

YOUR ROLE AS A BOARD MEMBER

What is the Board?

The answer to “What is the board?” goes back to the organizational chart - the picture of your organization that stems from your bylaws and articles of incorporation. Look at that chart. First there is the board. Then, if need be, there is an Executive Director. Depending on the size of the organization, there is everyone else - managers, line staff, volunteers.

Being at that spot at the top means the buck stops with the board - it has nowhere else to go! “What the board is” is **accountable**.

Who is the Board Accountable To?

“Who is a for-profit corporate board accountable to?” , the stockholders, because the stockholders provide the funds to run the company. They make the investment. They put their money in, therefore the company is accountable to use that money well.

This perception is wrong. In reality, a corporation can only be accountable for its own actions. It cannot be accountable for what someone else does, and therefore cannot be accountable for someone giving them money.

The board will absolutely be accountable if the corporation lied or cheated to get that money - again, accountable for its own actions. But the board cannot be accountable for the fact that someone put money in.

What that corporate board is accountable for is what it then does with that money - generating profits, building the company’s value and net worth, all so the investors will benefit to the very maximum amount possible. These are the things the corporation will do, its own actions, and the stockholders are the ones who will receive that benefit.

Therefore it is not because the stockholders *gave the funds* that the board is accountable to them. It is because the stockholders will *receive the benefits*, the profits the corporation generates.

That is why the board exists in the for-profit world - to represent the interests of those who will benefit from what the corporation does.

The same holds true in a nonprofit organization. Donors and other funders invest in the organization, putting the money in. But the whole community (including the donors) receives the benefit the organization provides. If the community receives as much benefit / impact as possible, the donors will be pleased, which encourages further investment. But the purpose of the organization is not to keep the donors happy; it is to create as much benefit as possible for the recipients of the work the organization does - the community.

Therefore, the board of a nonprofit organization is accountable to the community that will receive what the organization provides - benefit, community impact, an improved quality of life.

If We Are Accountable TO the Community, What Are We Accountable For?

All the things a nonprofit board is accountable for can be summed up in 2 words: Ends and Means.

Accountability for the End Results

The board is accountable for ensuring the organization is providing as much benefit as possible to the community, improving the quality of life for those who will be affected by your mission. This is at the core of why your organization exists, and at the core of the pact you have with the community that receives the benefit of your work.

- Is your community receiving the very most benefit your organization could be providing?
- Is the community receiving not just short term benefit, but long term impact? If not, the board is accountable.

Accountability for the Means

The board cannot be accountable for ensuring the community receives benefit and impact if the board is not also accountable for ensuring the organization has the means to provide those results. The board's accountability for providing those means can be summed up in 3 major categories:

1) Values:

The board is accountable for ensuring the organization is doing its work within a clearly articulated core of shared values and philosophies - the talk you are going to walk. It is the board's job to ensure that everyone within the organization - from the board to the staff to the volunteers - understands the core values and philosophies that guide the organization's decisions and behaviors, and that they further understand the parameters of what is acceptable vs. unacceptable behaviors within those values.

Does your organization operate from a consistent code of values that guides every decision made? Are those values commonly defined and commonly understood? Does everyone within the organization know what talk they are supposed to walk? If not, the board is accountable.

2) Community Engagement

The board is accountable for ensuring the organization is integrated into the community to whom it is accountable, and for ensuring the community is integrated into the organization. This means more than seeking a broad net of cash donors. And it means more than just touching base with "stakeholders" (a.k.a. "preaching to the choir"). Engagement means expanding that choir to build an army of friends for your mission work. The more you engage the community, the more impact you will be able to provide.

Does your organization have mechanisms in place to engage with the community to whom you are accountable? Is that engagement ongoing, or sporadic (only when you need something)? Does it focus on expanding "the choir," to bring new people into your mission's fold? If not, the board is accountable.

3) Capacity

The board is accountable for ensuring the organization has the ongoing capacity to provide the benefit it is accountable for providing. This is not just financial capacity, but adequate personnel, adequate facilities, adequate outreach and administration and governance and all the other functional necessities for getting the job done. In addition, it includes ensuring risk and liability are minimized, to safeguard that capacity.

