



Evolving Boards in Evolving Times: *Toward Effective and Accountable Leadership*

Session 2 of 3

Board Leadership in Challenging Times

The New Kensington Group

January 7, 2021

Welcome!

Three Questions We'll Answer

- How can boards step up during periods of crisis and deliver what's needed -- from representing the diversity of the community to leveraging their fundraising potential?
- When it comes to fundraising, what does effective and accountable board leadership look like?
- How can your organization bring innovative disruption to your traditional governance practices to help you raise money?

We'll Look Through the Lens of ...

High Impact, Capacity Constrained Organizations



As Organizations Evolve ...

THE NONPROFIT LIFECYCLE



Board Member Responsibilities

1. Establish the organization's vision, mission, and purpose.
2. Hire, monitor, and evaluate the chief executive.
3. Provide proper financial oversight.
4. Ensure the organization has adequate resources. **FUND RAISING!**
5. Create a strategic plan and ensure that it's followed.
6. Ensure legal compliance and ethical integrity.
7. Manage resources responsibly.
8. Recruit and orient new board members and assess board performance.
9. Enhance the organization's public standing.
10. Strengthen the organization's programs and services.

Leading with Intent: Fundraising Is the Board's Greatest Weakness

Strengths

1. Understanding the Organization's Mission
2. Projecting a Positive Image of the Organization
3. Legal and Ethical Oversight
4. Financial Oversight
5. (tie)
 - ✓ Knowledge of Organization's Programs
 - ✓ Providing Guidance to the Chief Executive

Weaknesses

1. **Fundraising**
2. Leveraging Board Connections and Networks to Influence Public Policy Decisions
3. Monitoring Legislative and Regulatory Issues
4. ***Building a Diverse and Inclusive Board***
5. Building Relationships in the Community

Top 5 Ways That Boards Don't Evolve



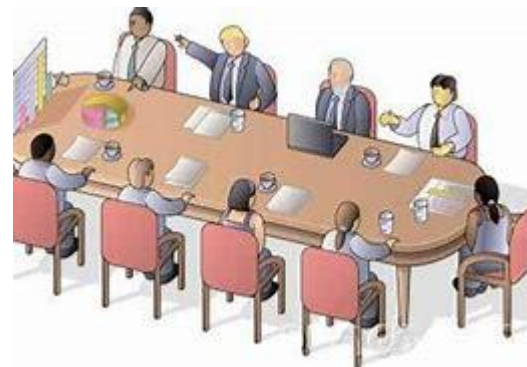
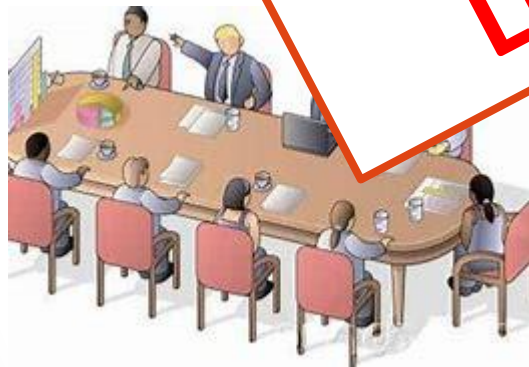
**Failure #1: MEETING
YOUR BOARD TO
DEATH**



VALUE AND LEVERAGE TIME



- Finance
- Governance/
Nominating
- Development



Symptom #2

LOW TO NO BOARD FUND RAISING EXPECTATIONS



**It's Not About
Underperformance
... It's About
Expectations *that
are Too Low***

Board Recruitment Strategies

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- Develop an action plan, policies, and procedures to address self-identified weaknesses
 - Use a board recruitment matrix to identify areas you want to address
 - **Set expectations up front with board candidates, especially related to fundraising**
 - Assess candidates' level of comfort and experience on prioritized topics
 - Move beyond regular channels for board recruitment
 - ✓ Post board searches
 - ✓ Connect with local chapters of ethnic professional and civic associations
 - ✓ Engage staff
 - ✓ Engage *every* board member

Survey Says ...

