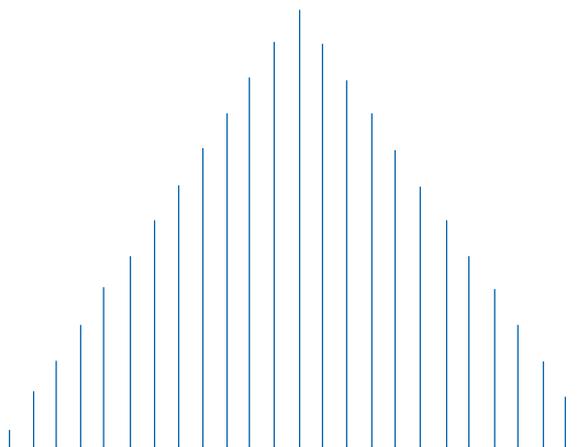


*Pocket Guide
for
Improving Board Performance*



A supplement to *The Family Planning Manager*
October/November/December 1994



A supplement to *The Family Planning Manager*
“Working with Boards of Directors”
October/November/December 1994

Pocket Guide for Improving Board Performance

This pocket guide is designed to help members of boards of directors of family planning organizations to build an active board that works effectively to provide the best support and guidance to the organizations they serve. This guide also provides suggestions for building an effective working relationship between the board and the executive director.

To be effective, board members need to have an understanding of four critical areas:

- Board members need to have a thorough understanding of how their board operates.
- Board members must master the challenges of organizing and working on committees that conduct board business and they must be proficient in conducting effective meetings.
- Board members must be skilled in managing and staffing their board.
- Board members must develop open and effective communication with the organization's executive director and senior management, and have a clear understanding of the potential problems and legal issues that boards face.

Getting to Know How Your Board Operates

All board members should have a thorough understanding of the way their board operates, how it is structured, and how it conducts its business. Although there are differences between advisory boards, managing boards, and full boards of directors, there are some important common elements. Many non-profit boards have a legal document that states the reason for their incorporation. This document is often supplemented by bylaws that guide the governing or managing board. The bylaws include the responsibilities of the board and the procedures that it must follow in conducting its business. Some boards, like advisory boards, will have a scope of work or special regulations rather than legal articles of incorporation and bylaws.

Defining the terms of office. The terms of office and the limits on the length of service for board members are specified in the bylaws. It is helpful for new board members to know the extent of their commitment. Many boards permit members to have successive terms of office to ensure that there is a mix of old and new members, others may permit two to three successive three-year terms for board members. Still others may demand that members not serve for a set period of time after finishing their term. New members bring a fresh flow of talent and differing viewpoints to the board. Staggering the terms of office to avoid a complete turnover of members is one way to promote continuity of the board while finding new members to serve on the board.

Deciding how many people should serve on the board. The size and composition of an organization's board of directors will vary depending on its purpose and the scope and type of activities to be undertaken by the board. Generally, the smaller the board size, the more efficient its operation and decision-making process will be. For small, emerging organizations, the size may not be more than five board members. As the organization grows and evolves, the size of the board should increase as other areas of expertise are needed, the organization's base is widened, or greater community representation is desired.

Board Member's Self-Assessment Checklist

All board members should know as much about the operations of the board and their organization as possible. The questions in this self-assessment checklist will help you to assess how much you know about your board and your organization. You can also use this checklist to identify the areas in which you need to improve your knowledge.

To use this self-assessment checklist, answer the questions below. Can you:

- State the mission and goals of your organization?
- Describe the primary responsibilities of the board?
- Explain the role and duties of the executive director?
- Describe the structure of your board and how it operates?
- Explain how the members of your board are appointed, elected, replaced, or rotated?
- Describe when and how board meetings are scheduled?
- List the committees of your board and describe their current activities?
- Explain the procedures and process for amending your organization's bylaws or changing its scope of work?

