogs to follow: Blue Avocado, Laramie Board Learning Project, Nonprofit Law Blog, The Butterfly Effect/Cause & Effect Inc.

Executive Director Relations and Succession Planning

BoardSource.org offers a downloadable .pdf for \$20/\$30 dollars *Assessing and Supporting Your Chief Executive: A Board Source Toolkit*.

Monographs on Executive Transitions: <http://www.transitionguides.com/monographs-on-executive-transition-management>

Personal Leadership

The Leadership Challenge by Kouzes and Posner. Jossey-Bass.

The Answer to How is Yes and Stewardship by Peter Block. Berrett-Kohler

Meetings and Decision-making

How to Make Meetings Work by Doyle and Straus. Berkley Press.

Breaking Roberts Rules by Lawrence Susskind, Oxford University Press.

The Facilitator's Guide to Participatory Decision-making by Sam Kaner, et al. Jossey-Bass
