



Adding Value to a Board's Work: Improving the Alignment Between the Board & the Management of an Organization

Many of the readers of this article have served on or will serve on governing or advisory boards. As consultants who work with Boards to help them work smarter and manage conflict, we believe that one of the “secrets” to establishing and growing an effective governing board or board of directors is an effective working relationship between the board and the organization’s management. More typically though, the relationship is characterized by Board members’ and managers’ memories of times of organizational near-crisis, when less than optimal organizational performance data is reviewed, or when decisions have to be made about critical issues that affect management (costs, personnel, changes, etc.).

An ineffective board/management relationship may be noted in a board meeting with management present as evidenced by those manager’s silence when difficult matters are on the table that need review, dialogue, direction and decisions. If board members assume that management has a better perspective and hears those sentiments in the meeting, difficult issues may go unchallenged or may not receive a sufficiently thorough review. Management then starts the next business day with neither enough new information, direction or informed opinion to improve their work on that difficult issue. Conversely, if management perceives that the Board is unfairly “grilling” them or notes that questions from the board indicate that the board does not fully comprehend the issue, management may resent the board’s “intrusion” on the issue at hand.

How can a board increase their alignment, communication & overall relationship with management? How can a board be more effective in working with and directing management toward organizational goals and outcomes? Boards and management must first review and understand all basic roles and responsibilities.



Boards: Basic Roles & Responsibilities

Boards that understand their role and fulfill their responsibilities effectively can make a significant difference in a community. A board of directors has responsibility for the organization's stability and continuity.

Individuals who agree to serve on a Board should do so with the understanding that there are duties that accompany this position. They need to be able to devote the time necessary to fulfill their responsibilities, actively take part in the Board's decision making process, and oversee and even improve the performance of the organization. Individuals who indicate a willingness to serve as board members should be fully aware of the duties and obligations of the position:

Responsibilities of Board Members

- Meet the needs of the people you serve.
- Set policies that guide your organization.
- Write a plan outlining the long-range goals you have for your organization's growth and development.
- Ensure you have adequate finances and that the money is being spent responsibly.

Role of the Board

- Participate in the formulation and final authorization of the organization's long-range direction.
- Formulate and adopt policies.
- Employ, provide periodic performance appraisals, provide for salary review, and if necessary dismiss the executive director.
- Develop financial resources for achieving goals. Board members must actively participate in generating the necessary funding.
- Adopt and monitor the operating budget, fiscal management procedures, and insurance program.
- Keep informed and insure evaluation processes are in place to assess the achievement of goals and objectives.
- Perform legal responsibilities by acting for the organization as set forth in the articles of incorporation and the bylaws.
- Protect the assets of the organization.



- Form linkages with other community organizations; this includes collaborative efforts with the public and private sectors to meet needs greater than those that can be met by your organization alone.

Boards exist to own the organization on behalf of persons who are not seated at the table. As leaders, a board cannot carry out its responsibility without determining exactly whom the ownership includes and how they can be heard.

Board members must make fundamental decisions and take necessary actions that shape and guide their organization in what it does, why it does it and for whom? By developing vision and mission statements and setting goals and objectives, boards are assisted in this effort. Some questions to reflect upon:

- Why do we exist?
- What business are we in?
- What is our most important product/service?
- Who are our clients?.....volunteers?.....donors?
- Why do they come to us?
- How have we changed in the last five years?
- What are our unique strengths?
- What are our major weaknesses?
- What philosophical issues are most important to us?
- What would be lost if we ceased to exist?

Board decisions should predominantly be policy decisions reflecting the board's beliefs, commitments, values and vision. Board decisions are generated by the board, not just parroted or approved by it. If the board's wisdom is not reflected in these policies, a central feature of real board leadership has been missed.

The board is guided in its policy making by which consumer results are to be achieved, for whom, and at what cost. Written with a long-term perspective, these mission-related policies provide most of the board's part of long-range planning.

The board then can establish the boundaries of acceptability within which the executive director and staff can manage the organization and tend to its day to day operations.



Board & Management: Regular Work Sessions

Boards and management should have regular opportunities to work together as a team outside of regularly scheduled board meetings. Boards that have effective, aligned relationships with management allow management from more than just the executive level to come to the table when the organization's vision is set and/or reviewed. Board work sessions should be scheduled so that management from different levels of the organization are able to attend. An effective Board will build a work session agenda to allow for collaborative work to be completed by the board as well as representative from many levels of management. Work session agendas should be sent out well in advance and should include a very clear job description in terms of work to be completed by managers as partners with the board.

Board & Management: Visionary Role & Tasks

By working together to mesh board and management viewpoints, an organization's vision will be stronger and keener. Revisiting the organizational vision in short, vision-only sessions twice per year with board and management will help keep the vision alive and validate it among all participants. Management from different levels of the organization should have the opportunity to work w/ the board on a regular basis to check and review the organizational vision. Keep the vision in plain sight by developing board letterhead for all communication w/ the vision typed in at the top center, just under the organization's name. The vision is a very clear compass that should be available to all on a regular basis.

Added Value Board Work: Direction & Service

The board has a responsibility to send work with clear directions to management. Management benefits from the viewpoints and experiences represented by effective, diverse board membership. Effective boards recognize potential threats to the organization as well as opportunities. When effective boards crystallize their needs for information or actions, management has a better opportunity to serve the board with more accurate work. Board actions need to be made after enough discussion so that management can work "smarter" as a result of the board's direction. Board directions to management should actually contain a



mutually understandable goal with a time line, as well as a suggested resource for management should the work described generate unexpected hurdles or challenges.

The board should also receive work and tasks from the management.

Effective boards should also serve management by serving as a think tank for organizational problems or issues. Management should be able to use the board's cumulative experience as a constructive resource for reviewing organizational issues and opportunities. Management however, needs to accurately preface any works in progress that are brought to a board for consideration so that board members do not feel compelled to act with authoritative direction.

Board & Management: Evaluation & Improvement

Boards should have their work and products reviewed by management. The relationship between a board and management within healthy organization should be one of mutual respect and service. Toward that end, boards may benefit from a mutual review. Open-ended qualitative questions may be provided to the board and those managers closest to the board's work:

- How should the Board & Management team work together?
- Do you see any potential obstacles that will prevent the Board and Management from working together successfully in the near future?
- What types of issues do the Board & Management handle successfully?
- What types of issues are difficult for the current Board and Management?
- Do you see any potential obstacles that will prevent the Board and Management from working together successfully?

Data from all board members and management may be collected and provided back in a summary by an outside agency to assure confidentiality. Results can then be used to diagnose any board/management communication or action issues that weaken the relationship. Accurate prescriptive actions can then be put in place to improve the relationship.

The above beliefs and ideas will never replace the hard work that Board members take on when they accept an appointment to a Board. But the practices above will help forge a stronger link between the Board and one of their primary consumer groups: the organization's management.