

Governance: Plain and Simple

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Defining governance can be difficult. It is a broad concept with many influences. Volunteers are more familiar with management practices than they are with governance.

Some organizations provide a hefty leadership manual to describe the board's role. Others reduce it to a couple of pages with a dozen or so directives, for instance, the board is expected to raise funds, the board must adopt a budget, meetings are held monthly, etc.

Hats off to the organization that can describe governance in a few sentences. Keeping it simple may avoid drifting from governance to management.

Here's clear-cut language to communicate the purpose of the board of directors:

The board is the governing body responsible for (1) strategy, (2) policy, and (3) oversight.

Strategy - Setting the strategic direction and vision. Advancing the organization's multi-year strategic plan.

Policy - Creating policies (internal) and positions (external) to benefit members and advance the mission.

Oversight - Overseeing resource allocation, including adoption of the annual budget, and evaluating performance of programs, products, and services.

Board orientation will explain expectations and the tools available to support governance.

Governance-Management Model

To convey the distinction between the board's role of governance and staff responsibilities for management, organizations have a policy statement, such as this:

The association has adopted a model of management and governance to ensure the volunteer leadership and executive director work best together.

The board of directors will focus on governance in accordance with the laws and governing documents. The officers and board members will direct efforts to advance the mission and strategic goals, serve and grow the membership, protect and build resources, and set a visionary direction.

The executive director, as authorized in the bylaws and through agreement or contract, is responsible for the administration and management of the organization, including staffing, physical office, protection of assets and other responsibilities associated with a corporate CEO.

While the board shall govern, the executive director shall manage, they work together to best position and serve the organization and its membership.

With exception of the executive director, volunteer leaders will not direct the staff, comment on performance, or expand their duties.

If role confusion occurs, go back to the basics as described herein.

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Note: Bob Harris, CAE, provides free governance tips and templates at www.nonprofitcenter.com.