

# Making the Most of Your Board and Its Members

How do you use the expertise of your trustees to the fullest and maximize the potential of your charity? There are many ways to make this happen, but especially by creating the process to follow before even asking a prospect to become a Board member. How do you select individuals who will be good contributors to your institution? How can you leverage their knowledge, their contacts, and their resources to influence others? Completing your administrative homework before approaching prospects to serve on the board is a major stepping stone to success.

How many of your trustees are doing the job they should be doing? Most executive directors will say they wish they could clone one or two of their best trustees. Most times, board members are not performing to expectations because they haven't been given any expectations. Sometimes, it just isn't their fault. You must clearly identify expectations in order to get buy-in from current and future board members.

## Assessing qualifications

Before embarking on the identification of prospects it makes sense to outline qualifications for membership. Knowing these makes it easier to name names of those who are qualified. Consider:

1. What type of business acumen is needed by trustees to run the organization? It is a good idea to have board members with experience in law, accounting, banking, investments, real estate, and general business. Also, individuals who demonstrate entrepreneurial spirit and have successfully launched new businesses will bring a number of useful skills to your board room table. Knowing the particular professional that you need helps further define your recruiting methods.
2. What type of personal traits are necessary for your board members to have? Members with community and political influence certainly have the ability to open doors for you. Diverse interests that reach across the demographic groups which you serve would be appropriate. And, most importantly, is this prospect revered and respected by others in the community? There is a big difference between being well known and well respected. Although difficult to assess sometimes, make sure your prospect is not trying to pad his/her resume at the expense of your organization and its constituents.
3. What type of leader will they be? Confrontational and egotistical personalities can often times be very divisive to your Board. Ensure that you select individuals that can be team players, especially if they are on the losing end of a decision - it is important that they give a unified front to the public.
4. Can they make a commitment? Do they have a history of joining other Boards and being a loyal contributing member? Do your homework and check with your colleagues about the prospect's involvement with other organizations. Let all prospects know up front what the

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expected time commitment is in hours per week or month, and also, the number of years of the term on the Board. This is an important and often overlooked point - some organizations allow board members to serve for many years, sometimes until they die, and that of course does nothing for the organization.

Defining the perfect board member is difficult, but in our years of experience we have learned that good board members exhibit leadership, are dedicated and enthusiastic about the cause, are knowledgeable about the issues, willing to make a commitment of their time, talent, and finances, and are dependable. Some people don't have many or any of these traits, and thus should not be considered for membership on your Board.

### **Prospecting for Board Members**

The lifeblood of any organization is leadership - past, present and future. Make prospecting for leadership a priority. After defining the qualifications for board membership, be ready to answer the following:

1. Have you clearly identified your constituents? What specific population(s) do you represent, and what are their needs from your organization? Are you currently meeting these needs adequately, or can your service be improved from leadership and guidance of new board members?
2. Do you foresee major issues on the horizon that will require tough decisions from Board members? Do your current board members have the expertise and ability to make these decisions? It is probably a wise move to seek out individuals that have the vision and the knowledge to make these types of decisions.
3. What type of business and volunteer experiences does a prospect need to bring to your organization? Will they have the vision that is necessary for the role, and perhaps even more important, will they have compassion and enthusiasm for the cause?
4. Are there previous trustees that would be interested in serving again? Don't underestimate this opportunity for moving proven experience back into a leadership role. Previous trustees are easy to get up to speed since they already have the experience and organizational knowledge to hit the ground running.
5. Have current board members been asked to replace themselves? If the term for the only tax attorney on your board is up next year, can he/she identify someone in his/her profession that would make an even better replacement? Many times this is an effective way to keep continuity flowing by replacing retiring trustees with people having the same talent and enthusiasm for the organization's mission.
6. Do you have a past chairman's committee? Use these former board members to help your organization recruit quality board members. Consider paying expenses to have these individuals

get together quarterly and brainstorm about candidates for board membership. This group can work informally or be part of your nominating committee. Do not underestimate the expertise and the knowledge of the organization that these individuals bring to the table.