Organizing and Working on Board Committees

Board committees conduct a substantial amount of the work of a board. In small start-up organizations, the board will be too small to divide into separate committees and its members will tend to conduct work in meetings of the full board. As organizations and their boards grow larger, the work of the board increases; establishing board committees will help to get the work done. These committees wrestle with the key issues confronting the organization and develop recommendations for the full board. Full meetings of the board are used to review the work done in the committees and make final decisions concerning this work. Organizations configure and use committees of the board in differing ways. Most boards have at least three basic committees:

- **Executive committee.** Helps to make key decisions or to solve problems between regularly scheduled board meetings.
- **Finance committee.** Monitors budgets, revenue, and expenditures and approves capital expenditures.
- **Nominations committee.** Oversees the selection of new board members.

Depending on the size of the board, other committees may be formed on an ad hoc basis when there is a specific need, such as a search committee when the organization seeks a new executive director or a strategic planning committee when the organization is updating the strategic plan. Other types of special committees that can be formed are:

- **Development committee.** Raises money for the organization.
- **Public affairs committee.** Helps promote the organization's programs and services to the public.
- **Personnel Committee.** Assists in establishing and reviewing personnel policies.

Run an Effective Board Meeting

The board chairperson is responsible for planning, organizing, and conducting board meetings. A well-run board meeting is productive and helps to maintain the enthusiasm and effectiveness of the other board members. To plan and run an effective board meeting, the chairperson should:

- Provide adequate advance notice of the meeting.
- Prepare a realistic agenda and supporting documents and deliver them to board members one week before the meeting.
- Start and conclude the meeting promptly.
- Introduce any guests, observers, or new members.
- Be familiar with the items on the agenda.
- Introduce each agenda item and clarify the primary issues.
- Address action items first and items that require more discussion second.
- Stick to the agenda and should not get side-tracked on other issues.
- Use parliamentary rules of order, but be flexible to achieve a consensus.
- Delegate to the board committees responsibility for overseeing detailed, time-consuming work requiring investigation and analysis.
- Summarize the discussion on each point, identify the course of action, and assign responsibility for work.
- Write up the minutes of the meeting immediately afterwards and distribute them while the meeting is fresh in people's memories.

Source: *Board Officer's Manual*.

Managing and Staffing the Board

Choosing a board leader. The effectiveness of the board is determined in part by its leadership. Thus, the choice of the board president or chairperson is critical and should not be assigned by seniority or through default. It is the responsibility of the board's nominating committee to recommend a strong candidate to chair the board. The responsibilities of this person include planning and conducting meetings, overseeing all board committees, evaluating the performance of board members, and planning for leadership succession.

The chairperson must not only have appropriate professional skills but also personal characteristics suitable for leading the board. Professional skills needed include:

- management or governance experience;
- good relations with the executive director, staff, and administration;
- experience in strategic planning;
- knowledge of issues related to health and family planning.

Suitable personal characteristics sought in a board chairperson include:

- integrity;
- commitment;
- independence;
- goodwill;
- good interpersonal skills;
- a balanced perspective.

Identifying the right people to serve on the board. What should an organization look for in a board member? When selecting board members, look for individuals with the following traits:

Experience. Has the individual served on other voluntary boards?

Achievements. Has the individual proven to be successful in public service, business, or a profession?

Skills. What talents does the individual bring to the board? Do they complement the skills of other board members? Do they fill any existing gaps in board member skills?

Personal qualities. Does the individual listen well and does she or he have the ability to prioritize issues?

Integrity. Does the individual exemplify high ethical and moral standards in personal and business life?

Commitment. Will the individual remain committed to the organization and board over the long term?

Objectivity. Is the individual sufficiently independent so that he or she can consider issues from an open and unbiased perspective?

Willing to be trained. Is the individual receptive to learning and being trained about the organization and about board responsibilities?

Available time. Can the individual devote adequate time to serving on the board?

Select Board Members

When searching for new board members, the executive director and current board members can use the following six-step method to determine the skills and experience that are needed on the board and to help them to select the final candidates.

