

Boston Business Journal

May 26, 2006 **Insider View**

Nonprofit board governance: Strong leadership is key

by [Bonni Carson DiMatteo](#)

Nonprofit boards are governing in challenging times. According to the Harris Interactive Donor Pulse, only 10 percent of those surveyed strongly agree that charitable organizations are honest and ethical.

The Meyer Foundation and Compass Point Non-Profits Services' 2006 report, "Daring to Lead," found that 75 percent of executive directors plan to leave their posts over the next five years. Citing job dissatisfaction as the primary reason, executive directors specifically point to lack of board leadership as their greatest source of stress on the job. Thus, the onus falls on the chairperson of the board of directors to lead the board in a way that eases the stress on the executive director while galvanizing board members to be effective.

The chair's power is tenuous: His or her tenure is limited; he or she has only so much influence on a volunteer board in terms of setting expectations and holding members accountable; and the frequency of contact with board members may be as little as four times a year, making communication and board involvement a big challenge.

Nonetheless, it's within the confines of this structure that the chairperson must motivate the board to fulfill its responsibilities. These responsibilities include ensuring that the nonprofit is fulfilling its mission, complying with the rules, bylaws and policies, meeting its fiduciary goals, hiring and evaluating the executive director, recruiting new board members, raising contributions, promoting public awareness and, finally, supporting and working effectively with the organization's staff and the board members.

To meet these demanding responsibilities, the chairperson must set the tone and demonstrate exceptional leadership abilities in four critical areas.

- Forging a partnership between the executive director and board members.

Without such a partnership, the organization's very survival and retention of the executive director are threatened. Thus, the chairperson must first work to establish effective lines of open and direct communication that foster trust, respect and a mutually shared vision that inspires and propels both parties forward. On a practical level, the chairperson and executive director must schedule regular meetings in an effort to make themselves optimally available to discuss the challenges and opportunities facing the organization. The chairperson's limited tenure makes the established lines of

communication all the more critical to ensure that a successor will adopt the same style of communication leadership with the executive director.

- Creating a cohesive board.

To create a cohesive board, the chair should eschew a control-and-command style of leadership in favor of a consensus-driven one that propels board members to take action. Meetings that get bogged down in reviewing minutes or minutia are missed opportunities for the chair to galvanize board members to work toward a common mission, vision, and goals.

- Addressing signs of distress.

Lethargy, complacency and dysfunction are common side effects of a board that has been derailed. The chairperson must take immediate action to revitalize and get the board back on track as quickly and as painlessly as possible. In the best case scenario, the chairperson can view these issues as an opportunity to foster teamwork and collaboration among the board members. In the worse case scenario, the chairperson will need to take a stand by weeding out unproductive members.

- Differentiating the organization in the marketplace.

In the face of dwindling public resources, the chairperson must assess where and how the organization is positioned vis-à-vis the competition.

The chair can do this by applying the SWOT method to analyze the strengths, weaknesses, opportunities and threats facing the organization. The chair must then help the board find ways to maximize its strength and leverage its competitive position.

The challenges of board leadership during these times can be mitigated if the chairperson is willing to do the hard work to implement the best practices of leadership. These practices hinge on his or her ability to articulate and implement the vision, mission and goals of the organization; plan and execute a vision; attract and retain top board and staff talent; foster a culture of continual improvement; motivate board members to create and own their solutions; and communicate openly, directly and frequently with the executive director to maintain a productive and synergistic relationship that furthers the organization's mission.



Bonni Carson DiMatteo is founder and president of Atlantic Consultants in Wellesley and author of the forthcoming book, "Coaching Leaders to the Next Level."