7. Will you be soliciting community executives for their recommendations for board members? Frequently they will recommend a colleague, or more appropriately, recommend one of their top lieutenants. Local corporations, especially banks, utilities, and law firms, are enthusiastic about getting their people involved in the community in leadership roles with not-for-profit organizations.

Often current board members do not put enough emphasis on the recruitment of new leadership. Put the issue on par with their own businesses. If they were looking for a new director of sales, or closer to home, a new administrative assistant, how they would go about recruiting this person? Most likely, they would advertise the qualifications necessary for the job and outline specific job requirements, begin prospecting, and then interview several or many candidates until selecting one. Shouldn't this be the same method used for recruiting new leadership for your board?

Perhaps telling your board members they need to approach this search process much the same way they would in their own businesses will help in their thought processes. Therefore, designing a board member application form, much like an employment application form, should be key to your recruitment process. Ask about experience on other boards, what they view as the responsibility of not-for-profit board members, and **always, always, always** ask if they would be willing to offer substantial financial support to the organization - let's set a high expectation up front!

Likewise, when board members complete their term of service, it would be appropriate for the chairman and executive director to complete an exit-interview. This is an outstanding learning opportunity for all involved. You can determine their interest for future involvement with your organization, gauge their opinion on the effectiveness of the board and staff, and whether or not in their view, the mission of the organization is being met. Additionally, you may receive some ideas that can help you improve the way your organization is run. Don't neglect the voices of experience of those that have been in the trenches fighting for your constituents.

### **Getting those paperwork ducks in a row**

Now that you have defined necessary qualifications and identified prospective board members and feel confident that they will be an asset to your Board and organization, it is time to get the paperwork in place. What paperwork are we talking about?

1. Organizational mission statement - this document very succinctly lets everyone know what you do, how you do it, and why you do it.

2. Board and staff rosters - let prospects know the names of the other players (trustees and staff), and if possible schedule social meetings so they may put the face with the name.

3. Trustee job description - a trustee job description would be an ideal document to have available for the solicitation meeting. Specific trustee responsibilities in the job description will include:

- attending 80% of board meetings per year for the length of your term
- serving on at least one committee
- making a leadership gift to the annual fund (identify the amount that is considered to be leadership level), considering some type of planned gift, and participating in a future capital campaign
- identifying prospects for annual, capital, and/or planned gifts
- soliciting 5 prospects for annual, capital, and/or planned gifts
- serving as a goodwill ambassador in the community
- attending special events
- opening doors to other corporate funders
- setting policies and guidelines
- attending seminars and workshops related to serving on a board
- recruiting other volunteers
- taking ownership of programs, special events, and mission of the organization
- maintaining confidentiality with regard to all meeting decisions
- supporting and respecting staff - they help turn your vision into reality
- MAKING A DIFFERENCE!

4. Staff job descriptions - a staff job description, specifically that of the executive director is an important document for trustees to review and understand. At the very least it creates the understanding that staff is there to handle the day-to-day operations and to implement policies enacted by the board.

Board members must come to realize that they shouldn't meddle in the operations side of the organization. Let the executive director handle that. If the operation is being run poorly, than it is the role of the board to step in and consult with the executive director on a performance improvement plan.

5. Last two annual reports - these give a good overview of the activity level of the organization, the good that is being done for the community, and the levels of philanthropic support from the community.
6. Recent financial reports, current operating budget, last audited financial statement - potential trustees must have an accurate picture of the financial status of the organization before committing their time to it.
7. Minutes from previous board meetings - this helps prospects gain an understanding of the types of policy decisions made by the leadership, and may offer insight as to particular types of business acumen needed.
8. Newsletters and publications - what type of PR machine does your organization have, and how effective is it?

### **Who makes the ask?**

Now that you have confirmed qualifications for the job, identified prospects, and have the documentation ready to share, the candidates for board membership need to be approached.

Usually the chairman of the board will attend this meeting along with the executive director, the board member closest to this candidate, and the chairman of the nominating committee. Everything is put on the table during this meeting, and particular attention is paid to review of the trustee job description and the **written** requirements of a trustee.