- Step 1: Identify the skills and attributes needed by the board.** Determine the key issues and decisions the organization is likely to face over the next three to five years. Use this assessment to identify the backgrounds, skills, and experience that will be necessary to address these issues.
- Step 2: Identify the skills and attributes of current board members.** Develop a profile of the skills and experience of current board members and identify additional skills that are needed to complement those of the current board members.
- Step 3: Develop criteria for selecting new members.** Based on the needs identified in Step 2, prioritize the skills and expertise the board is seeking and focus on these in your recruiting efforts. these in your recruiting efforts.
- Step 4: Recruit prospective candidates for the board.** Identify qualified and interested candidates and make recommendations to the nominating committee.
- Step 5: Select new board members.** The nominating committee should interview any promising candidates and make a short list of final candidates for presentation to the full board. The full board selects the new members.
- Step 6: Orient and involve new board members.** Once chosen, the new board members should receive an orientation to the organization and a full explanation of their role and responsibilities as board members.

Using a chart for creating and maintaining board diversity. The chart on the next page is designed to help large boards maintain a diverse and balanced membership of people with different backgrounds, skills, and experience. It helps the board identify the desired attributes of new board members and helps it make a final selection among the final candidates, so that the skills, experience, and personal characteristics of new members will complement those of current board members.

To use the Chart for Maintaining Board Diversity on the next page:

- Define the characteristics of each current board member by placing a dot in the appropriate boxes. (The dots indicate the specific characteristics of each current board member.)
- Count the number of dots across each row to determine the total number of members who possess each characteristic.
- Compare these totals to the combination of characteristics that you think are desirable for the board as a whole. (This will help you to identify the characteristics needed in new board members.)
- Fill in the dots for each final candidate and select members based on your ideal board profile.

Sample Chart for Main

Characteristics/Experience

Age

Over 60

45-60

Under 45

Gender

Female

Male

Ethnic Background

Majority Ethnic Group

Minority Ethnic Group _____

Minority Ethnic Group _____

Location/Region/Zone

Urban

Rural

Professional Experience

Administration/Management

Finance

Health/Family Planning

Legal

Medical

Teaching/Training

Public Affairs

Organizational Experience

Business

Government

Nonprofit/NGO

Adapted from Nonprofit Government Series, with permission from National Center for Nonprofit E

Maintaining Board Diversity

Current Board Members								Board Candidates			
1	2	3	4	5	6	7	8	A	B	C	D
				
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boards

Developing job descriptions for board members. Increasingly, organizations are developing job descriptions for board members. Job descriptions may be used to recruit and orient new members and to evaluate current board members. A job description for board members should include their roles, responsibilities, and performance objectives. The officers of the board, such as the President and Secretary, should also have specific job descriptions.

A job description for board members should state the basic requirements for board membership, as well as the functional responsibilities of and expectations for board members. Basic requirements explicitly state the kind of commitment and support required by board members to support the organization's philosophy and values. Functional responsibilities detail the specific types of activities in which board members will be asked to participate. Expectations should indicate the conduct expected of board members. The following sample job description provides an example of a job description for board members of a family planning organization.

Sample Board Member Job Description

Job Description: Board Member

Sample Requirements:

1. Endorse and support the stated mission and programmatic goals of the organization.
2. Commit time to attend the regularly-scheduled board meetings of the organization.
3. Actively participate in at least one of the standing committees of the organization.
4. Make a financial contribution to the organization.

Sample Functional Responsibilities:

1. Participate in planning, monitoring, and evaluating organizational goals within the planning process adopted by the board.
2. Participate in periodic evaluation and revision of organization's policies, including but not limited to:
 - Personnel policies
 - Program service policies
 - Compensation policies
 - Investment policies
 - Medical service policies
3. Understand and adopt the annual budget and subsequent revisions as recommended by the Budget and Finance committee (or equivalent).
4. Review the annual audit summary and management letter prepared by the independent auditor selected by the board.
5. Reflect and vote upon legal, contractual, and policy issues that affect the organization.
6. Participate actively in the public affairs efforts of the organization.
7. Participate actively in the fund raising activities of the organization.
8. Ensure the employment and annual written evaluation of the organization's Executive Director.
9. Understand and respect the different expectations of board and staff, and the Executive Director's role in recruiting, hiring, managing, developing, deploying, evaluating, and as necessary dismissing staff within the framework of policies established by the board.