Does your organization have adequate capacity to provide the mission, in all functional areas? Does your organization do everything it can to limit liability and risk that can eat away at that capacity? If not, the board is accountable.

How Does Your Board Measure Up?

As you consider the work your board is currently doing, here are some questions to measure your performance on the Community-Driven scale:

1. Community Benefit - The End Result

What percentage of your time focuses on the reason your organization exists - the end-result benefit you are providing to the community? How much time are you focusing on creating a strong future for your community?

2. Core Values

What percentage of your time is spent discussing the core philosophies that will guide that work? If a failure to walk your talk is the direct path to landing on the scandal page of the morning paper, how much time does your board devote to determining and upholding the organization's core values?

3. Community Engagement

How much time does your board spend discussing how the organization is engaging with the community to whom it is accountable? Do board members regularly ask community members for input, regularly talking with individuals throughout the community about the work the organization is doing? If the board assumes that is the job of the CEO, has the board made its expectations about that function clear? Are they monitoring to ensure that community engagement is, in fact, happening?

4. Capacity

The one area most boards feel they are focusing on is capacity. But when your board discusses "capacity to provide the mission," are you discussing ways to proactively ensure the organization has adequate capacity to provide the very most benefit possible? Are you focusing solely on money? Or are you considering what it would mean to have adequate capacity in all areas - adequate personnel to do the job, adequate facilities to provide service, adequate equipment to be effective, etc.? Are you proactively discussing how to avoid risk and liability in all those areas, including governance, or are you only considering those issues when a problem arises - when it's too late?

When it comes to capacity, do you spend time focused on why you cannot ensure capacity, "making do" with what you've got? Or are you trying to determine how you can ensure the needed capacity is there?

Remember: Accountability isn't something about which you have a choice. With the board at the top of that org chart, you are accountable to the community for ensuring both the ends and means to accomplish those ends, whether you are acting accountably or not.

So How Do We DO Accountability?

The easiest way for boards to act accountably is to create proactive plans and policies, and to monitor that those plans are being acted upon, and those policies being adhered to.

✓ **Accountability for Community Benefit:**

Boards act with accountability when they make plans that answer the question "What do we want our community to be like because our organization exists?" The board then monitors to ensure that Community Impact Plan is being implemented.

✓ **Accountability for Guiding Values:**

Boards act with accountability when they discuss and delve into the guiding principles by which their goals for the community should be achieved, and monitor to ensure those values are being adhered to.

✓ **Accountability to the Community:**

Boards act with accountability when they create proactive plans and policies to ensure the organization is actively engaged with the community to whom it is accountable. The board then monitors to ensure those plans are being implemented and adhered to.

✓ **Accountability for Ongoing Capacity:**

Boards act with accountability when they make proactive plans and policies to ensure there is capacity to provide the mission, and further, that risk and liability won't eat away at that capacity. The board then monitors to ensure that Capacity Plan is being implemented and adhered to.

The board should be working in conjunction with the CEO and key staff to create these plans and policies. After all, it takes a functional team to run an organization well - an ongoing partnership between board and staff.

5. Doing vs. Ensuring

Once the plans and policies are in place, the board can choose to perform the implementation work for any part of those plans it wishes. Or it can choose to delegate every bit of implementation to the CEO and the staff, to its volunteers, or to a committee of board, staff and volunteers. The degree to which the board will DO the work is up to each individual board.

But what's NOT up to the board is the very key to accountability - ensuring the plans are created, and monitoring to ensure the work is being done.

Ensuring is what accountability is all about. Ensuring is the job of the board.

One More Word About Accountability

It is important to note that all nonprofit boards are accountable for the same things, whether the board is acting accountably or not. Therefore, there is NO difference between what a Community-Driven board and a "standard" board are accountable for.

The difference is that the Community-Driven board consciously chooses to provide the community with as much benefit and impact as possible. And the Community-Driven board further consciously chooses to ensure the organization has the means to accomplish that.

Conclusion

When boards have a better understanding of what the board is and why it exists, it is far easier to understand what the board should be doing. That is the heart of Community-Driven Governance.

When "what you do" stems from your accountability to ensure the organization is not only getting the job done for the community, but doing so in a way the community can point to with pride, it will open up a whole new world of possibilities for your board, for your organization, and for your community.