If the prospect expresses an interest in serving after learning all required responsibilities of the job, then he/she is voted upon by the full nominating committee. Assuming approval here, the prospect is then presented for membership to the full board, and a vote is taken. If the proper homework was done, and information was adequately explained to the prospect, you should have a new enthusiastic board member to assist with your cause.

### **What do you do with Board members when you get them?**

First and foremost, all new trustees **must** attend a new member orientation. Topics to cover include the organizational structure, service on committees, roles and responsibilities, by-laws, meeting appropriate staff, reviewing the strategic plan, etc. Bring these new trustees up to speed ASAP. And, insist that they block their calendar now for attendance at the next several board and committee meetings.

Secondly, the most effective boards maintain a strong committee structure. This gives everyone an opportunity to participate and instills a sense of ownership which in turn should result in larger board member financial contributions.

Serving on a committee encourages board members to share ideas, identify strengths and capitalize on those strengths for the benefit of your organization. And, it strengthens weak board members. With committees that are led by board members, there is certainly room for other volunteers to participate on the committee - this allows you to prospect for future board members.

Of course, committee members should meet a minimum requirement level: attending meetings and participating and accepting responsibility to perform assigned tasks are all important to the success of the organization.

As a side note, staff members play a quiet but vital role with committees. They take notes, collect and analyze data for the decision making process, and often provide historical perspective to the committee members. Also, staff provides all materials in advance of the meeting so that committee members can come to the meeting prepared.

What types of committees are commonplace for a not-for-profit organization?

1. An Executive Committee made up of several Board members that is authorized to conduct Board business in between board meetings.
2. A Nominating Committee that recommends potential new members to the Board. Also, the committee is responsible for nominating members to serve in officer positions. This is probably the most important committee in the organization because it recruits leadership for the present and the future. An organization is only as strong as the leaders on its board.

Assign members to this committee if they are willing to spend a great deal of time identifying, prospecting and cultivating. This is a year-round committee, and it sets the tone for your organization - don't minimize its importance.

Sometimes the nominating committee is assigned to carry out new member orientation. What better way to set the standards and expectations for the newest members and future leaders!

3. A Finance and Budget Committee is critically important in helping keep the organization solvent. Working with staff guidance and input, this committee proposes an annual budget to the board for acceptance, and monitors the finances throughout the budget year. Quick fixes by these financial experts can help avoid disaster later.
4. The Development Committee is the lifeblood of any not-for-profit organization. It has members that work with development staff to plan and implement all fundraising programs.

Members should be able to open doors to major donors in your community, and most importantly, should be willing to give of their own resources!

Frequently, a Planned Giving sub-committee of the Development Committee is established to concentrate on securing long-term, estate planning gifts. Members will include a tax attorney, a bank trust officer, an insurance executive and an accountant. Be careful here with conflict of interest and that your committee members are first and foremost, offering advice and strategy for the benefit of the organization and not soliciting business for themselves. Many times, planned giving donors will have relationships with their own attorney, accountant, etc., and you will not want to interrupt this balance.

5. A Special Event Committee probably contains your more social members, and they work to plan and implement your special events. This can be one of the most time-consuming committees of any, so be prepared to offer plenty of staff assistance for their ventures.

6. An Investment Committee is necessary if your organization maintains an endowment, and balancing long term growth with short-term income needs is important. Obviously, investment professionals play an important role on this committee.

These are just a few of the most important committees within an organization. Certainly there are others you may need - perhaps a community relations/public relations committee, an employee giving committee, a business relations committee, a holiday food basket brigade committee, or a landscape committee. Create the committees that are needed and upon whose members you can depend to get the job done.

We will caution however, that creating committees for the sake of creating committees is not appropriate, and is detrimental to the involvement of your volunteers. Similarly, committee meetings where there is too much socializing and where the agenda is lax and/or not adhered to will not help your cause. Do not allow your committee members to leave a meeting without knowing what they have accomplished and what their next tasks are. Lastly, remember that keeping to a pre-set time limit is important. If you tell your committee members that the meeting will last an hour, make it so; table unfinished business until the next meeting.

*Remember: strong boards and strong committees lead to successful organizations.*