- **When fundraising expectations are clearly articulated during recruitment, 52 percent of chief executives report their boards are actively engaged in the organization's fundraising efforts.**
- **When fundraising expectations **are not** clearly articulated during recruitment, only 12 percent of executives report that their boards are actively engaged in fundraising efforts.**

“Lots of times we are afraid to ask our board members to do too much because we’re afraid they will be scared off. I have long observed that more board members resign for lack of *meaningful work*, than from *being overworked!*”

– Linda Lysakowski

You and Your Nonprofit Board (Temkin, 2013)

Too low ...



Be Candid ...

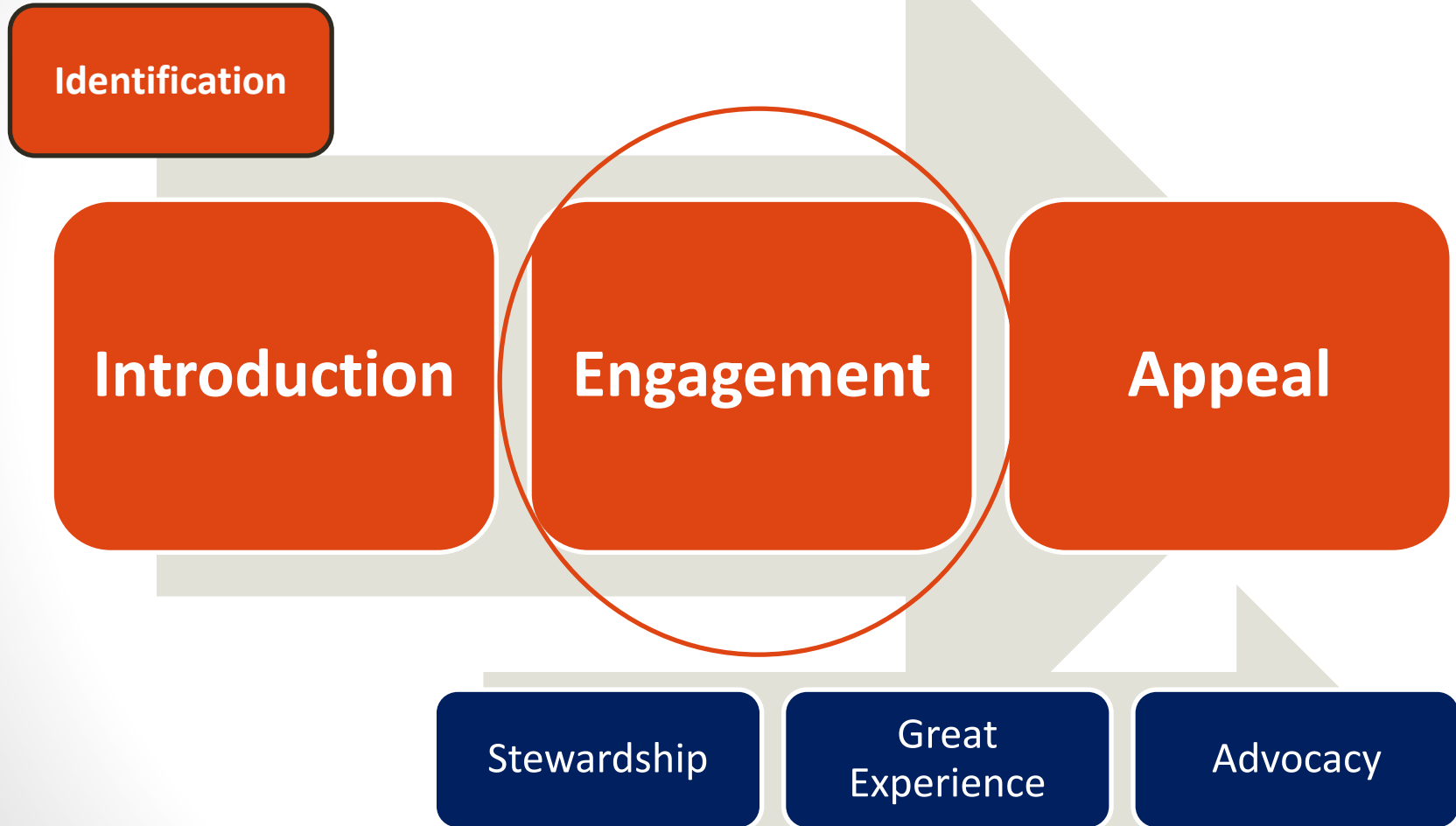
ALSO:

- Board gives first
- Face-to-face personal ask



Give/Get Options:

The Multiple Roles Everyone Plays



Who are you looking for and where do you find board leaders?