~continued on the next page

Sample Expectations:

1. It is expected that board members will be provided with the data, information, background materials, and staff support necessary to make decisions and effectively participate in organizational activities.
2. It is expected that board members will not be actively involved in delivering family planning or other direct program services because of inherent conflicts between the roles of the two positions.
3. It is expected that when a member is unable to attend a regular meeting, he or she will notify the board President or other designated person in advance.
4. It is expected that comments or recommendations about performance or behavior of staff will be shared with the Executive Director.
5. It is expected that, in addition to all the reading, discussion, interaction, decision-making, voting, and work, board members will feel a pride of ownership in the organization—and in the quality of its board, its staff, and its volunteers.

Dealing with Key Family Planning Issues

Finding the best professionals to fill executive and senior management positions. Boards may have to review salary levels occasionally so that the organization can remain competitive. Many organizations lose their best people because they offer low salaries or refuse to recognize the prevailing salaries for professional staff positions.

Providing comprehensive reproductive health services. Family planning programs are increasingly being judged on their ability to provide a full range of services to women. In the future, boards will have to design and promote programs that offer comprehensive reproductive health services to women.

Introducing adolescent health services. Meeting the need for adolescent services will require designing innovative programs and making radical departures from traditional service delivery approaches. Board members must be open to new approaches and avoid being influenced by conventional biases and prejudices that will impede establishing effective services for this group. They must also be aware of the potential controversies surrounding programs for adolescents and be prepared to deal with opposition from conservative religious and community groups.

Eliminating costly and ineffective programs. Sometimes board members must take a hard, objective look at their favorite programs and ask tough questions about the value of those programs to the organization and the national program. Sometimes they may need to discontinue costly or ineffective programs.

Applying modern business techniques. As organizations grow and become more complex, the board must make sure that senior staff have the opportunity to update their management skills. The board members themselves will also need to have the skills that make them qualified to lead and support major organizational changes such as restructuring programs, merging with other organizations, or decentralizing program management.

Dealing with Ethical Issues

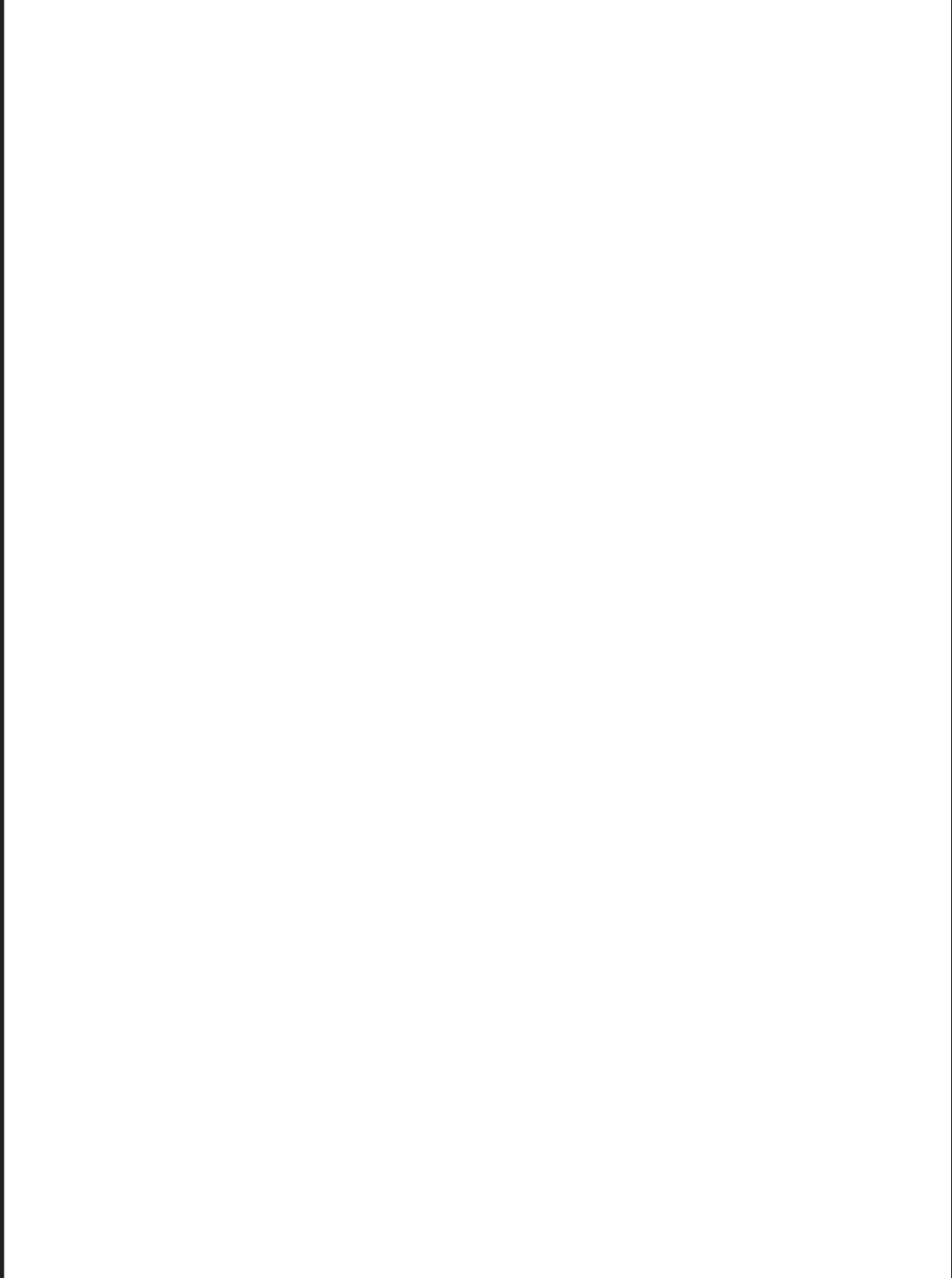
As policy makers and keepers of the organization's mission, the board acts as the conscience of the institution. The collective integrity and the values of the board members provide the basis of the philosophy and ethics expounded by the board and guide the organization's decisions.

Avoiding conflicts of interest. A key part of establishing sound ethical standards is the need for board members to ensure there is no conflict of interest. A board policy requiring disclosure by board members of any potential conflicts of interest should also prohibit board members from voting on or using their influence in any issues in which they have a personal or business interest.

Maintaining confidentiality. The confidentiality of board meetings and their deliberations is another important ethical standard that the board must establish for its members. Confidentiality permits open and honest discussions at board meetings and protects the board and its members from disclosing information that would compromise the board's effectiveness. Confidentiality should govern issues related to the organization's strategic plan, program, financial information, and the performance of senior staff.

Addressing cultural and religious issues. The board of a family planning organization must realize that many of its decisions have ethical implications that may impinge on cultural and religious standards. Thus, board members must be alert to any inconsistencies that might emerge between the organization's mission and its activities. They must be fully aware of and take into consideration the existing political, cultural, and religious environment as they make decisions.

Complying with government regulations and public policy. The government's large role in financing health services makes it a major player in all family planning programs. This may mean that organizations may need to comply with specific government regulations, which can often be onerous, conflicting, and burdensome. Since incentives that exist under various government programs may be contradictory or ineffective, it is appropriate for board members to seek reform measures that decrease costly and unproductive regulation.





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