Must have:

- **#1 → Commitment:**

- Belief in and commitment to your organization's mission

Must have 2 of the following 3:

- **#2 → Financial:**

- Ability to consider significant contributions and game-changing gifts from their financial assets (vs. from income)

- **#3 → Connection:**

- Relationships with, connections to, and willingness to leverage resources

- **#4 → Expertise:**

- Contribution of unique talent or experience that produces game-changing results for the organization

Where Can I Find Future Board Members?

- **Your Funders**
- **Ask Current Leaders: Who Are The Future Leaders?**
- **Recruit Diverse Leadership**
 - **Diversify Your Governance / Nominating Committee**
 - **Local Chapters of** (1) Black MBA Association, (2) National Black Engineering Association (3) ALPFA (4) Hispanic Chamber of Commerce
 - **RIBBA: Rhode Island Black Business Association (www.ri-bba.org)**
 - **Leadership Rhode Island**
- **Focus on Asset Generation**
 - **Industries:** *Financial Management, Real Estate Development and Ownership, Company Ownership (Public and Private)/CEOs/C-Suite, Entrepreneurs*
 - **Inherited Wealth**
 - **Working Spouse/Partner or Home Based Spouse/Partner**
 - **Both Spouses/Partners Working**
- **Family Philanthropy: Next Generation**
- **Subject Matter Experts**
- **Suggestions from Your Current Board Members/Retiring Board Members**
- **Top Residential Real Estate Agents**

Symptom #3: Poor **Management & Accountability**

- **Partnership: Staff Support**
 - Tools
 - Training
 - Follow-Up
- **1:1 Meeting – Review Network** *at beginning of year*
 - Who are you comfortable contacting?
 - How do you want to engage them?
 - When / Prioritize
- **Implement Accountability Systems**
 - Share Progress
 - Seek Updates in Group Setting

“Get” Tracker – Board Member Name

Prospect Name	How to Engage				\$ Ask
	1:1 Visit	Event	Other	Other	
PAST DONORS:					
PROSPECTS:					

Provide updates at board meetings member by member – celebrate/learn from successes, share challenges

Successful Boards hold themselves *accountable* for fund raising success! Development Committees should lead your Board fundraising initiative.

Symptom #4:

Lack of Peer Leadership

- Who among the board
 - (1) stands up,
 - (2) requests a new level of expectation, practice and action, and
 - (3) calls on their fellow board members to embrace a new accountability?
- This *can't come* from staff leadership.

How to Implement A 'New Order'

1. **Conduct Board Assessment / Development Assessment / Strategic Plan**
2. **Peer Driven: Who's Your Champion?**
 - Can't come from Staff!
3. **Convene Champion, Board Chair, Governance Chair, Development Chair**
4. **Seek 'Give / Get' Agreement**
 - Combined 'Give / Get' OR Separate 'Give' and 'Get'
 - What's the Right Number?
5. **Identify Potential 'Naysayers'**
6. **Meet Privately with Each**
7. **Have Board Leaders Introduce New Practices to the Board – Find the Example Setter and Motivate Through Success and Celebration**
8. **Be Prepared with a 'Leadership Council' / 'Trustees' / 'Overseers'**
GOAL: Right Person / Right Role / Right Time

Symptom #5: **No Goal / No KPI**



Summary:

Avoid the 5 Symptoms



DISRUPTIVE INNOVATION

The definition of insanity
is doing the same thing
over and over and
expecting different
results.

QUESTIONS?



THANK YOU!



New Kensington Group

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